

NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Members of **ABM KNOWLEDGEWARE LIMITED** will be held on Friday, the 12th day of August, 2016 at 11.00 a.m. at 1st Floor, Dadar Bhagini Samaj, 3rd Lane, Hindu Colony, Dadar (E), Mumbai- 400 014 to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016, Profit & Loss Account for the year ended as on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the Financial Year ended 31st March, 2016.
3. To appoint a Director in place of Mrs. Supriya P. Rane (DIN 00152890), who retires by rotation and being eligible, offers herself for re-appointment.
4. To ratify the appointment of M/s. Borkar & Muzumdar, Chartered Accountants, Mumbai (Firm Registration No. 101569W) as approved by Members at the twenty first Annual General Meeting as Statutory Auditors of the Company, to hold office until the conclusion of twenty sixth Annual General Meeting, and to fix their remuneration for the year ending 31st March, 2017.

AS SPECIAL BUSINESS:

5. 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 provisions of Sections 197, 198 and other applicable provisions, if any, of Companies Act, 2013 (the Act) including any statutory modification(s) or re-enactment(s) thereof and Rules made thereunder and subject to all applicable approval(s) as may be required, consent of the Members be and is hereby accorded to the payment of commission for a period of five years commencing from 1st April, 2016 to the Non-Executive Directors of the Company as may be decided by the Board from time to time, provided that the total commission payable to the Non-Executive Directors per annum shall not exceed 1% (one percent) of the net profit of the Company for that year as computed in the manner specified under Section 198 of the Act, with authority to the Board to determine the manner and proportion in which the amount be distributed amongst Non-Executive Directors.”

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in relation to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. In terms of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
4. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 6th August, 2016 to

12th August, 2016 (both days inclusive).

6. The dividend for the financial year ended 31st March, 2016, as recommended by the Board, if declared at the AGM, will be paid to those members whose names appear on the Register of Member of the Company as on 12th August, 2016 in case of physical shares, and to those members who hold the shares in demat form, as per the beneficiary position given by NSDL/CDSL.
7. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
8. Members holding shares in physical form are requested to intimate any changes in their address and / or bank mandate to Company's Registrar & Transfer Agent, M/s. Universal Capital Securities Pvt. Ltd.
9. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Universal Capital Securities Pvt. Ltd. or to the Company.
10. In case of joint holders, attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the Meeting.
11. In support of the "Green Initiative" measure taken by Ministry of Corporate Affairs Government of India, New Delhi enabling electronic delivery of documents and also in line with circular issued by Securities and Exchange Board of India (SEBI) and under the provisions of the Companies Act, 2013 and the rules made thereunder, Company has sent Notice of the AGM, Annual Report and Attendance Slip in electronic mode to the shareholders who have registered their e-mail addresses with the Company / Depository Participant(s). However, an option is available to the shareholders to continue to receive the physical copies of the documents / Annual Reports by making a specific request quoting their Folio No./Client ID & DP ID to Company / Registrar & Transfer Agent.
12. Members who have not registered their e-mail addresses are requested to register the same with Company's Registrar & Transfer Agent, M/s. Universal Capital Securities Pvt. Ltd. / Depositories. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s).
13. Members are requested to note that as per Section 205A of the Companies Act, 1956, dividend not encashed / claimed within seven years from the date of transfer to the Unpaid Dividend Account will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of said amount to IEPF, no claims in this respect shall lie against IEPF or the Company.
14. Members are requested to bring their copies of Annual Report, Notice and Attendance slip duly completed and signed at the Meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Numbers for easy identification of attendance at Meeting.
15. All the documents referred to in accompanying Notice and other Statutory Registers are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.

16. PROCEDURE FOR E-VOTING:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the the Company is pleased to provide the members facility to exercise their right to vote on resolutions proposed to be considered at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The shareholders who do not have access to electronic voting facility to send their assent or dissent may send it through ballot paper. Shareholders are requested to contact compliance officer of the Company for ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 9th August, 2016 (9:00 am) and ends on 11th August, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 5th August, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz; “ABM remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com>.
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select “EVEN” of “ABM Knowledgeware Limited”.
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to ucshukla@rediffmail.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participants(s) or requesting physical copy]:

(i) Initial password is provided as below / at the bottom of the Attendance Slip for the AGM:

<u>EVEN (Remote e-voting Event Number)</u>	<u>USER ID</u>	<u>PASSWORD/PIN</u>
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(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password / PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. 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 5th August, 2016.
- X. 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 5th August, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to Company's Registrar and Share Transfer Agent. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. 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.
- XII. Mr. Upendra Shukla, Practising Company Secretary (Membership No. FCS 2727) has been appointed as the Scrutinizer for providing facility to the members of Company to scrutinize the e-voting process in a fair and transparent manner.
- XIII. The Chairman of the Meeting 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.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, 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.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.abmindia.com and on the website of NSDL immediately after the declaration of result by the Chairman of the Meeting or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
17. Members desiring any relevant information on the Accounts at the Annual General Meetings are requested to write to the Company at least seven days in advance, so as to enable the Company to keep the information ready.

18. Mrs. Supriya P. Rane, Director of the Company, retired by rotation and being eligible, offer herself for re-appointment at the forthcoming Annual General Meeting. The relevant details of Director seeking re-appointment under Item No. 3 are as under:

Particulars	Mrs. Supriya P. Rane
Date of Birth	19/04/1969
DIN	00152890
Age	47 years
Date of Appointment on Board	27/04/2000
Qualification	BE (Electronics), Postgraduate Diploma in System Management
Expertise in specific functional areas	Systems and Processes
Other Directorships	Nil
Memberships of Committees in other Public Limited Companies (includes only Audit & Shareholders / Investors Grievances Committee)	Nil
No. of Shares held in the Company	24,54,000 equity shares of ₹ 5/- each

By Order of the Board of Directors

Sarika Ghanekar
Company Secretary

Mumbai, May, 25, 2016

Corporate Identification Number (CIN):L67190MH1993PLC113638

Registered Office:

ABM House, Plot No. 268, Linking Road,
Bandra (W), Mumbai- 400 050.

Tel: 91 22 42909700 Fax: 91 22 42909701

E-mail: egovernance@abmindia.com, Website: www.abmindia.com

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT (Pursuant to Section 102 of the Companies Act, 2013)****ITEM NO.5**

The Members of the Company, at the Annual General Meeting held on 25th August, 2011, had approved the payment of remuneration by way of commission on profits to Non-Executive Directors of the Company not exceeding one percent (1%) of the net profit of the Company, to be allocated in such manner as the Board may determine, from time to time, with effect from 1st April, 2011 for a period of five years.

With the introduction of the Companies Act, 2013, the amendments to SEBI Listing Regulations and dynamic business environment have placed more onerous responsibilities on the Non-Executive Directors. This requires the Directors to play more pro-active role along with greater time commitments, attention and involvement in Board's decision making process. Considering the rich experience and expertise brought to the Board by the Non-Executive Directors, it is proposed that remuneration by way of commission not exceeding one percent (1%) of the net profits of the Company calculated in accordance with provisions of the Companies Act, 2013, be continued to be paid and distributed amongst the Non-Executive directors of the Company in accordance with the recommendations of Nomination and Remuneration Committee of the Board and approval by the Board of Directors of the Company, for a further period of five years commencing from 1st April, 2016 upto 31st March, 2021. Such payment will be in addition to the sitting fees for attending Board / Committee meetings.

