

Emkay[®]

Your success is our success

HORIZON NEXT

Annual Report 2015-16

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Take it from the top

Note from the MD's

An intelligent investor is the one who buys from a pessimist and sells to an optimist, Benjamin Graham, the author of a seminal book 'The Intelligent Investor' once said.



In whatever we do, we intend to create an environment that allows intelligent investing. Bit by bit, we steer our operations to become an efficient enabler for investors.

A number of factors influence our business. Our ability to deliver quality services rests on them.

The Economy

The past year witnessed benchmark indices like the S&P BSE Sensex and NSE Nifty shed over 9% value. This is the worst performance since the fiscal year 2011-12. Corporate profit growth slowed and fell short of market expectations.

For businesses, there are two important focus areas. These include exports of goods and services and domestic consumption.

India's exports are falling as global demand slows and the price competitiveness hurts the realization. There are no visible signs of global demand picking up. Hence, exports are certainly not the only area for any future growth.

The other option is to attract capital into industry in India to boost domestic consumption. In terms of foreign direct investment and foreign portfolio investment, India is cheered as one bright spot. However, despite strong fundamentals, India's ability to attract stable foreign money depends on factors we do not control. These include the economic recovery in the developed world, US Federal Reserve rates and the impending exit of Britain from the European Union.

An immediate impact of the referendum in the UK will be a general 'risk-off' sentiment. Capital flows could be hurt across emerging markets and India would be no exception. UK is currently India's fifth largest export destination.

Any slowdown in the UK economy as a result of this decision could lead to uncertainty going forward.



On the domestic front, the investment cycle has to pick up. However, elevated inflation means borrowing rates have to stay high. RBI is unlikely to rapidly bring down rates if the retail inflation continues to stay elevated. The supply-side challenges continue to cause spikes, especially in food prices. For any meaningful cut in rates, India needs to control retail price inflation. Also for the next several years, India needs to step on the gas as far as infrastructure is concerned. This is needed to boost domestic consumption that will drive the demand for goods and services.

While the government has shown fiscal discipline by controlling expenditure, they need to boost investment in the infrastructure sector. To that end, the investment bias towards roads and railways during 2015-16 would help. The government has also eased rules in the aviation sector and promised new airports.

On the taxation front, any realignment in the Rajya Sabha, the Upper House of the Parliament, would mean that the government would be able to clear important legislations like Goods and Services Tax. The issue has been debated extensively over the past decade and it is time for the country to become a single market sooner than later.

This could perhaps bring cheer to markets in 2016-17.

Start-up and SME

Our strength as a boutique bank depends on the spirit of entrepreneurship in India. Over the past year, start-ups, small and medium enterprises looking to grow have made the news. We are happy about this trend. It opens up significant opportunities for us.

In 2015, India saw record private equity deals worth \$ 23 billion. This was a jump of 51% over 2014 and 34% higher than the 2007 peak of \$17 billion. We work with entrepreneurs looking to scale up their business. We help them raise capital and grow from small cap to mid-size and then to large cap.

Our company is geared to service businesses and investors looking at opportunities opening up in follow-up transactions or initial public offerings. We will continue to advise mid-cap companies on their capital structure and help them raise funds through the most desired route. Our strong relationships with private equity funds will only help us in this endeavor. The other key areas of thrust would be family offices and high net worth individuals.

How do we differentiate

We do not believe in a plain vanilla execution of stockbroking. We believe value-added services matter and over the past 4-5 years, we have emphasized on that.

For high net-worth individuals and family offices, we will move towards advisory than just execution. The idea is to strengthen the portfolio management services and mutual fund advisory side of the business.

We intend to push our research coverage to 500 companies in the next three years from the current 250 companies. We see many more sectors getting listed and disruptive technologies.

On commodities, with the segment now coming under SEBI regulation, we see renewed thrust on newer product introductions and the market being more transparently regulated than earlier. We will keep our eyes and ears open for such opportunities in that segment.

We, at Emkay, are committed to encouraging intelligent investing through our operation.

Our objective is to bring value to the public and private market, family offices as well as corporates looking to scale up from small to mid-cap and from mid-cap to large-cap.

Happy investing in 2016-17!

Facts at a glance

Net Revenue (₹ in Lac)	10532.58
Employee Benefit Expenses (₹ in Lac)	4424.90
EBIDTA Margin	22.57%
EBIDTA (₹ in Lac)	2376.97
PAT (₹ in Lac)	1203.36
PBT (₹ in Lac)	1665.73
Market Cap (₹ in Lac)	13196.39
Net Worth (₹ in Lac)	12288.67
Book Value (₹)	50.29

CORPORATE INFORMATION

BOARD OF DIRECTORS

G. P. Gupta	Chairman
S. K. Saboo	Director
R. K. Krishnamurthi	Director
G. C. Vasudeo	Director
Dr. Satish Ugrankar	Additional Director
Preeti Kacholia	Woman Director
Krishna Kumar Karwa	Managing Director & CFO
Prakash Kacholia	Managing Director

Company Secretary & Compliance Officer

B. M. Raul (appointed w.e.f. 04/01/2016)

Corporate Identification Number (CIN) Website

L67120MH1995PLC084899
www.emkayglobal.com

STATUTORY AUDITORS SECRETARIAL AUDITORS INTERNAL AUDITORS

B. L. Sarda & Associates, Chartered Accountants
Parikh & Associates, Practising Company Secretaries
Lovi Mehrotra & Associates, Chartered Accountants

BANKERS

Abu Dhabi Commercial Bank
AXIS Bank Limited
Bank of India
Citibank N A
HDFC Bank Limited
ICICI Bank Limited
Indian Overseas Bank
IndusInd Bank Limited
Kotak Mahindra Bank
State Bank of India
Union Bank of India

REGISTERED OFFICE

The Ruby, 7th Floor, Senapati Bapat Marg,
Dadar (West), Mumbai - 400028

CORPORATE OFFICE

Building 'C-06', Ground Floor, Paragon Centre,
Pandurang Budhkar Marg, Worli, Mumbai - 400013

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai - 400078

AGM NOTICE

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of Emkay Global Financial Services Limited will be held on Wednesday, 10th August, 2016 at 4.00 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20 K. Dubhash Marg, Mumbai - 400 001 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements including audited consolidated financial statements of the Company for the financial year ended 31st March, 2016 together with the reports of the Board of Directors and Auditors thereon.
2. To confirm the interim dividend of Re.1 per equity Share paid for the financial year ended 31st March, 2016.
3. To appoint a director in place of Mrs. Preeti Kacholia (DIN-03481747), who retires by rotation and being eligible, offers herself for re-appointment.
4. **To ratify appointment of the Statutory Auditors and to fix their remuneration.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the appointment of M/s. B. L. Sarda & Associates, Chartered Accountants, bearing Firm Registration Number 109266W with the Institute of Chartered Accountants of India (ICAI), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors.”

Special Business:

5. **To appoint Dr. Satish Ugrankar as an Independent Director.**

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV of the Companies Act, 2013 and pursuant to SEBI Circular no CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014, Dr. Satish Ugrankar (DIN : 00043783), who was appointed as an Additional Director of the Company with effect from 12th August, 2015 under Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 10th August, 2016.

RESOLVED FURTHER THAT the Board of Directors and or the Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things, as may be required to carry on the purpose of the above resolution.”

6. **To re-appoint Mr. Krishna Kumar Karwa as Managing Director & CFO.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the applicable provisions of Sections 196 and 197 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, and subject to the approval of the Central Government, if required, consent of the Company be and is hereby accorded to the Board of Directors/ Committee of Board (hereinafter referred to as the ‘Board’) (which term shall be deemed to include any Committee which the Board may

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have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution) for the re-appointment of and payment of remuneration to Mr. Krishna Kumar Karwa, as Managing Director & CFO of the Company, for a period of three years with effect from 1st October, 2016 to 30th September, 2019 on the terms and conditions as set out below:

(A) Salary:

1. Salary of ₹ 7,00,000 per month, with such annual increments as may be decided by the Nomination, Remuneration and Compensation Committee and the Board of Directors of the Company from time to time.
2. Perquisites: Subject to a maximum of 25% of the annual salary as may be approved by the Board of Directors of the Company.
3. Provident Fund: Company's contribution towards provident fund as per rules of the Company, but not exceeding 12% of salary.
4. Performance Bonus of such amount, not exceeding 50% of the Salary for each Financial year or part thereof, as may be decided by the Board of Directors and the Nomination, Remuneration and Compensation Committee.

(B) Reimbursement of Expenses:

Reimbursement of expenses incurred for travelling, boarding and lodging during business trips, provision of car for use on the Company's business, telephone expenses at residence and mobile phone used for business purposes shall be reimbursed and shall not be considered as perquisites.

(C) Minimum Remuneration:

If in any financial year during the tenure of Mr. Krishna Kumar Karwa as Managing Director & CFO, the Company has no profits or its profits are inadequate, the Company shall pay him remuneration by way of salary as minimum remuneration subject to the limits laid down and in the manner as stipulated in Schedule V to the Companies Act, 2013, as in force and as amended from time to time and subject to the approval of the Central Government, if necessary.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to fix the actual remuneration and revise it from time to time subject to the provisions of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board and/or Managing Directors and/or Company Secretary be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary or desirable to settle any question or difficulty that may arise in such manner as it may deem fit from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make an application to Central Government, if necessary, for payment of remuneration on the aforesaid scale and to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution."

7. To re-appoint Mr. Prakash Kacholia as Managing Director.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special resolution**:

"RESOLVED THAT pursuant to the applicable provisions of Sections 196 and 197 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof, and subject to the approval of the Central Government, if required, consent of the Company be and is hereby accorded to the Board of Directors/ Committee of Board (hereinafter referred to as the 'Board') (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution) for the re-appointment of and payment of remuneration to Mr. Prakash Kacholia, as Managing Director of the Company, for

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a period of three years with effect from 1st October, 2016 to 30th September, 2019 on the terms and conditions as set out below:

(A) Salary:

1. Salary of ₹ 7,00,000 per month, with such annual increments as may be decided by the Nomination, Remuneration and Compensation Committee and the Board of Directors of the Company from time to time.
2. Perquisites: Subject to a maximum of 25% of the annual salary as may be approved by the Board of Directors of the Company.
3. Provident Fund: Company's contribution towards provident fund as per rules of the Company, but not exceeding 12% of salary.
4. Performance Bonus of such amount, not exceeding 50% of the Salary for each Financial year or part thereof, as may be decided by the Board of Directors and the Nomination, Remuneration and Compensation Committee.

(B) Reimbursement of Expenses:

Reimbursement of expenses incurred for travelling, boarding and lodging during business trips, provision of car for use on the Company's business, telephone expenses at residence and mobile phone used for business purposes shall be reimbursed and shall not be considered as perquisites.

(C) Minimum Remuneration:

If in any financial year during the tenure of Mr. Prakash Kacholia as Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay him remuneration by way of salary as minimum remuneration subject to the limits laid down and in the manner as stipulated in Schedule V to the Companies Act, 2013, as in force and as amended from time to time and subject to the approval of the Central Government, if necessary.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to fix the actual remuneration and revise it from time to time subject to the provisions of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board and/or Managing Directors and/or Company Secretary be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary or desirable to settle any question or difficulty that may arise in such manner as it may deem fit from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make an application to Central Government, if necessary, for payment of remuneration on the aforesaid scale and to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution."

By Order of the Board of Directors

Registered Office:

The Ruby, 7th Floor
Senapati Bapat Marg,
Dadar (West), Mumbai-400028

For Emkay Global Financial Services Limited

Place: Mumbai
Date: 23rd May, 2016

B. M. Raul
Company Secretary & Compliance Officer

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Notes for Members' Attention:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) OF THE COMPANY MAY APPOINT A PROXY TO ATTEND AND VOTE, IN CASE OF POLL ONLY, INSTEAD OF HIMSELF/ HERSELF.** A Proxy need not be a member of the Company. The instrument appointing the proxy should be deposited at the Registered Office/Corporate Office of the Company not less than forty-eight hours before commencement of the AGM. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person shall not act as a proxy for more than 50 (fifty) members and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company. However, a single person may act as a proxy for a member holding more than 10% (ten percent) of the total share capital of the Company provided that such person shall not act as a proxy for any other person.
2. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of Board Resolution authorizing their representatives to attend and vote at the forthcoming 22nd Annual General Meeting. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall where the AGM is proposed to be held. Members who hold shares in electronic form are requested to bring their Client ID and DP ID numbers for identification.
3. Members/Proxies/Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.
4. The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.
5. The Register of Directors and Key Managerial Personnel and their Shareholdings, maintained under Section 170 and Register of Contract or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will be open for inspection by the members during the Annual General Meeting.
6. Relevant documents referred to in the accompanying Notice and the statement pursuant to Section 102(1) of the Companies Act, 2013 are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and Public Holidays upto the date of the AGM.
7. Profiles of the Directors seeking appointment/ re-appointment, as required in terms of Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 issued by the Institute of Company Secretaries of India are annexed to this notice.
8. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, 29th July, 2016 to Wednesday, 10th August, 2016** (both days inclusive).
9. Members holding shares in physical form are requested to notify immediately any change in their address or bank mandates to the Company / Registrar & Share Transfer Agents quoting their Folio Number and Bank Account Details along with self-attested documentary proofs. Members holding shares in the electronic form may update such details with their respective Depository Participants.
10. In case of joint holders attending the meeting, the joint holder with highest, in order of names will be entitled to vote.
11. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Company Secretary & Compliance Officer at the Registered Office of the Company at least seven days in advance of the meeting so that the information required may be made readily available at the meeting.
12. Pursuant to the provision of Section 205 A (5) and 205C of the Companies Act, 1956 (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified), the Company has transferred on due dates, the unpaid or unclaimed dividends for the financial year 2007-2008 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading

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of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company. Members who have not yet encashed dividend for the financial year 2009-2010 and all subsequent years must claim the same as early as possible failing with it would be transferred to IEPF as per the dates mentioned herein below. In terms of Section 205 C of the Companies Act, 1956, No claim shall lie against the Company after the said transfer. It is in the shareholders' interest to claim any unclaimed dividends and for future, opt for Electronic Clearing Services, so that dividends paid by the Company are credited to the investor's account on time. The balance amount lying in Unpaid Dividend Account for the financial year 2009-2010 is due for transfer to the IEPF, during the month of November, 2017.

The details of dividend due to be transferred to IEPF is given below:

Financial Year	Seven Years expiring on	Transfer to IEPF Account on or before
2009-2010	04.10.2017	03.11.2017
2010-2011	05.09.2018	05.10.2018
2011-2012	11.09.2019	10.10.2019

Note: No Dividend was declared for the Financial Year 2008-2009, 2012-2013, 2013-2014 and 2014-2015 hence provisions relating to transfer of unpaid/unclaimed dividend to IEPF are not applicable.

Members are requested to contact M/s. Link Intime India Private Limited, the Registrar & Share Transfer Agent of the Company, for claiming the dividend for the aforesaid years. The details of the unclaimed dividends of the aforesaid years are available on the Company's website at www.emkayglobal.com and also on Website of Ministry of Corporate affairs at www.mca.gov.in.

13. The Securities Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.
14. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing circulars allowing paperless compliances by Companies through electronic mode. The Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Shareholders who have not registered their e-mail address with the Company can now register the same by post with M/s. Link Intime India Private Limited or to the Company. The Members holding shares in electronic form are requested to register their email addresses with their Depository Participants only. Even after registering for E-communication, the shareholders of the Company are entitled to receive such communication in physical form, upon request.
15. Electronic copy of the Notice of the 22nd Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 22nd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members who have not registered their email address so far, are requested to register their email IDs for receiving all communications including Annual Report, Notices, etc., from the Company electronically.
16. Members may also note that the Notice of the 22nd Annual General Meeting and the Annual Report for 2015-2016 will also be available on the Company's website www.emkayglobal.com

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17. The Route map showing directions to reach the venue of the 22nd Annual General Meeting is annexed.

18. **Voting through electronic means:**

The Company has provided 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through Central Depository Services (India) Limited (CDSL) 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 22nd Annual General Meeting of the Company (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 22nd 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.

The Company has appointed Mr. Mitesh Dhaliwala, Partner, Parikh & Associates, Practicing 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 3rd August, 2016 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. 3rd August, 2016 only.

A. The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 7th August, 2016 at 9.30 a.m. and ends on 9th August, 2016 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 3rd August, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. Emkay Global Financial Services Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

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19. 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 3rd August, 2016.
20. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 3rd August, 2016, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com.
21. 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.
22. 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.
23. 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.
24. 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.
25. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of CDSL 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 and National Stock Exchange of India Limited.

AGM NOTICE

Explanatory Statement:

Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 5

The Board of Directors of the Company appointed Dr. Satish Ugrankar (DIN: 00043783) as an Additional Director of the Company with effect from 12th August, 2015. Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and Articles of Association of the Company, Dr. Satish Ugrankar holds office as an Additional Director upto the date of this Annual General Meeting. The Company has received a notice along with requisite deposit pursuant to Section 160 of the Act, from a Member signifying its intention to propose the appointment of Dr. Satish Ugrankar as Director of the Company.

The Company has received a declaration of independence from Dr. Satish Ugrankar. In the opinion of the Board, Dr. Satish Ugrankar fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Independent Director of the Company. It is proposed to appoint Dr. Satish Ugrankar as an Independent Director of the Company not liable to retire by rotation to hold office for a term of five consecutive years commencing from 10th August, 2016.

A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of appointment of Independent Director is available for inspection at the Registered Office/Corporate Office of the Company during business hours on any working day and is also available on the website of the Company i.e. www.emkayglobal.com.

Brief profile of Dr. Satish Ugrankar in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided at the end of this Notice and in the Corporate Governance Report.

The Board of Directors recommend resolution set out at Item No. 5 of the Notice for your approval.

Except Dr. Satish Ugrankar being an appointee, none of the other Directors, Key Managerial Personnel of the Company or relatives of Director/Key Managerial Personnel are in any way deemed to be concerned or interested financially or otherwise in the resolution set out at item No.5 of the Notice except to the extent of their shareholding in the Company.

Item No.: 6 & 7

Mr. Krishna Kumar Karwa and Mr. Prakash Kacholia were appointed as Managing Director & CFO and Managing Director of the Company respectively with effect from 1st October, 2013 for a period of three years and their appointment was approved by the Members at the 19th Annual General Meeting held on 5th August, 2013. Further, the appointment and payment of remunerations as approved by the shareholder was also approved by the Central Government. The present term of Mr. Krishna Kumar Karwa as Managing Director & CFO and of Mr. Prakash Kacholia as the Managing Director of the Company expires on 30th September, 2016.

Mr. Krishna Kumar Karwa is a rank holder member of the Institute of Chartered Accountant of India and is having rich and varied experience of 27 years in all aspects of the equity capital market.

Mr. Prakash Kacholia is also a member of the Institute of Chartered Accountants of India and having rich experience of 26 years in the capital market with a focus on the derivative segment.

With their rich experience and management skills, they have steered the Company successfully through troubled waters in the recent times. In appreciation of the dedicated efforts which contributed to the growth of the Company and having regard to the increased responsibilities for further improving the performance of the Company in this competitive market, the Board of Directors of the Company (the 'Board') at its meeting held on 23rd May, 2016 has, subject to the approval of Members and subject to the approval of the Central Government, if necessary, re-appointed Mr. Krishna Kumar Karwa as Managing Director & CFO and Mr. Prakash Kacholia as Managing Director of the Company for a further period of three years from the expiry of their respective term, on the remuneration determined by the Nomination, Remuneration and Compensation Committee of the Board at its meeting held on 23rd May, 2016 and as set out in the respective resolution under item No.6 and 7 of the Notice.

As required under Section II of Part II of Schedule V to the Companies Act, 2013, the relevant details to be sent along with the Notice are as under:

AGM NOTICE

I. General Information:

- (1) Nature of Industry: Financial Services
- (2) Date or expected date of commencement of commercial production: Not Applicable
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- (4) Financial performance based on given indicators:

(Figures in Lacs except EPS)

STANDALONE	2015-16	2014-15	2013-14	2012-13
Income	9,506	10,380	7,170	7,987
PAT	981	(1,594)	(521)	(790)
Networth	11,371	10,662	12,264	12,785
EPS	4.01	(6.52)	(2.13)	(3.23)
CONSOLIDATED	2015-16	2014-15	2013-14	2012-13
Income	10,533	11,687	8,609	9,992
PAT	1,203	(1,573)	(395)	(1,478)
Networth	12,289	11,379	12,960	13,355
EPS	4.92	(6.44)	(1.62)	(6.05)

- (5) Foreign investments or collaboration, if any: NIL

II. Information about the Appointee:

(A) Mr. Krishna Kumar Karwa:

1. Background details:

Mr. Krishna Kumar Karwa aged 50 years is a rank holder member of the Institute of Chartered Accountants of India. He is the Promoter, Managing Director & CFO of the Company. Mr. Krishna Kumar Karwa has rich and varied experience of 27 years in all aspects of the Capital Markets i.e. Research, Investment Banking, Retail/Institutional Broking, Wealth Management Services, Mutual Fund Distribution etc. He is an independent Director on the Board of West Coast Paper Mills Limited. He is also Director in the Titaharh Agrico Pvt. Ltd and also in Subsidiary/Group Companies of the Company viz. Emkay Commotrade Limited, Emkay Insurance Brokers Limited, Emkay Corporate Services P. Ltd and Whole-time Director of Emkay Fincap Limited.

2. Past remuneration*:

Mr. Krishna Kumar Karwa was paid total remuneration during the last 3 years as under:

Year Ended Remuneration paid (₹)	
March 31, 2014	60,00,000
March 31, 2015	60,00,000
March 31, 2016	60,00,000

* Note: Including Company's Contribution to Provident Fund.

3. Recognition or awards:

As elaborated in Item no. 1.

4. Job profile and his suitability:

Mr. Krishna Kumar Karwa, being Managing Director & CFO oversees the overall operations of the Company and its subsidiaries with focus on Institutional Broking, Research, Wealth Management Services, Investment Banking and Commodities Broking.

AGM NOTICE

5. Remuneration proposed:

As mentioned in the Special Resolution at Item no. 6 of this Notice.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Taking into consideration the size of the Company, the qualification and experience of Mr. Krishna Kumar Karwa, the responsibilities shouldered by him and keeping in view the remuneration packages prevalent in the financial services sector, the aforesaid remuneration package is commensurate with the remuneration levels in the industry.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any:

Besides the remuneration, Mr. Krishna Kumar Karwa does not have any other pecuniary relationship with the Company and its Managerial Personnel.

(B) Mr. Prakash Kacholia:

1. Background details:

Mr. Prakash Kacholia, aged 50 years, is a member of the Institute of Chartered Accountants of India. He is the Promoter and Managing Director of the Company. He is currently Director in the Subsidiary / Group Companies of the Company viz. Emkay Fincap Limited, Emkay Insurance Brokers Limited, Emkay Corporate Services Pvt. Ltd and Emkay Charitable Foundation and Whole-time Director of Emkay Commotrade Limited. Mr. Kacholia has a rich experience of 26 years in the capital markets with a focus on the Retail/Institutional broking and Derivatives segment.

2. Past remuneration:

Mr. Prakash Kacholia, was paid total remuneration during last 3 years as under:

Year Ended Remuneration paid (₹)	
March 31, 2014	60,00,000
March 31, 2015	60,00,000
March 31, 2016	60,00,000

* Note: Including employers' contribution to Provident Fund.

3. Recognition or awards:

Mr. Prakash Kacholia was on the Board of BOI Shareholding Ltd, Bombay Stock Exchange Limited and Central Depository Services (India) Limited. He had in the past been a "Member of Advisory Committee – Derivatives Segment with the SEBI, Member of Governing Council - Derivatives Segment with Bombay Stock Exchange Limited, Member of Advisory Committee for Business Development with Bombay Stock Exchange Limited and Member of Index Committee and Audit Committee of Bombay Stock Exchange Limited.

4. Job profile and his suitability:

Mr. Prakash Kacholia, being Managing Director, oversees the overall operations of the Company and its subsidiaries with a focus on Retail Expansion, Derivatives Segment, E-broking, Direct Insurance Broking and Investment Banking – Debt Segment.

5. Remuneration proposed:

As mentioned in the Special Resolution in Item no. 7 of this Notice.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Taking into consideration the size of the Company, the qualification and experience of Mr. Prakash Kacholia, the responsibilities shouldered by him and keeping in view the remuneration packages prevalent in the financial services sector, the aforesaid remuneration package is commensurate with the remuneration levels in the industry.

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7. Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any:

Besides the remuneration, Mr. Prakash Kacholia, does not have any other pecuniary relationship with the Company and its Managerial Personnel. Incidentally, Mrs. Preeti Kacholia-Director of the Company is related to him.

III. Other Information:

- (1) Reasons for loss or inadequate profits:

The unprecedented downturn in the global economy affected businesses and investors' sentiments across geographies. Though the Global economy in general and Indian economy in particular have witnessed signs of recovery, the retail participation and retail volume continues to be low in the markets. Further, Company's renewed focus on retail broking segment has resulted into cost increase in terms of employee cost and infrastructure upgradation. Hence, it is expected that Company's profitability shall remain under pressure during the year 2016-2017.

- (2) Steps taken or proposed to be taken for improvements:

The Company has undertaken the following key steps to improve profitability:

- a. Cost reduction measures including employee cost.
- b. Tightening the Risk Management System to control the receivables.
- c. Aggressive focus on new revenue verticals like Investment Banking, Direct Insurance Broking, Portfolio Management Services etc.
- d. Sustained focus on improving Company's market share in Retail Broking.

- (3) Expected increase in productivity and profits in measurable terms:

The Company has embarked on a series of strategic and operational measures that are expected to result in improvement in the present position. The Company shall focus on Investment Banking, Portfolio Management Services & Retail Broking in order to improve Company's revenues. Further, benefits of employee cost rationalization and enhanced Risk Management System are expected to reduce cost and improve the bottom-line.

IV. Disclosures:

- (1) Remuneration package of the managerial persons is being disclosed in the Annual Report and in this Notice.
- (2) The following disclosures as applicable have been mentioned in the Board of Director's report under the heading "Corporate Governance" attached to the annual report:-
 - (i) All elements of remuneration package such as salary, benefits, bonus, stock options, pension, etc. of all the directors.
 - (ii) Details of fixed component and performance linked incentives along with the performance criteria.
 - (iii) Service contracts, notice period, severance fees.
 - (iv) Stock Options details, if any

So long as Mr. Krishna Kumar Karwa functions as Managing Director & CFO and Mr. Prakash Kacholia functions as Managing Director of the Company, they shall not be subject to retirement by rotation and shall not be paid any sitting fees for attending the meetings of the Board or any Committee thereof including all the Subsidiary Companies of the Company.

Mr. Krishna Kumar Karwa and Mr. Prakash Kacholia are interested in the resolutions set out at Item No. 6 and 7 of the Notice respectively, which pertain to their respective re-appointments and remuneration payable to each one of them. Further, Mr. S. K. Saboo may be deemed to be interested in the Resolution pertaining to the re-appointment of and

AGM NOTICE

remuneration payable to Mr. Krishna Kumar Karwa, as they are related to each other. Mrs. Preeti Kacholia may be deemed to be interested in Resolution pertaining to the re-appointment of and remuneration payable to Mr. Prakash Kacholia as they are related to each other. Save and except the above, none of the other Directors and Key Managerial Personnel of the Company are, in any way, concerned or interested in these Resolutions except to the extent of their shareholding in the Company.

The Board recommends the Resolutions set out at Item Nos. 6 and 7 of the Notice for your approval.

Registered Office:

The Ruby, 7th Floor
Senapati Bapat Marg,
Dadar(West), Mumbai-400028

Place: Mumbai

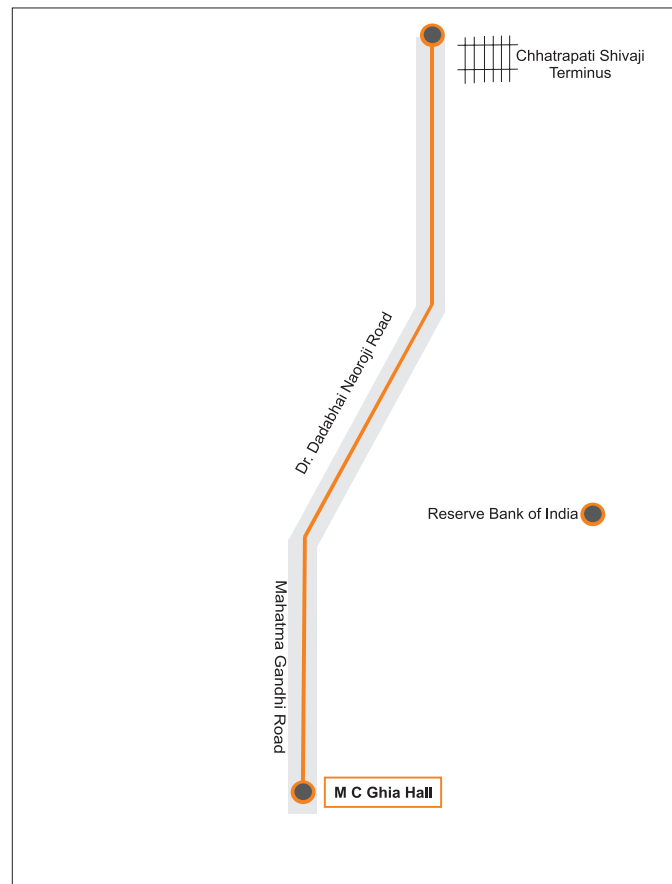
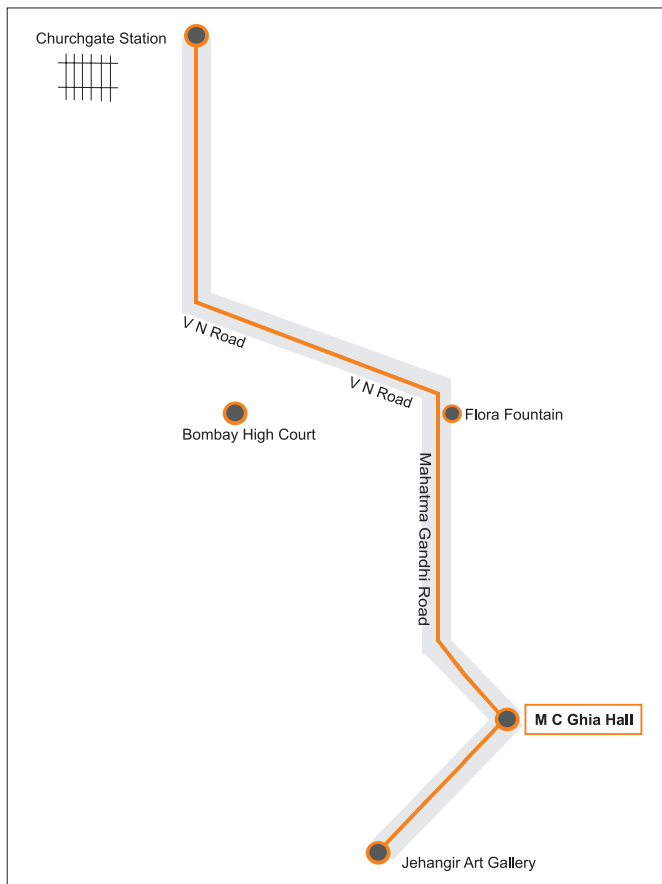
Date: 23rd May, 2016

By Order of the Board of Directors
For Emkay Global Financial Services Limited

B M Raul

Company Secretary & Compliance Officer

Road Map showing directions to reach the venue - (M C Ghia Hall)



AGM NOTICE

Profile of the Directors being re-appointed at the 22nd Annual General Meeting in pursuance of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of Director	Mrs. Preeti Kacholia	Dr. Satish Ugrankar
DIN	03481747	00043783
Date of Birth	15/07/1967	18/09/1945
Age	48 years	70 years
Date of Appointment	30/03/2015	12/08/2015
Experience in Specified Functional Area	Rich and vast experience in the field of Management.	Rich and vast experience in the field of surgery.
Percentage of shares held in the Company	8.70	-
Qualification	B.Com	M.S., D'ORTH (CPS) and F.C.P.S. (CPS), (Mumbai)
List of other Companies in which associated as Director	Emkay Charitable Foundation	FDC Ltd.
Chairman / Memberships of the Committee of the Board of other Companies in which associated as a Director	Chairman/Member: NIL	-

DIRECTORS' REPORT

Dear Members,

Your Directors presents the Twenty Second Annual Report of your Company and the Audited Financial Statements for the year ended on 31st March, 2016.

1. FINANCIAL RESULTS

An overview of the financial performance of your Company along with its Subsidiaries for the year 2015-16 is as under:

Particulars	(Amount ₹ in Lac)			
	Standalone		Consolidated	
	Year ended		Year ended	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Total Income	9,505.54	10,380.32	10532.58	11,686.86
EBITDA	1,860.11	2,690.97	2376.97	3,446.52
Less : Depreciation and Amortization	356.67	427.61	359.46	432.00
Less : Finance Costs	207.71	283.43	351.78	482.36
Profit/(loss) Before Exceptional Item & Tax	1,295.73	1,979.92	1665.72	2,532.17
Exceptional Items	-	3,587.06	0	3,587.06
Profit/(Loss) Before Tax	1,295.73	(1,607.13)	1665.72	(1,054.89)
Less : Tax Expense/(Benefit)	314.88	(12.72)	462.37	518.02
Profit/(Loss) After Tax	980.85	(1,594.41)	1203.35	(1,572.91)
Less : Minority Interest	-	-	0	-
Profit/(Loss) attributable to Shareholders of the Company	980.85	(1,594.41)	1,203.35	(1,572.91)
Opening balance in Statement of Profit and Loss	(456.86)	1,144.95	-597.68	1,040.10
AMOUNT AVAILABLE FOR APPROPRIATION	523.99	(449.46)	605.67	(532.81)
Appropriations				
- Proposed Dividend	-	-	-	-
- Provision for Tax on Dividend	-	-	-	-
- Interim Dividend	244.38	-	244.38	-
- Tax on Interim Dividend	27.36	-	49.75	-
- Other Adjustments relating to Fixed Assets	-	7.40	-	7.72
- Transfer to Special Reserve u/s 45-IC of RBI Act	-	-	57.6	57.15
Closing Balance in Statement of Profit and Loss	252.26	(456.86)	253.94	(597.68)

2. DIVIDEND

During the financial year 2015-16, your Company declared and paid an interim dividend of Re. 1/- (Rupee one only) (10%) per equity share of the face value of ₹ 10 (Rupee Ten) each in the Board Meeting held on 11th March, 2016. This Interim Dividend will be considered as Final Dividend for the Financial Year 2015-2016 (Previous Year ₹ Nil).

Members are requested to consider the Interim Dividend paid during Financial Year 2015-2016 as a Final Dividend.

3. REVIEW OF OPERATIONS

Standalone

During the year under review, your Company recorded a total income of ₹ 9505.54 Lacs as compared to ₹ 10,380.32 Lacs in the previous financial year, lower by 8.43%. The Profit for the same period stand at ₹ 980.85 Lacs as compared to the Net Loss of ₹ 1594.41 Lacs in the previous financial year.

Consolidated

During the year under review, your Company recorded a total income of ₹10532.58 Lacs as compared to

DIRECTORS' REPORT

₹ 11686.85 Lacs in the previous financial year, lower by 9.88%. The Profit for the same period stands at ₹ 1203.35 Lacs as compared to the Net Loss of ₹ 1572.91 Lacs in the previous financial year.

4. EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of annual return is given in "Annexure A" in the prescribed form MGT-9, which forms part of this report.

5. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2015-16, 5 meetings were held on 22nd May, 2015, 12th August, 2015, 26th October, 2015, 29th January, 2016 and 11th March, 2016.

The details of the attendance of Directors at the meeting are as under:

Name of the Director	Category	Board Meetings during Financial Year 2015-16	
		Held	Attended
Mr. G. P. Gupta	NED (I)	5	3
Mr. S. K. Saboo	NED	5	5
Mr. R. K. Krishnamurthi	NED (I)	5	5
Mr. G. C. Vasudeo	NED (I)	5	5
Mr. Krishna Kumar Karwa	ED	5	5
Mr. Prakash Kacholia	ED	5	5
Mrs. Preeti Kacholia	NED	5	4
Dr. Satish Ugrankar (Appointed as an Additional Director w.e.f. 12th August, 2015)	NED	5	4

6. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The directors have prepared the annual accounts on a going concern basis;
- The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. AUDIT COMMITTEE

The details pertaining to composition of Audit Committee are included in the Corporate Governance Report, which forms part of this report.

8. NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE

The Company has constituted Nomination Remuneration and Compensation Committee in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. G. C. Vasudeo, an Independent Director has been appointed as a Chairman of the Committee.

DIRECTORS' REPORT

The Committee comprises of only Non-Executive Directors as its members. All the members of the Committee are Independent Directors except Mr. S. K. Saboo who is Non-Executive Non Independent Director.

The Company's Remuneration Policy is available on the Company's website i.e. www.emkayglobal.com/Investorrelations. The details of composition, terms of reference of the Nomination, Remuneration and Compensation Committee, numbers and dates of meeting held, attendance of the Directors and remuneration paid to them are given separately in the attached Corporate Governance Report forming part of the Directors' Report.

9. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board at its meeting held on 23rd May, 2016 carried out an annual evaluation of its own performance, the Directors individually as well as evaluation of the working of its committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

10. AUDITORS

Pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 ("the Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company appointed M/s. B. L. Sarda & Associates, Chartered Accountants, bearing Firm Registration Number 109266W with the Institute of Chartered Accountants of India (ICAI), as the Statutory Auditors of the Company to hold office from the conclusion of Twentieth Annual General Meeting (AGM) held on 13th August, 2014 until the conclusion of Twenty Third Annual General Meeting of the Company

to be held for the financial year 2016-17. However, such an appointment was subject to ratification at every AGM held after the Twentieth AGM. Hence, your Directors recommend ratification of the appointment of M/s. B. L. Sarda & Associates, Chartered Accountant, Mumbai, as Statutory Auditor of the Company in the ensuing Annual General Meeting.

Further, the Statutory Auditors have confirmed that they have subjected themselves to the peer review process of The Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of the said Institute as required by Regulation 33(1) (d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There are no qualifications or observations or remarks made by the Auditors in their report.

11. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Parikh & Associates, Company Secretaries, Mumbai to undertake the Secretarial Audit of the Company. The Secretarial Audit Report received from them is appended as Annexure B and forms part of this report.

As stated in the said Report, the unpaid/unclaimed dividend amount on the unclaimed shares lying in suspense account for the dividend declared for the FY 2006-07 of ₹ 1434/- and for FY 2007-08 of ₹ 2013 has been transferred to Investor Education & Protection Fund on 19th May, 2016.

There are no other qualifications or adverse comments made by the Secretarial Auditors in their report.

12. INTERNAL AUDIT

As per the requirements of Section 138 of the Companies Act, 2013 and rules made there under, M/s Lovi Mehrotra

DIRECTORS' REPORT

& Associates, Chartered Accountants, Mumbai were appointed as Internal Auditors of the Company for the financial year 2015-2016.

The internal control systems are supplemented by extensive internal audits, regular reviews by management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data. The Management Information System (MIS) forms an integral part of the Company's control mechanism. The Company has regular checks and procedures through internal audit periodically. The reports are deliberated and executive summary of the same along with action taken report (ATR) for steps taken by the Management to address the issues are placed before the Audit Committee meeting/ Board meeting for their review. Reports of internal auditors are reviewed by the Audit Committee, and corrective measures, if any, are carried out towards further improvement in systems and procedures in compliance with Internal Control System. The Board also recognizes the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company.

13. MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management Discussion and Analysis, which forms part of the Annual Report.

14. PUBLIC DEPOSITS

During the year, your Company has not accepted and/or renewed any public deposits in terms of the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees or Investments covered

under Section 186 of the Companies Act, 2013, are given under notes to the Financial Statements.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

The details of the related party transactions, as per requirement of Accounting Standards-18 are disclosed in notes to the financial statements of the Company for the financial year 2015-16. All the directors have disclosed their interest in Form MBP-1 pursuant to Section 184 of the Companies Act, 2013 and as and when any changes in their interest take place, such changes are placed before the Board at its meetings. None of the transactions with any of the related parties was in conflict with the interest of the Company. The particulars of contracts or arrangements with related parties referred to in Section 188(1), in prescribed Form AOC - 2 under Companies (Accounts) Rules, 2014 are appended as "Annexure F"

17. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has constituted an Internal Compliant Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said Committee.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The prescribed particulars of Conservation of Energy, Technology, Absorption and Foreign Exchange Earning and Outgo required under Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as "Annexure E" and forms part of this Report of Directors.

DIRECTORS' REPORT

19. BUSINESS RISK MANAGEMENT:

Pursuant to section 134(3) (n) of the Companies Act, 2013 and as per provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adhered to the principles of sound risk management and already has a Risk Management Policy in place. An ongoing exercise is being carried out to identify, evaluate, manage and for monitoring of both business and non-business risk. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework. The details of the same are set out in the Corporate Governance Report forming part of the Boards' Report.

20. CORPORATE SOCIAL RESPONSIBILITY

As per the provision of Sec 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, your company was not required to comply with CSR norms as per the threshold limits upto FY 2015-16.

In view of improvement in the financial performance of the Company for FY 2015-16, the Board at its meeting held on May 23, 2016, has constituted a Corporate Social Responsibility Committee comprising three Directors of the Company including one Independent Director. The members of the Committee are Mr. G. C. Vasudeo, Mr. Krishna Kumar Karwa and Mr. Prakash Kacholia. The Company has evolved a Corporate Social Responsibility Policy and is actively practicing the same. The objectives of CSR Policy are to contribute to social and economic development of the communities in which the Company operates, provide opportunities to employees to contribute to society through service and contributions, monetary and otherwise and to generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive and socially responsible image of the Company as a corporate entity.

21. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has implemented a Vigil Mechanism Policy to deal with instance of fraud and mismanagement, if any. The policy also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in all cases. The details of the policy are posted on the website of the Company under the link <http://www.emkayglobal.com/investorrelations>. There were no complaints received during the year 2015-16.

22. DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mrs. Preeti Kacholia (DIN 03481747), Non-Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment. Your Board recommends her re-appointment.

During the year, Dr. Satish Ugrankar (DIN:00043783) was appointed as an Additional Director of the Company with effect from 12th August, 2015. As per provisions of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, Dr. Satish Ugrankar holds office upto the date of the forthcoming 22nd Annual General Meeting and is eligible for appointment.

Pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV of the Companies Act, 2013 and pursuant to SEBI Circular no CIR/CFD/POLICY CELL/2/2014 dated 17th April, 2014, your Directors are seeking appointment of Dr. Satish Ugrankar as an Independent Director for five consecutive years for a term up to 10th August, 2021. Details of the proposal

DIRECTORS' REPORT

for appointment of Dr. Satish Ugrankar are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 22nd Annual General Meeting.

The Company has received a notice along with requisite deposit from a member of the Company under section 160(1) of the Companies Act, 2013 proposing his candidature for the office of Director of the Company. Members are requested to consider appointment of Dr. Satish Ugrankar as an Independent Director.

The period of appointment of Mr. Krishna Kumar Karwa, Managing Director & CFO and Mr. Prakash Kacholia, Managing Director will be expiring on 31st August, 2016. On recommendation of the Nomination, Remuneration and Compensation Committee in their meeting held on 23rd May, 2016, the Board of Directors of the Company at its meeting held on 23rd May, 2016 has approved and recommended re-appointment of Mr. Krishna Kumar Karwa, Managing Director & CFO and Mr. Prakash Kacholia, Managing Director of the Company for a further term of three years on a revised remuneration with effect from 1st October, 2016 subject to approval of the Members at the ensuing Annual General Meeting and subject to approval of the Central Government, if required.

The above appointment/re-appointment forms part of the Notice of the forthcoming 22nd Annual General Meeting and the respective resolutions are recommended for your approval.

A brief profile of Directors as required under Regulation 36 (3) of the SEBI (LODR) Regulations, 2015 is given in the Notice of the 22nd Annual General Meeting.

All Independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

During the year, Company has appointed Mr. B. M. Raul as Company Secretary being a key managerial personnel w.e.f. 4th January, 2016.

The following three persons were formally noted as Key Managerial Personnel of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013.

- Mr. Krishna Kumar Karwa - Managing Director & CFO
- Mr. Prakash Kacholia - Managing Director
- Mr. B. M. Raul - Company Secretary

23. PARTICULARS OF REMUNERATION:

Details of the ratio of remuneration of each Director to the median employee's remuneration is provided in **Annexure – D**.

24. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

Pursuant to the provisions of the Section 134(5)(f) of the Act, the Company has devised proper systems to ensure compliance with the provisions of all applicable laws. Each department of the organization ensured that it had complied with the applicable laws and furnished its report to the Head of department who then along with the Company Secretary discussed on the compliance status of the department. Any matter that required attention was immediately dealt with. The Company Secretary reported to the Audit Committee and the Board on the overall compliance status of the Company. In effect, such compliance system was largely found to be adequate

DIRECTORS' REPORT

and operating effectively. The directors have in the Directors' Responsibility Statement under paragraph (f) also confirmed the same to this effect.

25. SUBSIDIARY COMPANIES

Emkay Commotrade Limited (ECL) – a 100% subsidiary:

Emkay Commotrade Limited offers commodity futures trading to its clients. It is a member of three major commodity exchanges viz. Multi Commodity Exchange of India Limited (MCX), National Commodity and Derivatives Exchange Limited (NCDEX) and National Spot Exchange Limited (NSE). During the year, the Company has issued 10,00,000 - 9% Redeemable Non-Cumulative Preference Shares of ₹ 10/- each for a period of five years. As on date Company's Paid up Capital is ₹ 7 crores divided into ₹ 6 crores Equity Shares and ₹ 1 crores Preference shares. The Company has a net worth of ₹ 159.75 Lacs as on 31st March, 2016.

Emkay Fincap Limited (EFL) – a 100% subsidiary:

Emkay Fincap Limited is a RBI registered Non Deposit taking NBFC. EFL has a net worth of ₹ 3742.42 Lacs as on 31st March, 2016.

Emkay Insurance Brokers Limited (EIBL) – a 100% subsidiary:

Emkay Insurance Brokers Limited is registered with Insurance Regulatory and Development Authority (IRDA) as a Direct Insurance Broker and focuses on life and non-life businesses. EIBL has a net worth of ₹ 88.72 Lacs as on 31st March, 2016.

Emkay Investment Managers Limited (EIML) - a 100% subsidiary:

EIML is registered with Securities and Exchange Board of India (SEBI) for conducting the business of Portfolio Management Services and has commenced the business of Portfolio Management Services with effect from 1st January, 2011. EIML has a net worth of ₹ 487.85 Lacs as on 31st March, 2016.

The Consolidated Financial Statements presented by the Company include financial results of its Subsidiary Companies. The Company will make available the annual accounts of the Subsidiary Companies and the related information to any member of the Company who may be interested in obtaining the same. The annual accounts of the said Subsidiary Companies are also available for inspection by any member of the Company at its Corporate Office situated at Paragon Centre, C-6, Ground Floor, Pandurang Budhkar Marg, Worli, Mumbai - 400 013 during business hours on all days except Saturdays, Sundays and Public holidays upto the date of the AGM.

The Statement containing financial information of the aforesaid Subsidiaries is included in the Consolidated Accounts forming part of the Annual Report of the Company.

26. EMPLOYEE STOCK OPTION SCHEMES

With a view to remain a preferred employer, the Company had granted Stock Options under two Schemes viz. ESOP 2007 and another scheme Employee Stock Option Plan – 2010 - through trust route to the employees of the Company and the employee of the Subsidiary Companies.

(a) ESOP 2007

The Company had granted 1,442,000 Options on 17th January, 2008 to the eligible employees (each option carrying entitlement for one share of the face value of ₹ 10 each) at an exercise price of ₹ 363 per option which was later reprised at ₹ 63 per option. Further, the Company granted 2,44,000 Options on 19th June, 2009, 2,07,500 Options on 24th July, 2009, 1,00,000 Options on 4th May, 2010, 6,11,500 Options on 27th July, 2010 and 2,00,000 Options on 21st January, 2012 at an exercise price of ₹ 63, ₹ 61, ₹ 93, ₹ 77 and ₹ 37 per option respectively.

During the Financial Year 2015-16, the Nomination, Remuneration and Compensation Committee has not allotted any Equity Shares to the employees under the ESOP 2007.

DIRECTORS' REPORT

Summary of ESOP 2007 as on 31st March 2016:

Total no. of stock options granted under the Scheme	24,26,575
Exercise Price:	
14,42,000 Options	₹ 63/- per option
2,44,000 Options	₹ 63/- per option
2,07,500 Options	₹ 61/- per option
1,00,000 Options	₹ 93/- per option
6,11,500 Options	₹ 77/- per option
2,00,000 Options	₹ 37/- per option
Exercise Period	3 years
Re Issued Options	3,78,425
Total no. of stock options granted under the scheme	28,05,000
Stock Options lapsed	21,73,950
Stock Options vested but not exercised	5,30,800
Stock Options exercised	60,250
Outstanding Stock Options	5,70,800

The paid up Equity Capital of the Company is ₹ 24,43,77,500/- as of date. The disclosures required to be made in the Directors' Report in respect of the aforesaid ESOP Schemes, in terms of the SEBI (Share Based Employee Benefits) Regulations, 2014 are contained in "Annexure C" forming part of the Directors' Report.

(b) EMPLOYEE STOCK OPTION PLAN - 2010 THROUGH TRUST ROUTE

On the recommendation of the Nomination, Remuneration and Compensation Committee of your Company, the trustees of Emkay Employee Welfare Trust had granted 5,55,000 Options on 21st October, 2010 to the eligible employees (each option carrying entitlement for one share of the face value of ₹ 10 each) at an exercise price of ₹ 93/- per option. Further, the Nomination, Remuneration and Compensation Committee/Emkay Employees Welfare Trust granted 27,000 Options on 2nd May, 2011, 15,000 Options on 22nd October, 2011 and 50,000 Options on 21st January, 2012 at an exercise price of ₹ 63, ₹ 48, and ₹ 37 respectively per option.

Summary of ESOP 2010 (through trust route) as on 31st March 2016:

Total no. of stock options granted under the Scheme	24,41,995
Exercise Price:	
5,55,000 Options	₹ 93/- per option
27,000 Options	₹ 63/- per option
15,000 Options	₹ 48/- per option
50,000 Options	₹ 37/- per option
Exercise Period	3 years
Total no. of stock options granted under the scheme	6,47,000
Stock Options lapsed	5,59,500
Stock Options vested but not exercised	87,500
Stock Options exercised	Nil
Outstanding Stock Options	87,500

Details required to be provided are set out in "Annexure C" to this report.

27. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 205C of the Companies Act, 1956, the amounts which remained unpaid or unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund (IEPF).

In compliance with the provisions of the Companies Act, 2013, Unclaimed Dividend amount of ₹ 34,489/- for the year 2007-2008 being the dividend lying unclaimed for period of seven years was transferred to the Investor Education and Protection Fund (IEPF) of the Central Government on 21st October, 2015 after giving notice to the concerned shareholders.

Company has also transferred to IEPF the Unclaimed Dividend for the year 2006-2007 (₹ 1438/-) and 2007-2008 (₹ 2013/-) on Unclaimed Shares on 19th May, 2016.

28. CORPORATE GOVERNANCE REPORT

The Company adheres to the principles of Corporate Governance mandated by the Securities and Exchange

DIRECTORS' REPORT

Board of India and has implemented all the prescribed stipulations thereof. As stipulated in Regulation 27 of the Securities and Exchange Board of India (Listing Obligations & Disclosure requirements) Regulations, 2015, a detailed report on Corporate Governance and the requisite Auditors' Certificate confirming compliance with the conditions of Corporate Governance, forms part of the Annual Report.

29. PARTICULARS OF EMPLOYEES

The particulars of employees required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed hereto in "Annexure D"-1.

30. LISTING WITH STOCK EXCHANGES

The Equity shares of the Company are listed on National Stock Exchange of India Ltd. and BSE Ltd.

31. ACKNOWLEDGEMENT

Your Directors would like to take this opportunity to express sincere gratitude to the customers, bankers and

other business associates for the continued cooperation and patronage. Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Government, Regulatory Bodies and the Stock Exchanges.

Your Directors place on record their deep appreciation for the exemplary contribution made by employees at all levels. The Directors also wish to express their gratitude to the valued shareholders for their unwavering trust and support.

On behalf of the Board of Directors

Krishna Kumar Karwa
Managing Director & CFO

Prakash Kacholia
Managing Director

Place: Mumbai
Date: 23rd May, 2016

ANNEXURE “A”- EXTRACT OF THE ANNUAL RETURN

FORM NO. MGT-9, EXTRACT OF ANNUAL RETURN AS ON 31ST March, 2016

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rules 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

	CIN	L67120MH1995PLC084899
i	Registration Date	24th January, 1995
ii	Name of the Company	Emkay Global Financial Services Limited
iii	Category / Sub-Category of the Company	Public Limited Company
iv	Address of the Registered Office and contact details	The Ruby, 7th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028 Tel. No. 022-66121212
v	Whether Listed Company	Yes. Listed on BSE and NSE
vi	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Limited, C-13 Pannalal Silk Mills Compound, L B S Marg, Bhandup (West), MUMBAI - 400078. Tel No. 022-25963838

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the Business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of Main Products/Service	NIC Code of the Products / Service	% to total turnover of the Company
1	Stock Broking and Providing financial services and solutions like investment banking, institutional equities, private client broking, Depository Services.	67120 and 67190	88.98%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN Nos	Holding/ Subsidiary/ Associates	% of shares held	Applicable Section
1	Emkay Fincap Ltd	U65990MH2005PLC153310	Subsidiary	100	2(87)
2	Emkay Commotrade Limited	U99999MH2006PLC158675	Subsidiary	100	2(87)
3	Emkay Insurance Brokers Ltd	U66030MH2007PLC168496	Subsidiary	100	2(87)
4	Emkay Investment Managers Limited	U67190MH2010PLC203819	Subsidiary	100	2(87)
5	Emkay Corporate Services Pvt. Ltd	U67120MH1995PTC084911	Associate	NA	2(6)

ANNEXURE “A”- EXTRACT OF THE ANNUAL RETURN

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category –wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A. Promoters									
(1) Indian									
a) Individuals/HUF	13747500	-	13747500	56.26	13747500	-	13747500	56.26	0
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	4150000	-	4150000	16.98	4150000	-	4150000	16.98	0
e) Bank/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub Total A-1	17897500	-	17897500	73.24	17897500	-	17897500	73.24	0
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Others-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)									
Total Shareholding of Promoters A= A1+A2	17897500	-	17897500	73.24	17897500	-	17897500	73.24	0
B. Public Shareholding									
1. Institution	-	-	-	-	-	-	-	-	-
a) Mutual Fund	314530	-	314530	1.29	314530	-	314530	1.29	0
b) Bank/FI	-	-	-	-	-	-	-	-	-
c) Cent. Govt	-	-	-	-	-	-	-	-	-
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Comp	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total-B-1	314530	-	314530	1.29	314530	-	314530	1.29	0
2. Non Institutions									
a. Bodies Corporate									
i. Indian	533759	10000	543759	2.23	937603	10000	947603	3.88	1.65
ii. Overseas	-	-	-	-					
b. Individuals									

ANNEXURE “A”- EXTRACT OF THE ANNUAL RETURN

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1468750	17380	1486130	6.08	1548970	7215	1556185	6.37	0.29
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	3334666	-	3334666	13.65	2608673	0	2608673	10.67	(2.98)
c. State Govt	-	-	-	-	-	-	-	-	-
d. Venture Capital Funds	-	-	-	-	-	-	-	-	-
e. Insurance Comp	-	-	-	-	-	-	-	-	-
f. FIIS	-	-	-	-	-	-	-	-	-
g. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h. Others (specify)									
a. Clearing member	15392	0	15392	0.06	17238	0	17238	0.07	0.01
b. Trust	0	0	0	0	0	0	0	0	0
c. NRIs	26690	0	26690	0.11	31635	0	31635	0.13	0.02
d. NRN	64435	0	64435	0.25	73592	0	73592	0.29	0.04
e. Hindu Undivided Family	0	0	0	0	80433	0	80433	0.33	0.33
f. Office bearers					155713	0	155713	0.64	0.64
Sub Total B-2	5443692	27380	5471072	22.38	5453857	17215	5471072	22.38	0
Total Public Shareholding B=B1+B2	5758222	27380	5785602	23.67	5768387	17215	5785602	23.67	0
C. Non-Promoter and Non-Public	754648	-	754648	3.09	754648	-	754648	3.09	0
D. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	24410370	27380	24437750	100	24420535	17215	24437750	100	0

ii. Shareholding of Promoters:

Sr. No.	Shareholders Name	Shareholding at the Beginning of the Year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of the total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of the total shares of the Company	% of Shares Pledged / Encumbered to total shares	
1	Krishna Kumar Karwa	4922500	20.14	-	4922500	20.14	-	There is no change in Shareholding during the year
2	Prakash Kacholia	4750000	19.44	-	4750000	19.44	-	
3	Emkay Corporate Services Pvt. Ltd.	4150000	16.98	-	4150000	16.98	-	

ANNEXURE “A”- EXTRACT OF THE ANNUAL RETURN

(iii) Change in Promoters' Shareholding (There is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	At the Beginning of the year				
A	Krishna Kumar Karwa	4922500	20.14	4922500	20.14
B	Prakash Kacholia	4750000	19.44	4750000	19.44
C	Emkay Corporate Services Pvt. Ltd	4150000	16.98	4150000	16.98
2.	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc	-	-	-	-
A	Krishna Kumar Karwa	-	-	-	-
B	Prakash Kacholia	-	-	-	-
C	Emkay Corporate Services Pvt. Ltd	-	-	-	-
3.	At the End of the year				
A	Krishna Kumar Karwa	4922500	20.14	4922500	20.14
B	Prakash Kacholia	4750000	19.44	4750000	19.44
C	Emkay Corporate Services Pvt. Ltd	4150000	16.98	4150000	16.98

(iv) Shareholding pattern of top ten shareholders (other than Directors / Promoters and holders of GDRs and ADRs.

Sr. No.	For each of the Top Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year				
1	Raunak Karwa	1750000	7.1611	1750000	7.1611
2	Emkay Employees Welfare Trust	754648	3.0880	754648	3.0880
3	Neeraj Batra	740733	3.0311	340000	1.3913
4	Rajiv P Shroff	602379	2.4650	371054	1.5184
5	Priyanka Nanda	164920	0.6749	169620	0.6941
6	Satyanarayan Karwa	164920	0.6749	160517	0.6568
7	HDFC Trustee Company Ltd –HDFC Infrastructure Fund	314530	1.2871	314530	1.2871
8	Dolly Khanna	--	--	271660	1.1116
9	Infinity Trust Investment Pvt. Ltd	--	--	217379	0.8895
10	Anil Kumar Goel	-	-	163000	0.6670
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the End of the year (or on the date of separation, if separated during the year)				
1	Raunak Karwa	1750000	7.1611	1750000	7.1611
2	Emkay Employees Welfare Trust	754648	3.0880	754648	3.0880
3	Neeraj Batra	340000	1.3913	340000	1.3913
4	Rajiv P Shroff	371054	1.5184	371054	1.5184
5	Priyanka Nanda	169620	0.6941	169620	0.6941
6	Satyanarayan Karwa	160517	0.6568	160517	0.6568
7	HDFC Trustee Company Ltd – HDFC Infrastructure Fund	314530	1.2871	314530	1.2871
8	Dolly Khanna	271660	1.1116	271660	1.1116
9	Infinity Trust Investment Pvt. Ltd	217379	0.8895	217379	0.8895
10	Anil Kumar Goel	163000	0.6670	163000	0.6670

ANNEXURE “A”- EXTRACT OF THE ANNUAL RETURN

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For each of the Directors /KMP	Beginning of the year		During the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of the total shares of the Company
	At the beginning of the year				
1	Krishna Kumar Karwa	4922500	20.14	4922500	20.14
2	Prakash Kacholia	4750000	19.44	4750000	19.44
3	Preeti Kacholia	2125000	8.6956	2125000	8.6956
4	G.P. Gupta	-	-	-	-
5	S.K.Saboo	-	-	-	-
6	R.K.Krishnamurthi	-	-	-	-
7	G.C.Vasudeo	-	-	-	-
8	Dr. Satish Ugrankar	-	-	-	-
9	B. M. Raul KMP (CS)	-	-	-	-
	Date wise Increase / Decrease in Share Holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year				
1	Krishna Kumar Karwa	4922500	20.14	4922500	20.14
2	Prakash Kacholia	4750000	19.44	4750000	19.44
3	Preeti Kacholia	2125000	8.70	2125000	8.70
4	G.P.Gupta	-	-	-	-
5	S.K.Saboo	-	-	-	-
6	R.K.Krishnamurthi	-	-	-	-
7	G.C.Vasudeo	-	-	-	-
8	Dr. Satish Ugrankar	-	-	-	-
9	B. M. Raul KMP (CS)	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Amount (₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12,12,17,936	8,50,00,000	-	20,62,17,936
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	12,12,17,936	8,50,00,000	-	20,62,17,936
Change in Indebtedness during the financial year				
Addition	4,50,00,000	26,25,00,000	-	30,75,00,000
Reduction	(12,12,17,936)	(30,25,00,000)	-	(42,37,17,936)
Net Change	(7,62,17,936)	(4,50,00,000)	-	(12,12,17,936)
Indebtedness at the end of the financial year				
i) Principal Amount	4,50,00,000	4,50,00,000	-	9,00,00,000
ii) Interest due but not paid	355,863	355,863	-	7,11,726
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	4,53,55,863	4,53,55,863	-	9,07,11,726

ANNEXURE “A”- EXTRACT OF THE ANNUAL RETURN

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount (₹)

Sr. No.	Particulars of Remuneration	Name of Managing Director		Total
		Krishna Kumar Karwa - MD & CFO	Prakash Kacholia-MD	
1.	Gross salary			
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	53,57,148	53,57,148	1,07,14,296
b)	Value of perquisites u/s 17(2) Income-tax Act, 1961			
c)	Profits in lieu of salary under section 17(3) Income tax Act, 1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others : Company's Contribution to PF	6,42,852	6,42,852	12,85,704
	Total (A)	60,00,000	60,00,000	1,20,00,000
	Ceiling as per the Act	5% of the Net Profit	5% of the Net Profit	

B. Remuneration to other Directors:

Amount (₹)

Sr. No.	Particulars of Remuneration	Name of Directors						Total
		G. P. Gupta	S. K. Saboo	R. K. Krishnamurthi	G. C. Vasudeo	Dr. Satsih Ugrankar	Preeti Kacholia	
1.	Independent Directors							
	- Fee for attending board/ committee meetings	60,000	-	100,000	1,00,000	-	-	2,60,000
	- Commission	-	-	1,75,000	-	-	-	1,75,000
	- Others, please specify	-	-	-	-	-	-	-
	Total (1)	60,000	-	2,75,000	1,00,000	-	-	4,35,000
2.	Other Non-Executive Directors							
	- Fee for attending board committee meetings	-	60,000	-	-	40,000	10,000	1,10,000
	- Commission	-	-	-	-	1,75,000	-	1,75,000
	- Others, please specify	-	-	-	-	-	-	-
	Total (2)	-	60,000	-	-	2,15,000	10,000	2,85,000
	Total (B)=(1+2)	60,000	60,000	2,75,000	1,00,000	2,15,000	10,000	7,20,000

C. Remuneration to key managerial personnel other than MD/Manager/WTD

Amount (₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary		
		Mr. Vaibhav Purohit (Upto 16/9/2015)	Mr. B. M. Raul (From 4/1/2016)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,95,200	4,19,454	11,14,654
	(b) Value of perquisites u/s 17(2) income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total	6,95,200	4,19,454	11,14,654

ANNEXURE “A”- EXTRACT OF THE ANNUAL RETURN

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCE

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made if any (Give Details)
A. COMPANY					
Penalty Punishment Compounding			NIL		
B. DIRECTOR					
Penalty Punishment Compounding			NIL		
C. OTHER OFFICERS IN DEFAULTY					
Penalty Punishment Compounding			NIL		

ANNEXURE “B” - SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

FORM No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016
[Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Emkay Global Financial Services Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Emkay Global Financial Services Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company, the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time; (Not applicable to the Company during the audit period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)

ANNEXURE “B” - SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi) Other laws applicable specifically to the Company namely:
 1. Bombay Stock Exchange Rules, Bye-law & Regulation;
 2. National Stock Exchange Rules, Bye-law & Regulation;
 3. Depository Act, 1996;
 4. Securities Transaction Tax Rules, 2004.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above except that the unpaid/unclaimed dividend amount on the shares lying in the suspense account for the dividend declared for the financial years 2006-2007 and 2007-2008 has been transferred to IEPF on 19th May, 2016.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Parikh & Associates
Company Secretaries

Mitesh Dhaliwala
Partner

Place: Mumbai
Date: May 23, 2016

FCS No: 8331 CP No: 9511

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

ANNEXURE “B” - SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015

‘Annexure A’

To,

The Members

Embays Global Financial Services Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Company Secretaries

Mitesh Dhabliwala
Partner

Place: Mumbai

Date : May 23, 2016

FCS No: 8331 CP No: 9511

ANNEXURE “C” - FORMING PART OF THE DIRECTORS’ REPORT

Disclosures with respect to Employees Stock / Option Scheme of the Company

Disclosures in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended, are set below.

Sr. No.	Particulars	ESOP Scheme-2007	ESOP Scheme-2010 (Through Trust Route)
1.	Total Number of Options under the plan	24,26,575	24,41,995
2.	Options Granted during the year	-	-
3.	Exercise Price & the Pricing formula	Exercise price considered is the closing market price as on the day preceding the date of the grant on that stock exchange which has had the maximum trading volume of the company's shares.	Exercise price considered is the closing market price as on the day preceding the date of the grant on that stock exchange which has had the maximum trading volume of the company's shares.
4.	Options vested (during the year)	1,26,200	33,750
5.	Options exercised (during the year)	-	-
6.	The total number of shares arising as a result of exercise of options during the year.	-	-
7.	Options lapsed (during the year)	2,24,500	0
8.	Variation in terms of options	-	-
9.	Money realized by exercise of options (during the year)	-	-
10.	Total number of options in force at the end of the year.	5,70,800	87500
11.	Employee wise details of options granted to	-	-
	i. Senior Management Personnel during the year	-	-
	ii. Employees holding 5% or more of the total number of options granted during the year.	-	-
	iii. Employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	-	-
12.	Diluted Earnings per share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with ("Accounting Standard (AS) 20" Earning per share)	₹ 4.00	₹ 4.00
13.	Where the Company has calculated the employee compensation cost using the intrinsic value of the stock / options, the difference between the employees compensation cost so computed and the employees compensation cost that shall have been recognised if it had used the fair value of the options, shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Compensation Cost using the intrinsic value of the stock / options is Nil. However, had the company followed the fair value method for accounting the stock options, compensation cost would have been ₹ (3,46,02,577) with consequent higher profit. On account of the same, the basic and diluted Earnings per share would have been more by ₹ 1.4159 per share and ₹ 1.4143 per share respectively.	Compensation Cost using the intrinsic value of the stock / options is Nil. However, had the company followed the fair value method for accounting the stock / options, compensation cost would have been ₹ 1,64,344 with consequent lower profits. No potentially dilutive shares arise out of the options granted under ESOP 2010 (Trust Route) as the shares are already in existence as on the reporting date."

ANNEXURE “C” - FORMING PART OF THE DIRECTORS' REPORT

Sr. No.	Particulars	ESOP Scheme-2007	ESOP Scheme-2010 (Through Trust Route)
14.	Weighted-average exercise prices and weighted – average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	-	-
15.	A description of the method and significant assumptions used during the year to estimate the fair values of options including the following weighted average information: 1. Risk free interest rate 2. Expected life 3. Expected volatility 4. Expected dividend yield 5. The price of the underlying shares in market at the time of option grant (₹)	- - - - -	- - - - -

ANNEXURE “D-1” - FORMING PART OF THE DIRECTORS' REPORT

A) PARTICULARS OF EMPLOYEES FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016.

STATEMENT CONTAINING THE PARTICULARS OF EMPLOYEES THROUGHOUT THE FINANCIAL YEARS AND PART OF THE FINANCIAL YEARS AND AS PER THE Rules 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) Rules, 2014 AND FORMING PART OF DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2016.

List of Employees of the Company employed throughout the financial year and part of the Financial year and were paid remuneration not less than ₹ 60 lakhs per annum.

Sr. No.	Name	Designation	Gross Remuneration (₹)	Nature of Employment, whether contractual or otherwise	Qualification	Experience (Years)	Date of commencement of employment	Age (years)	Previous Employment
1	Mr. Dhananjay Sinha	Head of Research and Strategist	13,758,913	Permanent	PG in Economics	21	24/10/2011	48	Centrum Broking Ltd.
2	Mr. Kenin Jain	Head - Institutional Equity Sales	14,652,747	Permanent	CA & MBA	11	12/03/2012	35	Voyager Investment
3	Mr. Rahul Rege	Business Head - Retail	9,700,932	Permanent	B.Com	21	15/07/2009	47	Centrum Wealth Management Ltd.
4	Mr. S. Hariharan	Head Sales Trading	8,849,828	Permanent	PG in Management	11	8/12/2014	36	Antique Stock Broking
5	Ms. Manjiri Mazumdar	Equity Derivative Sales	8,139,235	Permanent	MBA (Finance)	11	17/05/2005	35	N.A.
6	Mr. Rohan Gupta	Senior Research Analyst	6,129,853	Permanent	MBE (Econometrics)	13	7/02/2005	33	Capital Market Publishers (I) Pvt Ltd.
7	Mr. Manik Taneja	Senior Research Analyst	6,754,318	Permanent	MPIB (Finance)	10	7/10/2007	33	Man Financial Sify Securities
8	Mr. Manish Somani	Equity Derivative Sales	6,002,180	Permanent	MBA (Finance)	14	1/02/2004	37	Jhunjarji Investments
9	Mr. Krishna Kumar Karwa	Managing Director & CFO	6,000,000	Contractual	B.Com., ACA	25	1/01/1995	50	N.A.
10	Mr. Prakash Kacholia	Managing Director	6,000,000	Contractual	B.Com. ACA	26	1/01/1995	50	N.A.

Note:

- Gross Remuneration includes Salary, House Rent Allowance, Other Allowances, Contribution to Provident Fund and Value of Perquisites computed as per Income Tax Rules, 1962.
- The nature of employment in case of Managing Directors are contractual. Other terms and conditions are as per the Company's Rules.
- In compiling the above details, contribution made as per actuarial valuation to Gratuity Fund has not been taken into account as separate figures are not available for individual employee.
- Mr. Krishna Kumar Karwa, Managing Director & CFO is related to Mr. S. K. Saboo, Director of the Company. Mr. Prakash Kacholia, Managing Director is related to Mrs. Preeti Kacholia, Director of the Company. No other employee is related to any Director of the Company.

ANNEXURE “D” - FORMING PART OF THE DIRECTORS' REPORT

B) RATIO/MEDIAN

Disclosure pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Disclosure Requirement	Disclosure Details		
		Name	Title	Ratio
1.	Ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Krishna Kumar Karwa	Managing Director and CFO	13.65x
		Prakash Kacholia	Managing Director	13.65x
2.	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year			% increase in remuneration from FY14-15 to FY15-16
		Krishna Kumar Karwa	Managing Director and CFO	0.00%
		Prakash Kacholia	Managing Director	0.00%
		Bhalchandra Raul (*)	Company Secretary	Not applicable
		Vaibhav Purohit	Ex- Company Secretary and Compliance Officer	20.00%
3.	Percentage increase in the median remuneration of employees in the financial year		14.02%	
4.	Number of permanent employees including directors on the rolls of Company at the end of the year		398	
5.	Explanation on the relationship between average increase in remuneration and Company performance	Increase in remuneration is based on the following factors:- a) Benchmarking with the Industry b) Market Conditions c) Company's expected turnover and profitability d) Employees likely attrition rate e) Business requirements f) Applicable regulatory guidelines , if any Employees who were in employment in FY14-15 as well as in FY 15-16, the average increase in their remuneration was 11.04%		
6.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	For FY 15-16, Key Managerial Personnel which includes two directors, one present Company Secretary and one Ex- Company Secretary & Compliance Officer, were paid 1.38% of the Total Income of the Company on Standalone basis.		
7.	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the public offer	The Market Capitalization of the Company has decreased from ₹ 140.27 crs as of 31.03.2015 to ₹ 131.96 crs as of 31.03.2016.		
		As Earnings Per Share (EPS) of the Company was negative in FY 14-15, movement in price earnings ratio is not ascertainable. Company's share price as at 31.03.2016 has decreased by 55 % to ₹ 54.00 since the last public offering in April 2006 which was at a price of ₹ 120/- per share.		
8.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	For employees other than Key Managerial Personnel who were in employment in FY14-15 as well as in FY 15-16, the average increase in their remuneration was 11.04% whereas average increase in remuneration of Key Managerial Personnel was 1.80% for the same period.		

