

KBS INDIA LIMITED

29TH ANNUAL REPORT

2014-2015

Board of Directors

Mr. Tushar Shah	Chairman & Managing Director
Mr. Ketan Shah	Non- Executive Non Independent Director
Mr. Nilesh Dharia (up to 30 th March, 2015)	Independent Director
Mr. Vinod Kumar Bapna	Independent Director
Mrs. Sanjeevlata Samdani (w.e.f 31 st March, 2015)	Independent Director

Chief Financial Officer

Mr. Chandrakant Lodaya
(w.e.f.31st March, 2015)

Statutory Auditors

M/s. Gopal Rao & Associates
Chartered Accountant
Mumbai

Secretarial Auditors

M/s. Manish Ghia & Associates
Company Secretaries
Mumbai

Bankers

Bank of India, Mumbai
Axis Bank, Mumbai

Registered Office:

502, Commerce House,
140, Nagindas Master Road,
Fort, Mumbai – 400 001.
Tel. No.: 022 – 2264 2670/74
Fax No.: 022 – 2264 2673
Email: chandu.kbs@outlook.com

Registrar and Share Transfer Agents:

M/s. Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
LBS Road, Bhandup (West),
Mumbai - 400 078
Tel. No.: 022 – 2596 3838
Fax No.: 022-2596 4696
Email: mumbai@linkintime.co.in

KBS INDIA LIMITED

[CIN: L51900MH1985PLC035718]

Registered Office: 502, Commerce House, 140, Nagindas Master Road, Fort, Mumbai – 400 001**Tel. No.:** 022 – 2264 2670/74; **Fax No.:** 022 – 2264 2673; **Email:** chandu.kbs@outlook.com, **website :** www.kbs.co.in**NOTICE**

Notice is hereby given that the Twenty Ninth Annual General Meeting of the members of **KBS INDIA LIMITED** will be held on Thursday, the 31st December, 2015 at 4.00 p.m. at 502, Commerce House, 140, Nagindas Master Road, Fort, Mumbai – 400 001 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended 31st March, 2015 together with the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Ketan Babulal Shah, (DIN: 00925565), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, as amended from time to time, M/s. Gopal Rao & Associates, Chartered Accountants, Mumbai (having FRN 127055W) be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the next Annual General Meeting of the Company and the Board of Directors of the Company be and is hereby authorized to fix their remuneration.”

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** Mrs. Sanjeevlata Samdani (DIN: 06777920), who was appointed as an Additional Independent Director of the Company with effect from 31st March, 2015 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of Articles of Association of the Company and in respect of whom the Company has received a notice in writing along with the requisite deposit from a member as required under Section 160 of the Companies Act, 2013 signifying his intention to propose her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013 to hold office as such up to 30th March, 2020, who shall not be liable to retire by rotation.”

5. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the members of the Company be and is hereby accorded for re-appointment of Mr. Tushar Shah, Managing Director of the Company for a further period of five (5) years w.e.f. 1st July, 2015 till 30th June, 2020 on the following terms and conditions:

- I. Term of re-appointment: w.e.f. 1st July, 2015 till 30th June, 2020;
- II. Remuneration payable:
 - A. Salary: Rs. 1,00,000/- per month;
 - B. Perquisites:
 - a. Provident Fund/Superannuation/Annuity Fund: The contribution to Superannuation /Annuity Fund shall be in accordance with the Scheme of the Company. Contribution to Provident Fund, Superannuation Fund or Annuity fund will not be included in the computation of the ceiling or perquisites to the extent such contribution either singly or put together are not taxable under the Income Tax Act.
 - b. Gratuity: As per the rules of the Company, payable in accordance with the approved Gratuity Fund and which shall not exceed half a month's salary for each complete year of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid.
 - c. Encashment of Leave: Leave encashment will be provided as per the normal rules of the Company and encashment of such leave at the end of the tenure of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Mr. Tushar Shah, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution."

6. To consider and, if thought fit, to pass the following resolution as a **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the new set of Articles of Association (AoA), be and is hereby approved and adopted as new Articles of Association of the Company in the place and exclusion of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take necessary steps and actions for the purposes of filings and registrations of various returns / documents, as may be required for adoption, as aforesaid of the new Articles of Association and to do all such acts, deeds, matters and things in connection therewith or incidental thereto."