Details of commission and sitting fees paid to Non-Executive Directors during the Financial Year 2015-16 is provided in the Corporate Governance Report.

The Board recommends the Special Resolution set out at item No.5 of the accompanying Notice for the approval of Members.

All the Directors of the Company may be deemed to be concerned or interested in the aforesaid resolution to the extent of the commission they may receive from the Company.

No Key Managerial Personnel (KMP) other than Mr. Prakash B. Rane, Managing Director, and their relatives are interested in the aforesaid resolution.

By Order of the Board of Directors

Sarika Ghanekar
Company Secretary

Mumbai, May, 25, 2016

Corporate Identification Number (CIN):L67190MH1993PLC113638

Registered Office:

ABM House, Plot No. 268, Linking Road,
Bandra (W), Mumbai- 400 050.

Tel: 91 22 42909700 Fax: 91 22 42909701

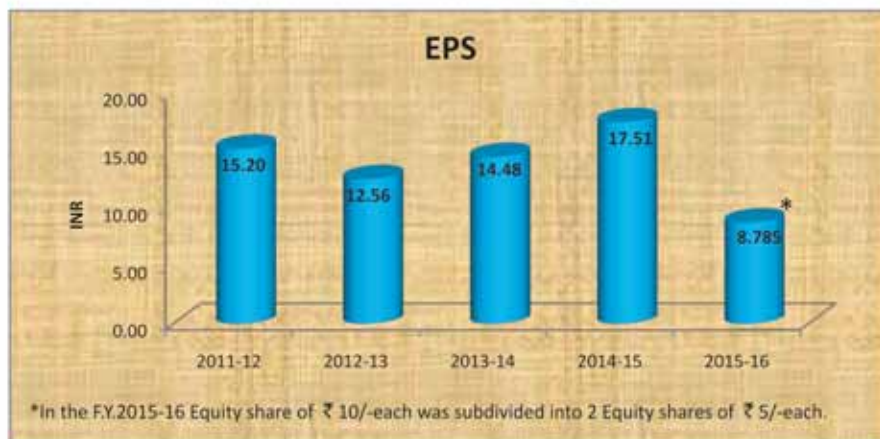
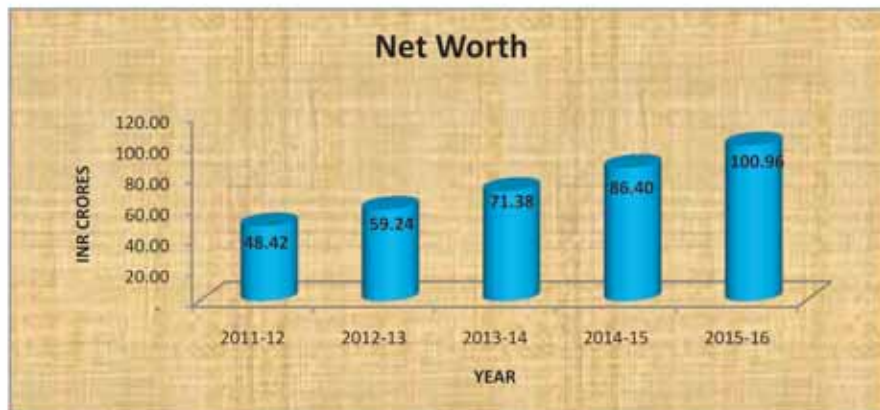
E-mail: egovernance@abmindia.com, Website: www.abmindia.com



ABM Knowledgeware Limited

Frontrunners in e-Government in India

**23RD
ANNUAL
REPORT
2015-2016**



BOARD OF DIRECTORS

PRAKASH B. RANE (Managing Director)
SUPRIYA P. RANE
M. N. AHMED
DR. AJIT C. KULKARNI
SHARADCHANDRA D. ABHYANKAR
SANJAY B. MEHTA
DR. SUMIT D. CHOWDHURY

Registered Office

ABM House, Plot No. 268, Linking Road, Bandra (West), Mumbai- 400 050.
 Tel.: +91 22 42909700 • Fax: +91 22 42909701
 CIN: L67190MH1993PLC113638
 E-mail: egovernance@abmindia.com • www.abmindia.com

Auditors

M/s. Borkar & Muzumdar

Bankers

CANARA BANK

**Registrars &
Share Transfer
Agents**

M/s. Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas,
 Mahakali Caves Road, Andheri (E), Mumbai 400 093.
 Tel.: +91 22 28207203 - 05 / 28257641

Company Secretary

Sarika Ghanekar
 E-mail : sarika.ghanekar@abmindia.com

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2. To declare dividend on Equity Shares for the Financial Year ended 31st March, 2016.
3. To appoint a Director in place of Mrs. Supriya P. Rane (DIN 00152890), who retires by rotation and being eligible, offers herself for re-appointment.
4. To ratify the appointment of M/s. Borkar & Muzumdar, Chartered Accountants, Mumbai (Firm Registration No. 101569W) as approved by Members at the twenty first Annual General Meeting as Statutory Auditors of the Company, to hold office until the conclusion of twenty sixth Annual General Meeting, and to fix their remuneration for the year ending 31st March, 2017.

AS SPECIAL BUSINESS:

5. 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 provisions of Sections 197, 198 and other applicable provisions, if any, of Companies Act, 2013 (the Act) including any statutory modification(s) or re-enactment(s) thereof and Rules made thereunder and subject to all applicable approval(s) as may be required, consent of the Members be and is hereby accorded to the payment of commission for a period of five years commencing from 1st April, 2016 to the Non-Executive Directors of the Company as may be decided by the Board from time to time, provided that the total commission payable to the Non-Executive Directors per annum shall not exceed 1% (one percent) of the net profit of the Company for that year as computed in the manner specified under Section 198 of the Act, with authority to the Board to determine the manner and proportion in which the amount be distributed amongst Non-Executive Directors.”

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4. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable.
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- IV. The remote e-voting period commences on 9th August, 2016 (9:00 am) and ends on 11th August, 2016 (5:00 pm). During this period members¹ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 5th August, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
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 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below / at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)

USER ID

PASSWORD / PIN

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

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- IX. 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 5th August, 2016.
- X. 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 5th August, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to Company's Registrar and Share Transfer Agent. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. 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.
- XII. Mr. Upendra Shukla, Practising Company Secretary (Membership No. FCS 2727) has been appointed as the Scrutinizer for providing facility to the members of Company to scrutinize the e-voting process in a fair and transparent manner.
- XIII. The Chairman of the Meeting 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.
- XIV. The Scrutinizer shall after the conclusion of voting at the AGM, 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.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.abmindia.com and on the website of NSDL immediately after the declaration of result by the Chairman of the Meeting or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
17. Members desiring any relevant information on the Accounts at the Annual General Meetings are requested to write to the Company at least seven days in advance, so as to enable the Company to keep the information ready.