ANNEXURE “D” - FORMING PART OF THE DIRECTORS’ REPORT

Sr. No.	Disclosure Requirement	Disclosure Details		
9.	Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company	Name	Title	Remuneration of FY 15-16 as % to Profit before Tax on Standalone basis
		Krishna Kumar Karwa	Managing Director and CFO	4.63%
		Prakash Kacholia	Managing Director	4.63%
		Bhalchandra Raul (**)	Company Secretary	0.32%
		Vaibhav Purohit (**)	Ex- Company Secretary and Compliance Officer	0.54%
10.	Key Parameters for any variable component of remuneration availed by the directors	No variable component of remuneration has been availed by the directors during the financial year		
11.	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	There are Eight (8) employees who are not directors but received remuneration in excess of the highest paid directors during the year.		
		Considering the average remuneration of these employees, the ratio works out to 1:1.54		
12.	Affirmation that the remuneration is as per the remuneration policy of the Company	The Company's Directors/Key Managerial Personnel and Employees are paid remuneration as per the Remuneration Policy		

(*) Mr. Bhalchandra Raul was appointed as a Company Secretary w.e.f. 4th January, 2016 in place of Mr. Vaibhav Purohit, Ex Company Secretary and Compliance Officer, hence percentage increase is not applicable.

(**) Percentage is calculated on the basis of actual remuneration paid for the period served by them during the FY 15-16 and the same is then compared with profit before tax for the full financial year.

ANNEXURE “E” - FORMING PART OF THE DIRECTORS’ REPORT

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

a) Energy Conservation: Since the Company is engaged in financial services, it does not consume substantial energy. However, as a responsible organization, the Company has adopted various environment friendly measures in order to conserve energy. The same are as follows:

1. Installation of capacitors to save power.
2. Installation of power saving TFT monitors.
3. Enabled automatic power off modes on idle monitors.
4. Installation of Blade Servers in Data Centre which consume optimum power & space.
5. Minimal air-conditioning usage.
6. Fixed time schedules (timers enabled) for operating air-conditioners.
7. Shutting off electronic devices when not in use.
8. Installation of power saving electrical equipments like CFL.
9. Preventive maintenance of all electrical equipments for better efficiency and power consumption.
10. Educating employees on ways to conserve electricity and other natural resources and a strict adherence to the same is ensured.

b) Technology Absorption: It is the policy of your Company to keep abreast of all the technological advancements in its field of operation and particularly so in the field of Information Technology. The Management places immense importance on careful analysis and absorption of the latest technology as well as on the development of technologies that abet the achievement of business goals and improve its performance in the long run.

c) Details of Foreign Exchange Earnings and Outgo:

- i) The foreign exchange inflows were ₹ 201.78 Lacs.
- ii) The foreign exchange outflows were ₹ 80 Lacs.

ANNEXURE “F” - FORMING PART OF THE DIRECTORS’ REPORT

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms’ length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm’s length basis

- (a) Name(s) of the related party and nature of relationship - N.A
- (b) Nature of contracts/arrangements/transactions - N.A
- (c) Duration of the contracts / arrangements/transactions - N.A
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any-
- (e) Justification for entering into such contracts or arrangements or transactions. - N.A
- (f) Date(s) of approval by the Board - N.A
- (g) Amount paid as advances, if any - N.A
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 - N.A

Your Company enters into various transactions with related parties as per the provisions of the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the following link: www.emkayglobal.com/investorrelations.

During the financial year ended 31st March, 2016, there are no transactions with related parties which qualify as a material transaction in terms of the applicable provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

2. Details of material contracts or arrangement or transactions at arm’s length basis

- (a) Name(s) of the related party and nature of relationship - N.A
- (b) Nature of contracts/arrangements/transactions - N.A
- (c) Duration of the contracts / arrangements/transactions - N.A
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any - N.A
- (e) Date(s) of approval by the Board, if any - N.A.
- (f) Amount paid as advances, if any - N.A.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company has set itself the objective of achieving excellence in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance. The Company emphasizes the need for full transparency and accountability and conducting its business in a highly professional and ethical manner, thereby enhancing trust and confidence of all its stakeholders. The Company continuously monitors its governance practices and benchmarks itself to the best governed companies across the industry. The Company believes in pursuing holistic growth and realizes its responsibility towards its stakeholders and environment. The Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. The Company not only adheres to the prescribed corporate governance practices as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred as SEBI (LODR) Regulations, 2015] but is also committed to sound corporate governance principles and practices and constantly strives to adopt emerging best practices.

A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of Listing Regulations is given below:

2. BOARD OF DIRECTORS (BOARD)

• Composition of Board

The Company has an optimum combination of Executive and Non-Executive Directors in its Board and comprises of eight Directors, each having expertise in their field of operation including one Woman Director. The total number of Non-Executive Directors is more than 50% of the total number of Directors which is in conformity with the requirement of Regulation 17 (a) of SEBI (LODR) Regulations, 2015. The Chairman of the Board is a Non- Executive Independent Director, and there is optimum combination of more than one third of board as independent directors as per Regulation 17(b) of the SEBI (LODR) Regulations, 2015.

The brief profile of each Director is given below:

Mr. G. P. Gupta (Non-Executive Chairman, Independent)

Mr. Gian Prakash Gupta has over 42 years of experience in Development Banking. He was formerly the Chairman and Managing Director of Industrial Development Bank of India and Chairman of Unit Trust of India. He was associated as Director with various prominent Companies like Bharat Heavy Electricals Ltd., National Aluminum Co. Ltd., Hindustan Aeronautics Ltd., Power Finance Corporation Ltd., PTC India Ltd., NTPC Ltd., Idea Cellular Ltd., Aditya Birla Nuvo Ltd., and Aditya Birla Retail Limited.

Mr. S. K. Saboo (Non-Executive, Non Independent Director)

Mr. Sushil Kumar Saboo has more than 48 years of management experience. Presently he is the Group Advisor (Chairman's Office) for Aditya Birla Group, one of the premier business groups of India.

Mr. R. K. Krishnamurthi (Non-Executive, Independent Director)

Mr. R. K. Krishnamurthi, a Solicitor in the Mumbai High Court and the Supreme Court of England, has a rich and wide experience of over 43 years in the field of Law. He is a retired Partner of Mulla & Mulla Craigie Blunt & Caroe, a reputed firm of Advocates, Solicitors and Notaries.

Mr. G. C. Vasudeo (Non-Executive, Independent Director)

Mr. G. C. Vasudeo is a fellow member of the Institute of Chartered Accountants of India, The Institute of Company Secretaries of India, an Associate member of The Institute of Cost and Works Accountants of India and a Law Graduate from the University of Mumbai. He has a wide and rich industrial experience of over 37 years. He is presently Senior Director-Strategic Issues & Country Manager w.e.f. 01.01.2016 of SI Group - India Limited and is in charge of Corporate Finance, Accounts and Information Technology. He has been instrumental in the restructuring of the Group and also in Mergers and Acquisitions within the Group.

CORPORATE GOVERNANCE REPORT

Mr. Krishna Kumar Karwa (Managing Director & CFO, Promoter)

Mr. Krishna Kumar Karwa, a rank holder Member of the Institute of Chartered Accountants of India, is the Promoter, Managing Director & CFO of the Company. Mr. Krishna Kumar Karwa has a rich and varied experience of 28 years in all aspects of the Equity Capital Markets. He is also the director in West Coast Paper Mills Limited and Titagarh Agrico Private Limited.

Mr. Prakash Kacholia (Managing Director, Promoter)

Mr. Prakash Kacholia, a Member of the Institute of Chartered Accountants of India, is the Promoter and Managing Director of the Company. Mr. Prakash Kacholia has a rich experience of 27 years in the capital markets with a focus on the derivative segment.

Mrs. Preeti Kacholia (Non Executive Woman Director)

Mrs. Preeti Kacholia is a woman Director on the Board of Directors of the Company. She is having rich knowledge in the field of Business management. Mrs. Preeti Kacholia is wife of Mr. Prakash Kacholia-Managing Director of the Company. She is holding 21,25,000 equity shares in the Company.

Dr. Satish Ugrankar (Non Executive Director)

Dr. Satish Ugrankar has been appointed as an Additional Director of the Company w.e.f. 12th August, 2015 as per the provisions of Section 149 of the Companies Act, 2013 and as per SEBI (LODR) Regulations, 2015. Dr. Satish Ugrankar is M.S., D'ORTH (CPS), and F.C.P.S. (CPS), (Mumbai). He is on the Board of FDC Limited.

The Composition of the Board, Directorship/Committee positions in other companies as on 31st March, 2016 and number of Meetings held and attended during the year is as follows:

Name of the Director	Category	No. of Board Meetings held during his/her tenure and attended in 2015-16		Whether attended last AGM held on 12.08.2015	Number of Directorships in other public companies*	Number of Committee#positions held in other public companies *	
			Attended			Chairman	Member
Mr. G. P. Gupta	NED (I)	5	3	N	1	-	-
Mr. S. K. Saboo	NED	5	5	Y	-	-	-
Mr. R. K. Krishnamurthi	NED (I)	5	5	Y	4	1	1
Mr. G. C. Vasudeo	NED (I)	5	5	Y	2	-	1
Mr. Krishna Kumar Karwa	ED	5	5	Y	4	-	2
Mr. Prakash Kacholia	ED	5	5	Y	3	-	1
Mrs. Preeti Kacholia (Appointed w.e.f. 30.03.2015 as woman director)	NED	5	4	Y	-	-	-
Dr. Satish Ugrankar (Appointed as an Additional Director w.e.f. 12.08.2015)	NED	5	4	Y	1	-	-

- Note:**
1. Category: NED – Non-Executive Director, NED (I) – Non-Executive Director and Independent, ED – Executive Director & Promoter
 2. None of the above directors are related inter-se to any other Director on the Board, except Mr. Krishna Kumar Karwa and Mr. S. K. Saboo who are related to each other and Mr. Prakash Kacholia and Mrs. Preeti Kacholia who are related to each other.
 3. None of the Non-Executive Directors hold any shares or convertible instruments in the Company.
 4. None of the Directors hold the office of director in more than the permissible number of companies under the Companies Act, 2013 or Regulation 25 and 26 of the SEBI (LODR) Regulations, 2015

* excluding private limited companies, foreign companies and companies under Section 8 of Companies Act, 2013, trusts and alternate directorships as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

only Audit Committee and Stakeholders Relationship Committee has been considered as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

CORPORATE GOVERNANCE REPORT

Independent Directors

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination, Remuneration and Compensation Committee, for appointment, as Independent Directors on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons. The Board considers the Committee's recommendation, and takes appropriate decision. Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law. The Non-Executive Directors, including Independent Directors on the Board, possess requisite experience and specialization in diverse fields such as legal, finance, banking, administration etc.

Company has issued letter of appointment to independent directors which also covers the code for independent directors as per schedule IV as provided in the Companies Act, 2013 and the Company has disclosed the terms and conditions of appointment of Independent Director on the website of the Company. Company has also informed to the BSE Limited and National Stock Exchange of India Limited regarding appointment of Independent Directors. Company has also received a declaration from them in the manner as provided in the Companies Act, 2013.

A sample of the letter of appointment is available on the website of the Company and can be accessed through the following link: www.emkayglobal.com/investorrelations/disclosures.

Familiarization Programme

Your Company has put in place a structured induction and familiarization programme for all its Directors including the Independent Directors. The Company through such programme familiarizes not only the Independent Directors but any new appointee on the Board, with a

brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. They are also informed of the important policies of the Company including the Code of Conduct for Board Members and Senior Management Personnel and the Code of Conduct to Regulate, Monitor and Report, Trading by Insiders, etc.

The familiarization programme for Independent Directors in terms of Regulation 34(3) of SEBI (LODR) Regulations, 2015 is uploaded on the website of the Company and can be accessed through the following link: www.emkayglobal.com/investorrelations/disclosures.

Evaluation of Board Effectiveness

In terms of provisions of the Companies Act, 2013 read with Rules issued there under and SEBI (LODR) Regulations, 2015, the Board of Directors, on recommendation of the Nomination, Remuneration and Compensation Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended 31st March, 2016. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the effectiveness of their contribution. In the evaluation, the Director who are subject to evaluation do not participate.

Meetings of Independent Directors

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and regulation 25 of the SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 31st March, 2016, without the attendance of Non-Independent Directors and members of the management to discuss inter alia:

- The performance of the Chairperson of the Company, taking into account the views of Executive and Non-Executive Directors
- The performance of the Non-Independent Directors and the Board as a whole;

CORPORATE GOVERNANCE REPORT

- The quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Board Meetings:

During the Financial Year 2015-2016, 5 board meetings were held on 22nd May, 2015, 12th August, 2015, 26th October, 2015, 29th January, 2016 and 11th March, 2016. The gap between any two Meetings did not exceed one hundred twenty days.

The Company Secretary prepares the agenda papers in consultation with the Managing Directors and circulates the same to each Director sufficiently before Board and Committee Meetings. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meetings. Wherever it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. To enable the Board to discharge its responsibilities effectively, both the Managing Directors apprise the Board at every meeting on the overall performance of the Company, followed by a detailed presentation.

The Board periodically reviews strategies, business plans, annual operating and capital expenditure budgets and evaluates the functions of the management in order to meet shareholders' aspiration. Some of the important matters that are discussed in the meeting of the Board are listed below: (The list mentioned below is only indicative and not exhaustive)

- The minutes of the Board meeting of unlisted Subsidiary Companies.
- Minutes of the meetings of Audit Committee and other Committees of the Board.
- Declaration of Independent Directors at the time of appointment/annually and every year.
- Annual operating plans of various businesses, budgets and any updates on the same.
- Statement of all significant transactions, related party

transactions and arrangements with the Subsidiary Companies.

- Quarterly Results of the Company on Standalone & Consolidated basis.
- Annual Financial Results of the Company, Auditor's Report and the Report of the Board of Directors.
- Dividend/Interim Dividend declaration, if any.
- Compliance Certificate certifying compliance with all the laws as applicable to the Company.
- Consideration and review of investments and exposure limits.
- Action taken report on the decisions taken at the previous meeting of the Board and other Committees.

The information as specified in Regulation 17 (7), Part A of Schedule II, of the SEBI (LODR) Regulations, 2015 is regularly made available to the Board, whenever applicable, for discussion and consideration.

The minutes of the proceedings of each Board and Committee Meeting are duly recorded. A draft of the minutes is circulated to all the members of the Board/ Board Committee for their comments.

Board Committees

The Board has constituted Committee(s) of directors, with adequate delegation of powers. The Company Secretary of the Company acts as the Secretary to the Committees. The Board is responsible for constituting, assigning and co-opting the members of the Committees. Each Committee has its own charter which sets forth the purposes, goals and responsibilities of the Committees.

3. AUDIT COMMITTEE

A. Qualified and Independent Committee.

The present composition of the Audit Committee is as follows:

Mr. G. C. Vasudeo	Chairman
Mr. G. P. Gupta	Member
Mr. R. K. Krishnamurthi	Member
Mr. Prakash Kacholia	Member

CORPORATE GOVERNANCE REPORT

The Audit Committee comprises of three Non-Executive Independent Directors and one Executive Director. The Chairman of the Audit Committee, Mr. G. C. Vasudeo is a Non- Executive Independent Director having expertise in the field of accounting and related financial management. All the members of the Committee are financially literate. The Statutory Auditors, Internal Auditors, Chief Operating Officer and Vice President - Accounts & Finance are permanent invitees to the Meetings. Company Secretary, acts as the Secretary to the Audit Committee of the Board of Directors.

Meetings

During the Financial Year 2015-16, four Meetings were held on 22nd May, 2015, 12th August, 2015, 26th October, 2015, and 29th January, 2016. The time gap between any two Meetings was less than one hundred twenty days. The attendance of each Committee member was as under:

Name	No. of Meetings attended
Mr. G. P. Gupta	2
Mr. G. C. Vasudeo	4
Mr. R. K. Krishnamurthi	4
Mr. Prakash Kacholia	4

The Chairman of the Audit Committee attended Annual General Meeting to answer shareholders queries.

Terms of Reference

The role and terms of reference of the Audit Committee are set out in Regulation 18(3) read with Part C of Schedule II of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors of the Company. The terms of reference of the Audit Committee broadly are:

1. Approval of annual internal audit plan;
2. Review and approval of related party transactions;
3. Review of financial reporting systems;
4. Ensuring compliance with regulatory guidelines;
5. Reviewing the quarterly, half yearly and annual financial results;

6. Discussing the annual financial statements and auditors report before submission to the Board with particular reference to the (i) Director's Responsibility Statement; (ii) major accounting entries; (iii) significant adjustments in financial statements arising out of audit findings; (iv) compliance with listing requirements etc.;
7. Interaction with statutory, internal and cost auditors;
8. Recommendation for appointment and remuneration of auditors; and
9. Reviewing and monitoring the auditor's independence and performance etc.

Further the Audit Committee also mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee; and
6. Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015;
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015.

In addition to the above, the Audit Committee also reviews the financial statements, minutes and details of investments made by the subsidiary companies.

CORPORATE GOVERNANCE REPORT

4. NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE

The composition of the Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015.

The present composition of the Nomination, Remuneration and Compensation Committee is as follows:

Mr. G. C. Vasudeo	Chairman
Mr. S. K. Saboo	Member
Mr. R. K. Krishnamurthi	Member
Mr. G. P. Gupta	Member

The Committee comprises of only Non-Executive Directors as its members. All the members of the committee are Independent except Mr. S. K. Saboo. As per the regulation 19 of SEBI (LODR) Regulations, 2015, Chairman of the Board shall not chair the Nomination, Remuneration and Compensation Committee. Mr. G. C. Vasudeo, an Independent Director, has been appointed as a Chairman of the Committee.

Meetings

During the Financial Year 2015-16, one Meetings was held on 22/05/2015. The attendance of each Committee member was as under:

Name	No. of Meetings attended
Mr. G. P. Gupta	1
Mr. G. C. Vasudeo	1
Mr. R. K. Krishnamurthi	1
Mr. S.K.Saboo	1

Terms of Reference

The Nomination, Remuneration and Compensation Committee determines the company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment and carry out the role as per the corporate governance regulations framed by the authorities from time to time as under :

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy,

relating to the remuneration of the directors, key managerial personnel and other employees;

2. Formulation of Criteria for evaluation of performance of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

The Chairman of the Nomination, Remuneration and Compensation Committee remains present at the Annual General Meeting, to answer the shareholders' queries. However, it would be up to the Chairman to decide who should answer the queries.

The Nomination, Remuneration and Compensation Committee also meets as and when required for the purpose of proper administration and implementation of the ESOP Schemes formulated by the Company from time to time.

The main function of the committee includes implementation, administration and superintendence of the ESOP Scheme formulated by the Company from time to time and to formulate the detailed terms and conditions for the same including.

- a) The quantum of options to be granted under an ESOP Scheme per employee and in aggregate.
- b) The Eligibility Criteria
- c) The Schedule for Vesting of Employee Stock Options;
- d) The conditions under which the Employee Stock Option vested in Employees may lapse in case of termination of employment for misconduct;
- e) The procedure for making a fair and reasonable adjustment to the number of Employee Stock Options and to the Exercise Price in case of a corporate action such as rights issues, bonus issues, merger, sale of division and others.

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- f) The procedure and terms for the Grant, Vest and Exercise of Employee Stock Option in case of Employees who are on long leave;
- g) The procedure for cashless exercise of employee stock options ,if required
- h) Approve forms, writings and/or agreements for use in pursuance of the ESOP Schemes.
- i) Frame suitable policies and systems to ensure that there is no violation by an employee of (a) Securities and Exchange Board of India (Insider Trading) Regulations, 1992 and (b) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995
- j) Frame any other byelaws, rules or procedures as it may deem fit for administering ESOP.

Remuneration Policy

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives

The Board of Directors and Nomination, Remuneration and Compensation Committee of Directors are authorized to decide the remuneration of Executive Directors subject to the approval of the Members and Central Government, if required. Payment of remuneration to the Managing Directors is governed by the letter of appointment issued to them by the Company, containing the terms and conditions of appointment approved by the Board of Directors and Nomination, Remuneration and Compensation Committee and the Shareholders. The remuneration structure comprises of salary, perquisites, retirement benefits and performance linked bonus. No stock options are granted to the executive directors of the Company.

Remuneration to Non-Executive Independent Director:

During the financial year, the Non-executive Independent

Directors did not have any pecuniary relationship or transactions with the Company.

The remuneration / commission is fixed as per the slabs and conditions mentioned in the Companies Act, 2013. Commission to Non Executive Independent Directors may be paid within the monetary limit approved by shareholders, subject to the limit of 1% of the profits of the Company computed as per the applicable provisions of the Act.

The Non- Executive Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed per meeting of the Board or Committee as may be prescribed in the Companies Act, 2013 and also subject to approval of the Board of Directors and Members.

Sitting fees for Board /Committees paid to all non executive directors including Independent Directors fixed by the Board of Directors was within the limit as prescribed in the Companies Act, 2013. An Independent Director is not entitled to any stock option of the Company.

Details of Remuneration paid to Managing Director(s) for the Financial Year 2015-16

On the basis of the recommendation of the Nomination, Remuneration and Compensation Committee and the Board of Directors of the Company at their meeting held on 18th May, 2013 and the Members of the Company at their meeting held on 5th August, 2013 approved re-appointment and payment of remuneration to Mr. Krishna Kumar Karwa-Managing Director & CFO and Mr. Prakash Kacholia-Managing Director for a period of three years with effect from 1st October, 2013 subject to approval of the Central Government due to inadequacy of profits.

Ministry of Corporate Affairs had approved their reappointment and payment of Remuneration of ₹ 84,00,000/- per annum to Mr. Prakash Kacholia and Mr. Krishna Kumar Karwa each vide their approval letter dated 27th February, 2014 as against ₹ 1,57,08,000/- per annum each, approved by the Members of the Company on 5th August, 2013.

CORPORATE GOVERNANCE REPORT

In view of the deteriorated business environment in the FY 2013-14 and FY 2014-15 and financial position of the Company, both the Managing Directors of the Company had volunteered to accept a gross salary of ₹ 60,00,000/- p.a. (including employers' contribution to PF) from 1st October, 2013 upto 31st March, 2016.

5. REMUNERATION OF DIRECTORS

The following table gives details of remuneration paid to Directors. During 2015-16, the company did not advance any loan to any of its Directors. Further, no Director has been granted any stock options of the Company during the year.

During the financial year 2015-16, the Committee had held 5 meetings. These meeting were held on 22nd May, 2015, 12th August, 2015, 26th October, 2015, 29th January, 2016 and 23rd March, 2016. All the Members of the Committee were present at all the meetings. The Stakeholders Relationship Committee looks into the redressal of shareholder and investor grievances, issue of duplicate / consolidated share certificates, remat / demat of shares and review of cases for refusal of transfer/ transmission and reference to statutory and regulatory authorities.

(In Rupees)

Name of the Director	Relationship with other Directors	Sitting fees	Salary and Perquisites	Provident Fund	Commission to Non-executive Directors / performance incentive to Executive Directors	Total	No. of Stock options, if any
G.P.Gupta	None	60,000	0	0	0	60,000	None
S. K. Saboo	Related to Krishna Kumar Karwa	60,000	0	0	0	60,000	None
R. K. Krishnamurthi	None	1,00,000	0	0	1,75,000	2,75,000	None
G. C. Vasudeo	None	1,00,000	0	0	0	1,00,000	None
Mrs. Preeti Kacholia	Related to Prakash Kacholia	10,000	0	0	0	10,000	None
Dr. Satish Ugrankar	None	40,000	0	0	1,75,000	2,15,000	None
Krishna Kumar Karwa	Related to S.K.Saboo	0	53,57,148	6,42,852	0	60,00,000	None
Prakash Kacholia	Related to Mrs. Preeti Kacholia	0	53,57,148	6,42,852	0	60,00,000	None

Notes :

1. Sitting fees are paid for attending Board Meetings and Board level Committees i.e. Audit, Stakeholders and Nomination and Remuneration
2. Commission to Non Executive Independent Directors is payable for the financial year ended March 31, 2016.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Company comprises of three Directors as under:

Mr. R. K. Krishnamurthi	Chairman
Mr. Prakash Kacholia	Member
Mr. Krishna Kumar Karwa	Member

The Chairman of the Committee is the Non-Executive Independent Director. In case there is a request for transfer of shares, demat- remat of shares during a fortnight, the Committee meeting is held fortnightly else the Committee meets once in every quarter.

Mr. B. M. Raul, who was appointed as the Company Secretary with effect from 4th January, 2016, has been designated as the Compliance Officer under SEBI (LODR) Regulations. 2015 has been complying with the requirements of the Securities Law and the Listing Agreement with the Stock Exchanges. Earlier Mr. Vaibhav Purohit was the Company Secretary and Compliance officer upto 16th September, 2015

Details of Shareholders/Investors Complaints for the financial year 2015-16 :

Number of shareholders' complaints received during the year	8
Number not solved to the satisfaction of shareholders	Nil
Number of pending Complaints	Nil

CORPORATE GOVERNANCE REPORT

7. GENERAL BODY MEETINGS

Details of venue, date and time of the last three Annual General Meetings (AGM) held:

Financial Year	AGM No.	Venue	Date	Time
2014-2015	21 st	M. C. Ghia	12 th August, 2015	4.00 p.m
2013-2014	20 th	Hall, Fort,	13 th August, 2014	3.00 p.m.
2012-2013	19 th	Mumbai.	5 th August, 2013	4.00 p.m

Special Resolutions passed at the last three AGM:

- At the 21st AGM held on 12th August, 2015.
 - Resolution under section 14 of the Companies Act, 2013 for adoption of new set of Articles of Association of the Company.
 - Resolution under section 186 of the Companies Act, 2013 for approving limits for investment .
- At the 20th AGM held on 13th August, 2014.
 - Resolution Passed under section 180 (1) (a) of the Companies Act, 2013 for creation of charges on assets of the company.
 - Resolution passed under section 180 (1) (c) of the Companies Act, 2013 for approving the borrowing limits of the company.
 - Resolution passed under section 62 (1) (c) of the Companies Act, 2013 for authorization for issue of equity shares of the company and/or other securities in the form of Qualified Institutional Placement (QIP)
- At 19th AGM held on 5th August, 2013
 - Re-appointment of and Payment of Remuneration to Managing Directors

Postal Ballot:

During the year, the shareholders passed the special resolutions for Alteration / insertion in the Main object clause of the Memorandum of Association of the Company, Amendment / Modification of ESOP Scheme-2010 (through Trust Route) and Amendment/modification of ESOP Scheme-2007 by way of Postal Ballot. The Notice dated 29th January, 2016 was sent to the members of the Company and the last date for receipt of postal ballot forms & e-voting was Wednesday, 9th March, 2016 and

the results were declared on Friday, 11th March, 2016 at the Registered Office of the Company. The Postal Ballot Forms, received within Thirty (30) days of dispatch, were considered by the Scrutinizer. Mr. Mitesh Dhaliwala, Partner of M/s. Parikh & Associates, Practicing Company Secretaries was appointed as the Scrutinizer, to conduct the postal ballot voting process in a fair and transparent manner.

The postal ballot notice and the results were made available on the Company's website www.emkayglobal.com. According to the Scrutinizer's report, the Resolutions were passed by the requisite majority. The details of voting results are given as under.

	No of Valid Votes Cast	Votes in favour	Votes Against	Invalid Votes
Alteration/insertion in the Main Object of the Memorandum of Association of the Company	1,93,32,164	1,93,32,113	51	1172
Amendment/Modification of ESOP Scheme-2010 (through Trust Route)	1,93,32,164	1,93,32,063	101	1172
Amendment/modification of ESOP Scheme-2007	1,93,32,163	1,93,32,062	101	1172

Proposal for Postal Ballot:

No Special resolution is proposed to be passed through Postal Ballot

8. MEANS OF COMMUNICATION

- The Quarterly/Annual Financial Results of the Company are normally published in the Business Standard, Free Press Journal, Navshakti and Sakal.
- The Quarterly/Annual Financial Results were promptly displayed on the Company's website www.emkayglobal.com.
- All the official news releases are regularly sent to the Stock Exchanges and are promptly displayed on the Company's website.
- No presentations made to the institutional investors or to the analysts during the year.

CORPORATE GOVERNANCE REPORT

9. GENERAL SHAREHOLDER INFORMATION

AGM: Date, time and venue	Wednesday, the 10th August, 2016 at 4.00 P.M. at M. C. Ghia Hall, Fort, Mumbai – 400001.
Financial Year	1st April, 2015 to 31st March, 2016
Date of Book Closure	Friday, 29th July, 2016 to Wednesday, 10th August, 2016 (Both days inclusive)
Dividend Payment Date	Company had declared Interim Dividend on 11th March, 2016 and paid the same on 30th March, 2016. This will be considered as final dividend.
Listing on Stock Exchanges	-BSE Limited, P.J.Tower, Dalal Street, Mumbai 400001 -National Stock Exchange of India Limited, Exchange Plaza, BKC, Bandra (East), Mumbai 400051
Stock Code / Symbol	-BSE-532737 -National Stock Exchange of India Limited - EMKAY
Listing fees	The Company has paid listing fees to BSE Limited and National Stock Exchange of India Limited for the Financial Year 2015-2016
ISIN Number	INE296H01011
Registrar and Transfer Agents	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400078.
Share Transfer System	The Company has a Stakeholder Relationship Committee comprising of its Directors. In case there is a request for transfer of shares, demat-remat of shares during a fortnight, the committee shall meet once in every quarter. The List of valid transfers / transmission / remat etc. prepared by the Registrar & Transfer Agent in respect of transfer cases received by them, if any, is placed before the Stakeholders Relationship Committee for its approval/confirmation.
Dematerialization of Shares and liquidity	As on 31.03.2016, 99.93% of the Equity Share Capital comprising 2,44,20,535 equity shares out of total 2,44,37,750 were dematerialized.
Outstanding GDR /ADR /Warrants or any Convertible Instruments, Conversion Date and likely impact on equity.	The Company has not issued any GDR /ADR /Warrants.
Commodity price risk or foreign exchange risk and hedging activities	The company is in the financial services business and do not have exposure to commodity price and foreign exchange hence not applicable.
Plant Locations	The company is into financial services business and does not have any plant locations.
Address for correspondence	Registered Office: The Ruby, 7th Floor, Senapati Bapat Marg, Dadar(West), Mumbai-400028 Corporate Office: Paragon Center, C-06, Ground Floor, Pandurang Budhkar Marg, Worli, Mumbai-400 013. Registrar and Transfer Agent: Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078.

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Market Price Data

During the year, the BSE Sensex decreased from 27954.86. to 25341.86

The Market Price of the Company's Shares traded on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE) during each month of the last Financial Year from 1st April, 2015 to 31st March, 2016 is as follows:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2015	65.00	52.50	66.00	52.25
May, 2015	67.75	50.00	64.00	51.90
June, 2015	69.00	55.50	69.80	54.05
July, 2015	70.85	50.00	64.50	52.65
August, 2015	74.90	56.00	69.00	53.15
September, 2015	60.85	50.00	59.85	50.00
October, 2015	74.45	52.70	75.00	52.40
November, 2015	88.35	63.15	88.50	64.10
December, 2015	86.70	69.65	86.70	68.25
January, 2016	81.50	62.00	81.95	61.50
February, 2016	69.90	45.80	72.35	46.00
March, 2016	59.95	49.80	59.00	49.80

Categories of Share Holding as on 31st March, 2016

The Shareholding of different categories of the shareholders as on 31st March, 2016 is given below:

Category	No. of Shareholders	No. of Shares	% of total
(A) Promoters and Promoter Group Shareholding			
Individual / Hindu Undivided family	6	1,37,47,500	56.26
Bodies Corporate	1	41,50,000	16.98
Total (A)	7	1,78,97,500	73.24
(B) Public Shareholding			
Other Bodies Corporate	123	9,47,603	3.88
NRI (including Non Repatriable)	54	1,05,227	0.43
Mutual Fund	1	3,14,530	1.29
Indian Public	5285	44,18,242	18.07
Total (B)	5463	57,85,602	23.67
(C) Non Promoter- Non Public Shareholding			
ESOP Trust	1	7,54,648	3.09
Total (C)	1	7,54,648	3.09
Total (A+B+C)	5471	2,44,37,750	100.00

Distribution of Shareholding as on 31st March, 2016

The Shareholding distribution of the equity shares as on 31st March, 2016 is given below:

Number of Shares held (Face value of ₹ 10 each)	Shareholders		Shares	
	Number	% of total	Number	% of total
1-500	4,922	89.9653	4,97,510	2.0358
501-1000	203	3.7105	1,69,880	0.6952
1001-2000	120	2.1934	1,84,907	0.7566
2001-3000	60	1.0967	1,56,906	0.6421
3001-4000	34	0.6215	1,20,184	0.4918
4001-5000	15	0.2742	70,822	0.2898
5001-10000	43	0.7860	3,31,173	1.3552
10001 & above	74	1.3526	2,29,06,368	93.7335
Total	5,471	100.0000	2,44,37,750	100.0000

10. OTHER DISCLOSURES:

A. Related Party Transactions (RPT)

- The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the following link: [www.emkayglobal.com/investor relations](http://www.emkayglobal.com/investor%20relations).
- Your Company enters into various transactions with related parties as per the provisions of the Companies Act, 2013 and Regulation 23 of the SEBI (LODR) Regulations, 2015.
- During the financial year ended 31st March, 2016, there are no transactions with related parties which qualify as materially significant transaction in terms of the provisions of Regulation 23 of the SEBI (LODR) Regulations, 2015.
- There are no materially significant related party transactions of the Company which conflict with the interests of the Company at large.
- A statement in summary form of all the transactions with related parties is placed periodically before the audit committee.
- Transactions with related parties, as per requirements of Accounting standard 18, are disclosed elsewhere in this annual report.

B. There was no non compliance and no penalties or strictures were imposed by the stock exchanges or by the SEBI or any other statutory authority on the company in any matter related to capital market in connection with its equity share capital from the date of listing.

CORPORATE GOVERNANCE REPORT

C. Whistleblower Policy/Vigil Mechanism

The Company is committed to provide an open, honest and transparent working environment and seeks to eliminate fraudulent activities in its operations. To maintain high level of legal, ethical and moral standards and to provide a gateway for employees to report unethical behaviour and actual or suspected frauds, the Company has adopted the Whistleblower Policy / vigil mechanism with effect from 1st April, 2014, in line with Regulation 22 of the SEBI (LODR) Regulations, 2015. No personnel have been denied access to the Audit Committee.

The Whistleblower Policy / vigil mechanism broadly covers a detailed process for reporting, handling and investigation of fraudulent activities and providing necessary protection to the employees who report such fraudulent activities / unethical behaviour. The Whistleblower Policy is available on the Company's website i.e. www.emkayglobal.com/investorrelations

D. Details of compliance with mandatory and non-mandatory requirements of SEBI (LODR) Regulations, 2015

Your Company has complied with all the mandatory requirements of SEBI (LODR) Regulations, 2015.