Place: Mumbai
Date: 27th November, 2015

By Order of the Board of Directors

Registered Office:
502, Commerce House,
140, Nagindas Master Road,
Fort, Mumbai – 400 001

Tushar Shah
Chairman & Managing Director

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, IN CASE OF POLL ONLY, ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID, SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** A person can act on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
2. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses is annexed hereto and forms part of this Notice.
3. Pursuant to Clause 49 of the Listing Agreement, a brief resume and the relevant details of the Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting is annexed to the Notice.
4. Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the Annual General Meeting.
5. Members are requested to forward all Share Transfers and other communications to the Registrar & Share Transfer Agents (RTA) of the Company and are further requested to always quote their Folio Number in all correspondences with the Company.
6. Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 29th December, 2015 to Thursday, 31st December, 2015 (both days inclusive) for the purpose of the ensuing Annual General Meeting.
7. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
8. Members who hold the shares in dematerialized form are requested to bring their client ID and D.P. ID for easier identification of attendance at the meeting.
9. Members holding shares in identical order of names in more than one folio are requested to write to the Company/RTA enclosing their original Share Certificates to enable the Company to consolidate their holdings in one folio for better services.
10. Members holding shares in physical form are requested to notify immediately any change in their address or bank mandates to the Company / RTA quoting their Folio Number. Members holding shares in the electronic form may update such details with their respective Depository Participants.
11. To comply with the provisions of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules, 2014, the Company is required to update its database by incorporating some additional details of its members.

Members are therefore requested to submit their e-mail ID and other details vide the e-mail updation form attached in this Annual Report. The same could be done by filling up and signing at the appropriate place in the said form and by returning the same by post.

The e-mail ID provided shall be updated subject to the successful verification of their signatures from the records available with the RTA of the Company.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contract or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 are open for inspection at the Registered Office of the Company during the office hours on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and also during the Annual General Meeting.
13. Members desirous of obtaining any information about the accounts and operations of the Company are requested to address their queries to the Compliance Officer at the Registered Office of the Company at least ten days in advance from the date of the meeting so that the information required be made readily available at the meeting.
14. The Notice of the Twenty Ninth Annual General Meeting and instructions for remote e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose e-mail address are registered with the Company/Depository Participant(s) unless member has requested for hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent by courier.
15. 98.32% of the total equity shares of the Company was held in dematerialized form as on 31st March, 2015. Members desiring to dematerialize/ rematerialize their shares may forward their request directly to the Depository Participant with whom they have opened the account.
16. **E-Voting process**

The Company has provided 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through National Securities Depository Limited (NSDL) as an alternative, for all members of the company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the Twenty Ninth Annual General Meeting of the Company, dated 27th November, 2015 (the AGM Notice).

The facility for voting, either through electronic voting system or through ballot / polling paper shall also be made available at the venue of the Twenty Ninth AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM. In case, members cast their vote through both the modes, voting done by remote e-voting shall be considered and vote cast through polling paper shall be treated as invalid.

The Company has appointed M/s. Manish Ghia & Associates, Company Secretaries, Mumbai as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. E-voting is optional. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed 24th December, 2015 as the 'Cut-off Date'. The remote e-voting /voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. 24th December, 2015 only.

The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting period begins on 28th December, 2015 (9:00 am) and ends on 30th December, 2015 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 24th December, 2015 may cast their votes electronically. The remote e-voting module shall be disabled by NSDL for voting after 5.00 p.m. on 30th December, 2015.

1. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
-------------------------------------	---------	--------------

2. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>

3. Click on Shareholder - Login
4. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
5. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
6. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
7. Select "EVEN" of "KBS India Limited". Members can cast their vote online from 28th December, 2015 (9:00 am) and ends on 30th December, 2015 (5:00 pm).

Note: e- Voting shall not be allowed beyond said time.

8. Now you are ready for remote e-voting as Cast Vote page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
10. Upon confirmation, the message "Vote cast successfully" will be displayed.
11. Once you have voted on the resolution, you will not be allowed to modify your vote.
12. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@mgconsulting.in with a copy marked to evoting@nsdl.co.in.
13. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
14. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
15. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
16. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 24th December, 2015.
17. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e 24th December, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

18. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

19. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
20. M/s. Manish Ghia & Associates, Company Secretaries, Mumbai has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
21. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
22. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
23. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4**

Mrs. Sanjeevlata Samdani has been appointed as an Additional Independent Director for a period of five years with effect from 31st March, 2015, subject to approval of shareholders at the ensuing Annual General Meeting. She is a member of Institute of Company Secretaries of India. She is also a Cost Accountant and a Graduate in Law. She possesses vast experience in Secretarial and legal areas.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Director requires approval of shareholders.