18. Mrs. Supriya P. Rane, Director of the Company, retired by rotation and being eligible, offer herself for re-appointment at the forthcoming Annual General Meeting. The relevant details of Director seeking re-appointment under Item No. 3 are as under:

Particulars	Mrs. Supriya P. Rane
Date of Birth	19/04/1969
DIN	00152890
Age	47 years
Date of Appointment on Board	27/04/2000
Qualification	BE (Electronics), Postgraduate Diploma in System Management
Expertise in specific functional areas	Systems and Processes
Other Directorships	Nil
Memberships of Committees in other Public Limited Companies (includes only Audit & Shareholders / Investors Grievances Committee)	Nil
No. of Shares held in the Company	24,54,000 equity shares of ₹ 5/- each

By Order of the Board of Directors

Mumbai, May, 25, 2016

Corporate Identification Number (CIN):L67190MH1993PLC113638

Registered Office:

ABM House, Plot No. 268, Linking Road,
Bandra (W), Mumbai- 400 050.

Tel: 91 22 42909700 Fax: 91 22 42909701

E-mail: egovernance@abmindia.com, Website: www.abmindia.com

Sarika Ghanekar
Company Secretary

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT (Pursuant to Section 102 of the Companies Act, 2013)****ITEM NO. 5**

The Members of the Company, at the Annual General Meeting held on 25th August, 2011, had approved the payment of remuneration by way of commission on profits to Non-Executive Directors of the Company not exceeding one percent (1%) of the net profit of the Company, to be allocated in such manner as the Board may determine, from time to time, with effect from 1st April, 2011 for a period of five years.

With the introduction of the Companies Act, 2013, the amendments to SEBI Listing Regulations and dynamic business environment have placed more onerous responsibilities on the Non-Executive Directors. This requires the Directors to play more pro-active role along with greater time commitments, attention and involvement in Board's decision making process. Considering the rich experience and expertise brought to the Board by the Non-Executive Directors, it is proposed that remuneration by way of commission not exceeding one percent (1%) of the net profits of the Company calculated in accordance with provisions of the Companies Act, 2013, be continued to be paid and distributed amongst the Non-Executive directors of the Company in accordance with the recommendations of Nomination and Remuneration Committee of the Board and approval by the Board of Directors of the Company, for a further period of five years commencing from 1st April, 2016 upto 31st March, 2021. Such payment will be in addition to the sitting fees for attending Board/Committee meetings.

Details of commission and sitting fees paid to Non-Executive Directors during the Financial Year 2015-16 is provided in the Corporate Governance Report.

The Board recommends the Special Resolution set out at item No.5 of the accompanying Notice for the approval of Members.

All the Directors of the Company may be deemed to be concerned or interested in the aforesaid resolution to the extent of the commission they may receive from the Company.

No Key Managerial Personnel (KMP) other than Mr. Prakash B. Rane, Managing Director, and their relatives are interested in the aforesaid resolution.

By Order of the Board of Directors

Sarika Ghanekar
Company Secretary

Mumbai, May, 25, 2016

Corporate Identification Number (CIN):L67190MH1993PLC113638

Registered Office:

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DIRECTORS' REPORT

**To the Members of
ABM Knowledgeware Limited**

The Directors have pleasure in presenting the 23rd Annual Report of the Company, along with the Audited Accounts, for the financial year ended 31st March, 2016.

1. FINANCIAL PERFORMANCE OF THE COMPANY (STANDALONE) :

The highlights of financial performance of your Company are as follows:

	(In ₹ Thousand)	
Particulars	Year ended 31.03.2016	Year ended 31.03.2015
Gross Income	8,89,405	9,27,941
Profit Before Interest and Depreciation	2,89,647	2,83,205
Finance Charges	3,067	2,051
Gross Profit	2,86,579	2,81,154
Provision for Depreciation	16,808	17,245
Net Profit Before Tax	2,69,772	2,63,909
Provision for Tax	94,061	88,796
Net Profit After Tax	1,75,711	1,75,113
Balance of Profit brought forward	7,30,792	5,79,776
Balance available for appropriation	9,06,503	7,54,889
Proposed Dividend on Equity Shares	25,003	20,002
Tax on proposed Dividend	5,090	4,095
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	8,76,410	7,30,792

2. OPERATIONS OF THE COMPANY:

Functions of the Company are mainly divided into Management, Sales and Marketing, Project / Product Delivery and Support & HR and Admin. This year the focus has been to increase efficiency by automating certain support functions by using Pay Per Use software as well as start some level of automation of software development processes. Initial results are good and these initiatives will be continued. The Company operates from offices in New Delhi, Patna, Mumbai, Bhopal and Chennai. Efforts will be made to use these project locations and presence of Company to increase penetration in respective geographies. Company is executing projects of varying sizes in 6 different states and will be touching over 800 projects locations through the execution of the projects on hand.

3. DIVIDEND:

Your Directors are pleased to recommend a Final Dividend of 25% (i.e. ₹ 1.25/- per Equity Share of Face Value of ₹ 5/- each) for the year ended 31st March, 2016. If the Final Dividend, as recommended above, is approved by the Members at the forthcoming Annual General Meeting, the total outflow towards dividend on the Equity shares for the year would be of ₹ 3,00,92,710/- including dividend distribution tax. (Previous Year outflow was ₹ 2,40,97,590/-).

4. TRANSFER TO RESERVES:

No amount was proposed to be transferred to the reserve during the year under review.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

During the year under review, the Company has credited ₹ 97,520/- to the Investor Education and Protection Fund (IEPF)

pursuant to Section 205C of the Companies Act, 1956.

Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on 20th August, 2015 (date of last Annual General Meeting) on the website of the Ministry of Corporate Affairs.

6. SHARE CAPITAL:

Your Board of Directors recommended sub-division of Equity Shares of ₹ 10/- each into two Equity Shares of ₹ 5/- each which was approved by the Shareholders through postal ballot and e-voting on 23rd March, 2016. Further, Equity Shares of face value of ₹ 10/- each were sub-divided into two Equity shares of ₹ 5/- each by way of corporate action to the shareholders, who held the shares on the Record date i.e. 11th April, 2016.

As on 31st March, 2016 the Authorized share capital of your Company was ₹12,50,00,000/- consisting of 2,50,00,000 Equity Shares of ₹ 5/- each and paid up equity share capital was ₹ 10,24,15,000/- consisting of 2,07,00,000 equity shares of ₹ 5/- each.

During the year under review, the Company has not issued any shares or Bonus shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares. The Company has not bought back any of its equity shares.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Dr. Ajit C. Kulkarni an Independent Director, resigned from the Board of Director of the Company with effect from 30th October, 2015. The Directors place on record their appreciation of the valuable contribution made and guidance given by Dr. Ajit C Kulkarni during his tenure as a member of the Board of Director of the Company.

On the recommendation of Nomination and Remuneration Committee, the Board of Directors proposed the appointment of Dr. Sumit D. Chowdhury as an Independent Director of the Company through postal ballot including voting by electronic means. After seeking an approval of the shareholders, Dr. Sumit D. Chowdhury was appointed as an Independent Director of the Company to hold office for a consecutive term of five years commencing from 28th March, 2016 to 27th March, 2021. In view of his wide enlightened experience in business and management, the Board of Directors is of the view that associating Dr. Sumit D. Chowdhury as Director, the Company would benefit immensely.