Following is the status of the compliance with the non-mandatory requirements:

a) Audit qualifications:

During the year under review, there was no audit qualification on the Company's financial statements.

b) Separate posts of Chairman and Managing Director:

The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director & CEO.

c) Reporting of Internal Auditor

As per the requirements, the internal auditor may report directly to the Audit Committee. The same is reported by briefing the Audit Committee through discussion and presentation of the observations,

review, comments and recommendations etc. in the Internal Audit presentation by the Internal Auditor of the Company.

d) Code of Conduct

Your Company has adopted a Code of Conduct for all the employees including Board Members and Senior Management Personnel of the Company in accordance with the requirement under SEBI (LODR) Regulations, 2015. The Code of Conduct has been posted on the website of the Company. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March, 2016. A certificate signed by the Managing Director(s)/CFO is annexed to this report as 'Annexure 1.'

e) Code of Conduct for Prevention of Insider Trading

The Board of Directors at its meeting held on 29th January, 2016 approved and adopted the revised Code of Conduct to Regulate, Monitor and Report Trading by Insiders' in line with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Board at its aforesaid meeting also approved the - Code for Fair Disclosure' and the same can be accessed through the following link: www.emkayglobal.com/investorrelations.

f) CEO / CFO Certification

The certificate required under SEBI (LODR) Regulations, 2015, duly signed by the Managing Directors / CFO has been given to the Board and the same is annexed to this report as 'Annexure 2.'

g) IPO Unclaimed Shares Demat Suspense Account.

As per the directive issued by the Securities Exchange Board of India (SEBI), the Company had opened a Beneficiary Account with Emkay Global Financial Services Limited, in the capacity of Depository Participant of CDSL in the name and style of "Emkay Global Financial Services Limited A/C,

CORPORATE GOVERNANCE REPORT

IPO-Unclaimed Securities Suspense Account” and credited the unclaimed shares lying in the Escrow Account which are not transferable in any manner. The said account is held by the Company purely on behalf of the allottees who are entitled to the shares but have not claimed their shares. As on 31st March 2016, a total of 1150 shares pertaining to 7 allottees are lying in the said Depository Account. The voting rights on the shares in the suspense accounts shall remain frozen till the rightful owners of such shares claim the shares.

Further, in compliance with the aforesaid SEBI Circular, the Company has opened an account with HDFC Bank Ltd in the name and style of “EGFSL – IPO Unclaimed Shares Unpaid Dividend Account” and credited the said bank account with the dividends declared on Unclaimed IPO Shares. As on 31 March 2016, an amount of ₹ 6325/- was lying in the said bank account. Subsequently, unpaid/unclaimed dividend amounting to ₹ 1434 for FY 2006-07 and ₹ 2013 for FY 2007-08 was transferred to Investor Education and Protection Fund (IEPF) on 19th May, 2016.

Details of shares lying in Emkay Global Financial Services Limited A/C IPO-Unclaimed Securities Suspense Account

(a) Aggregate number of Shareholders and outstanding shares lying in the suspense Account at the beginning of the year as on 01.04.2015	7 Shareholders 1150 Shares
(b) Number of shareholders who approached for transfer of shares from suspense account during the year	Nil
(c) Number of shareholder to whom shares transferred from suspense account during the year	Nil
(d) Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year as on 31.03.2016	7 shareholders 1150 shares
(e) Voting rights on these shares are frozen till the rightful owner of such shares claims the shares	Yes

h) Subsidiary Companies

The Company has four wholly owned unlisted subsidiaries as under:

1. Emkay Fincap Limited
2. Emkay Commotrade Limited
3. Emkay Insurance Brokers Limited
4. Emkay Investment Managers Limited

Out of the above four subsidiaries, Emkay Fincap Limited is a material non-listed Indian subsidiary as per SEBI (LODR) Regulations, 2015 whose turnover or net worth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year ended 31st March, 2015. As required under SEBI (LODR) Regulations, 2015, an Independent Director of the Company has been placed on the Board of Emkay Fincap Limited.

The Company monitors the performance of its subsidiaries, inter alia, by following means:

1. The Financial Statements, in particular the investments made by the unlisted subsidiary companies are placed before the Company's Audit Committee as well as before the Board.
2. The Minutes of Board and Audit Committee Meetings of the subsidiaries are placed at the Board Meetings of the Company.
3. Details of significant transactions and arrangements entered into by the unlisted subsidiary companies with the Company are placed before the Company's Board, as and when applicable.

Policy on determining 'Material Subsidiaries' is uploaded on the website of the Company www.emkayglobal.com/investorrelation

i) Risk Management Framework

The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures and periodical review to ensure that management controls risk through means of a properly defined framework.

CORPORATE GOVERNANCE REPORT

j) **Commodity price risk or foreign exchange risk and hedging activities:**

The company is in the financial services business and do not have exposure to commodity price and foreign exchange or hedging activities, hence not applicable.

k) **Listing Fees**

The Company has complied with SEBI (LODR) Regulations, 2015 with respect to payment of Annual Listing fees to the Exchanges and Annual Custodial fees to the Depositories.

l) **Reclassification of Public shareholding:**

As per rule 19A of the Securities Contract (Regulation) Rules, 1957, every listed Company is required to maintain public shareholding of at least 25%. Ministry of Finance (Dept. of Economic Affairs) vide Notification dated 25th February, 2015 amended the Securities Contracts (Regulation) Rules, 1957 called as the Securities Contracts (Regulations) (Amendment) Rules, 2015 substituting new definition for public shareholding thereby excluding the shares held by trust set up for implementing employee benefit scheme from Public shareholding. In view of reclassification of shareholding pattern as per the new definition, Public share holding in the Company has become 23.67% as against earlier 26.76%. As per the amended provisions, where the

public shareholding of listed company falls below twenty five per cent, such company shall increase its public shareholding to at least 25% within 3 years of the Notification i.e. by October 27, 2017. The Company has already given a proposal to SEBI for meeting the requirement of minimum level of Public shareholding of 25% specified under Rule of the Securities Contract (Regulation) Rules, 1957.

The Company has made all disclosures regarding compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, in the section on Corporate Governance of the annual report.

There is no non compliance of any requirement under para (2) to (10) of schedule V of SEBI (LODR) Regulations, 2015 in Corporate Governance Report.

On behalf of the Board of Directors

For Emkay Global Financial Services Limited

Krishna Kumar Karwa	Prakash Kacholia
Managing Director & CFO	Managing Director

Place: Mumbai

Date: 23rd May, 2016

CERTIFICATE OF CORPORATE GOVERNANCE

To the Members of

M/s. Emkay Global Financial Services Limited

We have examined the compliance of conditions of Corporate Governance by Emkay Global Financial Services Limited ('the Company') for the year ended 31st March, 2016, as stipulated in clause 49 of the Listing agreement ('Listing Agreement') of the Company with Stock Exchanges for the period 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For B.L. Sarda & Associates

Firm Registration No.109266W

Chartered Accountants

(CA. B. L. Sarda)

Partner

M. No. 014568

Place: Mumbai

Date: 23rd May, 2016

CODE OF CONDUCT

Annexure-1

In accordance with Regulation 26 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we, Krishna Kumar Karwa - Managing Director & CFO and Prakash Kacholia - Managing Director of the Company confirm that the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March, 2016.

For EMKAY GLOBAL FINANCIAL SERVICES LIMITED

Krishna Kumar Karwa
Managing Director & CFO

Prakash Kacholia
Managing Director

Place: Mumbai

Date: 23rd May, 2016

CEO/CFO CERTIFICATE

Annexure-2

We hereby certify that -

- (a) We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or which violate the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee;
 - i) Significant changes, if any in internal control over financial reporting during the year;
 - ii) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Krishna Kumar Karwa
Managing Director & CFO

Prakash Kacholia
Managing Director

Place: Mumbai

Date: 23rd May, 2016

MANAGEMENT DISCUSSION AND ANALYSIS

1. ECONOMIC OVERVIEW

In the ongoing global rebalancing, the world's growth pace has dwindled to extremely low levels, and while the reasons for slow growth differ between countries, there were probably some common factors. As a result, the decoupling of growth between advanced economies and emerging markets is getting more pronounced which is creating volatility and uncertainty in the markets. Most of the advanced economies followed an accommodative monetary stance not only considering the domestic impediments but also the financial market movements, especially as the Fed's rate normalisation announcements continued to trigger volatility across markets. Persistent low interest rates, which cast a shadow on the capabilities of central banks to stimulate growth and stability, make the outlook on global financial markets highly uncertain. Amidst this gloomy landscape, India stands out as a haven of stability and an outpost of opportunity. Global macro fundamentals have also unfolded in favour of India, with the current account deficit, inflation and government's fiscal deficit being comfortable. Domestic structural impediments continue to pose a hurdle to sustainable growth story. However, structural and geopolitical uncertainties are looming large on the peers making India, the most preferred investment destination for investors. The sustained disinflationary pressures in the economy enabled RBI to shift its tight monetary policy stance to accommodative stance. Like other emerging market currencies, INR has been resilient which may come under pressure going forward.

2. INDUSTRY OVERVIEW

Indian markets lost its exuberance in FY16 as the markets plunged by nearly 9.4% YoY, worst performance since 2011-12. Crash in commodity prices, upheaval in global markets and Fed's rate decision continued to ail the markets in FY16. Net FII's outflows is to an extent of USD 2.5 billion in Indian markets of which USD 2 billion is in equities and rest is in debt markets. Post the highest

ever FII investment in debt markets last year, outflows were more pronounced in the H2FY16. Overall AUMs have expanded by nearly 14% to INR 13.5 trillion in FY16 driven by equity schemes and higher participation from small town investors which contributed 44% to the net inflow. Retail Investors interests have also revived as investor accounts in mutual funds have resurged to over 47 million in Mar'16 from 42 million in Mar'15.

3. BUSINESS OVERVIEW

Emkay Global Financial Services Ltd. is an established name in the financial services arena, offering the entire gamut of wealth management and advisory services under one roof. The Company's operations include broking in equities and derivatives on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE), commodities, insurance, investment banking, and portfolio management among others. It is also a Depository Participant with CDSL (Central Depository Services Ltd).

Equity

Emkay is an INR 123 crore net worth group with over 241 retail outlets across the country. It caters to both institutional and non-institutional clients. Backed by one of the strongest equity research teams in the country, Emkay assists in adding wealth-creating equities to its clients' portfolios. It strongly believes in the principle of value investing, which involves identifying under-valued stocks through in-depth qualitative and quantitative analysis. During the financial year, the institutional segment contributed 73% of the total equity broking business, while the non-institutional segment accounted for the remaining. The total number of institutional clients increased from 248 in FY2014-15 to 270 in FY2015-16 while the number of non-institutional clients stood at 105593. The AUM went up from ₹ 7,403 crore to ₹ 7156 crore and the number of active DP accounts was 86553.

MANAGEMENT DISCUSSION AND ANALYSIS

Research

Emkay's research capabilities are well demonstrated and appreciated across the industry. The many awards that have been conferred upon our research and analysts over the years substantiate our clients' views. We have a competent team of 34 analysts and associates who are assisted by a production support team and database analysts. All the analysts are experienced and professionally qualified, with many of them coming with strong domain knowledge from their respective industries. Our research team covers 198 stocks across various sectors like Agri Input & Chemicals, Auto & Auto Ancillaries, Banks & Financial Services, Cement, Construction & Infrastructure, Consumers, Engineering & Capital Goods, IT Services, Media & Entertainment, Metals & Mining, Oil & Gas, Paper, Pharmaceuticals, Power and Telecommunications. During the year, the team released numerous industry and thematic reports. It also organized many national and international road shows, conducted many meetings and conference calls with corporate and industry experts.

Investment Banking:

During the financial year, 24 IPOs (excluding SME IPOs), 20 QIPs and 13 Rights Issues have successfully raised Rs15,367 cr, Rs. 24,742 cr and Rs. 8,573 cr respectively. Emkay's Investment Banking division is focused on the small and mid- market segment and have been fairly successful in raising money for quality companies. Most of the funds raised by the Corporates were by way of IPOs and QIPs and will still remain so in the next financial year. During the financial year, the investment banking team has completed 8 transactions including QIPs & Preferential Issues aggregating to total fund raised upto Rs. 279 cr for Capital Trust Limited, Somany Ceramics Limited, KDDL & Salzer Electronics Limited. The clients who subscribed to the issues are the top mutual funds and FIIs in India. Emkay also provided Advisory services on others products to Lokesh Machines Limited, Hinduja Ventures Limited & Kolte-Patil Developers Limited during the financial year.

PMS & Distribution Services

Your Company is a SEBI registered Portfolio Manager since 2003 and conducts the portfolio management business through its wholly owned subsidiary Emkay Investment Managers Ltd. (EIML). EIML offers six different types of PMS, catering to individual risk appetite, goals and investment preference. The PMS team is focused on offering the clients a superior research based portfolio which effectively manages risk and optimizes returns. Emkay PMS follows a judicious mix of both bottoms up and tops down method, with more emphasis on the bottoms up approach especially for stock selection. Emkay PMS also offers highly customized & personalized advisory services to large HNI / NRI & Corporate Investors. All of EIML's PMS strategies have consistently out-performed the index over the years, thereby building Substantial wealth for its clients. Below is the performance for last three years of Emkay PMS's flagship product – Emkay Capital Builder.

Emkay PMS - Capital Builder * March 31, 2016			
Period	Portfolio	NIFTY 500	Nifty
FY16 + FY15 + FY14 (Last 36 M)	80.52%	44.37%	36.65%
FY16	-3.77%	-8.23%	-8.39%
FY15	54.41%	34.33%	27.52%
FY14	23.82%	16.76%	17.79%

*XIRR for all clients

Commodity

FY 15-16 was a challenging year for the commodities market overall as the Chinese economy meltdown took its toll on most industrial commodities. Copper prices declined by nearly 23% while crude oil plunged to lows of nearly \$28 per barrel, a fall of nearly 30 % from the beginning of the FY. Precious metals remained mostly sideways with Gold prices showing some increase towards the end of the FY. Despite this slowdown, Emkay Commotrade decided to strategically focus on acquiring corporate clients and this strategy paid off with Emkay Commotrade being able to acquire quite a few corporate clients who will use Emkay's platform to meet their domestic hedging requirements.

MANAGEMENT DISCUSSION AND ANALYSIS

Currency

The Currency markets remained relatively stable for FY 15-16 with Implied Volatility remaining at 5% approximately through the year. This flows from the fact that India was the best performing large economy (GDP close to US\$ two trillion) with a 7.6 per cent estimated growth rate for FY16. Importantly, such growth has been accompanied by macro-economic stability. Inflation has been under control and the balance of payment position looks healthy. Current Account Deficit (CAD) has narrowed to 1.4 per cent of GDP (Q2, FY16) from the high of 4.8 per cent in FY13, mostly helped by the reduction of India's crude oil import bill. India's foreign exchange reserves stand at a robust level of about US\$ 361 billion. In FY 16 the total turnover of the currency market in India increased by 45 % yoy to ₹ 72,65,812 crore. Against this backdrop, Emkay's currency derivatives turnover increased by 62% yoy to 16,703 crores. Our market share moved slightly higher to 0.25%. We have built a strong pipeline of corporate clients and we expect our market share to increase to 0.30% in FY17.

Insurance

Emkay services life and non-life insurance businesses catering to corporates as well as individuals through its 100% subsidiary Emkay Insurance Brokers Limited. As an Insurance broker, Emkay caters to all the insurance needs of its clients and provides technical expertise and value enhancements to them. During FY15, The Non-life insurance business contributed 91% of total revenue while the life segment brought in the remaining 9%.

Credit & Finance

Emkay Fincap Limited, a 100% subsidiary, carries out NBFC activities like financing against shares and margin funding. The amount deployed in margin funding decreased from ₹ 4502 lac in FY15 to ₹ 2265 lac in FY16. The Profit/Loss After Tax from this business was reported at ₹ 288 lac as against ₹ 286 lac in the previous year.

4. OPPORTUNITIES & THREATS

The inter-linkage of Indian economy with the rest of the world has been growing at a rapid pace, and therefore, global developments influence the domestic economy in a much bigger way than before. Though the spill over effect can take place through multiple channels, it mostly gets transmitted through the flows channel and through the confidence channel.

The falling exports for a prolonged period is an issue but the bigger concern is that market share have fallen from 1.7% in 2011 to 1.6% in 2015. Indian goods exports are sensitive to external demand and to international relative price-competitiveness. The prospects of a sluggish global economic recovery may pose challenges for India to achieve acceleration in export growth whereas supply-side constraints could dampen the price responsiveness in the short-term. Foreign capital flows are susceptible to the advance economies growth particularly events such as Fed's rate normalisation, Brexit and on divergence in other advance economies monetary policies. Despite India's relatively stronger fundamentals, the confidence or contagion effect of a global safe haven move could have its impact on the currency.

Channelizing foreign liquidity into creating productive assets is currently essential else it might lead to creation of a fresh bubble. Policy constraints, elevated inflation and weak demand conditions have together slackened the private investment cycle. With renewed focus of the government and RBI governor to revive slouching domestic demand given the context of weak external demand conditions, consumption growth and thus inflation are likely to rise much above FY16 levels. Private consumption is likely to be the main driver to growth in FY17. While domestic policies that reinforce the macro-economic fundamentals help us to cope with external vulnerabilities, given our increasing level of international linkages we cannot be immune to spill-back effects of action or inaction of other countries, particularly arising from surges in inflows or sudden & substantial outflows. This calls for regional and global safety nets in terms of multilateral institutional mechanisms for funding support.

MANAGEMENT DISCUSSION AND ANALYSIS

5. FUTURE OUTLOOK

With adoption of counter cyclical expansionary policies adopted by the government and RBI governor to revive domestic demand the consumption growth and thus inflation are likely to rise much above FY16 levels. Private consumption is likely to be the main driver to growth in FY17. Shift in focus away from government capital spending towards revenue is likely to reinstate the retail inflation much higher than RBI's comfort zone. Favourable monsoon might improve the prospects of farm output, however the bigger driver to increase in farm income would be hike in MSP prices. Besides structural factors like persistent high level of food prices, the implementation of the seventh Central Pay Commission award, monsoon and the path of commodity prices including crude prices have to be factored in the near term inflation outlook.

Trade, on other hand looks subdued with lower elasticity of Indian trade in respect to global trade and increasing trade protectionism measures adopted by the countries. However, in value terms trade might witness an uptick due to high correlation with the world commodity prices.

Fiscal consolidation continues to be vital, and will need to maintain credibility and reduce debt, in an uncertain global environment, while sustaining growth. On the government's "reform-to-transform" agenda, a series of measures, each incremental but collectively meaningful have been enacted.

6. RISKS & CONCERNS

Economic Risk

Volatility in the Indian and global markets may affect the Company's results of operation and performance. Any unfavourable changes in government policies, economic conditions, demographic trends, income and employment levels, social and political instability or natural calamities may negatively impact our business.

Market Risk

The Company, as a part of the financial services sector, stands exposed to market risks. Economic conditions and events in India and the world could adversely impact the Company's financial performance. However, the Company has sufficiently mitigated this risk through diversification of its revenue across multiple business lines.

Competition Risk

The Company may face growing competition from existing players and new entrants. The performance of the Company and profitability may hence be adversely affected. However, we have always considered competition as a favorable factor since it drives us further towards growth. The Company with its well diversified service offerings, nationwide reach, strong brand equity, coupled with the latest technological infrastructure and strong risk management systems will facilitate continuous growth in the coming years.

Human Resource Risk

Availability of highly skilled labour is the key for any business' success. The Company's growth depends on its ability to attract and retain skilled manpower. We are taking all the necessary steps by continuously strengthening our HR practices to retain the key personnel in all our divisions. The Company has well defined performance appraisal system, HR policies, induction programs and training programs. All policies and programmes are implemented to enable the employees to constantly develop and upgrade their skills.

Regulatory Risk

The Company's growth and goodwill can be negatively affected if there is a violation of or non-compliance with regulatory norms. The Company has always maintained the highest level of compliance with regulatory norms. Our legal department is well experienced and trained to ensure conformity to all the legal requirements. Hence, we do not expect to be significantly affected by this risk.

MANAGEMENT DISCUSSION AND ANALYSIS

7. HUMAN RESOURCES

“Your Success is our Success” is the guiding principle of our organizations work culture. We partner our people in realizing their personal goals and in giving wings to their dreams. We provide tools for our employees to reach their full potential, hone their skills and develop new ones through training programs and continuous mentoring. In the year 2015 - 2016, we have taken various steps towards this. Some of the key initiatives are:

- Revamp of the Performance Management System – We created a new competency framework for business and support roles and completely revamped the Key Result Areas(KRAs) of all employees.
- Employee Policy Manual - Revised policy manual to make it more comprehensive in terms of the content and visual appeal. Introduced / modified policies on Attendance, Leave, Cell Phone, Group Mediclaim Policy and Exits to make it more employee friendly.
- Oriana HRMS – Rolled out new and upgraded version of Oriana HRMS with an attractive design and additional features like Employee Appreciation, Employee Testimonials, HelpDesk for HR related Queries, Suggestions, and Quiz Module.
- FAQ for HR - Prepared manual to answer important HR queries and added Help Desk for HR Queries on the newly designed Oriana HRMS.
- Streamlined HR Processes to provide accurate real time status report for all employees.
- EmkayExpress, Monthly Newsletter-Revamped for engaging all employees to contribute articles at Branches and Head Office, introduced Book Review and Employee Appreciation section.
- Tied up with MyCare who to address the health care issues of employees with a Patient Centric Approach where a team of physicians,

nurses and health engagement representatives conducted the Health Check Ups.

- Organized Health Camp through MyCare - Bone Densitometry Camp, Sugar Bites - Health Awareness Camp, Measure It - Hypertension Camp for employees at Head office.
- Conducted a program on Leadership Development for Institutional Team. Also, worked on 4 Action Learning Projects covering process improvement, increasing block revenues & increasing revenues from Asian & US geographies.
- Conducted multiple Training Workshops across the various verticals covering more than 250 man days of training of employees across all locations giving emphasis to our employee growth and development strategy.

We believe in making work an enjoyable experience by making providing right balance between fun and work. To fuse our talented people and synergize their sparkling energies, we organized the annual Emkay Diwali Bash ‘Emkay Comedy Night’. We also presented Awards to employees who have put in long years of service (10 years plus) at a special function organized during our annual Diwali Bash.

To promote employee bonding and a sense of belonging and pride in working for the organization, we organized multi-facet events such as Emkay Master Chef, A Night @ Emkay, Secret Santa, Emkay Cricket League, Independence Day Quiz, Women’s Day and Maharashtra Day.

We believe that people are our greatest assets and continuous efforts are made to invest in people by providing ample learning and growth opportunities. In our endeavor to recognize and give recognition to the hidden talents of our people, training programs and workshops towards the development of our employees were organized to chisel them into masterpieces.

MANAGEMENT DISCUSSION AND ANALYSIS

Programs were customized for across various organizational departments from the back office operations teams to the top management. We organized Advanced Communication Skills, Grooming & Business Etiquette, Advanced Excel, Delegation Skills, Sales Effectiveness and Conflict Management.

8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES

The Company's internal control systems are adequate, operating effectively and are commensurate with the size of business and the same is provided through competent management, implementation of standard policies and processes, maintenance of an appropriate audit program with internal control environment, effective risk monitoring and management information systems. Moreover, the Company continuously upgrades these systems in line with the best available practices.

The internal control systems are supplemented by extensive internal audits, regular reviews by management and standard policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data. The Management Information System (MIS) forms an integral part of the Company's control mechanism. The Company has regular checks and procedures through internal audits conducted by an independent audit firm periodically. The reports are deliberated and executive summary of the same along with action taken report (ATR) for steps taken by the Management to address the issues are placed before the Audit Committee meeting/ Board meeting for their review. Reports of internal auditors are reviewed by the Audit Committee, and corrective measures, if any, are carried out towards further improvement in systems and procedures in compliance with Internal Control System. The Board also recognizes the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company.

9. FINANCIAL OVERVIEW

Consolidated Financials

The Company recorded a total income of ₹ 10533 Lac in FY2015-16, as against ₹ 11687 Lac in FY2014-15, a decrease of 9.87%. EBIDTA: The Company's EBIDTA stood at ₹ 2377 Lac compared to ₹ 3447 Lac in FY2014-15, a decrease of 31.04%. PAT: The Profit/(Loss) after Tax stood at ₹ 1203 lac as against ₹ (1573) Lac in FY2014-15, an increase of 176.48%.

Standalone Financials

The Company recorded a total income of ₹ 9506 Lac, as against ₹ 10380 Lac in FY2014-15, a decrease of 8.42%. EBIDTA: The Company's EBIDTA stood at ₹ 1860 Lac, as against ₹ 2691 Lac in FY2014-15, a decrease of 30.88%. PAT: The Profit/(Loss) after Tax stood at ₹ 981 Lac against ₹ (1594) Lac in FY2014-15, an increase of 161.54 %.

10. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments within the country, demand and supply conditions in the industry, input prices, changes in Government regulations, tax laws and other factors such as litigation and industrial relations.

INDEPENDENT AUDITOR'S REPORT

To the Members of EMKAY GLOBAL FINANCIAL SERVICES LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of EMKAY GLOBAL FINANCIAL SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity

INDEPENDENT AUDITOR'S REPORT

with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section(11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
9. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st

March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 8(A) to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except ₹ 3451/- which has since been deposited.

For B.L. Sarda & Associates

Chartered Accountants
Firm Registration No.109266W

(CA B.L. Sarda)

Partner

Membership No.014568

Place : Mumbai

Date :23rd May, 2016

INDEPENDENT AUDITOR'S REPORT

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF EMKAY GLOBAL FINANCIAL SERVICES LIMITED ON THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH,2016

- (i) (a) In our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, fixed assets of the Company have been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as disclosed in Note 3.9(a) on fixed assets to the financial statements are held in the name of the Company.
- (ii) The securities held as stock in trade have been confirmed with the statement of holding of depository at the end of the year by the Management. In our opinion, the frequency of verification of statement of holding is reasonable. No discrepancies have been noticed on verification between securities held as stock in trade as per the statement of holding and as per books of account.
- (iii) (a) The Company has granted unsecured loan to a company covered in the register maintained under section 189 of the Act. The Company has not granted any secured or unsecured loan to firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- (b) In respect of the aforesaid loan, the terms and conditions under which such loan was granted are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loan, the schedule of repayment of principal and payment of interest has been stipulated, and the party has repaid the principal amount and interest, as stipulated.
- (d) In respect of the aforesaid loan, there is no amount which is overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of Section 185 and 186 of the Act are applicable. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Rules framed there under to the extent notified.
- (vi) In our opinion and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the rules made by the Central Government under Section 148 (1) of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were in arrears, as on 31st March,2016 for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of sales-tax, duty of customs and duty of excise.

INDEPENDENT AUDITOR'S REPORT

(b) As at 31st March, 2016, according to the information and explanations given to us and the records of the Company examined by us, there are no dues of service tax, value added tax, cess and other statutory dues which have not been deposited on account of any dispute. The particulars of dues on account of income tax as at 31st March, 2016 which have not been deposited by the Company on account of a dispute, are as follows:

Name of the Statute	Nature of dues	Amount of demand (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax and Interest	9.60	F.Y. 2010-2011	Commissioner of Income Tax (Appeals)

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowings to the bank. The Company has not obtained any loan or borrowings from any financial institution or government. Further, the Company does not have any debentures issued/ outstanding any time during the year.

(ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable to the Company.

(x) Based on the audit procedures performed and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year ended 31st March, 2016 nor have we been informed of such case by the management during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us the Company is not a nidhi company. Accordingly paragraph 3(xii) of the order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transaction have been disclosed in note 17 of the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly paragraph 3(xiv) of the order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as prescribed under section 192 of the Act. Accordingly paragraph 3(xv) of the order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly paragraph 3(xvi) of the order is not applicable to the Company.

For B.L. Sarda & Associates

Chartered Accountants

Firm Registration No. 109266W

(CA B. L. Sarda)

Partner

Place: Mumbai

Date : 23rd May, 2016

Membership No. 014568

INDEPENDENT AUDITOR'S REPORT

ANNEXURE "B" TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF EMKAY GLOBAL FINANCIAL SERVICES LIMITED ON THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2016

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of EMKAY GLOBAL FINANCIAL SERVICES LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to Company's policies the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on

Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of

INDEPENDENT AUDITOR'S REPORT

financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial

controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B.L. Sarda & Associates
Chartered Accountants
Firm Registration No. 109266W

(CA B. L. Sarda)

Partner

Membership No. 014568

Place: Mumbai

Date: 23rd May, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3.1	244,377,500	244,377,500
Reserves and Surplus	3.2	892,730,146	821,818,537
		1,137,107,646	1,066,196,037
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities (Net)	3.3	1,990,500	-
Other Long-Term Liabilities	3.4	16,291,678	20,534,945
		18,282,178	20,534,945
CURRENT LIABILITIES			
Short-Term Borrowings	3.5	90,000,000	206,217,936
Trade Payables	3.6	493,082,273	420,604,459
Other Current Liabilities	3.7	308,602,293	388,331,937
Short-Term Provisions	3.8	2,277,824	2,517,482
		893,962,390	1,017,671,814
TOTAL		2,049,352,214	2,104,402,796
ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
- Tangible Assets	3.9 (a)	342,108,818	355,160,385
- Intangible Assets	3.9 (b)	2,912,675	3,599,411
Non-Current Investments	3.10	356,004,526	346,004,526
Long-Term Loans and Advances	3.11	122,832,550	159,253,868
		823,858,569	864,018,190
CURRENT ASSETS			
Inventories	3.12	53,133,537	24,232,145
Trade Receivables	3.13	181,724,759	403,559,723
Cash and Cash Equivalents	3.14	916,686,715	587,023,904
Short-Term Loans and Advances	3.15	59,998,191	181,903,639
Other Current Assets	3.16	13,950,443	43,665,195
		1,225,493,645	1,240,384,606
TOTAL		2,049,352,214	2,104,402,796
SIGNIFICANT ACCOUNTING POLICIES	2		
The accompanying notes are an integral part of the Financial Statements.			

As per our Report of even date
For B. L. Sarda & Associates
Chartered Accountants

For and on behalf of the Board of
EMKAY GLOBAL FINANCIAL SERVICES LIMITED

Krishna Kumar Karwa
 Managing Director & CFO

Prakash Kacholia
 Managing Director

(CA B. L. Sarda)
 Partner
 Membership No. 014568

Bhalchandra Raul
 Company Secretary

Place: Mumbai
 Dated: 23rd May, 2016

Place: Mumbai
 Dated: 23rd May, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note	For the Year Ended 31st March, 2016 (₹)	For the Year Ended 31st March, 2015 (₹)
INCOME			
Revenue from Operations	3.17	923,281,661	998,140,315
Other Income	3.18	27,272,504	39,891,791
Total Revenue		950,554,165	1,038,032,106
EXPENSES			
Employee Benefits Expense	3.19	420,438,321	404,070,249
Finance Costs	3.20	20,770,906	28,343,065
Depreciation and Amortization Expense	3.21	35,666,990	42,761,152
Other Expenses	3.22	344,104,530	364,865,197
Total Expenses		820,980,747	840,039,663
Profit before exceptional item and tax		129,573,418	197,992,443
Less : Exceptional items (Refer note no.5)		-	358,705,815
Profit/(Loss) before tax		129,573,418	(160,713,372)
Tax Expense:			
- Current Tax		24,000,000	-
- Deferred Tax [Refer note no.24]		1,990,500	-
- (Excess)/Short Provision for Tax for Earlier Years		5,497,902	(1,272,254)
Profit/(Loss) after tax for the year		98,085,016	(159,441,118)
Earnings per Equity Shares of nominal value of ₹.10/- each			
-Basic		4.01	(6.52)
-Diluted		4.00	(6.52)
SIGNIFICANT ACCOUNTING POLICIES	2		
The accompanying notes are an integral part of the Financial Statements.			

As per our Report of even date
For B. L. Sarda & Associates
Chartered Accountants

For and on behalf of the Board of
EMKAY GLOBAL FINANCIAL SERVICES LIMITED

Krishna Kumar Karwa
Managing Director & CFO

Prakash Kacholia
Managing Director

(CA B. L. Sarda)
Partner
Membership No. 014568

Bhalchandra Raul
Company Secretary

Place: Mumbai
Dated: 23rd May, 2016

Place: Mumbai
Dated: 23rd May, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Year ended 31st March, 2016		Year ended 31st March, 2015	
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax, Exceptional / Extraordinary items		129,573,418		197,992,443
Adjustment for :				
Finance Costs	20,770,906		28,343,065	
Depreciation and Amortization Expense	35,666,990		42,761,152	
(Profit)/Loss on Sale of Fixed Assets	(152,052)		198,521	
(Net of loss on discard)				
Interest Received	(13,394,611)		(38,534,819)	
Dividend Received	(12,078,258)		(575,852)	
Unrealised Foreign Exchange Loss (Net)	279,212		159,575	
Provision for Doubtful Debts /Deposits / Advances				
(Net off write back)	(4,335,251)		(38,344,715)	
Gain on Sale of Current Investments	(1,207,966)		-	
Provision for Loss on Equity Index/Stock Futures written back	(83,960)	25,465,010	(2,229,599)	(8,222,672)
Operating profit before working capital changes		155,038,428		189,769,771
Adjustment for :				
Trade and other receivables	384,401,159		454,746,747	
Deposits with Banks and Other items not considered as Cash Equivalents (Refer Note 3 below)	(136,613,955)		(87,878,255)	
Inventories	(28,901,392)		(24,231,535)	
Trade and other payables	(11,922,755)	206,963,057	(136,668,428)	205,968,529
Cash Generated from Operations		362,001,485		395,738,300
Direct taxes (Paid)/Refund		(203,368)		(10,038,140)
Cash flow before Exceptional / Extraordinary items		361,798,117		385,700,160
Exceptional / Extraordinary items				(358,705,815)
Net Cash from/ (used in) Operating Activities		361,798,117		26,994,345
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(23,078,085)		(15,332,431)	
Sale of Fixed Assets	1,301,450		1,153,641	
Acquisition of Non-Current Investments	(10,000,000)		-	
Interest received	13,394,611		38,534,819	
Loans received back from ESOP Trust	600,000		-	
Gain on Sale of Current Investments	1,207,966		-	
(Acquisition/Redemption)				
Dividend received	12,078,258	(4,495,800)	575,852	24,931,881
Net Cash from/ (used in) Investing Activities		(4,495,800)		24,931,881
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of Short-Term Borrowings	(116,217,936)		(66,639,597)	
Finance Costs	(20,770,906)		(28,343,065)	
Dividends paid (including Dividend Distribution Tax)	(26,986,644)	(163,975,486)	(38,891)	(95,021,553)
Net Cash from/ (used in) Financing Activities		(163,975,486)		(95,021,553)
Net increase in Cash and Cash Equivalents (A+B+C)		193,326,831		(43,095,327)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Year ended 31st March,2016	Year ended 31st March,2015
	₹	₹
Net increase in Cash and Cash Equivalents (A+B+C)	193,326,831	(43,095,327)
Cash and Cash Equivalents at the beginning of the year	53,574,146	96,669,473
Cash and Cash Equivalents at the close of the year	246,900,978	53,574,146
Notes :		
1. Cash and Cash Equivalents comprise of :		
Balances with Scheduled Banks		
- In Current Accounts	233,603,451	50,871,409
Cheque on hand	12,438,033	2,316,520
Cash on hand	409,174	324,082
Balances in Prepaid Cards	190,722	80,513
	246,641,380	53,592,524
Add / (Less) : Exchange difference on translation of Foreign Currency Cash and Cash Equivalents	259,598	(18,378)
	246,900,978	53,574,146

- Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard - 3 (AS-3) "Cash Flow Statement".
- Cash and Cash Equivalent excludes Deposit with Banks towards Margin/Security for Bank Guarantees, borrowings and other commitments, balance in Unclaimed Dividend account and Meal Coupons.
- Previous year's figures are re-grouped/ recasted/ re-arranged wherever considered necessary.

As per our Report of even date
For B. L. Sarda & Associates
Chartered Accountants

For and on behalf of the Board of
EMKAY GLOBAL FINANCIAL SERVICES LIMITED

Krishna Kumar Karwa
 Managing Director & CFO

Prakash Kacholia
 Managing Director

(CA B. L. Sarda)
 Partner
 Membership No. 014568

Bhalchandra Raul
 Company Secretary

Place: Mumbai
 Dated: 23rd May, 2016

Place: Mumbai
 Dated: 23rd May, 2016

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

1. Corporate Information

The Company which was incorporated in 1995 and got listed in 2006, is in the business of providing Stock Broking Services, Investment Banking, Depository Services and Distribution of Third Party Products.