Mrs. Sanjeevlata Samdani has given the requisite declaration pursuant to Section 149(7) of the Companies Act, 2013, to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. The Company has also received notice along with requisite deposit from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Independent Director. Further, she is not disqualified from being appointed as director in terms of Section 164 of the Act and has given her consent to act as director.

In the opinion of the Board, Mrs. Sanjeevlata Samdani fulfills the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and she is independent of the management.

The draft letter of appointment is available for inspection by members at the registered office of the Company between 11.00 a.m and 1.00 p.m on all working days of the Company.

The Nomination & Remuneration Committee has also recommended the appointment of Mrs. Sanjeevlata Samdani as Independent Director for a period of 5 years.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Mrs. Sanjeevlata Samdani as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Sanjeevlata Samdani as an Independent Director for approval by the shareholders of the Company.

Mrs. Sanjeevlata Samdani is not holding any shares in the Company. Except, Mrs. Sanjeevlata Samdani, being an appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the said resolution.

Brief resume of the Directors proposed to be appointed/re-appointed as stipulated under the Clause 49 of the Listing Agreement with BSE Limited are given in the annexure to the Notice.

Item No. 5

Mr. Tushar Shah is the Managing Director of the Company and is associated with the Company since 1997. He is a Commerce Graduate and has vast experience of 29 years in the field of Stock Exchange and related services.

Considering his experience, knowledge and contribution made in the growth of the Company and as recommended by the Nomination and Remuneration Committee, subject to approval of the members, the Board of Directors has reappointed him as Managing Director of the Company for a further period of 5 (Five) years w.e.f. 1st July, 2015 till 30th June, 2020 on the following terms and conditions:

- I. Term of re-appointment: w.e.f. 1st July, 2015 till 30th June, 2020;

II. Remuneration payable:

- a. Salary: Rs. 1,00,000/- per month;
- b. Perquisites:
 1. Provident Fund / Superannuation / Annuity Fund: The Contribution to Superannuation /Annuity Fund shall be in accordance with the Scheme of the Company. Contribution to Provident Fund, Superannuation fund or Annuity fund will not be included in the computation of the ceiling or perquisites to the extent such contribution either singly or put together are not taxable under the Income Tax Act.
 2. Gratuity: As per the rules of the Company, payable in accordance with the approved Gratuity Fund and which shall not exceed half a month's salary for each complete year of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid.
 3. Encashment of Leave: Leave encashment will be provided as per the normal rules of the Company and encashment of such leave at the end of the tenure of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid.

The above remuneration is to be paid as minimum remuneration in the absence or inadequacy of profits, subject to the provisions of Schedule V of the Companies Act, 2013.

The Board of Directors recommends the Ordinary Resolution as set out at item no. 5 of the notice for approval of the Members.

Except Mr. Tushar Shah, none of the Directors, Key Managerial Personnel of your Company and or relatives of Directors/ Key Managerial Personnel are in any way, interested in the said resolution.

Item No. 6

The existing Articles of Association (AoA) of the Company are based on the provisions of the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and with the enforcement of the Companies Act, 2013 ('New Act'), various provisions of the Companies Act, 1956 have become ineffective and in view thereof the Articles of Association of the Company needs to be re-aligned as per the provisions of the new act.

The Board of Directors at its meeting held on 8th August, 2015 considered to incorporate/substitute/alter certain provisions of the AOA as per the latest amendments of the Companies Act, 2013. However, since this would result in carrying out number of changes in the existing Articles of Association, the Board decided to adopt a new set of Articles of Association in place of and to the exclusion of existing Articles of Association of the Company.

In terms of Section 14 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for adoption of new set of Articles of Association of the Company.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection at the Registered Office of the Company during the office hours on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and also during the Annual General Meeting. A copy of the proposed new AOA is also available on the website of the Company for inspection of members.

The Board recommends the Special Resolution as set out in item no. 6 of the Notice for your approval.

None of the Directors, Key Managerial Personnel of your Company or their relatives is in any way, deemed to be concerned or interested in the said resolution.