In accordance with the provisions of the Section 152 of Companies Act, 2013, Mrs. Supriya P. Rane, Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for re-appointment. Board recommends her re-appointment.

A brief profile of Mr. Supriya P. Rane has been given in the Report on the Corporate Governance as well as in the Explanatory Statement to the Notice of the ensuing Annual General Meeting of the Company.

Mr. Sharadchandra Abhyankar, Mr. Sanjay Mehta and Dr. Sumit D. Chowdhury are the Independent Directors on the Board of the Company. They have confirmed to the Company that they meet the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013.

Every Independent Director of the Company is provided with on-going information about the industry and the Company so as to familiarise them with the latest developments. The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at www.abmindia.com. The Company has issued a formal letter of appointment to each of the Independent Directors in the

manner as provided in the Companies Act, 2013. The terms and conditions of the appointment have been disclosed on the website of the Company.

There has been no change in the Key Managerial Personnel (KMPs) of your Company during the year under review.

Board Evaluation

During the year, in the terms of the requirements of the Act and Listing Regulations, the Board evaluation cycle was completed by the Company internally which included the Evaluation of the Board as a whole, Board Committees and Directors. A structured evaluation report was prepared after taking into consideration inputs received from the Directors covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board dynamics, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors of the Company, who are evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Managing Director and the non-Independent directors was carried out by the Independent Directors who also reviewed the adequacy and flow of information to the Board. The Directors expressed their satisfaction with the evaluation process.

Company Policy on Directors' Appointment and Remuneration

The Company has a Nomination and Remuneration Policy in compliance with the provisions of Sections 134(3)(e) and 178 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015. The policy provides a framework on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and also remuneration for Key Managerial Personnel and other employees. The Nomination and Remuneration policy forms a part of Corporate Governance Report of this Annual Report.

8. MEETINGS:

During the year five Board Meetings and five Audit Committee Meetings were convened and held. For the details of the meetings of the Board and its Committees, please refer to the Report on Corporate Governance, which forms part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

9. PUBLIC DEPOSITS:

Your Company has not accepted any deposits from public or the Members during the year 2015-2016 and no amount on account of principal and interest on public deposits was outstanding on the date of the balance sheet.

10. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint venture or Associate Company.

11. AUDITORS:

M/s. Borkar & Muzumdar, Chartered Accountants were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 18th September, 2014 for a term of five consecutive years. As per the provisions of Section 139 of Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

12. AUDITORS' REPORT:

The Report given by the Auditors on the Financial Statements of the Company is part of Annual Report. There has been no

qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

13. SECRETARIAL AUDIT REPORT:

Pursuant to Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company has appointed Mr. Upendra Shukla, Practicing Company Secretary to undertake Secretarial Audit of the Company for the year under review. The Secretarial Audit, inter alia, includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by the Securities and Exchange Board of India and Foreign Exchange Management Act, 1999 and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report in Form No. MR-3 is annexure to this Annual Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

14. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

15. INTERNAL AUDIT AND INTERNAL CONTROL SYSTEMS:

The Company has appointed M/S. S. P. Sule & Associates, Chartered Accountants as Internal Auditor of the Company for the financial year 2015-2016.

The Company has an independent Internal Audit system to carry out extensive audits throughout the year covering all areas of Company's significant operations. The Audit Committee regularly reviews adequacy and effectiveness of the Company's internal financial control environment and monitors implementation of audit recommendations. The Company has proper and adequate system of internal controls to monitor proper recording of transactions according to policies and procedures laid down by the Company in compliance with applicable regulations. The Company ensures that the regulatory guidelines are complied with at various levels. The internal audit reports are regularly monitored by the Audit Committee.

16. CORPORATE GOVERNANCE:

Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence to ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility. The Companies Act, 2013 and SEBI Listing Regulations have strengthened the governance regime in the country. Your Company is in compliance with the governance requirements provided under the new law and listing regulations.

A separate Report on Corporate Governance together with Auditor's Certificate confirming compliance with the conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Report.

17. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**A. Industry Structure and Development:**

Your Company operates in the e-Government space. The key stakeholders in this industry can be Govt. organizations and its employees; Consulting Companies appointed by Govt. organizations for firming up tenders and its evaluation; Project Management Companies appointed by Govt. organizations for monitoring project execution; Funding agencies like central Govt. or International Funding agencies like WB, ADB, DFID, JAICA etc. and IT companies who execute the projects.

There are several departments / organizations in each govt. which need E-government solutions e.g. Urban Development, Public Distribution System, Tourism, Immigration, Company Affairs Ministry, Courts, Labour dept., Water Supply Authorities, PSUs, Autonomous bodies etc. The list is very long. The budgets are spent by Central Govt., State Govt., External funding agencies, Autonomous bodies, PSUs etc. It is not very easy to assess the actual total amount being spent by different Govt. organizations due to different budget approval methods followed by these different organizations.

The industry structure has more or less remained same over the years. Govt. spending in IT is expected to grow 10-11% per year, following ambitious programs mentioned below and investment proposed in Wi-Fi and optical fibre. Govt. has been issuing various guidelines like e-Gov standards, technology guidelines etc. to create an interoperable ecosystem over a period of time. Certain MNCs are investing in India for taking advantage of the growing economy as well as various initiatives taken by Govt. impacting IT industry positively.

There have been some chronic issues with Govt. contracts in the industry. Efforts are being done by industry associations like NASSCOM to convince Govt. to have more balanced tender documents. NASSCOM has also provided model draft tenders for consideration of govt. These efforts are bearing fruit but not with desired speed or desired sense of urgency. It is expected that IT dependent initiative like Ease of Doing Business, Right to Services, Digital India, Start Up India, Skill India, Smart City, Atal / Amrut mission etc. will expedite the process of reforms in the procurement process due to serious focus from Govt. of India and conditional funding associated with these missions.

Once all these missions become reality, then IT platform will be inevitable in government functioning. It can open doors on young and veteran IT entrepreneurs in spaces like IT services and BPR, ITES, IT products and in areas of SMAC (Social Media, Mobility, Analytics and Cloud Computing). With proliferation of mobiles and increasing momentum of Aadhaar enrolment, India has unprecedented opportunity to leverage "Mobile-Aadhaar-Bank" Account for effective implementation of various Government schemes as well as delivery of G2B or G2C services. This will open a new paradigm in Indian context and can jump many stages of making direct delivery of citizen benefits.

B. Existing Opportunities and Outlook:

Advancement and application of information technology are ever changing. Outlook of the trends in the information technology are as follows:

• Cloud Computing

One of the most talked about concept in information technology is the cloud computing. Cloud computing is defined as utilization of computing services, i.e. software as well as hardware as a service over a network. Typically, this network is the internet. Cloud computing offers 3 types of broad services mainly Infrastructure as a Service (IaaS), Platform as a Service (PaaS) and Software as a Service (SaaS). It reduces IT infrastructure cost of the company. It promotes the concept of virtualization, which enables server and storage device to be utilized across organization and makes maintenance of software and hardware easier as installation is not required on each end user's computer. ABM has already started making its flagship application cloud compliant and evolving models where clients can pay for use rather than doing acquisition by making upfront payments. This has challenges as the functionality varies from customer to customer. ABM will try to capture a superset of functionality and try and convince customers to adopt best practices brought on table by ABM based on its deep experience in various domains of e-government.