2. Significant Accounting Policies:

2.1 Basis of Preparation of Financial Statements

- a) The accompanying financial statements have been prepared on going concern basis in accordance with Generally Accepted Accounting Principles in India to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared under the historical cost convention on the accrual basis of accounting. The accounting policies have been consistently applied by the Company unless otherwise stated.
- b) In view of criteria set out in the Schedule III to the Companies Act, 2013, the Company has considered 12 months period as its operating cycle for classifying its assets and liabilities as current or non-current.

2.2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and the differences between actual results and estimates are recognised in the periods in which the results are known / materialize.

2.3 Revenue Recognition

Revenue is recognized to the extent it is possible that economic benefits will flow to the Company and revenue can be reliably measured.

1. Brokerage from secondary market is recognized as per contracted rates on the execution of transactions on behalf of the clients on the trade date.
2. One time non refundable subscription fees for joining various special brokerage schemes are treated as income when the client agrees to join that particular scheme and renders payment for the same. No brokerage under the said schemes are charged till the time brokerage on the trades executed by the clients gets equal to the subscription fees paid by the client.
3. Brokerage and other revenue from operations is net of service tax wherever applicable.
4. Income from investment banking activities and other fees is recognized as and when such services are completed / performed.
5. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

6. Dividend including interim are accounted when the right to receive payment is established.
7. Income from trades in securities and derivative instruments comprises of Profit/(Loss) on sale of securities held as stock-in-trade and Profit/(Loss) in derivative instruments being equity derivative transactions in the nature of Futures and Options in Equity Stock/Index and currency derivative transactions in the nature of Futures and Options in foreign currencies both entered into for trading purposes and is determined as follows:-
 - (i) In case of sale of securities, it is determined based on First-in-First-Out (FIFO) basis of cost of securities sold, and
 - (ii) in case of derivative instruments, it is determined as follows in accordance with "Guidance Note on Accounting for Derivative Contracts" issued by The Institute of Chartered Accountants of India :-
 - All directly attributable transaction costs on derivative transactions are recognized in Statement of Profit and Loss as they are incurred. Subsequent to initial recognition, derivatives are measured at fair value at each Balance Sheet date, and changes therein are recognized in Statement of Profit and Loss. Fair Value is determined using quoted market prices on respective Exchanges.
 - Balance in "Options Premium Account" represents the fair value of premium paid or received for buying or selling the Options, respectively. Debit or Credit balance in the said account is disclosed under Short Term Loans and Advances or Other Current Liabilities as the case may be.

2.4 Fixed Assets and Depreciation

- a) Fixed Assets are stated at cost of acquisition including incidental expenses related to such acquisition and installation less accumulated depreciation.
- b) Depreciation on Fixed Assets other than Leasehold Improvements have been provided on written down value method and computed with reference to the useful life of respective assets specified and in the manner prescribed in Schedule II of the Companies Act, 2013 including pro rata depreciation on additions/deletions made during the year
- c) Leasehold Improvements are depreciated on a straight-line method over the Primary Lease Period or over a period of 3 years whichever is less.

2.5 Intangible Assets and Amortization

Items of expenditure that meet the recognition criteria as mentioned in Accounting Standard – 26 on "Intangible Assets" are classified as intangible assets and are amortized over the period of economic benefits.

Softwares are stated at cost of acquisition and are amortized on straight line basis over a period of 3 years irrespective of the date of acquisition.

Membership Rights in Stock Exchanges are amortized on straight- line basis over a period of 10 years.

2.6 Stock – in – Trade

Securities acquired with the intention to trade are classified as Stock – in – Trade. Stock – in – Trade of

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

securities is valued at lower of the cost or fair value on individual scrip by scrip basis. Cost is determined on First-in-First-Out (FIFO) basis.

2.7 Investments

Investments that are readily realizable and intended to be held for not more than twelve months are classified as Current Investments. All other Investments are classified as Non-Current Investments. Non-Current Investments are stated at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the Non-Current Investments.

Current Investments are stated at lower of cost and fair value and determined on an individual investment basis.

2.8 Employee Benefits

(i) Short Term Benefits

All employee benefits including short term compensated absences and statutory bonus/ performance bonus/incentives payable wholly within twelve months of rendering the service are classified as short term employee benefits and are charged to the Statement of Profit and Loss of the year.

(ii) Long Term Benefits

(a) Post Employment Benefits

(i) Defined Contribution Plans: - Retirement/ Employee benefits in the form of Provident Fund, Employees State Insurance and Labour Welfare are considered as defined contribution plan and contributions to the respective funds administered by the Government are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due.

(ii) Defined Benefit Plans: - Retirement benefits in the form of gratuity is considered as defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made as at the date of the Balance Sheet. The scheme is maintained and administered by an insurer to which the trustees make periodic contributions. Actuarial gain/ loss, if any are immediately recognized in the Statement of Profit and Loss.

(b) Other Long Term Benefits

As per the present policy of the company, there are no other long term benefits to which its employees are entitled.

2.9 Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2.10 Assets on Operating Leases

Lease payments under operating leases are recognized as expenses on accrual basis in accordance with the respective lease and license agreements.

2.11 Taxation

Provision for Taxation has been made in accordance with the Income Tax Laws prevailing for the relevant assessment years.

2.12 Deferred Taxation

Deferred tax assets and liabilities are recognized for timing differences between the accounting and taxable income measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassure its realization.

2.13 Minimum Alternative Tax (MAT) Credit Entitlement

MAT Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said is created by way of a credit to the Statement of Profit & Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

2.14 Contingencies and Events Occuring after the Balance Sheet Date

Events occurring after the date of the Balance Sheet, which provide further evidence of conditions that existed at the Balance Sheet date or that arose subsequently, are considered up to the date of approval of accounts by the Board of Directors, where material.

2.15 Impairment

Where the recoverable amount of the fixed asset is lower than its carrying amount, a provision is made for the impairment loss. Post impairment, depreciation is provided for on the revised carrying value of the asset over its remaining useful life.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

2.16 Provisions, Contingent Liabilities & Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation. Contingent liabilities, if material, are disclosed by way of notes. Contingent assets are not recognized or disclosed in the financial statements.

2.17 Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are reported using the closing rate. Gains and Losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Profit and Loss.

2.18 Employee Stock Compensation Cost

The company follows the intrinsic value method as prescribed by the Guidance note on “Accounting for Employee Share-based Payments” issued by the Institute of Chartered Accountants of India to account for the compensation cost of its Stock based employee compensation plans.

2.19 Cash And Cash Equivalents

Cash and cash equivalents includes cash on hand, balances with bank in current accounts (other than earmarked), fixed deposits with bank (free from any encumbrances), cheques on hand and balances in prepaid cards.

2.20 Segments

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis, are included under “Unallocated”.

2.21 Earning Per Share

The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 on “Earnings Per Share”. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

3.1 Share Capital

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Authorised		
40,000,000 (PY 40,000,000) Equity Shares of ₹10/- each	400,000,000	400,000,000
Issued, Subscribed and Paid Up		
24,437,750 (PY 24,437,750) Equity Shares of ₹10/- each fully paid up	244,377,500	244,377,500
	244,377,500	244,377,500

Notes:-

a: Reconciliation of the shares outstanding at the beginning and end of the reporting period:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No of Shares	Amount (₹)	No of Shares	Amount (₹)
At the beginning of the reporting period	24,437,750	244,377,500	24,437,750	244,377,500
Add: Shares issued during the reporting period	-	-	-	-
Outstanding at the end of the reporting period	24,437,750	244,377,500	24,437,750	244,377,500

b: Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹.10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pay dividends in Indian Rupees. The dividend proposed if any by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except interim dividend.

During the year ended 31st March, 2016, the amount of per share dividend recognized as distributions to equity shareholders as interim was ₹.1.00 (PY Nil).

In the event of liquidation of the company, the holders of Equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c: Details of shareholders holding more than 5% Shares in the company

Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No of Shares	% held	No of Shares	% held
Equity shares of ₹.10 each fully paid				
Mr.Krishna Kumar Karwa	4,922,500	20.14	4,922,500	20.14
Mr.Prakash Kacholia	4,750,000	19.44	4,750,000	19.44
Emkay Corporate Services Private Limited	4,150,000	16.98	4,150,000	16.98
Mrs.Preeti Kacholia	2,125,000	08.70	2,125,000	08.70
Mr.Raunak Karwa	1,750,000	07.16	1,750,000	07.16

d: Shares Reserved for issue under Options:

The Company has reserved issuance of 23,66,325 (Previous Year 23,66,325) Equity Shares of ₹ 10/- each for offering to eligible employees of the Company and its subsidiaries under Employees Stock Option Schemes. The Options would vest over a maximum period of four years or such other period as may be decided by the Board/ Remuneration Committee subject to the applicable law.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

3.2 Reserves and Surplus

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Securities Premium Reserve		
Balance as per last Financial Statements	691,353,584	691,353,584
General Reserve		
Balance as per last Financial Statements	176,150,794	176,150,794
Surplus in the Statement of Profit and Loss		
Balance as per last Financial Statements	(45,685,841)	114,495,548
Less : Profit/(Loss) for the year	98,085,016	(159,441,118)
Amount available for appropriation	52,399,175	(44,945,570)
Less: Appropriations:		
Interim Dividend paid on Equity Shares	24,437,750	-
Dividend Distribution Tax - on Interim Dividend	2,735,657	-
Adjustment relating to Fixed Assets (Refer note no.21)	-	740,271
Total of appropriations	27,173,407	740,271
Net Surplus/(Deficit) in the Statement of Profit and Loss	25,225,768	(45,685,841)
	892,730,146	821,818,537

3.3 Deferred Tax Liabilities (Net)

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Deferred Tax Liabilities		
Difference between book and tax depreciation	1,990,500	-
	1,990,500	-
Deferred Tax Assets	-	-
Net Deferred Tax Liabilities (Net)	1,990,500	-

3.4 Other Long Term Liabilities

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Others		
-Security Deposits	16,291,678	20,534,945
	16,291,678	20,534,945

3.5 Short-Term Borrowings

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Secured		
Loan repayable on demand:		
- Overdraft from a Bank	-	121,217,936
Short Term Loan from a Bank	45,000,000	-
Unsecured		
Short Term Loan from a Bank	45,000,000	
From a Subsidiary Company [Refer note no.17(B)(IV)(d)]	-	85,000,000
	90,000,000	206,217,936

Note: (1) Overdraft referred above to the extent of :

(a) ₹ Nil (P.Y.118,360,038/-) is secured by equitable mortgage of office premises, and

(b) ₹ Nil (P.Y.2,857,898/-) is secured by way of lien against term deposits with bank.

(2) Short Term Loan from Bank of ₹.45,000,000/- (P.Y.Nil) is secured by way of lien against term deposits with bank.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

3.6 Trade Payables

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Trade Payables	493,082,273	420,604,459
	493,082,273	420,604,459

Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:-

There are no amounts payable to any Micro, Small & Medium Enterprises as defined under the MSMED Act, 2006 and identified by the management from the information available with the Company and relied upon by the Auditors.

3.7 Other Current Liabilities

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Interest Accrued and due on Borrowings	711,726	-
Income Received in advance	2,033,556	2,408,317
Unclaimed Dividend *	418,749	231,986
Other Payables		
Advance Received from Clients	2,022,778	4,038,729
Payable for Expenses	89,827,023	108,013,533
Statutory Liabilities	34,967,044	23,744,656
Deposit towards Margin and other from Clients	176,991,276	247,992,308
Other Liabilities	1,630,141	1,902,408
	308,602,293	388,331,937

* There is no amount due and outstanding to be transferred to the Investor Education and Profesion Fund (IEPF) as on 31st March, 2016 except ₹.3451/- Which has since been deposited. Unclaimed dividend, if any shall be transferred to IEPF as and when they become due.

3.8 Short-Term Provisions

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
For Gratuity (Refer note no. 6(ii))	2,277,824	2,517,482
	2,277,824	2,517,482

3.9 Fixed Assets

(a) Tangibles Assets

	Office Premises	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Air Conditioners	Leasehold Improvements	Total
	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
Gross Block (At Cost)								
At 1 April 2014	380,475,731	40,721,699	7,111,265	23,675,703	75,499,838	7,963,379	39,104,968	574,552,583
Additions	-	179,068	-	1,522,593	8,276,605	319,306	1,292,081	11,589,653
Deductions	-	723,507	-	2,152,848	5,132,589	1,145,365	5,150,842	14,305,151
At 31 March 2015	380,475,731	40,177,260	7,111,265	23,045,448	78,643,854	7,137,320	35,246,207	571,837,085
Additions	-	448,712	6,368,710	1,660,815	10,760,540	344,959	895,643	20,479,379
Deductions	-	472,981	2,672,935	3,157,374	10,393,457	577,529	5,313,172	22,587,448
At 31 March 2016	380,475,731	40,152,991	10,807,040	21,548,889	79,010,937	6,904,750	30,828,678	569,729,016
Depreciation/ Amortization								
At 1 April 2014	46,518,525	18,698,445	4,649,751	11,550,544	67,606,304	3,841,648	37,474,203	190,339,420
Charge for the period	16,229,895	6,306,021	870,724	8,822,645	4,234,781	800,853	1,285,082	38,550,001
Adjustment (Refer Note No.21)	-	-	-	-	740,006	265	-	740,271
Deductions	-	671,793	-	1,495,556	4,969,925	664,876	5,150,842	12,952,992
At 31 March 2015	62,748,420	24,332,673	5,520,475	18,877,633	67,611,166	3,977,890	33,608,443	216,676,700
Charge for the Period	15,441,149	4,575,754	1,406,520	2,350,680	6,939,532	638,653	1,029,260	32,381,548
Deductions	-	419,417	2,341,065	2,897,577	10,075,729	410,015	5,294,247	21,438,050
At 31 March 2016	78,189,569	28,489,010	4,585,930	18,330,736	64,474,969	4,206,528	29,343,456	227,620,198
Net Block								
At 31 March 2015	317,727,311	15,844,587	1,590,790	4,167,815	11,032,688	3,159,430	1,637,764	355,160,385
At 31 March 2016	302,286,162	11,663,981	6,221,110	3,218,153	14,535,968	2,698,222	1,485,222	342,108,818

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

3.9 Fixed Assets

(b) Intangibles

	Software	Stock Exchanges Membership Rights	Total
	(₹)	(₹)	(₹)
Gross Block (At Cost)			
At 1 April 2014	57,558,541	28,255,000	57,558,541
Additions	3,742,778	-	3,742,778
At 31 March 2015	61,301,319	28,255,000	61,301,319
Additions	2,598,706	-	2,598,706
At 31 March 2016	63,900,025	28,255,000	63,900,025
Depreciation/ Amortization			
At 1 April 2014	53,490,757	28,255,000	53,490,757
Charge for the Year	4,211,151	-	4,211,151
At 31 March 2015	57,701,908	28,255,000	57,701,908
Charge for the Year	3,285,442	-	3,285,442
At 31 March 2016	60,987,350	28,255,000	60,987,350
Net Block			
At 31 March 2015	3,599,411	-	3,599,411
At 31 March 2016	2,912,675	-	2,912,675

3.10 Non Current Investments

Particulars	Face Value Per Share (₹)	No. of Shares		Amount	
		As at		As at	
		31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
				(₹)	(₹)
AT COST					
(I) Investments in Equity Instruments					
(A) Trade Investments					
Unquoted, Fully Paid-up					
Bombay Stock Exchange Limited	1	58,838	58,838	4,526	4,526
Total Trade Investments (A)				4,526	4,526
(B) Other Investments					
In Wholly Owned Subsidiaries:					
Unquoted, Fully Paid-up					
- Emkay Fincap Limited	10	22,000,000	22,000,000	220,000,000	220,000,000
- Emkay Commotrade Limited	10	6,000,000	6,000,000	60,000,000	60,000,000
- Emkay Insurance Brokers Limited	10	4,100,000	4,100,000	41,000,000	41,000,000
- Emkay Investment Managers Limited	10	2,500,000	2,500,000	25,000,000	25,000,000
Total Other Investments (B)				346,000,000	346,000,000
Total Investments in Equity Instruments (I)				346,004,526	346,004,526
(II) Investment in Preference Instruments					
Unquoted, fully Paid-up 9% Non-Cumulative Redeemable					
- Emkay Commotrade Limited	10	1,000,000	-	10,000,000	-
Total Investments in Preference Instruments (II)				10,000,000	-
Total Non-Current Investments (I + II)				356,004,526	346,004,526
Aggregate amount of Un-Quoted Investments				356,004,526	346,004,526

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

3.11 Long-Term Loans and Advances

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Unsecured, Considered Good		
Capital Advances	1,102,500	217,978
Deposits	29,018,429	37,346,776
Loan to ESOP Trust [Refer note no.4(ii)]	57,400,000	58,000,000
Other Loans and Advances		
Income Tax Paid (Net of Provisions)	33,531,920	62,826,454
Fringe Benefit Tax Refundable	528,303	148,022
Prepaid Expenses	1,199,398	437,693
Loans to Staff	52,000	276,945
	122,832,550	159,253,868

3.12 Inventories

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Stock in Trade (Valued at lower of cost or fair value)		
- Shares and Securities	53,133,537	24,232,145
	53,133,537	24,232,145

3.13 Trade Receivables

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Unsecured		
(Considered good unless otherwise stated)		
Outstanding for a period exceeding Six Months		
- Considered Good	6,095,541	9,730,711
- Considered Doubtful	722,872	2,993,953
	6,818,413	12,724,664
Less: Provision for Doubtful Debts	722,872	2,993,953
	6,095,541	9,730,711
Others		
- Considered Good	175,629,218	393,829,012
- Considered Doubtful	2,368,915	4,845,440
	177,998,133	398,674,452
Less: Provision for Doubtful Debts	2,368,915	4,845,440
	175,629,218	393,829,012
	181,724,759	403,559,723
Note: - Above includes due from:		
- Director/s [Refer note no.17(B)(IV)(b)]	103	398
- a firm in which a director is a partner [Refer note no.17(B)(IV)(b)]	2,492,551	-

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

3.14 Cash and Cash Equivalents

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Cash and Cash Equivalents		
Balance with Banks:		
- Current Accounts	233,603,451	50,871,409
Cheque on hand	12,438,033	2,316,520
Cash on hand	409,174	324,082
Balance in Prepaid Cards	190,722	80,513
	246,641,380	53,592,524
Other Bank Balances		
- In Deposit Accounts towards Margin/Security for Bank Guarantee, Borrowings and Other Commitments	669,626,586	533,080,921
- In Earmarked Accounts		
Unclaimed Dividend	418,749	231,986
Others		
- Meal Coupons on Hand	-	118,473
	916,686,715	587,023,904

Note:- Deposits with banks includes deposits of ₹.56,62,73,950/- (P.Y. ₹.29,62,50,000/-) with maturity of more than 12 months.

3.15 Short Term Loans and Advances

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Unsecured, Considered Good unless otherwise stated		
Deposits		
- Considered Good	35,821,790	3,250,472
- Considered Doubtful	632,858	9,900
	36,454,648	3,260,372
Less: Provision for Doubtful Deposits	632,858	9,900
	35,821,790	3,250,472
Loans and Advances to related parties		
- Recoverable towards expenses [Refer note no.17(B)(IV)(c)]	-	49,928
Advances recoverable in cash or kind or for value to be received		
- Considered Good	1,244,044	162,024,098
- Considered Doubtful	1,374,617	1,615,269
	2,618,661	163,639,367
Less: Provision for Doubtful Advances	1,374,617	1,615,269
	1,244,044	162,024,098
Other Loans and Advances		
Prepaid Expenses	9,647,022	7,906,968
Loans to Staff		
- Considered Good	2,197,399	1,136,635
- Considered Doubtful	41,781	11,732
	2,239,180	1,148,367
Less: Provision for Doubtful Loans	41,781	11,732
	2,197,399	1,136,635
Service Tax Input Credit Available / Receivable	7,543,193	3,507,662
Equity Index/Stock Options Premium	3,544,743	4,106,725
Less: Provision for Loss on Equity Index/Stock Options	-	78,849
	3,544,743	4,027,876
Mark to Market Margin- Equity Index/Stock Futures	-	5,111
Less: Provision for Loss on Equity Index/Stock Futures	-	5,111
	22,932,357	16,579,141
	59,998,191	181,903,639

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

3.16 Other Current Assets

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Interest Receivable on Advances Recoverable [Refer note no.5]	-	35,607,111
Interest Accrued on Deposits with Banks	9,633,678	7,088,118
Dividend Receivable	6,380	-
Income Receivable	4,310,385	969,966
	13,950,443	43,665,195

3.17 Revenue from Operations

Particulars	For The Year Ended 31st March, 2016 (₹)	For The Year Ended 31st March, 2015 (₹)
Sale of Services		
Brokerage	750,147,660	808,023,842
Investment Banking Activities	23,280,477	52,845,614
Depository Operations	9,038,165	12,238,103
Placement Fees	51,675,175	14,766,369
Research Fees	10,281,507	8,853,315
Other Fees	1,342,112	1,792,659
	845,765,096	898,519,902
Other Operating Revenues		
Interest on Deposit* with		
- Banks	46,262,292	43,863,529
- Others	82,723	9,000
Income from Trades in Securities/Derivatives Instruments (Net)	3,943,070	16,988,423
Less : Provision for Loss on Equity Index Futures	-	(83,960)
Add : Provision for Loss on Equity Index/Stock Futures written back	83,960	2,313,559
	4,027,030	19,218,022
Delayed Payments Charges	20,853,924	30,219,885
Provision for Doubtful Debts Written Back	139,206	1,588,676
Bad Debts Recovered	282,055	1,835,585
Miscellaneous Income	5,869,335	2,885,716
	77,516,565	99,620,413
	923,281,661	998,140,315

* Acquired/held for the purposes of Stock/Currency Exchanges.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

3.18 Other Income

Particulars	For The Year Ended 31st March, 2016 (₹)	For The Year Ended 31st March, 2015 (₹)
Interest		
-On Deposit with Banks*	4,877,201	2,676,371
-On Unsecured Loans granted	1,612,603	-
-Others (Refer note no.5)	6,904,807	35,858,448
Dividend		
- On Non-Current Investment		
- Other	500,123	235,352
- From a Subsidiary Company	11,000,000	-
- On Stock in Trade	578,135	340,500
Gain on Sale of Current Investments	1,207,966	-
Profit on Sale of Fixed Assets (Net of loss on discard)	152,052	-
Other Miscellenous Income	439,617	781,120
*Acquired/held for purposes other than Stock/Currency Exchanges		
	27,272,504	39,891,791

3.19 Employee Benefits Expenses

Particulars	For The Year Ended 31st March, 2016 (₹)	For The Year Ended 31st March, 2015 (₹)
Salaries and Other Benefits	405,321,852	391,089,829
Contribution to Provident and Other funds	8,115,910	6,477,415
Gratuity	2,277,824	2,581,482
Staff Welfare Expenses	4,722,735	3,921,523
	420,438,321	404,070,249

3.20 Finance Costs

Particulars	For The Year Ended 31st March, 2016 (₹)	For The Year Ended 31st March, 2015 (₹)
Interest Expense	10,618,225	19,502,984
Other Borrowing Costs	10,152,681	8,840,081
	20,770,906	28,343,065

3.21 Depreciation and Amortization Expense

Particulars	For The Year Ended 31st March, 2016 (₹)	For The Year Ended 31st March, 2015 (₹)
Depreciation of Tangible assets	32,381,548	38,550,001
Amortization of Intangible assets	3,285,442	4,211,151
	35,666,990	42,761,152

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

3.22 Other Expenses

Particulars	For The Year Ended 31st March, 2016 (₹)	For The Year Ended 31st March, 2015 (₹)
Brokerage and Commission	106,284,694	127,292,305
Communication, Postage and Courier Charges	22,333,208	22,906,309
Fees and Stamps	1,793,032	859,547
Contribution/Payments to Stock Exchange/Professional Clearing Member	6,956,246	4,303,389
Membership and Subscription	24,699,880	19,874,986
Registration Fees	4,662,256	5,424,865
Depository Charges	426,351	299,621
Consultancy Charges	934,000	3,145,000
Loss due to Execution of Error Trades	11,029,886	10,520,367
Claims/ Compensation/ Settlement Charges	2,600,800	50,000
Expenses Attributable to Proprietary trades in Securities/Derivative Instruments	726,368	3,373,824
Electricity Charges	15,895,625	19,229,244
Insurance	989,493	1,084,400
Repair and Maintenance - Own Premises	3,837,681	3,658,200
Repair and Maintenance - Other	10,591,278	9,203,439
Advertisement and Business Promotion Expenses	13,420,411	13,702,195
Printing and Stationery	5,812,435	4,544,376
Travelling, Conveyance and Vehicle Expenses	40,108,177	33,641,897
Provision for Doubtful Debts	944,022	1,522,930
Provision for Doubtful Deposits / Loans /Advances	674,639	1,627,001
Bad Debts Written off	7,660,173	38,511,496
Less : Provision Written Back	(5,552,422)	(38,295,030)
	2,107,751	216,466
Deposits and Advances Written off	300,972	1,791,011
Less : Provision Written Back	(262,284)	(1,610,940)
	38,688	180,071
Software Expenses	10,327,391	8,693,049
Legal and Professional Fees	18,637,483	26,119,158
Loss on Sale/ Discard of Fixed Assets	-	198,521
Payment to Auditors		
As Auditors		
- Audit Fees	1,155,750	1,150,000
- Tax Audit Fees	100,500	100,000
In Other Capacity		
- Taxation Matter	511,750	152,000
- Other Services	328,063	373,500
	2,096,063	1,775,500
Commission to Independent Directors	350,000	-
Rent	17,466,573	19,049,239
Service Tax	556,106	4,818,970
Rates and Taxes	965,781	1,291,014
Miscellaneous Expenses	16,709,580	16,238,539
Foreign Exchange Rate Fluctuations Loss (Net)	28,632	20,775
Donation	100,000	-
	344,104,530	364,865,197

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

4. Employees Stock Option Schemes

(i) Disclosure required pursuant to “Guidance Note on Accounting for Employee Share- based payments” in connection with Company’s Employees Stock Option Schemes :-

a) The Company has granted Employee Stock Options (ESOP) to its employees and employees of its subsidiaries. During the year ended 31st March, 2016, following schemes were in operation:

Particulars	ESOP – 2007	ESOP – 2010
	Starting from	
Date of Grant	17.01.2008 to 21.01.2012	21.10.2010 to 21.01.2012
Number of Options Granted*	2,805,000	647,000
Method of Settlement	Equity	
Vesting period from the date of Grant	Graded Vesting – Over 3 years	Graded Vesting – Over 5 years
Exercise period from the date of Vesting	3 Years from the date of each vesting	
	Ranging from	
Exercise Price (₹ per share) **	₹ 37.00 to ₹ 93.00	₹ 37.00 to ₹ 93.00
	Ranging from	
Market Price at the date of grant (₹ per share)	₹ 36.95 to ₹ 92.75	₹ 37.00 to ₹ 92.50

* Options granted under ESOP – 2007 includes 1,20,000 options to employees of Subsidiary Companies.

** Closing market price prior to the date of grant.

b) The Company introduced ESOP-2010 Scheme during the year 2010-11 and consequently set up “Emkay Employees Welfare Trust (ESOP Trust)” to administer and implement the said Scheme in accordance with recommendations of the Nomination, Remuneration and Compensation Committee of the Company. Consequent to various Circulars and Notifications issued by SEBI from January 2013 onwards (including Notification of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 on 28.10.2014 and subsequent amendments thereof), the Company first modified its Employee Stock Option Plan 2010 on 20.12.2013 vide Members Resolution whereby the said ESOP Trust can only subscribe to the shares of the Company and no secondary market purchases were allowed. Subsequently, the Company for the second time modified its Employee Stock Option Plan 2010 by passing members special resolution through postal ballot process on 9th March 2016 whereby ESOP Trust is authorized to purchase shares of the company from the secondary market, some changes made in the definition of employee(s), number of shares held by the ESOP Trust from secondary market acquisition not to exceed 5% of the paid up equity capital and power to borrow money from Company so as to be in complete compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 including any subsequent amendments thereof.

c) Details of activity under the ESOP Schemes have been summarized below:

Particulars	ESOP-2007		ESOP-2010	
	2015-16	2014-15	2015-16	2014-15
Options Outstanding at the beginning of the year	7,95,300	1,168,150	87,500	327,500
Options Granted during the year	-	-	-	-
Options Forfeited during the year	-	-	-	-
Options Exercised during the year	-	-	-	-
Options Expired/ Lapsed during the year	224,500	372,850	-	240,000
Options Outstanding at the end of the year	570,800	795,300	87,500	87,500
Options Exercisable at the end of the year	530,800	629,100	82,500	48,750
Weighted Average remaining contractual life (in years)	2.01	2.41	2.59	3.59

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

- d) The Company has accounted compensation cost for the Stock Options granted using intrinsic value method. Had the Company used the fair value method for calculating compensation cost for Stock Options granted, the impact on the Company's net profit and earning per share would have been as per the proforma amounts indicated below:

Particulars	Year Ended 31st March 2016	Year Ended 31st March 2015
	Amount (₹)	Amount (₹)
Net Income as reported	9,80,85,016	(15,94,41,118)
Add: - Intrinsic Value Compensation Cost	NIL	NIL
Less :- Fair Value Compensation Cost	(3,44,38,232)	(9,64,67,222)
Adjusted Pro-forma Net Income	13,25,23,248	(6,29,73,896)
Earning per Share		
Basic		
- As reported	4.01	(6.52)
- Proforma	5.42	(2.58)
Diluted		
- As reported	4.00	(6.52)
- Proforma	5.41	(2.57)

- e) The fair value and other disclosures and assumptions have been determined by an independent consultant and relied upon by the Auditors.

- (ii) The Company has provided interest free loan to "Emkay Employees Welfare Trust" an independent ESOP Trust which is administrating ESOP 2010 Scheme of the Company and the loan outstanding as at 31st March, 2016 is ₹ 574.00 Lacs (Previous Year ₹ 580.00 Lacs). As on 31st March, 2016, the Trust has 7,54,648 equity shares of the Company purchased from the market (having cost of acquisition amounting to ₹ 588.85 lacs) during the period commencing from September,2010 to July, 2011 for Stock Options granted/to be granted from time to time to the eligible employees. The said holding of 7,54,648 equity shares comprises of 6,67,148 equity shares of the Company for which Options are yet to be granted (which includes Options lapsed due to employees leaving the company) herein after called "Un-appropriated Options" and 87,500 equity shares against which Options are already granted to the eligible employees.

From the date of notification of SEBI (Share based Employee Benefits) Regulations,2014 i.e. 28.10.2014, the Company had a choice to either appropriate the Un- appropriated Options within one year i.e. by 27.10.2015 or to sell in the secondary market within five years i.e. by 27.10.2019. Since the company could not appropriate the Un-appropriated Options by 27.10.2015 , the same shall be sold in the secondary market on or before 27.10.2019.

The repayment of the loan granted by the Company to the ESOP Trust is dependent on the time and price at which Un-appropriated Options representing 6,67,148 equity shares of the Company shall be sold in the secondary market and Options representing 87,500 equity shares by the eligible employees shall be exercised.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

Since, the current market value of the shares held by the said ESOP Trust is lower than the cost of acquisition by ₹ 181.34 Lacs which is on account of market volatility being temporary in nature, the impact of fall in market value if any, shall be appropriately considered by the Company in its Statement of Profit and Loss at the time of exercise of Options by the eligible employees and/or on sale of shares for Un-appropriated Options.

5. Exceptional items of ₹ 3587.06 Lacs represents loss suffered on account of a material erroneous trade and accounted for during the year ended 31st March, 2015 as per the SAT Orders and settlement with counter party brokers. Interest accrued of ₹ 2.81 Lacs (PY ₹ 356.07 Lacs) on the said recovery has been included in "Other Income".
6. Disclosure on retirement benefits as required in Accounting Standard 15 (AS – 15) on "Employee Benefits" are given below:

(i) Defined Contribution Plan

The Company has recognized the following amounts in Statement of Profit and Loss towards Contribution to Defined Contribution Plans which are included under "Contribution to Provident fund and other funds":

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
	Amount (₹)	Amount (₹)
Provident Fund	7,034,192	5,859,557
Employee State Insurance Scheme	367,505	458,759
Labour Welfare Fund	1,090	1,008
Contribution to National Pension Scheme	713,123	158,091
Total	8,115,910	6,477,415

(ii) Defined Benefit Plan

The details of the Company's post retirement benefit plan for gratuity for its employees in conformity with the principles set out in AS – 15 which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors are given below :

Sr. No.	Particulars	2015-16	2014-15
I	Changes in present value of obligations		
	Present Value of Obligations at beginning of the period	26,060,860	23,371,811
	Interest cost	2,038,529	1,988,184
	Current Service Cost	3,958,807	4,446,927
	Benefits Paid	(1,668,070)	(3,522,232)
	Actuarial (gain)/loss on obligations	(1,580,617)	(223,830)
	Present Value of Obligations at end of the period	28,809,509	26,060,860
II	Changes in fair value of plan assets		
	Fair Value of Plan Assets at beginning of the period	23,543,378	21,001,751
	Expected Return on Plan Assets	2,124,964	1,841,200
	Contributions	2,517,482	2,434,060
	Benefits Paid	(1,668,070)	(3,522,232)
	Actuarial gain/(loss) on plan assets	13,931	1,788,599
	Fair Value of Plan Assets at end of the period	26,531,685	23,543,378

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

Sr. No.	Particulars	2015-16	2014-15
III	Fair Value of Plan Assets		
	Fair Value of Plan Assets at beginning of the period	23,543,378	21,001,751
	Actual Return on Plan Asset	2,138,895	3,629,799
	Contributions	2,517,482	2,434,060
	Benefits Paid	(1,668,070)	(3,522,232)
	Fair Value of Plan Assets at end of the period	26,531,685	23,543,378
	Funded Status	(2,277,824)	(2,517,482)
	Excess of actual over estimated return on Plan Assets	13,931	1,788,599
IV	Actuarial Gain/(Loss) Recognized		
	Actuarial Gain/(Loss) for the period (Obligation)	1,580,617	223,830
	Actuarial Gain/(Loss) for the period (Plan Assets)	13,931	1,788,599
	Total Gain/(Loss) for the period	1,594,548	2,012,429
	Actuarial Gain/(Loss) recognized for the period	1,594,548	2,012,429
	Unrecognized Actuarial Gain/(Loss) at end of the period	-	-
V	Amounts recognized in the Balance Sheet		
	Present Value of Obligations at end of the period	28,809,509	26,060,860
	Fair Value of Plan Assets at end of the period	26,531,685	23,543,378
	Funded Status	(2,277,824)	(2,517,482)
	Unrecognized Actuarial Gain/(Loss)	-	-
	Net Asset/(Liability) recognized in the balance sheet under Short-Term Provisions – Gratuity	(2,277,824)	(2,517,482)
VI	Expense recognized in Statement of Profit and Loss		
	Current Service Cost	3,958,807	4,446,927
	Interest cost	2,038,529	1,988,184
	Expected Return on Plan Assets	(2,124,964)	(1,841,200)
	Net Actuarial (Gain)/Loss recognized for the period	(1,594,548)	(2,012,429)
	Expense recognized in statement Profit and Loss under Employee Benefits Expense	2,277,824	2,581,482
VII	Movements in the Liability recognized in Balance Sheet		
	Opening Net Liability	2,517,482	2,370,060
	Expenses as above	2,277,824	2,581,482
	Contribution paid	(2,517,482)	(2,434,060)
	Closing Net Liability	2,277,824	2,517,482
VIII	Experience Anyalisis - Liabilities		
	Actuarial (Gain)/Loss due to change in bases	107,801	1,299,633
	Experience (Gain)/Loss due to Change in Experience	(1,688,418)	(1,523,463)
	Total	(1,580,617)	(223,830)
	Experience Anyalisis - Plan Assets		
	Experience (Gain)/Loss due to change in Plan Assets	13,931	(1,788,599)

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

Sr. No.	Particulars	2015-16	2014-15
IX	Investment pattern		
	Insurer Managed Funds	100.00%	100.00%
X	Principal Assumptions		
	Mortality	IALM(2006-08)Ult	IALM(2006-08)Ult
	Discount Rate	7.70%	7.80%
	Rate of increase in compensation	5.00%	5.00%
	Rate of return (expected) on plan assets	9.00%	9.00%
	Withdrawal Rate	Upto Age 45: 25%	Upto Age 45: 25%
		46 & above : 10%	46 & above : 10%

7. In the opinion of Board of Directors, the assets other than Fixed Assets and Non-Current Investments have value on realization in ordinary course of business at least equal to the amount at which they are stated except as otherwise stated. Provision for all known and determined liabilities is adequate and not in excess of the amount reasonably required.