• Mobile Applications

M-governance is one area where ABM has already made deep inroads. We offer several mobile apps for citizens and businesses for easy access to Govt. service. These mobile applications or mobile apps have become a success since its introduction. They are designed to run on Smartphone, tablets and other mobile devices. They are available as a download from various mobile operating systems like Android, iOS-Apple, etc. In industry some of the mobile app are

available free where as some involve download cost. In some cases the revenue collected is shared between app distributor and app developer.

- **User Interfaces**

User interface has undergone a revolution since introduction of touch screen. The touch screen capability has revolutionized the way end users interact with application. Touch screen enables the user to directly interact with what is displayed and also removes any intermediate hand-held device like the mouse. Touch screen capability is utilized in smart phones, tablet, information kiosks and other information appliances. ABM has incorporated such interface in all its Mobiles apps.

- **Analytics**

The field of analytics has grown many folds in recent years. Analytics is a process which helps in discovering the informational patterns with data which ABM uses aggressively to enhance the value of MIS to its customers in various domains. The field of analytics is a combination of statistics, computer programming and operations research. The field of analytics has shown growth in the field of data analytics, predictive analytics and social analytics. Data analytics is tool used to support decision-making process. It converts raw data into meaningful information. Predictive analytics is tool used to predict future events based on current and historical information. Social media analytics is tool used by companies to understand and accommodate customer needs.

- **Internet of Everything (IoE)**

Internet of Things (IoT) which is now called as Internet of Everything (IoE) is fast becoming new and big opportunity in IT industry. Smart City project can be one of the driving forces for speeding up adoption of IoE in Govt. sector. Connections like M2M (machine to machine e.g. smart building) M2P(machine to people e.g. in-patient monitoring) and P2P(people to people e.g. teleworking) are set to revolutionize the use of IT in Govt. as well as private sector and create over \$ 4.6 Trillion value at stake globally in public sector by 2020 as per IDC report. ABM will make serious efforts to exploit this potential by developing alliances and partnerships in this field.

As per a recent report by Gartner, The government in India will spend \$7 billion on IT products and services in 2016. This includes spending on internal services, software, IT services, data centers, devices and telecom services by local, state and Union governments. IT services which include consulting, software support, business process outsourcing, IT outsourcing, and implementation.

Your company operates in certain niche areas such as e-Municipality, Reforms and Automation in areas like Accounting and Property Tax, Utilities- Water billing and Electricity, Tourism Portal, SAP services and customized ERP for Govt. customer named as GRP. The need for e-Governance in these sectors is increasing with growing urbanization as well as due to the general need for improvement in efficiency by Govt. organizations in these sectors. ABM's very large e Municipality projects in states like MP and Bihar are at different stages of implementation and hold potential for further business opportunity. Best efforts are being made to retain existing customers by giving high quality of service. Each state offers abundant opportunities in these areas and will continue to be tapped by balancing the risk and rewards.

C. Business Threats:

We have been outlining various risks and threats associated with e government business. It included possible payment delays, Time and Cost overruns, Disruptions in the project when head of the organization is changed, challenges in attracting good talent to work in less developed states and in interior regions in India etc. You Company has been adopting a cautious approach of building business brick by brick rather than a big bang approach. This has been impacting the growth in revenue. Of late, ABM has been establishing presence and business opportunities in multiple states by going

out of the state of Maharashtra. With exposure to more and more customers the risks associated with project execution also expand naturally. Your company has put in place various risk mitigation strategies and keeps fine-tuning the same from time to time.

The key threat remains the inability of administration to take bold and new initiatives in the space of e-government, without fear of failure. This is due to concerns of motivated or ignorant public scrutiny damaging the personal reputation of decision makers. As a result, the procedure of procurement takes precedence over the outcome of the project. This is of course not true for each one and there is always oasis of exceptions. On the other hand of late, it has been noted that industry's participation in various e-Governance projects has seen a steady decline with several large projects resulting in a NO-BID Situation. This is not true however for tenders which have balance conditions and fair terms. Your company is on constant look-out for growth opportunities to tackle the challenges of slower than expected growth by managing the known risks and hopes for some breakthroughs in time to come.

D. Business Strategies and Planning:

The core strategy of the Company remains by and large unchanged. It involves working closely with existing prestigious customers and retaining them and targeting newer geographies for promoting niche offering of the company. ABM also has been selectively adding to its core offerings wherever a high replication potential to other customers is perceived.

ABM has established its presence in states in North, South, West and East India by winning prestigious customers in these regions. Company has also invested in social media, mobility, analytics and cloud technology to enter into "Digital Business". A strategy of working with large and reputed IT companies to win large orders in consortium with them has yielded positive results and the strategy will be deepened further. After initial momentum GRP SBU has slowed down and efforts will be made to analyze the root causes and decide the next steps.

E. Human Resource Management:

i) AIM of Human Resource Management

- To enable ABM to attract, integrate, develop and retain the best talent to deliver business growth.
- Fulfill business demand, deliver consistently high utilization rates and keep manpower costs within the desired range as per Business plan.
- Deploy meaningful practices to enhance the engagement, capability and competitiveness of our workforce.

ii) Achievements

The above aims were fulfilled to a large extent. Employee Relationship was given higher focus during the year due to increased spread of employees across India and need to integrate them with ABM culture. Getting best of the talent for leadership roles in different areas remains a challenge and HR is striving to fulfill the requirements of different projects.

iii) Headcount

S. No.	Year	Current Headcount
1	April 2014 - March 2015	667
2	April 2015 - March 2016	720

iv) HR Events

- Successful Employee connect conducted at many out station locations.

- A comprehensive survey was undertaken to assess the employee satisfaction with the help of an independent agency. 60% percent employees stated that ABM is a great place to work though 15% did not agree. Rest remained neutral. Many of ABM staff is required to be deputed on client sites which is seen as a possible reason for dissatisfaction of some employees as the infrastructure at some client locations is not as per standards of IT industry.

v) Motivational and Focus Areas

- The Company continues to invest in the form of training for enhancing its Human Capital by providing opportunities to its employees to develop their skills and competencies relevant to the business requirements.
- We follow Equal Opportunities & Non Discrimination Policy and do not discriminate on basis of race, colour, gender, caste or religion.
- The Company's relentless pursuit to connect with employees on a regular basis, communicate in an open and transparent manner, provide opportunities to learn and grow within the organization are yielding desired results as is evident from the high retention rate and the motivation and engagement levels of the employees.

F. Discussion on financial performance with respect to the operational performance:

	Year ended 31.03.2016	Year ended 31.03.2015
Gross Income	8,89,405	9,27,942
Less: service Tax	98,614	86,238
Gross Income(net of Service Tax)	7,90,791	8,41,703
Less: Total expenditure	5,04,212	5,60,550
Gross profit before Depreciation & Taxation	2,86,579	2,81,154

The Gross Income of the Company has decreased, compared to last year though there is marginal improvement in the profits due to operational efficiency improvement. There has been unexpected delay in project billing causing decrease in the gross income.

18. RISK MANAGEMENT:

Your Company has set up a Risk Management Committee in accordance with the requirements of Listing Agreement to monitor the risks and their mitigating actions. The details of the committee and its terms of reference are set out in the Corporate Governance report forming part of this report.

The Company has adopted suitable measures related to development and implementation of a Risk Management Policy after identifying the following elements of risks which in the opinion of the Board can impact the performance of the company adversely.

1. **Industry:** Industry risks are competition, newer business models like PPP, and disruptive technologies like Social Media, Mobility, Analytics and Cloud computing (SMAC). ABM has been working on deepening its roots into its core areas to create more entry barriers to competition as well as working closely with existing clients to give superior service and value. ABM is working with larger companies for consortium based bidding to prepare for opportunities like PPP where much stronger financial upfront investment is required for larger project. Similarly, solutions are being upgraded to add SMAC technologies by creating a focus group on these technologies.
2. **Supply side risk for talent acquisition:** With growing customer base and mission critical projects, unavailability of right skilled resources at right time in right quantity can pose a risk. The Company constantly trains and re-trains existing

resources for different skills and technologies. Suitable HR practices are adopted to minimize the attrition rate. Lateral hiring is done to bring in fresh leaders.

3. **Cost pressures:** Increasing operations expenses as well as rising employee cost can pose risk to the Company. The Company has internal controls to monitor costs and escalate any abnormal increase for taking corrective actions. Project level and Business Unit level costs are monitored through a regular MIS on budgets and variances for timely corrective action.
4. **Operational efficiency:** The operational risk is mainly associated with client acquisition, execution of projects, information security and continuity of customer's business operations. The company has project level monitoring where such risks are identified and escalated to board for suitable corrective measures on time.
5. **Reputation:** The Company's projects are in Govt. sector which are necessarily funded by public finance. This exposes the company to the risk of motivated public scrutiny from elements which are adversely affected by success of project leading to transparency as well as some times by competition. The Company strictly follows the Govt. processes of procurement and executes the projects with highest possible standards of ethics and best industry processes. Employees are made well aware of the company policy to ensure the proper code of conduct is followed across projects uniformly. Company has published its own code of conduct for benefit of employees. This has been helping company so far to win over the confidence of customers, even in the situations of motivated public scrutiny which is aimed at hurting reputation of the company.

19. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes or commitments made by Company that will affect the financial position of the Company during the abovementioned period.

20. CODE OF CONDUCT:

The Company has adopted the Code of Conduct and ethics for all Board Members and Senior Management and this is strictly adhered to. A copy of the Code of Conduct is available on the website of the Company www.abmindia.com. In addition, members of the Board and Senior Management also submit, on an annual basis, the details of individuals to whom they are related and entities in which they hold interest and such disclosures are placed before the Board. The members of the Board inform the Company of any change in their directorship(s), chairmanship(s) / membership(s) of the Committees, in accordance with the requirements of the Companies Act, 2013 and Listing Regulations.

The members of the Board and Senior Management have affirmed their compliance with the code and a declaration signed by the Managing Director is annexed to this report.

21. AUDIT COMMITTEE COMPOSITION:

During the year all the recommendations of the Audit Committee were accepted by the Board. The Composition of the Audit Committee is as described in the Corporate Governance Report, which forms part of this report.

22. VIGIL MECHANISM:

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. Vigil (whistleblower) mechanism provides a channel to the employees and directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policy. The mechanism provides for adequate safe guards against victimization of directors and employees who avail of the

mechanism and also provide for direct access to the Chairman of the Audit Committee. As a part of the Vigil Mechanism a separate email addresses are provided. The Whistle Blower Policy is made available on the website of the Company.

23. PREVENTION OF INSIDER TRADING:

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and to preserve confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted (i) a Code of Conduct to Regulate, Monitor and Report Trading by Insiders, and (ii) a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The same has been circulated to Directors and designated employees of the Company. They are regularly reminded about their obligation under the policies and also informed about prevention of insider trading into the securities of the Company.

The Company Secretary is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

24. RELATED PARTY TRANSACTIONS:

The Company has implemented a Related Party Transactions policy for the purposes of identification and monitoring of such transactions. The policy on related party transactions as approved by the Board is uploaded on the Company's website www.abmindia.com. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All related party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained on an annual basis, which is reviewed and updated on quarterly basis.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

25. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is appended as an Annexure to this Annual Report.

26. CORPORATE SOCIAL RESPONSIBILITY:

In accordance with the requirements of Section 135 of Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee. The composition and terms of reference of the Corporate Social Responsibility Committee is provided in the Corporate Governance Report. Your Company has also formulated a Corporate Social Responsibility Policy which is available on the website of the Company.

The objective of our CSR Policy is to directly / indirectly undertake projects / programs which will enhance the quality of life and economic well-being of communities in and around our society at large and not just spending the requisite amount. The Company has made efforts to identify projects in line with its CSR focus areas. However, the Company could not spend the requisite money on or before 31st March, 2016 as considerable time is taken in evaluating and implementing projects. Company believes that CSR expenditure is aimed at larger public good rather than mere compliance. However, the Company has spent around 90% of the stipulated CSR funds before finalizing this report.

A report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as Annexure to this Report.

27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

28. PREVENTION OF SEXUAL HARASSMENT (POSH) AT WORKPLACE:

Your Company has always believed in providing a safe and harassment free workplace for every individual working and associating with the Company, through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee to inquire into complaints of sexual harassment and recommend appropriate action. The Company has not received any complaint of sexual harassment during the financial year 2015-16. Company provides regular training to its employees on POSH by hiring experts in the field.

29. PARTICULARS OF EMPLOYEES:

The details of employee remuneration as required under provisions of Section 197 of Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2016 is as follows:

Name of the Employee	Mr. Prakash B. Rane
Age	50 years
Designation	Managing Director
Gross Remuneration	₹ 14,691 Thousand
Qualification	B.Tech., M.M.S.
Date of Commencement of the employment	27 th April, 2000
Number of years Experience	26 years
Previous Employment	Advent Business Machines Pvt. Ltd

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as Annexure to this Report.

30. CONSERVATION OF ENERGY:

Your Company consumes energy mainly for the operation of its software development, thus the consumption of electricity is negligible. In order to conserve the electricity, their conditioners are kept at a moderate temperature and all the electrical equipments are turned off, whenever they are not required by the office staff.

31. TECHNOLOGY ABSORPTION, ADOPTION & INNOVATION AND RESEARCH AND DEVELOPMENT:

Your Company has continued its focus on 'Productisation of Services' by innovative business models. Company is putting in efforts to adopt the SMAC technologies to address the demand for "Digital Business". The flagship products of the company are progressing well for being upgraded to the latest technology for reducing the total cost of ownership for customers and becoming more competitive in market.

32. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Your company did not have any Foreign Exchange earnings or outgo in last year.

33. LISTING FEES:

Your Company's shares are listed in BSE Limited, Mumbai and the Annual Listing fees for the year under review have been paid.

34. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors hereby confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are 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 or Loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the Annual Accounts on a going concern basis;
- e) they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- f) they have devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

35. ACKNOWLEDGMENT:

Your Directors sincerely appreciate the high degree of commitment, dedication and professionalism displayed by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity and support.

We thank the shareholders for their continued confidence bestowed on the Company. We also thank our customers, investors, bankers, Government Authorities, Regulatory Bodies and Financial Institutions for their assistance, co-operation and look forward to their continued support in the future.