8. Contingent Liabilities and Commitments:-

(A) Contingent Liabilities:-

Sr. No.	Particulars	As at 31st March, 2016 Amount (₹)	As at 31st March, 2015 Amount (₹)
(i)	Claims against the company not acknowledged as debt	91,71,577	634,728
(ii)	Guarantees issued by the Banks	972,523,950	917,500,000
(iii)	Corporate Guarantee issued in favour of a bank to secure credit facilities sanctioned by the bank to Emkay Commotrade Limited (a Subsidiary Company)	200,000,000	200,000,000
(iv)	Income Tax matters in appeal (Net of taxes paid)	960,320	995,510

(B) Commitments:-

Sr. No.	Particulars	As at 31st March, 2016 Amount (₹)	As at 31st March, 2015 Amount (₹)
(i)	Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	19,67,215	392,022

9. (a) Shares (i) received from Clients / Remisiers / Sub-brokers as collateral for margins / security deposits, (ii) of clients, withheld against their outstanding balances, are held by the Company in its own name in a fiduciary capacity. Depending upon business needs of the Company, some of these shares are lodged with the Exchanges towards additional base capital/ exposure.

(b) Fixed Deposits taken out from banks by the clients in the name of Company as collateral for their margin requirements are lien marked directly in favor of Stock Exchanges through their Clearing Corporations / Professional Clearing Member and are utilized towards Additional Base Capital / Exposure / Margin requirement of the Company.

10. Payment to Auditors includes ₹ 5,750/- (PY Nil) in Audit Fees, ₹ 500/- (PY Nil) in Tax Audit Fees, ₹ 2,250/- (PY Nil) in Taxation Matter, ₹ 563/- (PY Nil) in Other Services towards Swacch Bharat Cess.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

11. Other current liabilities includes ₹ 11,45,504/- (P.Y. ₹ 18,59,884/-) being aggregate amount of deposits in Company's bank accounts made directly by clients whose details are awaited.
12. Income includes ₹ 4,92,339/- (P.Y.Nil) and expenses includes ₹ 26,68,887/-(P.Y.Nil) pertaining to earlier year.
13. Disclosure in respect of Loans and Advances in the nature of Loans pursuant to Schedule V of Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015:-

Particulars	As at 31st March.2016 Amount (₹)		As at 31st March.2015 Amount (₹)	
	Outstanding Balance	Maximum Balance during the year	Outstanding Balance	Maximum Balance during the year
To Subsidiary				
- Emkay Comtrade Limited	Nil	450,00,000	Nil	Nil
To Others				
- Emkay Employees Welfare Trust*	57,400,000	58,000,000	58,000,000	58,000,000

* for acquiring shares of the company for ESOP 2010

14. Assets taken on Operating Leases (on and after 1st April, 2003) :-

- (a) The Company has taken various commercial premises under operating leases. These lease arrangements are normally renewable on expiry. The rental expenses (net of recovery) in respect of above operating leases is ₹ 1,74,66,573/- (P.Y. ₹ 1,90,49,239/-)
- (b) The future minimum lease payments in respect of non-cancellable operating leases are as follows:

Particulars	Year Ended 31st March, 2016 Amount (₹)	Year Ended 31st March, 2015 Amount (₹)
a) Payments not later than one year	18,02,477	20,38,000
b) Payable later than one year and not later than five years	2,68,400	7,09,677
c) Payable later than five years	-	-
Total	20,70,877	27,48,477

15. Earnings per share

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Profit/(Loss) available for Equity Shareholders (₹)	98,085,016	(159,441,118)
Weighted average number of Shares used in Computing Basic Earning per share	24,437,750	24,437,750
Add : Potential number of Equity share that could arise on exercise of Employee Stock Options	56,827	29,132
Weighted average number of Shares used in Computing Diluted earning per share	24,494,577	24,466,882
Nominal Value of Equity Shares (₹)	10	10
Basic Earnings Per Share (₹)	4.01	(6.52)
Diluted Earnings Per Share (₹)	4.00	(6.52)

16. Segment information

- (a) Primary Segment:

The Company's operations relate to one reportable business segment namely "Advisory and Transactional Services" comprising of Broking & Distribution of Securities, Investment Banking and other related Financial Intermediation Services therefore primary business segment reporting as required by Accounting Standard 17 "Segment Reporting" is not applicable.

- (b) Secondary Segment:

The company operates in India and hence there are no reportable Geographical Segments.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

17. Related Party disclosures:

(A) List of Related Parties (where transactions have taken place)

Sr. No.	Name of Related Party	Nature of Relationship
(i)	Key Management Personnel/Individuals having control or significant influence	
	a) Shri Krishna Kumar Karwa	Managing Director & CFO
	b) Shri Prakash Kacholia	Managing Director
(ii)	Relatives of Key Management Personnel//Individuals having control or significant influence	
	a) Preeti Kacholia	Director (w.e.f.30th March,2015) and Relative of Managing Director
	b) Priti Karwa	
	c) Raunak Karwa	
	d) Soumya Karwa	
	e) Geetadevi Karwa	Relatives of Managing Director & CFO
	f) Murlidhar Karwa HUF	
	g) Krishna Kumar Karwa HUF	
	h) Prakash Kacholia HUF	
	i) Nidhi Kacholia	
	j) Divya Kacholia	Relatives of Managing Director
	k) Krishna R. Kacholia	
	l) Deepak Kacholia	
(iii)	Subsidiaries	
	a) Emkay Fincap Limited	
	b) Emkay Commotrade Limited	Subsidiary
	c) Emkay Insurance Brokers Limited	
	d) Emkay Investment Managers Limited	
(iv)	Enterprises owned/ controlled by Key Management Personnel / Individuals having control or significant influence or their relatives	
	a) Cambridge Securities	
	b) Synthetic Fibres Trading Company	
	c) Emkay Corporate Services Pvt. Ltd.	Enterprises owned/ controlled by Key Management Personnel
	d) Krishna Investments	Individuals/having control or significant influence or their relatives
	e) Seven Hills Capital	
(v)	Others	
	a) Emkay Charitable Foundation	Others

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2016

(B) Related Party Transactions for the year ended 31st March, 2016

Sr. No.	Nature of Related Party Transactions and name of related party	Key Management Personnel/Individuals having control or significant influence		Relatives of Key Management Personnel/Individuals having control or significant influence		Subsidiaries		Enterprises owned / controlled by Key Management Personnel/Individuals having control or significant influence or their relatives				Others			
		2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2014-15 (₹)	
I Expenditure															
(a)	Salaries & Other Benefits *	12,000,000	12,000,000	-	-	-	-	-	-	-	-	-	-	-	-
	- Krishna Kumar Karwa	6,000,000	6,000,000	-	-	-	-	-	-	-	-	-	-	-	-
	- Prakash Kacholia	6,000,000	6,000,000	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Brokerage & Commission	-	-	-	-	-	-	-	-	31,976	271,538	-	-	-	-
	- Krishna Investments	-	-	-	-	-	-	-	-	31,976	271,538	-	-	-	-
(c)	Donation/Contribution	-	-	-	-	-	-	-	-	-	-	-	100,000	-	-
	- Emkay Charitable Foundation	-	-	-	-	-	-	-	-	-	-	-	100,000	-	-
(d)	Interest Paid	-	2,136,437	-	-	-	751,232	4,981,645	-	-	-	-	-	-	-
	- Emkay Fincap Limited	-	-	-	-	-	751,232	4,981,645	-	-	-	-	-	-	-
	- Krishna Kumar Karwa	-	1,247,396	-	-	-	-	-	-	-	-	-	-	-	-
	- Prakash Kacholia	-	889,041	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Interim Dividend Paid	9,672,500	-	4,075,000	-	-	-	-	-	4,150,000	-	-	-	-	-
	- Krishna Kumar Karwa	4,922,500	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Prakash Kacholia	4,750,000	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Preeti Kacholia	-	-	2,125,000	-	-	-	-	-	-	-	-	-	-	-
	- Krishna Kumar Karwa HUF	-	-	100,000	-	-	-	-	-	-	-	-	-	-	-
	- Raunak Karwa	-	-	1,750,000	-	-	-	-	-	-	-	-	-	-	-
	- M.D.Karwa HUF	-	-	100,000	-	-	-	-	-	-	-	-	-	-	-
	- Emkay Corporate Services Pvt. Ltd.	-	-	-	-	-	-	-	-	4,150,000	-	-	-	-	-
II Income															
(a)	Brokerage	365,206	399,097	517,038	631,028	139,258	120,785	1,037,532	875,776	-	-	-	-	-	-
	- Krishna Kumar Karwa	344,990	378,083	-	-	-	-	-	-	-	-	-	-	-	-
	- Prakash Kacholia	20,216	21,014	-	-	-	-	-	-	-	-	-	-	-	-
	- Preeti Kacholia	-	-	295,233	274,665	-	-	-	-	-	-	-	-	-	-
	- Krishna Kacholia	-	-	37	-	-	-	-	-	-	-	-	-	-	-
	- Priti Karwa	-	-	61,464	134,674	-	-	-	-	-	-	-	-	-	-
	- Krishna Kumar Karwa HUF	-	-	9,040	69,357	-	-	-	-	-	-	-	-	-	-
	- Raunak Karwa	-	-	62,957	91,170	-	-	-	-	-	-	-	-	-	-
	- Soumya K Karwa	-	-	81,530	45,016	-	-	-	-	-	-	-	-	-	-
	- Murlidhar Karwa HUF	-	-	6,670	8,289	-	-	-	-	-	-	-	-	-	-
	- Deepak Kacholia	-	-	-	7,667	-	-	-	-	-	-	-	-	-	-

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

(B) Related Party Transactions for the year ended 31st March, 2016

Sr. No.	Nature of Related Party Transactions and name of related party	Key Management Personnel/Individuals having control or significant influence		Relatives of Key Management Personnel/Individuals having control or significant influence		Subsidiaries		Enterprises owned / controlled by Key Management Personnel/Individuals having control or significant influence or their relatives			
		2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)
	- Divya Kacholia	-	-	-	95	-	-	-	-	-	-
	- Nidhi Kacholia	-	-	107	95	-	-	-	-	-	-
	- Emkay Investment Managers Limited	-	-	-	-	5,124	14,265	-	-	-	-
	- Emkay Fincap Limited	-	-	-	-	134,134	-	-	-	-	-
	- Emkay Comtrade Limited	-	-	-	-	-	106,520	-	-	-	-
	- Emkay Corporate Services Pvt. Ltd.	-	-	-	-	-	-	4,500	59,000	-	-
	- Seven Hills Capital	-	-	-	-	-	-	21,175	-	-	-
	- Synthetic Fibres Trading Co.	-	-	-	-	-	-	1,011,857	816,776	-	-
(b)	Depository Charges	2,085	4,625	9,187	9,645	188,555	431,910	3,248	4,295	-	-
	- Krishna Kumar Karwa	1,485	2,730	-	-	-	-	-	-	-	-
	- Prakash Kacholia	600	1,895	-	-	-	-	-	-	-	-
	- Preeti Kacholia	-	-	4,592	3,690	-	-	-	-	-	-
	- Priti Karwa	-	-	1,062	1,635	-	-	-	-	-	-
	- Krishna Kacholia	-	-	1,090	645	-	-	-	-	-	-
	- Murlidhar Karwa HUF	-	-	502	615	-	-	-	-	-	-
	- Krishna Kumar Karwa HUF	-	-	636	990	-	-	-	-	-	-
	- Prakash Kacholia HUF	-	-	-	315	-	-	-	-	-	-
	- Soumya K Karwa	-	-	840	750	-	-	-	-	-	-
	- Deepak Kacholia	-	-	-	975	-	-	-	-	-	-
	- Divya Kacholia	-	-	-	15	-	-	-	-	-	-
	- Nidhi Kacholia	-	-	465	15	-	-	-	-	-	-
	- Emkay Fincap Limited	-	-	-	-	147,268	325,395	-	-	-	-
	- Emkay Comtrade Limited	-	-	-	-	2,915	55,990	-	-	-	-
	- Emkay Investment Managers Limited	-	-	-	-	38,372	50,525	-	-	-	-
	- Cambridge Securities	-	-	-	-	-	-	15	315	-	-
	- Synthetic Fibres Trading Co.	-	-	-	-	-	-	2,331	1,980	-	-
	- Emkay Corporate Services Pvt. Limited	-	-	-	-	-	-	902	2,000	-	-
(c)	Infrastructure Maintenance Charges	-	-	-	-	400,000	600,000	-	-	-	-
	- Emkay Comtrade Limited	-	-	-	-	400,000	600,000	-	-	-	-
(d)	Interest Received	-	-	-	-	1,612,603	-	-	-	-	-
	- Emkay Comtrade Limited	-	-	-	-	1,612,603	-	-	-	-	-
	- Emkay Insurance Brokers Limited	-	-	-	-	-	-	-	-	-	-

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH, 2016

(B) Related Party Transactions for the year ended 31st March, 2016

Sr. No.	Nature of Related Party Transactions and name of related party	Key Management Personnel/Individuals having control or significant influence		Relatives of Key Management Personnel/Individuals having control or significant influence		Subsidiaries		Enterprises owned / controlled by Key Management Personnel/Individuals having control or significant influence or their relatives		Others	
		2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)
(e)	Dividend Received on Investments										
	- Emkay Fincap Limited	-	-	-	-	11,000,000	-	-	-	-	-
		-	-	-	-	11,000,000	-	-	-	-	-
III Others											
(a)	Expenses Recovered										
	- Emkay Fincap Limited	-	-	-	-	6,575,700	6,865,025	-	-	-	-
	- Emkay Investment Managers Limited	-	-	-	-	2,178,450	1,657,500	-	-	-	-
	- Emkay Insurance Brokers Limited	-	-	-	-	1,699,350	1,424,900	-	-	-	-
	- Emkay Commotrade Limited	-	-	-	-	2,697,900	2,552,625	-	-	-	-
(b)	Payments made on behalf of										
	- Emkay Commotrade Limited	-	-	-	-	-	1,230,000	-	-	-	-
	- Emkay Charitable Foundation	-	-	-	-	-	1,783	-	-	-	2500
(c)	Payments received on behalf of Clients										
	- Emkay Commotrade Limited	-	-	-	-	24,135	1,594,838	-	-	-	-
(d)	Loans Granted										
	- Emkay Commotrade Limited	-	-	-	-	75,000,000	-	-	-	-	-
(e)	Loans Granted - Received Back										
	- Emkay Commotrade Limited	-	-	-	-	75,000,000	-	-	-	-	-
(f)	Short-Term Borrowings										
	- Emkay Fincap Ltd.	-	30,000,000	-	-	217,500,000	845,000,000	-	-	-	-
	- Krishna Kumar Karwa	-	30,000,000	-	-	217,500,000	845,000,000	-	-	-	-
(g)	Repayment of Short-Term Borrowings										
	- Emkay Fincap Ltd.	-	84,500,000	-	-	302,500,000	825,000,000	-	-	-	-
	- Krishna Kumar Karwa	-	64,500,000	-	-	302,500,000	825,000,000	-	-	-	-
	- Prakash Kacholia	-	20,000,000	-	-	-	-	-	-	-	-
(h)	Other Long Term Liabilities : Security/ Margin Money Refunded										
	- Krishna Investments	-	-	-	-	-	-	200,000	-	-	-
(i)	Investment made										
	- Emkay Commotrade Ltd.	-	-	-	-	10,000,000	-	-	-	-	-
(j)	Purchase of Fixed Assets										
	- Emkay Commotrade Limited	-	-	-	-	10,000,000	-	-	-	-	-
							321,282				
							321,282				

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

(B) Related Party Transactions for the year ended 31st March, 2016

Sr. No.	Nature of Related Party Transactions and name of related party	Key Management Personnel/Individuals having control or significant influence		Relatives of Key Management Personnel/Individuals having control or significant influence		Subsidiaries		Enterprises owned / controlled by Key Management Personnel/Individuals having control or significant influence or their relatives				Others	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
		(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
(k)	Purchase of Meal & Gift Coupons												
	- Emkay Fincap Limited	-	-	-	-	12,130	24,755	-	-	-	-	-	-
	- Emkay Investment Managers Limited	-	-	-	-	1,840	6,500	-	-	-	-	-	-
	- Emkay Insurance Brokers Limited	-	-	-	-	3,680	2,500	-	-	-	-	-	-
	- Emkay Commotrade Limited	-	-	-	-	3,250	4,955	-	-	-	-	-	-
	- Emkay Commotrade Limited	-	-	-	-	3,360	10,800	-	-	-	-	-	-
IV	Outstandings												
(a)	Trade Payables	2,654,518	-	763,427	1,991,888	-	-	-	-	-	-	-	-
	- Prakash Kacholia	2,654,518	-	-	-	-	-	-	-	-	-	-	-
	- Preeti Kacholia	-	-	763,427	1,991,888	-	-	-	-	-	-	-	-
(b)	Trade Receivables	103	398	51,038	2,920	11,867	20,812	4,168,838	2,923,990	-	-	-	-
	- Krishna Kumar Karwa	103	50	-	-	-	-	-	-	-	-	-	-
	- Prakash Kacholia	-	348	-	-	-	-	-	-	-	-	-	-
	- Deepak Kacholia	-	-	-	354	-	-	-	-	-	-	-	-
	- Geetadevi Karwa	-	-	-	578	-	-	-	-	-	-	-	-
	- Krishna Kacholia	-	-	-	809	-	-	-	-	-	-	-	-
	- Priti Karwa	-	-	34	17	-	-	-	-	-	-	-	-
	- Raunak Karwa	-	-	395	353	-	-	-	-	-	-	-	-
	- Soumya K Karwa	-	-	52	17	-	-	-	-	-	-	-	-
	- Krishna Kumar Karwa HUF	-	-	34	101	-	-	-	-	-	-	-	-
	- Murlidhar Karwa HUF	-	-	128	17	-	-	-	-	-	-	-	-
	- Prakash Kacholia HUF	-	-	-	421	-	-	-	-	-	-	-	-
	- Nidhi Kacholia	-	-	50,395	236	-	-	-	-	-	-	-	-
	- Divya Prakash Kacholia	-	-	-	17	-	-	-	-	-	-	-	-
	- Krishna Investments	-	-	-	-	-	-	1,676,286	2,096,976	-	-	-	-
	- Cambridge Securities	-	-	-	-	-	-	-	354	-	-	-	-
	- Emkay Corporate Services Private Ltd	-	-	-	-	-	-	-	118	-	-	-	-
	- Emkay Fincap Limited	-	-	-	-	-	-	-	-	-	-	-	-
	- Emkay Investment Managers Limited	-	-	-	-	10,198	19,919	-	-	-	-	-	-
	- Synthetic Fibres Trading Co.	-	-	-	-	1,539	750	-	-	-	-	-	-
	- Emkay Commotrade Limited	-	-	-	-	-	-	-	826,542	-	-	-	-
	- Seven Hills Capital	-	-	-	-	130	143	-	-	-	-	-	-
	- Seven Hills Capital	-	-	-	-	-	-	2,492,552	-	-	-	-	-
(c)	Recoverable towards expenses	-	-	-	-	-	-	49,928	-	-	-	-	-
	- Emkay Investment Managers Limited	-	-	-	-	-	-	44,783	-	-	-	-	-
	- Emkay Commotrade Limited	-	-	-	-	-	-	5,145	-	-	-	-	-

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

(B) Related Party Transactions for the year ended 31st March, 2016

Sr. No.	Nature of Related Party Transactions and name of related party	Key Management Personnel/Individuals having control or significant influence		Relatives of Key Management Personnel/Individuals having control or significant influence		Subsidiaries		Enterprises owned / controlled by Key Management Personnel/Individuals having control or significant influence or their relatives			
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
		(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
(d) Short Term Borrowings		-	-	-	-	-	-	-	-	-	-
- Emkay Fincap Limited		-	-	-	-	-	-	-	-	-	-
(e) Security / Margin Deposits		-	-	-	-	-	-	-	-	-	-
- Krishna Investments		-	-	-	-	-	-	-	-	-	-
(f) Non-Current Investments		-	-	-	-	-	-	-	-	-	-
- Emkay Fincap Ltd - Equity Shares		-	-	-	-	-	-	-	-	-	-
- Emkay Comtrade Ltd - Equity Shares		-	-	-	-	-	-	-	-	-	-
- Emkay Comtrade Ltd - Pref Share		-	-	-	-	-	-	-	-	-	-
- Emkay Insurance Brokers Ltd - Equity Shares		-	-	-	-	-	-	-	-	-	-
- Emkay Investment Managers Ltd - Eq Sh.		-	-	-	-	-	-	-	-	-	-

* Contribution to Group Gratuity Scheme has not been considered, as employee-wise details are not available.

(C) Related Parties are identified by the Management and relied upon by the Auditors.

(D) No balances in respect of Related Parties have been written off.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

18. Detailed information in respect of Securities traded in :-

Particulars	Purchase (₹)		Sales (₹)	
	2015-16	2014-15	2015-16	2014-15
Shares & Securities	8,86,11,571	3,33,33,523	6,17,38,177	1,12,25,105

19. (a) Detailed information in respect of Equity Index / Stock Futures contracts outstanding and held for trading purpose (Open Interest):-

Name of Equity Index / Stock Futures	As at 31st March, 2016			As at 31st March, 2015		
	No. Of		No. Of Units	No. Of		No. Of Units
	Contracts	Long	Short	Contracts	Long	Short
Nifty	-	-	-	62	-	1,550

(b) Detailed information in respect of Equity Index / Stock Options contracts outstanding and held for trading purpose (Open Interest):-

Name of Equity Index / Stock Options	Premium carried forward as at 31st March, 2016 [net of provisions made] (₹)	Premium carried forward as at 31st March, 2015 [net of provisions made] (₹)
Nifty	35,44,743	40,27,876
Total	35,44,743	40,27,876

(c) Pursuant to issuance of "Guidance Note on Accounting for Derivative Contracts" by The Institute of Chartered Accountants of India on 12th May, 2015, the Company has recognized the open position in derivative instruments held for trading purposes in the balance sheet at fair value. The same were hitherto recognized at cost with provision for anticipated losses, if any. This change has not resulted in any effect on the profit for the year.

20. The provisions of section 135 of the Companies Act, 2013 pertaining to expenditure on Corporate Social Responsibility are not applicable to the Company.

21. Pursuant to enactment of Companies Act 2013, the Company has applied the estimated useful lives as specified in Schedule II. Accordingly:-

- The unamortized carrying value is being depreciated/amortised over the revised/remaining useful lives. Consequently, depreciation for the previous year is higher by ₹ 89,40,269/-.
- The written down value of Fixed Assets whose lives have expired as at 1st April, 2014 have been adjusted net of tax, in the opening balance of Statement of Profit and Loss amounting to ₹ 740,271/- in respect of previous year.

22. Disclosure regarding loans given, investments made and guarantee given pursuant to section 186(4) of the Companies Act, 2013 :

- Loans Given – Refer note no.4(ii) and note no.17(B)(III)(d)
- Investments made – Refer note no.3.10
- Guarantee given – Refer note no.8.A.(iii)

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

23. Commission to Directors of ₹ 3,50,000/- (P.Y. ₹ Nil) represents Commission to Independent Directors.
24. In view of unabsorbed depreciation and carry forward losses under tax laws and considering the principle of virtual certainty as stated in the "Accounting Standard AS-22 – Accounting for Taxes on Income", the Company has not recognized deferred tax assets available to it and has recognized deferred tax liabilities to which it is liable.
25. Provision for taxation has been made considering the provisions of Section 115JB of the Income Tax Act 1961.
26. The Company is entitled to MAT credit of ₹ 2,40,00,000/- which shall be recognized as an asset as and when there are convincing evidence for the realization of the same.
27. (i) Additional information required pursuant to Part II of Schedule III to the Companies Act, 2013:-

Particulars	Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
(a) Expenditure in Foreign Currency		
- Travelling Expenses	28,09,389	35,82,018
- Membership & Subscription	26,18,373	24,16,276
- Advertisement & Business Promotion	Nil	4,26,515
- Brokerage & Commission	24,20,511	52,14,400
- Others	1,50,998	1,93,097
(b) Earning in Foreign Currency		
- Research Fees	95,60,877	86,06,554
- IB Advisory Fees	103,80,504	Nil
- Miscellaneous Income	2,36,607	1,59,370

- (ii) Other additional information required pursuant to Part II of Schedule III of the Companies Act, 2013 are not applicable to the Company.

28. Figures of previous year have been regrouped, recasted and rearranged wherever necessary to make them comparable with the figures of the current year.
29. Figures in brackets indicate previous year's figures.
30. Figures have been rounded off to the nearest rupees.

As per our Report of even date
For B. L. Sarda & Associates
Chartered Accountants

For and on behalf of the Board of
EMKAY GLOBAL FINANCIAL SERVICES LIMITED

Krishna Kumar Karwa
 Managing Director & CFO

Prakash Kacholia
 Managing Director

(CA B. L. Sarda)
 Partner
 Membership No. 014568

Bhalchandra Raul
 Company Secretary

Place: Mumbai
 Dated: 23rd May, 2016

Place: Mumbai
 Dated: 23rd May, 2016

INDEPENDENT AUDITOR'S REPORT

ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of

EMKAY GLOBAL FINANCIAL SERVICES LIMITED, Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of EMKAY GLOBAL FINANCIAL SERVICES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free

from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of the written representations received from the directors of the Companies in the Group as on 31st March, 2016 taken on record by the Board of Directors of the respective Companies in the Group, none of the directors of the Group companies is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiaries and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group—Refer Note 7(A) to the consolidated financial statements.
 - (ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company except ₹ 3451/- which has since been deposited and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies incorporated in India.

For B.L. Sarda & Associates
Chartered Accountants
Firm Registration No.109266W

(CA B.L.Sarda)
Partner
Membership No.014568

Place: Mumbai
Date :23rd May, 2016

INDEPENDENT AUDITOR'S REPORT

ON CONSOLIDATED FINANCIAL STATEMENTS

ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF EMKAY GLOBAL FINANCIAL SERVICES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH, 2016

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of EMKAY GLOBAL FINANCIAL SERVICES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary companies as on that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial

reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

INDEPENDENT AUDITOR'S REPORT

ON CONSOLIDATED FINANCIAL STATEMENTS

Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to

error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B.L. Sarda & Associates

Chartered Accountants
Firm Registration No. 109266W

(CA B. L. Sarda)

Partner

Membership No. 014568

Place: Mumbai

Date: 23rd May, 2016

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2.1	244,377,500	244,377,500
Reserves and Surplus	2.2	984,489,452	893,566,558
		1,228,866,952	1,137,944,058
MINORITY INTEREST		-	-
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities (Net)	2.3	1,665,310	-
Other Long-Term Liabilities	2.4	18,702,062	24,381,326
Long-Term Provisions	2.5	789,002	1,514,987
		21,156,374	25,896,313
CURRENT LIABILITIES			
Short-Term Borrowings	2.6	113,095,344	353,518,386
Trade Payables	2.7	510,310,799	568,488,754
Other Current Liabilities	2.8	387,657,027	517,904,100
Short-Term Provisions	2.9	2,347,821	2,876,588
		1,013,410,991	1,442,787,828
TOTAL		2,263,434,317	2,606,628,199
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
- Tangible Assets	2.10 (a)	343,797,443	355,392,706
- Intangible Assets	2.10 (b)	3,154,497	3,749,223
Non-Current Investments	2.11 (a)	80,205,423	8,806,644
Deferred Tax Assets (Net)	2.12	-	233,730
Long-Term Loans and Advances	2.13	148,206,190	185,157,520
		575,363,553	553,339,823
CURRENT ASSETS			
Current Investments	2.11 (b)	32,445,209	28,672,556
Inventories	2.14	53,133,537	24,232,145
Trade Receivables	2.15	190,722,639	542,158,991
Cash and Cash Equivalents	2.16	1,103,411,082	769,114,759
Short-Term Loans and Advances	2.17	291,066,019	637,985,515
Other Current Assets	2.18	17,292,278	51,124,410
		1,688,070,764	2,053,288,376
TOTAL		2,263,434,317	2,606,628,199
SIGNIFICANT ACCOUNTING POLICIES	1		
The accompanying notes are an integral part of the Consolidated Financial Statements.			

As per our Report of even date
For B. L. Sarda & Associates
Chartered Accountants

For and on behalf of the Board of
EMKAY GLOBAL FINANCIAL SERVICES LIMITED

Krishna Kumar Karwa
Managing Director & CFO

Prakash Kacholia
Managing Director

(CA B. L. Sarda)
Partner
Membership No. 014568

Bhalchandra Raul
Company Secretary

Place: Mumbai
Dated: 23rd May, 2016

Place: Mumbai
Dated: 23rd May, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note No.	For the Year Ended 31st March, 2016 (₹)	For the Year Ended 31st March, 2015 (₹)
Income			
Revenue from Operations	2.19	1,030,446,342	1,120,714,690
Other Income	2.20	22,811,666	47,970,938
Total Revenue		1,053,258,008	1,168,685,628
Expenses			
Employee Benefits Expense	2.21	442,489,634	430,382,774
Finance Costs	2.22	35,177,847	48,235,547
Depreciation and Amortization Expense	2.23	35,946,116	43,200,028
Other Expenses	2.24	373,071,790	393,650,558
Total Expenses		886,685,387	915,468,907
Profit before exceptional items and tax		166,572,621	253,216,721
Less : Exceptional items (Refer note no.4)		-	358,705,815
Profit/(Loss) before tax		166,572,621	(105,489,094)
Tax Expense:			
- Current Tax		38,856,000	12,538,000
- Deferred Tax - for the year		2,349,380	40,659,445
- for earlier year		(450,340)	-
- Short/(Excess) Provision for Tax for Earlier Years		5,481,901	(1,395,403)
Profit/(Loss) before Minority Interest		120,335,680	(157,291,136)
Less: Minority Interest		-	-
Profit/(Loss) for the year		120,335,680	(157,291,136)
Earnings per Equity Shares of nominal value of ₹.10/- each			
-Basic		4.92	(6.44)
-Diluted		4.91	(6.43)
SIGNIFICANT ACCOUNTING POLICIES	1		
The accompanying notes are an integral part of the Consolidated Financial Statements.			

As per our Report of even date
For B. L. Sarda & Associates
Chartered Accountants

(CA B. L. Sarda)
Partner
Membership No. 014568

Place: Mumbai
Dated: 23rd May, 2016

For and on behalf of the Board of
EMKAY GLOBAL FINANCIAL SERVICES LIMITED

Krishna Kumar Karwa
Managing Director & CFO

Bhalchandra Raul
Company Secretary

Place: Mumbai
Dated: 23rd May, 2016

Prakash Kacholia
Managing Director

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Year ended 31st March,2016		Year ended 31st March,2015	
	(₹)	(₹)	(₹)	(₹)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax,exception/extraordinary items		166,572,621		253,216,721
Adjustment for :				
Finance Costs	27,631,049		33,242,895	
Depreciation and Amortization Expense	35,946,116		43,200,028	
Net Gain on Sale of Current Investments	(3,671,095)		(4,207,418)	
(Profit)/Loss on Sale of Fixed Assets	(152,052)		198,521	
(Net of loss on discard)				
Interest Received	(16,455,071)		(42,685,519)	
Dividend Received	(1,401,965)		(896,881)	
Unrealised Foreign Exchange Loss (Net)	279,212		159,575	
Provision for Loss Assets (net off write back)	-		(28,320)	
Provision for Standard & Sub- Assets	(670,042)		311,128	
(net off write back)				
Provision for Doubtful Debts/Deposits/Advances	(3,911,202)		(39,606,164)	
(net off write back)				
Provision for loss on Equity Index/Stock Futures	(83,960)		(2,229,599)	
written back		37,510,990		(12,541,754)
Operating profit before working capital changes		204,083,611		240,674,967
Adjustment for :				
Trade and other receivables	742,703,211		210,795,305	
Deposits with Banks and Other items				
not considered as Cash Equivalents				
(Refer Note 3 below)	(96,581,967)		(95,101,932)	
Inventories	(28,901,392)		(24,231,535)	
Trade and other payables	(194,760,268)	422,459,584	15,468,757	106,930,595
Cash Generated from operations		626,543,195		347,605,562
Direct taxes (Paid)/Refund		(14,623,373)		(26,222,694)
Cash flow before extraordinary/exceptional items		611,919,822		321,382,868
Exceptional/ Extraordinary items		-		(358,705,815)
Net Cash From/ (used in) Operating Activities		611,919,822		(37,322,947)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(24,905,525)		(15,235,869)	
Sale of fixed assets	1,301,450		1,153,638	
Current Investments (Purchased)/Redeemed	(3,772,653)		(2,937,218)	
Non Current Investments (Purchased)/Disposed Off	(71,398,779)		(1,585,045)	
Net Gain on Sale of Current Investments	3,671,095		4,207,418	
Loans received back from ESOP Trust	600,000		-	
Interest received	16,455,071		42,685,519	
Dividend received	1,401,965	(76,647,376)	896,881	29,185,324
Net Cash from/ (used in) Investing Activities		(76,647,376)		29,185,324

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Year ended 31st March, 2016		Year ended 31st March, 2015	
	(₹)	(₹)	(₹)	(₹)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds/(Repayment) of Short Term Borrowings	(240,423,042)		8,875,588	
Finance Costs	(27,631,049)		(33,242,895)	
Dividend paid (including dividend tax)	(29,226,024)	(297,280,115)	(38,891)	(24,406,198)
Net Cash from/ (used in) financing activities		(297,280,115)		(24,406,198)
Net increase in Cash and Cash Equivalents (A+B+C)		237,992,332		(32,543,821)
Cash and Cash Equivalents at the beginning of the year		83,333,013		115,876,834
Cash and Cash Equivalents at the close of the year		321,325,345		83,333,013
Note :				
1. Cash and Cash Equivalents comprise of :				
Cash on hand		514,440		370,847
Cheques on hand		18,981,756		16,561,520
Balances with Scheduled Banks				
- In Current Accounts		298,378,829		66,338,511
- In Deposit Accounts		3,000,000		-
Balances in Prepaid Cards		190,722		80,513
		321,065,747		83,351,391
Add / (Less) : Exchange difference on translation of Foreign Currency Cash and Cash Equivalents		259,598		(18,378)
		321,325,345		83,333,013

- Cash flow statement has been prepared under the Indirect Method as set out in the Accounting Standard - 3 (AS-3) "Cash Flow Statement".
- Cash and Cash Equivalents excludes deposit with banks towards Margin/Security for Bank guarantees, borrowings and other commitments, balance in Unclaimed Dividend account and Meal Coupons.
- Finance Cost excludes incurred by a Subsidiary engaged in NBFC activities.
- Previous year's figures are re-grouped/ recasted/ re-arranged wherever considered necessary.

As per our Report of even date
For B. L. Sarda & Associates
Chartered Accountants

For and on behalf of the Board of
EMKAY GLOBAL FINANCIAL SERVICES LIMITED

Krishna Kumar Karwa
Managing Director & CFO

Prakash Kacholia
Managing Director

(CA B. L. Sarda)
Partner
Membership No. 014568

Bhalchandra Raul
Company Secretary

Place: Mumbai
Dated: 23rd May, 2016

Place: Mumbai
Dated: 23rd May, 2016

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

1. Significant Accounting Policies:

1.1 Basis of Preparation of Consolidated Financial Statements

- a) The accompanying Consolidated Financial Statements are prepared on going concern basis in accordance with Generally Accepted Accounting Principles in India to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013. The Consolidated Financial Statements have been prepared under the historical cost convention on the accrual basis of accounting. The accounting policies have been consistently applied by the company unless otherwise stated.
- b) In view of criteria set out in the Schedule III to the Companies Act, 2013, the Company has considered 12 months period as its operating cycle for classifying its assets and liabilities as current and non-current.

1.2 Use of Estimates

The preparation of Consolidated Financial Statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and the differences between actual results and estimates are recognised in the periods in which the results are known / materialize.