For and on behalf of the Board

Date : 25th May, 2016
Place: Mumbai

Prakash B. Rane
Managing Director
(DIN: 00152393)

Sharadchandra Abhyankar
Director
(DIN: 00108866)

ANNEXURE TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

(Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. A Brief Outline of the Company's Corporate Social Responsibility (CSR) Policy:

The CSR policy of the Company encompasses its philosophy towards Corporate Social Responsibility and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large. The Company has identified education & livelihood, eradicating hunger and poverty, animal welfare, environment protection, and disaster relief as the areas where assistance is provided on a need-based and case-to-case basis. Your Company persisted with participation in such activities at the local, grass-root level during the year. The contributions in this regard have been made to the registered trust which is undertaking these schemes.

The Corporate Social Responsibility (CSR) Policy of the Company, as approved by the Board of the Directors, is available on the Company's website at www.abmindia.com.

2. Composition of CSR Committee :

Mrs. Supriya P Rane, Chairman
Mr. Sharadchandra Abhyankar, Member
Mr. Sanjay Mehta, Member

Dr. Ajit C. Kulkarni resigned from the Board w .e. f. 30th October, 2015 and ceased to be a member of this committee.

3. Average Net Profit of the Company for last three financial years: Rs. 242,161 thousand

4. Prescribed CSR Expenditure: ₹ 4,843 thousand

5. Previous year unspent amount : ₹ 3,338 thousand

6. Details of CSR spent during the financial year

a) Total amount to be spent for the financial year: ₹ 8,181 thousand

b) Total amount spent during the year: ₹ 2,624 thousand

c) Amount unspent as on 31st March, 2016: ₹ 5,557 thousand

d) Manner in which the amount was spent during the financial year 2015-2016 is detailed below:

(₹ In Thousand)

Sr. No.	Project/ Activities	Sector	Projects/ Programmes coverage	Amount Outlay	Amount spent on the project/ programs	Cumulative expenditure upto 31 st March, 2016	Amount Spent Direct / through implementing agency*
1	Promotion of Education	Education	Mumbai Maharashtra	9,500	1,970	1,970	1,970
2	Food Distribution	Eradication of Hunger	Mumbai Maharashtra	500	25	25	25
3	Ethnicity	Protection art and culture	Mumbai Maharashtra	500	15	15	15
4	Environment Sustainability	Animal welfare	Maharashtra	600	114	114	114
5	Rehabilitation	Disaster Relief	Nepal	500	500	500	5

***Details of implementing agencies :**

The Company's CSR Projects are implemented through following agencies :

NGO / Trust like The Bombay Mideast Rotary Foundation, Prime Minister National Relief Fund, Maharogi Sewa Samiti, Tiger conservation and Research Centre, Isha Foundation, The Rotary Foundation etc.

7. CSR Committee Responsibility Statement:

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR Policy of the Company.

For and on behalf of the Board

Date : 25th May, 2016
Place: Mumbai

Prakash B. Rane
Managing Director
(DIN: 00152393)

Supriya P. Rane
Chairman, CSR Committee
(DIN: 00152890)

**ANNEXURE TO THE DIRECTORS' REPORT
EXTRACT OF ANNUAL RETURN
FORM NO. MGT 9**

As on financial year ended on 31.03.2016
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L67190MH1993PLC113638
2	Registration Date	2 nd March, 1993
3	Name of the Company	ABM Knowledgeware Limited
4	Category/Sub-category of the Company	Public Company – Limited by shares
5	Address of the Registered office & contact details	ABM House, Plot No. 268, Linking Road, Bandra (W), Mumbai- 400050 Tel. No.: 022-42909700 Fax : 022-42909701 Email: egovernance@abmindia.com Website: www.abmindia.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Universal Capital Securities Pvt. Ltd. 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 93 Tel No: 022-28207203 Fax: 022-28207207 Email: gamare@unisec.in Website: www.unisec.in

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 / services	NIC Code of the Product/service	% to total turnover of the company
1	Computer Programming, consultancy and related activities	620	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - Not Applicable.
IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

The Board of Directors recommended sub-division of Equity Shares of ₹ 10/- each into two Equity Shares of ₹ 5/- each which was approved by the Shareholders through postal ballot and e-voting on 23rd March, 2016. As on 31st March, 2016 corporate action was pending and it was completed on 12th April, 2016. Hence, share holding pattern is given on the basis of Face Value of ₹ 10/- each for per Equity Share.

A Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	%of Total Shares	Demat	Physical	Total	%of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	6002150	-	6002150	60.01	6002150	-	6002150	60.01	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	490750	-	490750	4.91	490750	-	490750	4.91	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	%of Total Shares	Demat	Physical	Total	%of Total Shares	
Total shareholding of Promoter (A)	6492900	-	6492900	64.92	6492900	-	6492900	64.92	0.00
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's / Foreign Portfolio investor	181012	-	181012	1.81	95683	-	95683	0.96	-0.85
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	181012	-	181012	1.81	95683	-	95683	0.96	-0.85
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	391928	123700	515628	5.16	407545	123700	531245	5.31	0.15
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	949114	210212	1159326	11.59	1012135	201562	1213697	12.14	0.55
ii) Individual shareholders holding nominal share capital in excess of ₹1lakh	431847	-	431847	4.32	446948	-	446948	4.45	0.13
c) Others: NBFCC registered with RBI	-	-	-	-	750	-	750	0.01	0.01
Non Resident Indians	168181	-	168181	1.68	191079	-	191079	1.91	0.23
Overseas Corporate Bodies	-	1000000	1000000	10.00	-	1000000	1000000	10.00	0.00
Foreign Nationals	500	-	500	0.00	-	-	-	0.00	0.00
Clearing Members	10956	-	10956	0.11	7498	-	7498	0.07	-0.04
Trusts									
Directors & Relatives	19450	21300	40750	0.41	-	21300	21300	0.21	-0.20
Sub-total (B)(2)	1971976	1355212	3327188	32.27	2065955	1346562	3412517	34.12	0.85
Total Public Shareholding (B)=(B)(1)+(B)(2)	2152988	1355212	3508200	35.08	2161638	1346562	3508200	35.08	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	8645888	1355212	10001100	100.00	8654538	1346562	10001100	100.00	0.00

B) Shareholding of Promoter-

Sr. No.	Shareholder's 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 total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Prakash B. Rane	4771150	47.71	-	4771150	47.71	-	0.00
2.	Supriya P. Rane	1227000	12.27	-	1227000	12.27	-	0.00
3.	Baburao B. Rane	2500	0.02	-	2500	0.02	-	0.00
4.	Sunita B. Rane	1250	0.01	-	1250	0.01	-	0.00
5.	Sharada Rane	250	0.00	-	250	0.00	-	0.00
6.	Lipsita Properties Private Limited	490750	4.91	-	490750	4.91	-	0.00
	Total	6492900	64.92	-	6492900	64.92	-	0.00

C) Change in Promoters' Shareholding: There is no change in the Promoters' Shareholding during the Financial Year 2015-2016.