1.3 Basis of Consolidation

i) Basis of Preparation:

The Consolidated Financial Statements are prepared in accordance with Accounting Standard (AS-21) on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Rules, 2006. Reference in these notes to the Parent Company means Emkay Global Financial Services Limited, reference to Subsidiary Companies means four subsidiaries of Emkay Global Financial Services Limited, i.e. Emkay Fincap Limited, Emkay Commotrade Limited, Emkay Insurance Brokers Limited and Emkay Investment Managers Limited and reference to Group means the Parent Company and the Subsidiary Companies.

ii) Principles of Consolidation:

- The Consolidated Financial Statements comprise of the Financial Statements of the Parent Company and its subsidiaries and have been combined on a line- by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting profits / losses in full.
- The Consolidated Financial Statements are presented, to the extent possible in the same format as that adopted by the Parent Company for its separate financial statements.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

- The Consolidated Financial Statements of the group companies are prepared according to uniform accounting policies across the group and is in accordance with accounting principles generally accepted in India.

- Goodwill / Capital Reserve on Consolidation:

The excess of cost to the Parent Company of its investment in subsidiaries over its portion of equity in the subsidiaries at the respective dates on which investment in subsidiaries was made is recognized in the financial statements as goodwill and vice versa is recognized in financial statements as capital reserve. The Parent Company's portion of equity in the subsidiaries is determined on the basis of the value of assets and liabilities as per the financial statements of the subsidiaries as on the date of investment.

1.4 Revenue Recognition:

Revenue is recognized to the extent it is possible that economic benefits will flow to the Company and revenue can be reliably measured.

- Brokerage income is recognized as per contracted rates on the execution of transactions on behalf of the clients on the trade date.
- One time non refundable subscription fees for joining various special brokerage schemes are treated as income when the client agrees to join that particular scheme and renders payment for the same. No brokerage under the said schemes are charged till the time brokerage on the trades executed by the clients gets equal to the subscription fees paid by the client. However in respect of one of the subsidiary company, instead of no brokerage charged, the brokerage is reversed by making provisions at the end of each quarter and actual credit for brokerage reversible to the client is given at the end of the validity period of the scheme opted by clients.
- Brokerage and other revenue from operations is net of service tax wherever applicable.
- Income from investment banking activities and other fees is recognized as and when such services are completed / performed.
- Portfolio Management Fees on Portfolio Management Services (PMS) business is accounted on accrual basis as follows:-
 - In case of fees based on fixed percentage of Assets Under Management, income is accrued at fixed interval as agreed with clients or closure of portfolio account, whichever is earlier.
 - In case of fees based on returns on Portfolio, income is accounted at the end of completion of one year by each client from the date of joining the Portfolio Management Scheme or closure of Portfolio Account, whichever is earlier.
- Income from trades in securities and derivative instruments comprises of Profit/(Loss) on sale of securities held as stock-in-trade and Profit/(Loss) in derivative instruments being equity derivative transactions in the nature of Futures and Options in Equity Stock/Index, commodity derivative transactions in the

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

nature of Futures in Commodities and currency derivative transactions in the nature of Futures and Options in foreign currencies all entered into for trading purposes and is determined as follows:-

- (i) In case of sale of securities, it is determined based on First-in-First-Out (FIFO) basis of cost of securities sold, and
- (ii) In case of derivative instruments, it is determined as follows in accordance with "Guidance Note on Accounting for Derivative Contracts" issued by The Institute of Chartered Accountants of India:-

All directly attributable transaction costs on derivative transactions are recognized in Statement of Profit and Loss as they are incurred. Subsequent to initial recognition, derivatives are measured at fair value at each Balance Sheet date, and changes therein are recognized in Statement of Profit and Loss. Fair Value is determined using quoted market prices on respective Exchanges.

Balance in "Options Premium Account" represents the fair value of premium paid or received for buying or selling the Options, respectively. Debit or Credit balance in the said account is disclosed under Short Term Loans and Advances or Other Current Liabilities as the case may be.

- (g) Profit/(Loss) earned on sale of Investments is recognized on trade date basis. Profit or Loss on sale of Investments is a determined on the basis of the weighted average cost method. On disposal of an Investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.
- (h) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. In case of a subsidiary carrying on Non-banking Financial business, in case of non-performing assets, interest income is recognized on receipt basis, as per Non Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 (NBFC Prudential norms).
- (i) (i) Trading Income in Corporate Bonds and Government Securities comprises of Profit/(Loss) on Sale of these instruments held as Stock-in-Trade and is recognized on settlement date. Profit on sale of securities is netted with loss on sale of securities. Profit/(Loss) on Sale of these Instruments is determined based on First-in-First-Out (FIFO) basis of cost of these instruments sold.
(ii) Purchase and sale price of Securities is bifurcated into cost and accrued interest paid or realized. Accrued interest paid on purchase and received on sale is netted and reckoned as expense/income.
- (j) Insurance brokerage income on first year premium of insurance policies is recognized, when an insurance policy sold by the Company is accepted by the insurer. Renewal brokerage on policies is accounted for on receipt of renewal premium by the insurer.
- (k) Dividend including interim are accounted when the right to receive payment is established.

1.5 Fixed Assets and Depreciation

- a) Fixed Assets are stated at cost of acquisition including incidental expenses related to such acquisition and installation less accumulated depreciation.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

- b) Depreciation on Fixed Assets other than Leasehold Improvements have been provided on written down value method and computed with reference to the useful life of respective assets specified and in the manner prescribed in Schedule II of the Companies Act, 2013 including pro rata depreciation on additions/deletions made during the year
- c) Leasehold Improvements are depreciated on a straight-line method over the Primary Lease Period or over a period of 3 years whichever is less.

1.6 Intangible Assets and Amortization

Items of expenditure that meet the recognition criteria as mentioned in Accounting Standard – 26 on “Intangible Assets” are classified as intangible assets and are amortized over the period of economic benefits.

Softwares are stated at cost of acquisition and are amortized on straight line basis over a period of 3 years irrespective of the date of acquisition.

Membership Rights in Stock Exchanges are amortized on straight- line basis over a period of 10 years.

1.7 Stock – in – Trade

Securities acquired with the intention to trade are classified as Stock – in – Trade. Stock – in – Trade of securities is valued at lower of the cost or fair value on individual scrip by scrip basis. Cost is determined on First-in-First-Out (FIFO) basis.

1.8 Investments

Investments that are readily realizable and intended to be held for not more than twelve months are classified as Current Investments. All other investments are classified as Non-Current Investments.

Non-Current Investments are stated at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the Investments.

Current Investments are stated at lower of cost and fair value and determined on an individual investment basis.

1.9 Employee Benefits

(i) Short Term Benefits

All employee benefits including short term compensated absences and statutory bonus/ performance bonus/ incentives payable wholly within twelve months of rendering the service are classified as short term employee benefits and are charged to the Statement of Profit and Loss of the year.

(ii) Long Term Benefits

(a) Post Employment Benefits

(i) Defined Contribution Plans:- Retirement/Employee benefits in the form of Provident Fund, Employees State Insurance and Labour Welfare are considered as defined contribution plan and

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

contributions to the respective funds administered by the Government are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due.

(ii) Defined Benefit Plans:- Retirement benefits in the form of gratuity is considered as defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made as at the date of the Balance Sheet. The scheme is maintained and administered by insurers to which the trustees make periodic contributions except in case of a subsidiary company where the gratuity plan is non-funded. Actuarial gain/loss, if any are immediately recognized in the Statement of Profit and Loss.

(b) Other Long Term Benefits

As per the present policy of the group, there are no other long term benefits to which its employees are entitled.

1.10 Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.11 Assets on Operating Leases

Lease payments under operating leases are recognized as expenses on accrual basis in accordance with the respective leave and license agreements.

1.12 Share Issue/Preliminary Expenses

Share Issue / Preliminary Expenses are recognized as an expense in the year in which they are incurred in accordance with Accounting Standard – 26 on “Intangible Assets”.

1.13 Taxation

Provision for taxation has been made in accordance with the Income Tax Laws prevailing for the relevant assessment years.

1.14 Deferred Taxation

Deferred tax assets and liabilities are recognized for timing differences between the accounting and taxable income measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassure its realization.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

1.15 Minimum Alternative Tax (MAT) Credit Entitlement

MAT Credit is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said is created by way of a credit to the Statement of Profit & Loss and shown as MAT Credit Entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income tax during the specified period.

1.16 Provisioning/Write-off on assets

a) Provisioning/Write-off on Overdue Assets

The Provisioning/Write-off on overdue assets is as per the management estimates, subject to the minimum provision required as per NBFC Prudential Norms.

The Company classifies non-performing assets which are overdue for six months or more. The Company accounts for provision for non-performing assets after taking into account the time lag between an accounts becoming overdue, its recognition as such and realization of available security.

b) Provision on Standard Assets

Provision on standard assets is made @ 0.25% as prescribed by NBFC Prudential Norms.

1.17 Contingencies and Events Occurring after the Balance Sheet Date

Events occurring after the date of the Balance Sheet, which provide further evidence of conditions that existed at the Balance Sheet date or that arose subsequently, are considered up to the date of approval of accounts by the Board of Directors, where material.

1.18 Impairment

Where the recoverable amount of the fixed asset is lower than its carrying amount, a provision is made for the impairment loss. Post impairment, depreciation is provided for on the revised carrying value of the asset over its remaining useful life.

1.19 Provisions, Contingent Liabilities & Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation. Contingent Liabilities, if material, are disclosed by way of notes. Contingent Assets are not recognized or disclosed in the financial statements.

1.20 Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are reported using the closing rate. Gains and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Profit and Loss.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

1.21 Employee Stock Compensation Cost

The Parent Company follows the intrinsic value method as prescribed by the Guidance note on “Accounting for Employee Share-based Payments” issued by the Institute of Chartered Accountants of India to account for the compensation cost of its Stock based employee compensation plans.

1.22 Cash And Cash Equivalents

Cash and cash equivalents includes cash on hand, balances with bank in current accounts (other than earmarked), fixed deposits with bank (free from any encumbrances), cheques on hand and balances in prepaid cards

1.23 Segments

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis, are included under “Unallocated”.

1.24 Earning Per Share

The Group reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 on “Earnings Per Share”. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

2.1 Share Capital

Particulars	As at	
	31st March, 2016 (₹)	31st March, 2015 (₹)
Authorised		
40,000,000 (P.Y. 40,000,000) Equity Shares of ₹ 10/- each	400,000,000	400,000,000
Issued, Subscribed and Paid Up		
24,437,750 (P.Y. 24,437,750) Equity Shares of ₹ 10/-each fully paid up	244,377,500	244,377,500
	244,377,500	244,377,500
Notes:-		

a: Reconciliation of the Shares outstanding at the beginning and end of the reporting period:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No of Shares	Amount (₹)	No of Shares	Amount (₹)
At the beginning of the reporting period	24,437,750	244,377,500	24,437,750	244,377,500
Add: Shares issued during the reporting period	-	-	-	-
Outstanding at the end of the reporting period	24,437,750	244,377,500	24,437,750	244,377,500

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

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b: Terms/Rights attached to Equity Shares

The Parent Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pay dividends in Indian Rupees. The dividend proposed if any by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except interim dividend.

During the year ended 31st March, 2016, the amount of per share dividend recognized as distributions to equity shareholders as interim was ₹ 1.00 (PY Nil).

In the event of liquidation of the company, the holders of Equity shares will be entitled to receive remaining assets of the Parent Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c: Details of shareholders holding more than 5% Shares in the company

Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No of Shares	% held	No of Shares	% held
Equity shares of ₹ 10 each fully paid				
Mr. Krishna Kumar Karwa	4,922,500	20.14	4,922,500	20.14
Mr. Prakash Kacholia	4,750,000	19.44	4,750,000	19.44
M/s Emkay Corporate Services Private Limited	4,150,000	16.98	4,150,000	16.98
Mrs. Preeti Kacholia	2,125,000	08.70	2,125,000	08.70
Mr. Raunak Karwa	1,750,000	07.16	1,750,000	07.16

d: Shares Reserved for issue under Options:

The Parent Company has reserved issuance of 23,66,325 (Previous Year 23,66,325) Equity Shares of ₹ 10/- each for offering to eligible employees of the Company and its subsidiaries under Employees Stock Option Schemes. The Options would vest over a maximum period of four years or such other period as may be decided by the Board/Remuneration Committee subject to the applicable law.

2.2 Reserves and Surplus

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Capital Redemption Reserve		
Balance as per last Financial Statements	50,000,000	50,000,000
Securities Premium Reserve		
Balance as per last Financial Statements	691,353,584	691,353,584
Special Reserve u/s 45-IC of the Reserve Bank of India Act, 1934		
Balance as per last Financial Statements	31,512,247	25,797,682
Add: Transfer from Surplus in the Statement of Profit and Loss	5,759,987	5,714,564
Closing Balance	37,272,234	31,512,247
General Reserve		
Balance as per last Financial Statements	180,365,380	180,400,794

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

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Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Less: Adjustment relating to Fixed Assets (Refer Note No. 21)	-	35,414
	180,365,380	180,365,380
Capital Reserve on Consolidation		
Balance as per last Financial Statements	102,723	102,723
Surplus in the Statement of Profit and Loss		
Balance as per last Financial Statements	(59,767,375)	104,010,294
Add : Profit/(Loss) for the year	120,335,680	(157,291,136)
Amount available for appropriations	60,568,305	(53,280,842)
Less: Appropriations:		
Interim Dividend paid on Equity Shares	24,437,750	-
Dividend Distribution Tax - on Interim Dividend	4,975,037	-
Adjustment relating to Fixed Assets (Refer Note No. 21)	-	771,969
Transfer to Special Reserve u/s 45-IC of the Reserve Bank of India Act, 1934	5,759,987	5,714,564
Total of appropriations	35,172,773	6,486,533
Net Surplus/(Deficit) in the Statement of Profit and Loss	25,395,531	(59,767,375)
	984,489,452	893,566,559

2.3 Deferred Tax Liabilities (Net)

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Deferred Tax Assets		
Provisions	344,640	-
	344,640	-
Deferred Tax Liability		
Differences between book and tax depreciation	2,009,950	-
	2,009,950	-
Net Deferred Tax Liabilities	1,665,310	-

2.4 Other Long-Term Liabilities

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Others		
-Security Deposits	18,702,062	24,381,326
	18,702,062	24,381,326

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

2.5 Long-Term Provisions

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Provision for Standard Assets	601,232	1,388,005
Provision for Gratuity	187,770	126,982
	789,002	1,514,987

2.6 Short-Term Borrowings

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Secured		
Loan repayable on demand:		
- Overdraft from a Bank	23,095,344	143,518,386
Short Term Loan from a Bank	45,000,000	-
Unsecured		
- Short Term Loan from a Bank	45,000,000	-
- from other parties	-	210,000,000
	113,095,344	353,518,386

Note: (1) Overdraft referred above to the extent of :

(a) ₹ Nil (P.Y. 118,360,038/-) is secured by equitable mortgage of office premises and

(b) ₹ 23,095,344/- (P.Y. 25,158,348/-) is secured by way of lien against term deposits with bank

(2) Short Term Loan of ₹ 45,000,000/- (P.Y. Nil) is secured by way of lien against term deposits with bank

2.7 Trade Payables

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Trade Payables	510,310,799	568,488,754
	510,310,799	568,488,754

Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006: - There are no amounts payable to any Micro & Medium Enterprises under the MSMED Act, 2006 and identified by the management from the information available with the Group & relied upon by the Auditors.

2.8 Other Current Liabilities

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Interest Accrued and Due on Borrowings	711,726	-
Interest Accrued but not Due on Short-Term Borrowings	-	994,109
Income Received in advance	2,033,556	2,408,317
Unclaimed Dividend *	418,749	231,986
Other Payables		
Advance Received from Clients	10,387,790	25,520,091
Payable for Expenses	93,991,285	111,814,086
Statutory Liabilities	35,879,827	25,136,996
Deposit towards Margin and other from Clients	242,493,446	349,684,765
Other Liabilities	1,740,648	2,113,750
	387,657,027	517,904,100

* There is no amount due and outstanding to be transferred to the Investor Education and Profession Fund (IEPF) as on 31st March, 2016 except ₹ 3451/- which has since been deposited. Unclaimed dividend, if any shall be transferred to IEPF as and when they become due.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

2.9 Short-Term Provisions

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Provision for Gratuity	2,347,821	2,876,588
	2,347,821	2,876,588

2.10 (a) Tangible Assets

Particulars	Office Premises (₹)	Furniture & Fixtures (₹)	Vehicles (₹)	Office Equipment (₹)	Computers (₹)	Air Conditioners (₹)	Leasehold Improvements (₹)	Total (₹)
Gross Block (At Cost)								
At 1 April 2014	380,475,731	40,740,012	7,111,265	23,958,047	80,551,718	7,995,979	39,104,968	579,937,720
Additions	-	179,068	-	1,468,262	8,030,943	298,017	1,292,081	11,268,371
Deductions	-	723,507	-	2,152,848	5,132,589	1,145,365	5,150,842	14,305,151
At 31 March 2015	380,475,731	40,195,573	7,111,265	23,273,461	83,450,072	7,148,631	35,246,207	576,900,940
Additions	-	448,712	7,870,661	1,660,815	10,835,654	344,959	895,643	22,056,444
Deductions	-	472,981	2,672,935	3,164,316	10,393,457	577,529	5,313,172	22,594,390
At 31 March 2016	380,475,731	40,171,304	12,308,991	21,769,960	83,892,269	6,916,061	30,828,678	576,362,994
Depreciation/ Amortization								
At 1 April 2014	46,518,525	18,712,796	4,649,751	11,727,347	71,803,146	3,851,561	37,474,203	194,737,329
Charge for the Year	16,229,895	6,307,323	870,724	8,846,526	4,563,801	802,281	1,285,082	38,905,632
Adjustment (Refer Note No.21)	-	-	-	24,125	793,875	265	-	818,265
Deductions	-	671,793	-	1,495,556	4,969,925	664,876	5,150,842	12,952,992
At 31 March 2015	62,748,420	24,348,326	5,520,475	19,102,442	72,190,897	3,989,231	33,608,443	221,508,234
Charge for the Year	15,441,149	4,576,628	1,414,209	2,350,680	7,051,730	638,653	1,029,260	32,502,309
Deductions	-	419,417	2,341,065	2,904,519	10,075,729	410,015	5,294,247	21,444,992
At 31 March 2016	78,189,569	28,505,537	4,593,619	18,548,603	69,166,898	4,217,869	29,343,456	232,565,551
Net Block								
At 31 March 2015	317,727,311	15,847,247	1,590,790	4,171,019	11,259,175	3,159,400	1,637,764	355,392,706
At 31 March 2016	302,286,162	11,665,767	7,715,372	3,221,357	14,725,371	2,698,192	1,485,222	343,797,443

2.10 (b) Intangible Assets

Particulars	Software (₹)	Stock Exchanges Membership Rights (₹)	Total (₹)
Gross Block (At Cost)			
At 1 April 2014	62,639,303	28,255,000	90,894,303
Additions	3,967,498	-	3,967,498
At 31 March 2015	66,606,801	28,255,000	94,861,801
Additions	2,849,081	-	2,849,081
At 31 March 2016	69,455,882	28,255,000	97,710,882
Depreciation/ Amortization			
At 1 April 2014	58,555,864	28,255,000	86,810,864
Charge for the Year	4,301,714	-	4,301,714
At 31 March 2015	62,857,578	28,255,000	91,112,578
Charge for the Year	3,443,807	-	3,443,807
At 31 March 2016	66,301,385	28,255,000	94,556,385
Net Block			
At 31 March 2015	3,749,223	-	3,749,223
At 31 March 2016	3,154,497	-	3,154,497

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

2.11 (a) Non-Current Investments

Particulars	Face Value Per Share	No. of Shares		Amount	
		As At 31st March 2016	As At 31st March 2015	As At 31st March 2016	As At 31st March 2015
	(₹)			(₹)	(₹)
AT-COST					
(I) Investment In Equity Instruments					
(A) Trade Investments					
Unquoted, fully Paid-up					
- Bombay Stock Exchange Limited	1	58,838	58,838	4,526	4,526
Total Trade Investments (A)				4,526	4,526
(B) Other Investments					
Quoted, Fully Paid-Up					
- Aditya Birla Nuvo Ltd.	10	185	185	310,595	313,325
- Aditya Birla Fashion & Retail Ltd. *	10	962	-	2,730	-
- Alembic Pharmaceuticals Ltd.	2	-	150	-	17,841
- Bajaj Finance Ltd.	10	50	50	72,573	72,573
- Bajaj Corp. Ltd.	1	1,705	1,705	489,233	489,233
- Bayer Corpscience Ltd.	10	185	185	363,744	363,744
- Centum Electronics Limited	10	1,131	737	602,541	330,544
- Cipla Limited	2	700	700	281,902	281,902
- Divi's Laboratories Limited **	2	390	195	205,891	205,891
- Gujarat Pipavav Port Ltd.	10	4,025	4,025	205,075	205,075
- HDFC Bank Ltd.	2	1,098	1,098	784,931	784,931
- Hero Motocorp Ltd.	2	75	75	114,724	114,724
- Housing Development Finance Corporation Ltd.	2	150	150	123,186	123,185
- ICICI Bank limited	2	3,620	3,445	614,325	564,680
- IDFC Limited	10	4,802	4,802	340,505	562,075
- IDFC Bank Limited ***	10	4,802	-	221,570	-
- Infosys Ltd. ****	5	571	453	499,977	731,379
- Karur Vysya Bank Limited	10	975	-	415,531	-
- Lakshmi Machine Works Ltd.	10	100	100	240,077	240,077
- LIC Housing Finance Ltd.	2	2,318	1,213	860,764	405,566
- Mahindra & Mahindra Limited	5	465	450	356,163	338,164
- Mahindra Holidays & Resorts India Ltd	10	1,363	950	375,583	261,891
- Pidilite Industries Ltd.	1	1,250	1,250	282,444	282,444
- Power Grid Corporation of India Ltd.	10	6,350	6,350	804,903	804,903
- Praj Industries Ltd.	10	5,211	-	376,615	-
- PTC India Limited	10	8,743	7,622	634,066	577,099
- SKS Microfinance Limited	10	875	-	364,740	-
- TD Power Systems Ltd.	10	1,600	885	567,993	371,819
- Tech Mahindra Ltd.	5	900	900	224,310	224,310
- TV18 Broadcast Ltd.	2	5,000	5,000	134,743	134,743
- Kridhan Infra Ltd.	2	249,750	-	23,484,635	-
- Aurobindo Pharma Ltd	1	11,000	-	9,241,759	-
- Motherson Sumi Systems Ltd	1	4,050	-	994,248	-
- Vadilal Industries Ltd	10	2,000	-	987,972	-

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Face Value Per Share	No. of Shares		Amount	
		As At 31st March 2016	As At 31st March 2015	As At 31st March 2016	As At 31st March 2015
	(₹)			(₹)	(₹)
- UFO Movies India Ltd	10	6,100	-	2,490,854	-
- Capital Trust Ltd	10	125,000	-	27,125,000	-
Total Quoted Investments				75,195,901	8,802,118
Unquoted, fully Paid-up					
- Prothom Industries India Pvt Ltd	10	14,764	-	5,004,996	-
Total Other Investments (B)				80,200,897	8,802,118
Total (A + B)				80,205,423	8,806,644
Note:					
Aggregate of Quoted Investments in Shares					
- Cost				75,195,901	8,802,118
- Market Value				88,500,742	13,778,565
Aggregate of Unquoted Investments in Shares					
- Cost				5,009,522	4,526

* On demerger of Aditya Birla Nuvo Ltd.

** Includes 195 bonus shares received during the period.

*** On demerger of IDFC Ltd.

**** Include 228 bonus shares received during the period

2.11(b) Current Investments

Particulars	Face Value Per Unit	No. of Units		Amount	
		As At 31st March 2016	As At 31st March 2015	As At 31st March 2016	As At 31st March 2015
	(₹)			(₹)	(₹)
Non Trade (Other) Investments					
(Valued at lower of cost and fair value)					
Investments in Units of of Mutual Funds					
Quoted, Fully Paid-Up					
- Goldman Sachs Liquid Exchange Traded Scheme (Liquid Bees)	1000	1,848.505	3,429.921	1,848,513	3,429,933
- Goldman Sachs MF - CPSE ETF	10	30,091.000	30,091.000	742,623	742,623
- UTI - Money Market Fund - Institutional Growth Plan	1000	-	7,682.649	-	12,000,000
- HDFC Liquid Fund - Growth	10	-	454,035.284	-	12,500,000
- IDFC Cash Fund - Growth	1000	8,171.005	-	15,000,000	-
- Reliance Liquid Fund - Treasury Plan - Growth	1000	4,075.722	-	15,000,000	-
				32,591,136	28,672,556
Less: Reduction in Carrying Amount of Current Investments				145,927	-
Total				32,445,209	28,672,556
Notes:					
Aggregate of Quoted Investments in Mutual Fund					
-Cost				32,591,136	28,672,556
-Net Asset Value				32,492,551	28,701,910

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

2.12 Deferred Tax Assets (Net)

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Deferred Tax Assets		
Differences between book and tax depreciation	-	22,853
Provisions	-	54,000
Disallowances	-	156,877
	-	233,730
Deferred Tax Liability	-	-
Net Deferred Tax Assets	-	233,730

2.13 Long-Term Loans and Advances

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Unsecured, Considered Good		
Capital Advances	1,102,500	302,248
Deposits	36,003,827	44,472,175
Loan to ESOP Trust [Refer note no.3 (ii)]	57,400,000	58,000,000
Advances recoverable in cash or kind for value to be received	268,137	5,000
Other Loans and Advances		
Income Tax Paid (Net of Provisions)	51,475,179	81,189,707
Fringe Benefit Tax Refundable	528,303	148,022
Prepaid Expenses	1,376,244	763,423
Loan to Staff	52,000	276,945
	148,206,190	185,157,520

2.14 Inventories

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Stock in Trade (Valued at lower of cost or fair value)		
- Shares and Securities	53,133,537	24,232,145
	53,133,537	24,232,145

2.15 Trade Receivables

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Unsecured		
(Considered good unless otherwise stated)		
Outstanding for a period exceeding Six Months		

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

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Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
- Considered Good	8,587,769	12,401,392
- Considered Doubtful	112,443,398	113,963,757
	121,031,167	126,365,149
Less: Provision for Doubtful Debts	112,443,398	113,963,757
	8,587,769	12,401,392
Others		
- Considered Good	182,134,870	529,757,599
- Considered Doubtful	3,918,573	6,721,771
	186,053,443	536,479,370
Less: Provision for Doubtful Debts	3,918,573	6,721,771
	182,134,870	529,757,599
	190,722,639	542,158,991
Note: Above includes due from :		
- Director/s [Refer note no. 18(B) (IV) (b)]	6,389	47,952
- a firm in which a director is a partner [Refer note no. 18(B) (IV) (b)]	2,492,551	-

2.16 Cash and Cash Equivalents

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Cash and Cash Equivalents		
Balances with Banks		
- Current Accounts	298,378,829	66,338,511
- Deposit Accounts	3,000,000	-
Cheque on Hand	18,981,756	16,561,520
Cash on Hand	514,440	370,847
Balance in Prepaid Cards	190,722	80,513
	321,065,747	83,351,391
Other Bank Balances		
- In Deposit Accounts towards margin/security for Bank Guarantee, Borrowings and other commitments	781,926,586	685,380,921
- In Earmarked Accounts		
Unclaimed Dividend	418,749	231,986
Others		
- Meal Coupons in Hand	-	150,461
	1,103,411,082	769,114,759
Note:- 1. Deposits with banks includes deposits of ₹ 62,25,73,950/- (P.Y. ₹ 40,85,50,000/-) with maturity of more than 12 months.		

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

2.17 Short-Term Loans and Advances

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Unsecured Considered Good, Unless otherwise stated		
Deposits		
- Considered Good	38,821,790	6,250,472
- Considered Doubtful	632,858	9,900
	39,454,648	6,260,372
Less: Provision for Doubtful Deposits	632,858	9,900
	38,821,790	6,250,472
Loans relating to Financing Activity		
-Secured, Considered Good	224,741,586	449,312,996
-Unsecured Considered Good	751,172	889,000
-Secured, Considered Sub-Standard	1,167,309	-
Less: Provision for Sub-Standard Assets	116,731	-
	1,050,578	-
	226,543,336	450,201,996
Advances recoverable in cash or kind for value to be received		
- Considered Good	1,380,677	162,312,944
- Considered Doubtful	1,374,617	1,615,269
	2,755,294	163,928,213
Less: Provision for Doubtful Advances	1,374,617	1,615,269
	1,380,677	162,312,944
Other Loans and Advances		
Prepaid Expenses	10,759,119	9,900,874
Loans to Staff		
- Considered Good	2,272,399	1,155,418
- Considered Doubtful	41,781	11,732
	2,314,180	1,167,150
Less: Provision for Doubtful Loans	41,781	11,732
	2,272,399	1,155,418
Service Tax Input Credit Available / Receivable	7,743,955	4,135,935
Equity Index/Stock Options Premium	3,544,743	4,106,725
Less: Provision for Loss on Equity Index/Stock Options	-	78,849
	3,544,743	4,027,876
Mark to Market Margin- Equity Index/Stock Futures	-	5,111
Less: Provision for Loss on Equity Index/Stock Futures	-	5,111
	-	-
	291,066,019	637,985,515

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

2.18 Other Current Assets

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
Interest Receivable on advances recoverable (Refer note no. 4)	-	35,607,111
Interest Accrued on deposits with banks	10,867,000	8,887,799
Interest Accrued on Financing Activities	1,833,517	5,366,378
Dividend Receivable	10,572	-
Income Receivable	4,581,189	1,263,122
	17,292,278	51,124,410

2.19 Revenue from Operations

Particulars	For the Year Ended 31st March, 2016 (₹)	For the Year Ended 31st March, 2015 (₹)
Sale of Services		
Advisory and Transactional Services		
Brokerage and Commission	776,246,138	847,119,614
Investment Banking Activities	23,280,477	52,845,614
Portfolio Management Fees	13,990,532	14,811,726
Depository Operations	8,849,610	11,857,893
Other Fees	63,301,864	25,447,343
Income from Non Banking Financing Activities		
Interest on Loan from Financing Activities	48,085,166	57,816,035
Gain from Investing Activities	7,505,570	-
Dividend from Investing Activities	87,775	-
Income from Trading in Corporate Bonds	251,692	81,123
	941,598,824	1,009,979,348
Other Operating Income		
Interest on Deposit* with		
- Banks	54,037,463	52,123,492
- Others	605,367	232,653
Income from Trades in Securities/Derivatives Instruments (Net)	3,943,070	17,457,010
Add : Provision for Loss on Equity Index/Stock Futures	-	(83,960)
Less : Provision for Loss on Equity Index/Stock Futures written back	83,960	2,313,559
	4,027,030	19,686,609
Delayed Payments Charges	21,477,201	30,660,840
Provision for Doubtful Debts Written Back	471,350	2,765,694
Provision for Standard Assets Written Back	786,773	
Bad Debts Recovered	283,595	1,842,973
Miscellaneous Income	7,158,739	3,423,081
	88,847,518	110,735,342
Revenue from Operations	1,030,446,342	1,120,714,690

* Acquired/held for the purposes of Exchanges/ Regulatory Authorities.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

2.20 Other Income

Particulars	For the Year Ended 31st March, 2016 (₹)	For the Year Ended 31st March, 2015 (₹)
Interest		
-On Deposit with Banks*	9,201,885	6,784,248
-Others (Refer note no. 4)	7,253,186	35,901,271
Dividend		
- On Current Investments	130,326	157,601
- On Non Current Investments	693,504	398,780
- On Stock in Trade	578,135	340,500
Gain on Sale of Investments		
- On Current Investments	3,451,402	2,393,169
- On Non Current Investments	219,693	1,814,249
Profit on Sale of Fixed Assets (Net of Loss on discard)	152,052	-
Other Miscellaneous Income	1,131,483	181,120
	22,811,666	47,970,938

* Acquired/held for purposes other than Exchanges/ Regulatory Authorities.

2.21 Employee Benefits Expenses

Particulars	For the Year Ended 31st March, 2016 (₹)	For the Year Ended 31st March, 2015 (₹)
Salaries and Other Benefits	427,122,303	416,859,509
Contribution to Provident and Other Funds	8,351,941	6,734,889
Gratuity	2,274,858	2,752,001
Staff Welfare Expenses	4,740,532	4,036,375
	442,489,634	430,382,774

2.22 Finance Costs

Particulars	For the Year Ended 31st March, 2016 (₹)	For the Year Ended 31st March, 2015 (₹)
Interest Expense	23,271,385	36,930,626
Other Borrowing Costs	11,906,462	11,304,921
	35,177,847	48,235,547

2.23 Depreciation and Amortization Expenses

Particulars	For the Year Ended 31st March, 2016 (₹)	For the Year Ended 31st March, 2015 (₹)
Depreciation of Tangible Assets	32,502,309	38,898,314
Amortization of Intangible Assets	3,443,807	4,301,714
	35,946,116	43,200,028

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

2.24 Other Expenses

Particulars	For the Year Ended 31st March, 2016 (₹)	For the Year Ended 31st March, 2015 (₹)
Brokerage & Commission	111,412,615	132,381,325
Communication, Postage and Courier Charges	23,320,119	23,716,144
Fees & Stamps	2,861,892	1,307,438
Contribution/Payments to Exchanges / Professional Clearing Member	8,012,338	5,110,380
Membership & Subscription	27,831,220	23,373,916
Registration Fees	4,929,227	5,850,886
Depository Charges	473,312	467,454
Consultancy Fees	1,153,432	3,485,598
Loss due to Execution of Error Trades	11,036,415	10,523,961
Claims/ Compensation/ Settlement Charges	2,600,800	119,201
Expenses Attributable to Proprietary Trades in Securities/Derivative Instruments	726,368	3,461,593
Electricity Charges	18,289,025	21,695,452
Insurance	1,248,757	1,361,071
Repair & Maintenance - Own Premises	3,837,681	3,658,200
Repair & Maintenance - Other	11,172,309	9,744,972
Advertisement & Business Promotion Expenses	13,795,808	13,900,753
Printing & Stationery	6,215,431	4,903,538
Travelling, Conveyance & Vehicle Expenses	42,246,237	35,440,886
Provision for Doubtful Debts	1,917,992	2,384,533
Provision for Doubtful Deposits / Loans /Advances	674,639	1,627,001
Provision for Standard Assets	-	311,128
Provision for Sub-Standard Assets	116,731	-
Loss Assets Written off	-	28,320
Less: Provision Written Back	-	(28,320)
	-	-
Bad Debts Written off	7,927,071	39,499,288
Less : Provision Written Back	(5,770,199)	(39,241,064)
	2,156,872	258,224
Deposits & Advances Written off	300,972	1,791,011
Less: Provision Written Back	(262,284)	(1,610,940)
	38,688	180,071
Software Expenses	11,367,264	9,511,569
Legal & Professional Fees	20,901,561	27,448,095
Loss on Sale/ Discard of Fixed Assets	-	198,521
Payment to Auditors		
As Auditors		
- Audit Fees	1,538,388	1,579,832
- Tax Audit Fees	230,325	228,708
In Other Capacity		
- Taxation Matter	602,852	204,500
- Other Matters	465,584	465,354
	2,837,149	2,478,394
Comission to Independent Directors	605,900	475,000
Rent	21,250,933	22,746,508
Service Tax	556,631	4,903,694
Rates & Taxes	965,781	1,291,014
Reduction in Carrying Amount of Current Investments	145,927	-
Miscellaneous Expenses	18,233,565	18,988,263
Foreign Exchange Rate Fluctuation Loss (Net)	39,171	20,775
Donation	100,000	325,000
	373,071,790	393,650,558

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

3. Employees Stock Option Schemes

(i) Disclosure required pursuant to “Guidance Note on Accounting for Employee Share- based payments” in connection with Parent Company’s Employees Stock Option Schemes:-

a) The Parent Company has granted Employee Stock Options (ESOP) to its employees and employees of its Subsidiaries. During the year ended 31st March, 2016, following schemes were in operation:

Particulars	ESOP – 2007	ESOP – 2010
	Starting from	
Date of Grant	17.01.2008 to 21.01.2012	21.10.2010 to 21.01.2012
Number of Options Granted*	2,805,000	647,000
Method of Settlement	Equity	
Vesting period from the date of Grant	Graded Vesting – Over 3 years	Graded Vesting – Over 5 years
Exercise period from the date of Vesting	3 Years from the date of each vesting	
	Ranging from	
Exercise Price (₹ per share) **	₹ 37.00 to ₹ 93.00	₹ 37.00 to ₹ 93.00
	Ranging from	
Market Price at the date of grant (₹ per share)	₹ 36.95 to ₹ 92.75	₹ 37.00 to ₹ 92.50

* Options granted under ESOP – 2007 includes 1,20,000 Options to employees of Subsidiary Companies.

** Closing market price prior to the date of grant.

b) The Parent Company introduced ESOP-2010 Scheme during the year 2010-11 and consequently set up “Emkay Employees Welfare Trust (ESOP Trust)” to administer and implement the said Scheme in accordance with recommendations of the Nomination, Remuneration and Compensation Committee of the Parent Company. Consequent to various Circulars and Notifications issued by SEBI from January 2013 onwards (including Notification of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 on 28.10.2014 and subsequent amendments thereof), the Parent Company first modified its Employee Stock Option Plan 2010 on 20.12.2013 vide Members Resolution whereby the said ESOP Trust can only subscribe to the shares of the Parent Company and no secondary market purchases were allowed. Subsequently, the Parent Company for the second time modified its Employee Stock Option Plan 2010 by passing members special resolution through postal ballot process on 9th March 2016 whereby ESOP Trust is authorized to purchase shares of the Parent Company from the secondary market, some changes made in the definition of employee(s), number of shares held by the ESOP Trust from secondary market acquisition not to exceed 5% of the paid up equity capital and power to borrow money from Parent Company so as to be in complete compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 including any subsequent amendments thereof.

c) Details of activity under the ESOP Schemes have been summarized below:

Particulars	ESOP-2007		ESOP-2010	
	2015-16	2014-15	2015-16	2014-15
Options Outstanding at the beginning of the year	7,95,300	1,168,150	87,500	327,500
Options Granted during the year	-	-	-	-
Options Forfeited during the year	-	-	-	-
Options Exercised during the year	-	-	-	-
Options Expired/ Lapsed during the year	224,500	372,850	-	240,000
Options Outstanding at the end of the year	570,800	795,300	87,500	87,500
Options Exercisable at the end of the year	530,800	629,100	82,500	48,750
Weighted Average remaining contractual life (in years)	2.01	2.41	2.59	3.59

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

- d) The Parent Company has accounted compensation cost for the Stock Options granted using intrinsic value method. Had the company used the fair value method for calculating compensation cost for Stock Options granted, the impact on the Company's net profit and earning per share would have been as per the proforma amounts indicated below:-

Particulars	Year Ended 31st March 2016	Year Ended 31st March 2015
	Amount (₹)	Amount (₹)
Net Income as reported	12,03,35,680	(15,72,91,136)
Add: - Intrinsic Value Compensation Cost	Nil	Nil
Less :- Fair Value Compensation Cost	(3,44,38,232)	(9,64,67,222)
Adjusted Pro-forma Net Income	15,47,73,912	(6,08,23,914)
Earning per Share		
Basic		
- As reported	4.92	(6.44)
- Proforma	6.33	(2.49)
Diluted		
- As reported	4.91	(6.43)
- Proforma	6.32	(2.49)

- e) The fair value and other disclosures and assumptions have been determined by an Independent Consultant and relied upon by the Auditors.

- ii) The Parent Company has provided interest free loan to "Emkay Employees Welfare Trust" an Independent ESOP Trust which is administrating ESOP 2010 Scheme of the Parent Company and the loan outstanding as at 31st March, 2016 is ₹ 574.00 Lacs (Previous Year ₹ 580.00 Lacs). As on 31st March, 2016, the trust has 7,54,648 equity shares of the Parent Company purchased from the market (having cost of acquisition amounting to ₹ 588.85 lacs) during the period commencing from September, 2010 to July, 2011 for Stock Options granted/to be granted from time to time to the eligible employees. The said holding of 7,54,648 equity shares comprises of 6,67,148 equity shares of the Parent Company for which Options are yet to be granted (which includes Options lapsed due to employees leaving the company) herein after called "Un-appropriated Options" and 87,500 equity shares against which Options are already granted to the eligible employees.

From the date of notification of SEBI (Share based Employee Benefits) Regulations, 2014 i.e. 28.10.2014, the Company had a choice to either appropriate the Un-appropriated Options within one year i.e. by 27.10.2015 or to sell in the secondary market within five years i.e. by 27.10.2019. Since the Parent Company could not appropriate the Un-appropriated Options by 27.10.2015, the same shall be sold in the secondary market on or before 27.10.2019.

The repayment of the loan granted by the Parent Company to the ESOP Trust is dependent on the time and price at which Un-appropriated Options representing 6,67,148 equity shares of the Parent Company shall be sold in the secondary market and Options representing 87,500 equity shares by the eligible employees shall be exercised.

Since, the current market value of the shares held by the said ESOP Trust is lower than the cost of acquisition by ₹ 181.34 Lacs which is on account of market volatility being temporary in nature, the

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

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impact of fall in market value if any, shall be appropriately considered by the Parent Company in its Statement of Profit and Loss at the time of exercise of Options by the eligible employees and/or on sale of shares for Un-appropriated Options.

4. Exceptional item of ₹ 3587.06 Lacs represents loss suffered by the Parent Company on account of a material erroneous trade and accounted for during the year ended 31st March, 2015 as per the SAT Orders and settlement with counter party brokers. Interest accrued of ₹ 2.81 Lacs (PY ₹ 356.07 Lacs) on the said recovery has been included in "Other Income".
5. Disclosure on retirement benefits as required in Accounting Standard 15 (AS – 15) on "Employee Benefits" are given below:

(A) Defined Contribution Plan

The Group has recognized the following amounts in the Statement of Profit and Loss towards Contribution to Defined Contribution Plans which are included under "Contribution to Provident Fund and Other Funds":

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Provident Fund	7,247,714	6,069,575
Employees State Insurance Scheme	390,014	498,127
Labour Welfare Fund	1,090	1,008
Contribution to National Pension Scheme	713,123	166,179
Total	8,351,941	6,734,889

(B) Defined Benefit Plan

The details of the Group's post retirement benefit plan for gratuity for its employees in conformity with the principles set out in AS – 15 which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors are given below:

Sr. No.	Particulars	2015-16	2014-15
I	Changes in present value of obligations		
	Present Value of Obligations at beginning of the period	27,675,759	25,069,886
	Interest cost	2,164,850	2,109,757
	Current Service Cost	4,271,162	4,883,371
	Benefits Paid	(1,723,455)	(4,275,500)
	Actuarial (gain)/loss on obligations	(1,900,441)	(111,755)
	Present Value of Obligations at end of the period	30,487,875	27,675,759
II	Changes in fair value of plan assets		
	Fair Value of Plan Assets at beginning of the period	24,900,087	22,403,276
	Expected Return on Plan Assets	2,239,782	1,942,800
	Contributions	2,828,966	2,954,805
	Benefits Paid	(1,723,455)	(4,275,500)
	Actuarial gain/(loss) on Plan Assets	20,931	1,874,706
	Fair Value of Plan Assets at end of the period	28,266,311	24,900,087
III	Fair Value of Plan Assets		
	Fair Value of Plan Assets at beginning of the period	24,900,087	22,403,276
	Actual Return on Plan Asset	2,260,713	3,817,506
	Contributions	2,828,966	2,954,805

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Sr. No.	Particulars	2015-16	2014-15
	Benefits Paid	(1,723,455)	(4,275,500)
	Fair Value of Plan Assets at end of the period	28,266,311	24,900,087
	Funded Status	(2,221,564)	(2,775,672)
	Excess of actual over estimated return on Plan Assets	20,931	1,874,706
IV	Actuarial Gain/(Loss) Recognized		
	Actuarial Gain/(Loss) for the period (Obligation)	1,900,441	111,755
	Actuarial Gain/(Loss) for the period (Plan Assets)	20,931	1,874,706
	Total Gain/(Loss) for the period	1,921,372	1,986,461
	Actuarial Gain/(Loss) recognized for the period	1,921,372	1,986,461
V	Amounts recognized in the Balance Sheet		
	Present Value of Obligations at end of the period	30,487,875	27,675,759
	Fair Value of Plan Assets at end of the period	28,266,311	24,900,087
	Funded Status	(2,221,564)	(2,775,672)
	Net Asset/(Liability) recognized in the balance sheet under Short-Term Provisions – Gratuity	(2,221,564)	(2,775,672)
VI	Expense recognized in Statement of Profit and Loss		
	Current Service Cost	4,271,162	4,883,371
	Interest cost	2,164,850	2,109,757
	Expected Return on Plan Assets	(2,239,782)	(1,942,800)
	Net Actuarial (Gain)/Loss recognized for the period	(1,921,372)	(1,986,461)
	Expense recognized in statement Profit and Loss under Employee Benefits Expense	2,274,858	3,063,867
VII	Movements in the Liability recognized in Balance Sheet		
	Opening Net Liability	2,775,672	2,666,610
	Expenses as above	2,274,858	3,063,867
	Contribution paid	(2,828,966)	(2,954,805)
	Closing Net Liability	2,221,564	2,775,672
VIII	Experience Anyalysis - Liabilities		
	Actuarial (Gain)/Loss due to change in bases	113,195	1,373,128
	Experience (Gain)/Loss due to Change in Experience	(2,013,636)	(1,484,883)
	Total	(1,900,441)	(111,755)
	Experience Anyalysis - Plan Assets		
	Experience (Gain)/Loss due to change in Plan Assets	6,931	(1,874,706)
IX	Investment pattern		
	Insurer Managed Funds*	100.00%	100.00%
	*Obligations, in case of one Subsidiary is unfunded.		
X	Principal Assumptions		
	Mortality	IALM(2006-08) Ult	IALM(2006-08) Ult
	Discount Rate	7.70%	7.80%
	Rate of increase in compensation	5.00%	5.00%
	Rate of return (expected) on Plan Assets	9.00%	9.00%
	Withdrawal Rate	Upto Age 45: 25%	Upto Age 45: 25%
		46 & above : 10%	46 & above : 10%

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

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6. In the opinion of Board of Directors, the assets other than Fixed Assets and Non-Current Investments have value on realization in ordinary course of business at least equal to the amount at which they are stated except as otherwise stated. Provision for all known and determined liabilities is adequate and not in excess of the amount reasonably required.

7. Details of Contingent Liabilities and Commitments:-

(A) Contingent Liabilities:-

Sr. No.	Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
(i)	Claims against the Group not acknowledged as debts	95,46,577	10,09,728
(ii)	Guarantees issued by the Banks	107,25,23,950	105,75,00,000
(iii)	Corporate guarantee issued by the Parent Company in favour of a bank to secure credit facilities sanctioned by the bank to Emkay Commotrade Limited (a Subsidiary Company)	20,00,00,000	20,00,00,000
(iv)	Income Tax matters in appeal (Net of taxes paid)	960,320	9,95,510

(B) Capital Commitments

Sr. No.	Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
(i)	Estimated amounts of contracts remaining to be executed on capital account and not provided for (Net of advances)	19,67,215	567,022

8. (a) Shares (i) received from Clients/ Remisiers/ Sub-brokers as collateral for Margins / Security deposits, (ii) of Clients, withheld against their outstanding balances, are held by the Parent Company and a Subsidiary in its own name in a fiduciary capacity. Depending upon business needs, some of these shares are lodged with the exchanges towards additional base capital/ exposure. Further in case of another Subsidiary Company, securities received from clients are pledged to others for borrowings.

- (b) Fixed Deposits taken out from banks by the Clients in the name of Parent Company and a Subsidiary Company as collateral for their margin requirements are lien marked directly in favor of Stock Exchanges through their Clearing Corporations / Professional Clearing Member and are utilized towards Additional Base Capital/ Exposure/ Margin requirements of the respective Company.

9. Provisions made as per the NBFC Prudential Norms in respect of Loans & Advances, Trade Receivables and other assets in case of Emkay Fincap Limited , a Non Banking Finance Subsidiary are as below:

Particulars	For the Year Ended 31st March 2016 (₹)	For the Year Ended 31st March 2015 (₹)
Provision for Standard Assets	Nil	311,128
Provision for Sub-Standard Assets	116,731	-
Total	116,731	311,128

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

10. The accumulated losses in case of two Subsidiary Companies exceeds more than 50% of their net worth. The management of the said Subsidiary Companies are however confident of raising adequate finance and receiving continued support from the holding company in the coming years. Accordingly the financial statements of the said subsidiary companies have been prepared on the basis that they are going concerns and that no adjustments are required to the carrying value of assets and liabilities.
11. Other Current Liabilities includes ₹ 12,56,011/- (P.Y. ₹ 20,71,226/-) being aggregate amount of deposits in Group's bank accounts made directly by clients whose details are awaited.
12. Assets taken on Operating Leases (on and after 1st April, 2003):-
- (a) The Parent Company and its subsidiaries have taken various commercial premises under operating leases. These lease arrangement are normally renewable on expiry. The rental expenses in respect of above operating leases was ₹ 2,12,50,903/- (P.Y. ₹ 2,27,46,508/-).
- (b) The future minimum lease payments in respect of non-cancellable operating leases are as follows:

Particulars	Year Ended 31st March, 2016 (₹)	Year Ended 31st March, 2015 (₹)
a) Payments not later than one year	18,02,477	20,38,000
b) Payable later than one year and not later than five years	2,68,400	7,09,677
c) Payable later than five years	-	-
Total	20,70,877	27,48,477

13. Earnings per share

Particulars	For the year ended March 31, 2016 (₹)	For the year ended March 31, 2015 (₹)
Profit/(Loss) available for Equity Shareholders (₹)	120,335,680	(157,291,136)
Weighted average number of Shares used in Computing Basic earning per share	24,437,750	24,437,750
Add : Potential number of Equity share that could arise on exercise of Employee Stock Options	56,827	29,132
Weighted average number of Shares used in Computing Diluted earning per share	24,494,577	24,466,882
Nominal Value of Equity Shares (₹)	10	10
Basic Earnings Per Share (₹)	4.92	(6.44)
Diluted Earnings Per Share (₹)	4.91	(6.43)

14. Segment information

(a) Primary Segment

The Group's operations relate to two reportable business segments namely "Advisory and Transactional Services" comprising of Broking & Distribution, Investment Banking and other related Financial Intermediation Services and "Non Banking Financing Activities".

(b) Secondary Segment

The Group operates in India and hence there are no reportable geographical segments.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

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(c) Information about Business Segments

Sr. No.	Particulars	Advisory and Transactional Services		Non Banking Financing Activities		Eliminations		Consolidated	
		Year ended 31st March, 2016	Year Ended 31st March, 2015	Year ended 31st March, 2016	Year Ended 31st March, 2015	Year ended 31st March, 2016	Year Ended 31st March, 2015	Year Ended 31st March, 2016	Year Ended 31st March, 2015
A. REVENUE									
1a	Income from External Clients	972,697,938	1,062,546,022	57,748,404	58,168,668			1,030,446,342	1,120,714,690
1b	Income from Intersegment Operations	281,402	325,395	2,107,923	6,360,330	(2,389,325)	(6,685,725)		-
	Total Revenue	972,979,340	1,062,871,417	59,856,327	64,528,998	(2,389,325)	(6,685,725)	1,030,446,342	1,120,714,690
B. RESULTS									
1	Segment Results(PBIT)	130,418,616	201,006,315	41,029,145	37,482,363	55,757	-	171,392,004	238,488,678
	Total Segment Results (PBIT)	130,418,616	201,006,315	41,029,145	37,482,363	55,757	-	171,392,004	238,488,678
2	Finance Costs*							27,631,049	33,242,895
3	Unallocated Income							22,811,666	47,970,938
4	Profit from Ordinary Activities before exceptional item & tax							166,572,621	253,216,721
5	Exceptional Items							-	358,705,815
6	Profit/(Loss) from Ordinary Activities after exceptional item but before tax							166,572,621	(105,489,094)
7	Provision for Current Tax							38,856,000	12,538,000
8	Deferred Tax Charge/(Benefit)							1,899,040	40,659,445
9	Tax Provision of Earlier Years							5,481,901	(1,395,403)
10	Profit/(Loss) After Tax							120,335,680	(157,291,136)
11	Less:- Minority Interest							-	-
12	Profit/(Loss) for the year							120,335,680	(157,291,136)
C. OTHER INFORMATION:									
1	Segment Assets	1,640,216,684	1,856,477,255	370,160,970	566,357,668	15,000,000	105,000,000	1,995,377,654	2,317,834,923
2	Unallocated Corporate Assets							268,056,663	288,793,276
3	Total Assets							2,263,434,317	2,606,628,199
4	Segment Liabilities	931,814,185	1,216,039,732	1,862,051	213,720,549	15,000,000	105,000,000	918,676,236	1,324,760,281
5	Unallocated Corporate Liabilities							2,084,059	405,472
6	Total Liabilities							920,760,295	1,325,165,753
7	Capital Expenditure	25,790,047	14,295,678	-	224,720			25,790,047	14,520,398
	(Including Capital Work in Progress)								
8	Depreciation & Amortization	35,871,209	43,125,121	74,907	74,907			35,946,116	43,200,028
9	Unallocated Depreciation & Amortization							-	-
10	Total Depreciation & Amortization	35,871,209	43,125,121	74,907	74,907			35,946,116	43,200,028
11	Non Cash Expenses Other than Depreciation & Amortization	2,592,631	4,294,015	116,731	311,128			2,709,362	4,605,143

* excluding finance costs incurred by a subsidiary engaged in Non-Banking Financial activities

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15. Enterprises consolidated as subsidiary in accordance with Accounting Standard 21 – Consolidated Financial Statements.

Name of the Subsidiaries	Date of Incorporation	Proportion of Ownership Interest	Nature of Business
Emkay Fincap Limited	16.05.2005	100%	Non Banking Financing Activities
Emkay Investment Managers Limited	08.06.2010	100%	Portfolio Management Services
Emkay Insurance Brokers Limited	08.03.2007	100%	Direct Insurance Brokers
Emkay Commotrade Limited	05.01.2006	100%	Commodity Broking

16. Additional Information, as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as Subsidiary.

Name of the Entity	Net Assets i.e. Total Assets minus Total Liabilities				Share in Profit or Loss			
	2015-16		2014-15		2015-16		2014-15	
	As % of Consoli-dated Net Assets	Amount (₹)	As % of Consoli-dated Net Assets	Amount (₹)	As % of Consoli-dated Profit or Loss	Amount (₹)	As % of Consoli-dated Profit or Loss	Amount (₹)
Name of Subsidiaries								
Emkay Fincap Ltd.	30.45%	374,241,954	31.52%	358,681,401	23.93%	28,799,933	-18.17%	28,572,826
Emkay Investment Managers Ltd.	3.97%	48,785,001	3.92%	44,628,288	3.45%	4,156,713	-4.74%	7,453,803
Emkay Insurance Brokers Ltd.	0.72%	8,871,981	0.88%	10,069,245	-0.99%	-1,197,264	-2.32%	3,650,882
Emkay Commotrade Ltd.	1.30%	15,974,994	0.39%	4,425,246	1.29%	1,549,748	23.83%	-37,476,218

17. (a) Detailed information in respect of Equity Index / Stock Futures contracts outstanding and held for trading purpose (Open Interest):-

Name of Equity Index / Stock Futures	As at 31st March, 2016			As at 31st March, 2015		
	No. of	No. of Units		No. of	No. of Units	
	Contracts	Long	Short	Contracts	Long	Short
Nifty	-	-	-	62	-	1,550

(b) Detailed information in respect of Equity Index / Stock Options contracts outstanding and held for trading purpose (Open Interest):-

Name of Equity Index / Stock Options	Premium carried forward as at 31st March, 2016	Premium carried forward as at 31st March, 2015
	[Net of Provisions made] (₹)	[Net of Provisions made] (₹)
Nifty	35,44,743	40,27,876
Total	35,44,743	40,27,876

- (c) Pursuant to issuance of “Guidance Note on Accounting for Derivative Contracts” by The Institute of Chartered Accountants of India on 12th May, 2015, the Company has recognized the open position in derivative instruments held for trading purposes in the balance sheet at fair value. The same were hitherto recognized at cost with provision for anticipated losses, if any. This change has not resulted in any effect on the profit for the year.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

18. Related Party Disclosures: (Where transactions have taken place)

(A) List of Related Parties:

Sr. No.	Name of Related Party	Nature of Relationship
(i)	Key Management Personnel/Individuals having control or significant influence	
	a) Krishna Kumar Karwa	Managing Director & CFO
	b) Prakash Kacholia	Managing Director
(ii)	Relatives of Key Management Personnel/Individuals having control or significant influence	
	a) Preeti Kacholia	Director (w.e.f.30th March,2015) and Relative of Managing Director
	b) Priti Karwa	
	c) Raunak Karwa	
	d) Soumya Karwa	
	e) Geetadevi Karwa	Relatives of Managing Director & CFO
	f) Murlidhar Karwa HUF	
	g) Krishna Kumar Karwa HUF	
	h) Krishna R. Kacholia	
	i) Deepak Kacholia	
	j) Prakash Kacholia HUF	Relatives of Managing Director
	k) Divya Kacholia	
	l) Nidhi Kacholia	
(iii)	Enterprises owned/controlled by Key Management Personnel / Individuals having control or significant influence or their relatives	
	a) Cambridge Securities	
	b) Synthetic Fibres Trading Company	
	c) Emkay Corporate Services Pvt. Ltd.	Enterprises owned/ controlled by Key Management Personnel or their relatives
	d) Seven Hills Capital	
	e) Krishna Investments	
(iv)	Others	
	a) Emkay Charitable Foundation	Others

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

(B) Transactions with related parties:

Sr. No.	Nature of Related Party Transactions and name of Related Party	Key Management Personnel/ Individuals having control or significant influence		Relatives of Key Management Personnel/ Individuals having control or significant influence		Enterprises owned/controlled by Key Management Personnel/Individuals having control or significant influence or their relatives		Others	
		2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)
I	Expenditure								
(a)	Salaries & Other Benefits *	12,000,000	12,000,000	-	-	-	-	-	-
	- Krishna Kumar Karwa	6,000,000	6,000,000	-	-	-	-	-	-
	- Prakash Kacholia	6,000,000	6,000,000	-	-	-	-	-	-
(b)	Brokerage & Commission	-	-	-	-	31,976	271,538	-	-
	- Krishna Investments	-	-	-	-	31,976	271,538	-	-
(c)	Donation/Contribution	-	-	-	-	-	-	100,000	25,000
	- Emkay Charitable Foundation	-	-	-	-	-	-	100,000	25,000
(d)	Interest Paid	-	2,136,437	-	-	-	-	-	-
	- Krishna Kumar Karwa	-	1,247,396	-	-	-	-	-	-
	- Prakash Kacholia	-	889,041	-	-	-	-	-	-
(e)	Interim Dividend Paid	9,672,500	-	4,075,000	-	4,150,000	-	-	-
	- Krishna Kumar Karwa	4,922,500	-	-	-	-	-	-	-
	- Prakash Kacholia	4,750,000	-	-	-	-	-	-	-
	- Preeti Kacholia	-	-	2,125,000	-	-	-	-	-
	- Krishna Kumar Karwa HUF	-	-	100,000	-	-	-	-	-
	- Raunak Karwa	-	-	1,750,000	-	-	-	-	-
	- M.D.Karwa HUF	-	-	100,000	-	-	-	-	-
	- Emkay Corporate Services Pvt. Ltd.	-	-	-	-	4,150,000	-	-	-
II	Income								
(a)	Brokerage	365,206	399,097	517,038	631,028	1,037,532	875,776	-	-
	- Krishna Kumar Karwa	344,990	378,083	-	-	-	-	-	-
	- Prakash Kacholia	20,216	21,014	-	-	-	-	-	-
	- Preeti Kacholia	-	-	295,233	274,665	-	-	-	-
	- Krishna Kacholia	-	-	37	-	-	-	-	-
	- Priti Karwa	-	-	61,464	134,674	-	-	-	-
	- Krishna Kumar Karwa HUF	-	-	9,040	69,357	-	-	-	-
	- Raunak Karwa	-	-	62,957	91,170	-	-	-	-
	- Soumya K Karwa	-	-	81,530	45,016	-	-	-	-
	- Murlidhar Karwa HUF	-	-	6,670	8,289	-	-	-	-
	- Deepak Kacholia	-	-	-	7,667	-	-	-	-
	- Divya Kacholia	-	-	-	95	-	-	-	-
	- Nidhi Kacholia	-	-	107	95	-	-	-	-
	- Emkay Corporate Services Pvt. Ltd.	-	-	-	-	4,500	59,000	-	-

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

(B) Transactions with related parties:

Sr. No.	Nature of Related Party Transactions and name of Related Party	Key Management Personnel/ Individuals having control or significant influence		Relatives of Key Management Personnel/ Individuals having control or significant influence		Enterprises owned/controlled by Key Management Personnel/Individuals having control or their relatives		Others	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
		(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
	- Seven Hills Capital	-	-	-	-	21,175	-	-	-
	- Synthetic Fibres Trading Co.	-	-	-	-	1,011,857	816,776	-	-
(b)	Portfolio Management Fees	197,818	132,359	-	-	-	-	-	-
	- Prakash Kacholia	197,818	132,359	-	-	-	-	-	-
(c)	Depository Charges	2,085	4,625	9,187	9,645	3,248	4,295	-	-
	- Krishna Kumar Karwa	1,485	2,730	-	-	-	-	-	-
	- Prakash Kacholia	600	1,895	-	-	-	-	-	-
	- Preeti Kacholia	-	-	4,592	3,690	-	-	-	-
	- Priti Karwa	-	-	1,062	1,635	-	-	-	-
	- Krishna Kacholia	-	-	1,090	645	-	-	-	-
	- Muridhar Karwa HUF	-	-	502	615	-	-	-	-
	- Krishna Kumar Karwa HUF	-	-	637	990	-	-	-	-
	- Prakash Kacholia HUF	-	-	-	315	-	-	-	-
	- Soumya K Karwa	-	-	840	750	-	-	-	-
	- Deepak Kacholia	-	-	-	975	-	-	-	-
	- Divya Kacholia	-	-	-	15	-	-	-	-
	- Nidhi Kacholia	-	-	465	15	-	-	-	-
	- Cambridge Securities	-	-	-	-	15	315	-	-
	- Synthetic Fibres Trading Co.	-	-	-	-	2,331	1,980	-	-
	- Enkay Corporate Services Pvt. Ltd.	-	-	-	-	902	2,000	-	-
III	Others								
(a)	Payments made on behalf of	-	-	-	-	-	-	-	2,500
	- Enkay Charitable Foundation	-	-	-	-	-	-	-	2,500
(b)	Short-Term Borrowings	-	30,000,000	-	-	-	-	-	-
	- Krishna Kumar Karwa	-	30,000,000	-	-	-	-	-	-
(c)	Repayment of Short-Term Borrowings	-	84,500,000	-	-	-	-	-	-
	- Krishna Kumar Karwa	-	64,500,000	-	-	-	-	-	-
	- Prakash Kacholia	-	20,000,000	-	-	-	-	-	-
(d)	Other Long Term Liabilities :								
	Security/Margin Money Refunded	-	-	-	-	200,000	-	-	-
	- Krishna Investments	-	-	-	-	200,000	-	-	-

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

(B) Transactions with related parties:

Sr. No.	Nature of Related Party Transactions and name of Related Party	Key Management Personnel/ Individuals having control or significant influence		Relatives of Key Management Personnel/ Individuals having control or significant influence		Enterprises owned/controlled by Key Management Personnel/Individuals having control or significant influence or their relatives		Others	
		2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)	2015-16 (₹)	2014-15 (₹)
IV Outstandings									
(a) Trade Payables		2,654,518	-	763,427	1,991,888	-	-	-	-
- Prakash Kacholia		2,654,518	-	-	-	-	-	-	-
- Preeti Kacholia		-	-	763,427	1,991,888	-	-	-	-
(b) Trade Receivables		73,535	47,952	51,038	3,257	4,168,838	2,923,990	-	-
- Krishna Kumar Karwa		103	837	-	-	-	-	-	-
- Prakash Kacholia		73,432	47,115	-	-	-	-	-	-
- Preeti Kacholia		-	-	-	337	-	-	-	-
- Deepak Kacholia		-	-	-	354	-	-	-	-
- Geetadevi Karwa		-	-	-	578	-	-	-	-
- Krishna Kacholia		-	-	-	809	-	-	-	-
- Priti Karwa		-	-	34	17	-	-	-	-
- Raunak Karwa		-	-	395	353	-	-	-	-
- Soumya K Karwa		-	-	52	17	-	-	-	-
- Krishna Kumar Karwa HUF		-	-	34	101	-	-	-	-
- Murlidhar Karwa HUF		-	-	128	17	-	-	-	-
- Prakash Kacholia HUF		-	-	-	421	-	-	-	-
- Nidhi Kacholia		-	-	50,395	236	-	-	-	-
- Divya Prakash Kacholia		-	-	-	17	-	-	-	-
- Krishna Investments		-	-	-	-	1,676,286	2,096,976	-	-
- Cambridge Securities		-	-	-	-	-	354	-	-
- Emkay Corporate Services Private Ltd		-	-	-	-	-	118	-	-
- Synthetic Fibres Trading To reduce uncollected margin cash margin		-	-	-	-	-	826,542	-	-
- Seven Hills Capital		-	-	-	-	2,492,552	-	-	-
(c) Security / Margin Deposits		-	-	-	-	-	200,000	-	-
- Krishna Investments		-	-	-	-	-	200,000	-	-

* Contribution to Group Gratuity Scheme has not been considered, as employee-wise details are not available.

(C) Related Parties are identified by the management and relied upon by the Auditors.

(D) No balances in respect of Related Parties have been written off.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

19. The provisions of section 135 of the Companies Act, 2013 pertaining to expenditure on Corporate Social Responsibility are not applicable to Parent Company or to any of the subsidiary company.
20. Commission to Directors of ₹ 6,05,900/- (P.Y. ₹ 4,75,000/-) represents Commission to Independent Directors.
21. Pursuant to enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly:-
- The unamortized carrying value is being depreciated/amortised over the revised/remaining useful lives. Consequently, depreciation for the year ended 31.03.2015 is higher by ₹ 90,33,207/-
 - The written down value of Fixed Assets whose lives have expired as at 1st April, 2014 have been adjusted net of tax, in the opening balance of Statement of Profit and Loss to the extent of ₹ 771,969/- (Net of Deferred Tax ₹ 2,300/-) and in the opening balance of General Reserve to the extent of ₹ 35,414/- (Net of Deferred Tax ₹ 15,900/-).

22. Additional information required pursuant to Part II of Schedule III of the Companies Act, 2013:-

I.

Particulars	Year ended	Year ended
	as at 31st March, 2016 (₹)	as at 31st March, 2015 (₹)
(a) Expenditure in Foreign Currency		
- Travelling Expenses	28,09,389	35,82,018
- Membership & Subscription	31,01,307	26,20,750
- Advertisement & Business Promotion	Nil	4,26,515
- Brokerage & Commission	24,20,511	52,14,400
- Others	1,50,998	1,93,097
(b) Earning in Foreign Currency		
- Research Fees	95,60,877	86,06,554
- IB Advisory Fees	103,80,504	Nil
- Miscellaneous Income	2,36,607	1,59,370

II. Other Additional Information required pursuant to Part II of Schedule III of the Companies Act, 2013 are not applicable to Parent Company or to any of the subsidiary company.

23. Payment to Auditors includes ₹ 20,888/- (PY 14,832/-) in Audit Fees, ₹ 5,325/- (PY 3,708/-) in Tax Audit Fees, ₹ 3,352/- (PY Nil) in fees for Taxation Matters, ₹ 689/- (PY Nil) in other services towards Service Tax and Swacch Bharat Cess.
24. In view of unabsorbed depreciation and carry forward losses under tax laws and considering the principle of virtual certainty as stated in the "Accounting Standard AS-22 – Accounting for Taxes on Income", deferred tax assets available to the Parent Company and two subsidiary companies have not been recognized.
25. The Group is entitled to aggregate MAT credit of ₹ 2,53,31,476/- (P.Y. ₹ 8,45,476/-) which shall be recognized as an asset as and when there are convincing evidence for the realization of the same.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2016

26. Deposits under Long Term Loan and Advances includes ₹ 40,00,000/- (PY ₹ 40,00,000/-) lying with National Spot Exchange Limited as cash deposit against Margin requirement. The said Exchange is presently non-functional and embroiled with numerous litigation. However, in the opinion of the management, the said deposit is recoverable.
27. Income includes ₹ 4,92,339/- (P.Y. Nil) and expenses includes ₹ 26,68,887/- (P.Y. Nil) pertaining to earlier year.
28. Disclosure regarding loans given, investments made and guarantee given pursuant to section 186(4) of the Companies Act,2013:
- Loans given : Refer note no.3(ii)
 - Investments made : Refer note no.2.11(a) and 2.11(b)
 - Guarantee given : Refer note no.7(A)(iii)

29. Detailed information in respect of Securities traded in:-

Particulars	Purchase (₹)		Sales (₹)	
	2015-16	2014-15	2015-16	2014-15
Shares & Securities	88,611,571	63,675,513	61,738,177	41,769,766

30. Figures pertaining to the Subsidiary Companies have been reclassified wherever necessary to bring them in line with the Parent Company's Financial Statements.
31. Figures in brackets indicate previous year figures.
32. Figures of previous year have been regrouped, recasted and rearranged wherever necessary to make them comparable with the figures of the current year.
33. Figures have been rounded off to the nearest rupees.

As per our Report of even date
For B. L. Sarda & Associates
Chartered Accountants

(CA B. L. Sarda)
 Partner
 Membership No. 014568

Place: Mumbai
 Dated: 23rd May, 2016

For and on behalf of the Board of
EMKAY GLOBAL FINANCIAL SERVICES LIMITED

Krishna Kumar Karwa
 Managing Director & CFO

Bhalchandra Raul
 Company Secretary

Place: Mumbai
 Dated: 23rd May, 2016

Prakash Kacholia
 Managing Director

FORM AOC-1 - PART "A" SUBSIDIARIES

Statement Containing Salient Features of The Financial Statements of Subsidiaries

(Pursuant to First Proviso to Sub Section (3) of Section 129 Read with Rule 5 of Companies (Accounts) Rules, 2014).

Name of Subsidiary	Emkay Fincap Ltd.		Emkay Commotrad Ltd.		Emkay Insurance Brokers Ltd.		Emkay Investment Managers Ltd.	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Share Capital	220,000,000	220,000,000	70,000,000	70,000,000	41,000,000	41,000,000	25,000,000	25,000,000
Reserves & Surplus	154,241,954	138,681,401	(54,025,006)	(55,574,754)	(32,128,019)	(30,930,755)	23,785,001	19,628,288
Total Liabilities	1,872,249	213,740,468	132,394,377	318,604,415	2,011,182	2,194,808	1,437,876	1,187,772
Total Assets	376,114,203	572,421,869	148,369,371	333,029,661	10,883,163	12,264,053	50,222,877	45,816,060
Investments	69,385,221	-	-	-	-	-	43,328,727	37,484,049
Turnover/Total Income	60,058,061	64,768,404	27,616,858	32,843,584	12,608,030	20,987,974	16,774,953	19,130,409
Profit Before Tax	41,230,879	37,721,771	2,024,448	3,161,903	(1,197,264)	4,364,029	5,999,606	10,027,886
Provision for Taxation	12,430,946	9,148,945	474,700	40,638,121	-	713,147	1,842,893	2,574,083
Profit After Tax	28,799,933	28,572,826	1,549,748	(37,476,218)	(1,197,264)	3,650,882	4,156,713	7,453,803

For and on behalf of the Board of
EMKAY GLOBAL FINANCIAL SERVICES LIMITED

Krishna Kumar Karwa
Managing Director & CFO

Prakash Kacholia
Managing Director

Bhalchandra Raul
Company Secretary

Place: Mumbai
Dated: 23rd May, 2016



Your success is our success

CIN: L67120MH1995PLC084899

**Registered Office: The Ruby, 7th Floor, Senapati Bapat Marg,
Dadar (West), Mumbai-400028. Tel: + 91 22 66121212**