D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of the Top 10 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
1	New Computer Era Limited				
	At the beginning of the Year	500000	5.00	500000	5.00
	Increase / Decrease in Shareholding during the year	-	-	500000	5.00
	At the end of the Year			500000	5.00
2	Computer Digital Network Limited				
	At the beginning of the Year	250000	2.50	250000	2.50
	Increase / Decrease in Shareholding during the year	-	-	250000	2.50
	At the end of the Year			250000	2.50
3	Rosewell Group Services Limited				
	At the beginning of the Year	250000	2.50	250000	2.50
	Increase / Decrease in Shareholding during the year	-	-	250000	2.50
	At the end of the Year			250000	2.50
4	Aegis Transportation Pvt. Ltd.				
	At the beginning of the Year	200000	2.00	200000	2.00
	Increase / Decrease in Shareholding during the year	-	-	200000	2.00
	At the end of the Year			200000	2.00
5	The Indiaman Fund (Mauritius) Ltd.				
	At the beginning of the Year	162168	1.62	162168	1.62
	Increase / Decrease in Shareholding during the year (Transfer)				
	03/04/2015	10000	1.72	172168	1.72
	03/07/2015	(10000)	-0.10	162168	1.62

Sr. No.	Name of the Top 10 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
	16/10/2015	(29300)	-0.29	132868	1.33
	23/10/2015	(32868)	-0.33	100000	1.00
	30/10/2015	(3317)	-0.03	96683	0.97
	15/01/2016	(1000)	-0.01	95683	0.96
	At the end of the Year			95683	0.96
6	Shivani Trivedi				
	At the beginning of the Year	157350	1.57	157350	1.57
	Increase / Decrease in Shareholding during the year	-	-	157350	1.57
	At the end of the Year			157350	1.57
7	Dr. Sanjeev Arora				
	At the beginning of the Year	97605	0.98	97605	0.98
	Increase / Decrease in Shareholding during the year (Transfer)				
	07/08/2015	2000	0.02	99605	1.00
	14/08/2015	4600	0.05	104205	1.04
	21/08/2015	1270	0.01	105475	1.05
	28/08/2015	2000	0.02	107475	1.07
	18/09/2015	10003	0.10	117478	1.17
	25/09/2015	2371	0.02	119849	1.20
	09/10/2015	3441	0.03	123290	1.23
	16/10/2015	2365	0.02	125655	1.26
	At the end of the Year			125655	1.26
8	Meridian Corporate Services Ltd.				
	At the beginning of the Year	82500	0.82	82500	0.82
	Increase / Decrease in Shareholding during the year (Transfer)	-	-	82500	0.82
	At the end of the Year			82500	0.82
9	Mohan Datar				
	At the beginning of the Year	82050	0.82	82050	0.82
	Increase / Decrease in Shareholding during the year (Transfer)	-	-	82050	0.82
	At the end of the Year			82050	0.82
10	Shree Krishna Agro Ind. Ser. Pvt. Ltd.				
	At the beginning of the Year	71300	0.71	71300	0.71
	Increase / Decrease in Shareholding during the year	-	-	71300	0.71
	At the end of the Year			71300	0.71

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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	Prakash B. Rane, Managing Director				
	At the beginning of the Year	4771150	47.71	4771150	47.71
	Increase / Decrease in Shareholding during the year	-	-	4771150	47.71
	At the end of the Year			4771150	47.71
2	Supriya P. Rane, Non-Executive Director				
	At the beginning of the Year	1227000	12.27	1227000	12.27
	Increase / Decrease in Shareholding during the year	-	-	1227000	12.27
	At the end of the Year			1227000	12.27
3	Dr. Ajit C. Kulkarni, Non-Executive Director*				
	At the beginning of the Year	19450	0.19	19450	0.19
	Increase / Decrease in Shareholding during the year				
	08/05/2015	(5)	-0.00	19445	0.19
	03/07/2015	(5000)	-0.05	14445	0.14
	17/07/2015	(500)	-0.00	13945	0.14
	24/07/2015	(500)	-0.00	13445	0.13
	At the end of the Year			13445	0.13
4	M. N. Ahmed, Non-Executive Director**				
	At the beginning of the Year	21300	0.21	21300	0.21
	Increase / Decrease in Shareholding during the year	-	-	21300	0.21
	At the end of the Year			21300	0.21
5	Sharadchandra Abhyankar, Non-Executive Director				
	At the beginning of the Year	-	-	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the Year			-	-
6	Sanjay Mehta, Non-Executive Director				
	At the beginning of the Year	-	-	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the Year			-	-
7	Dr. Sumit Chowdhury, Non-Executive Director				
	At the beginning of the Year	-	-	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the Year			-	-
6	Paresh Golatkar, CFO				
	At the beginning of the Year	-	-	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the Year			-	-
7	Sarika Ghanekar, Company Secretary				
	At the beginning of the Year	-	-	-	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the Year			-	-

*Dr. Ajit C. Kulkarni has resigned from the Board w.e.f. 30.10.2015.

** Shareholding of Relatives of Mr. M. N. Ahmed in the Company as on 31st March, 2016.

V. INDEBTEDNESS:

The Company had no indebtedness with respect to secured or Unsecured Loans or Deposits during the financial year 2015-16.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ In Thousand)

Sr. No.	Particulars of Remuneration	Name of Managing Director		Total Amount
		Prakash B. Rane		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			9,101.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			90.02
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-
2	Stock Option			-
3	Sweat Equity			-
4	Commission			5,500.00
5	Others, please specify			-
	Total (A)			14,691.02
	Ceiling as per the Act			14,695.00

B. Remuneration to other directors:

(₹ In Thousand)

Sr. No.	Particulars of Remuneration	Name of Director			Total Amount
		Dr. Ajit C. Kulkarni	Sharadchandra Abhyankar	Sanjay Mehta	
1	Independent Directors				
	Fee for attending Board / Committee meetings	32.00	52.00	8.00	92.00
	Commission	0.00	200.63	100.00	300.63
	Others, please specify	-	-	-	-
	Total (1)	32.00	252.63	108.00	392.63
2	Other Non-Executive Directors	Supriya P. Rane		M. N. Ahmed	
	Fee for attending Board / Committee meetings	80.00		88.00	168.00
	Commission	1,973.13		401.25	2,374.38
	Others, please specify	-		-	-
	Total (2)	2,053.13		489.25	2,542.38
	Total (B)=(1+2)				2,935.00
	Total Managerial Remuneration				17,626.02
	Overall Ceiling as per the Act				17,634.00

C. Remuneration To Key Managerial Personnel Other Than MD/ Manager/WTD :

(In ₹ Thousand)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Sarika Ghanekar, Company Secretary	Paresh Golatkar, CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	671.62	567.42	1,239.04
	(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	-	-	-
5	Others, please specify	-	-	-
	Total	671.62	567.42	1,239.04

VII. PENALTIES / PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

For and on behalf of the Board

Date : 25th May, 2016
Place: Mumbai

Prakash B. Rane
Managing Director
(DIN: 00152393)

Sharadchandra Abhyankar
Director
(DIN: 00108866)

ANNEXURE TO THE DIRECTORS' REPORT

Statement of Disclosure of Remuneration Under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel)

- 1 **The Ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

The percentage increase in remuneration of each Director, Chief financial Officer and company Secretary during the financial year 2015-2016, ratio of the remuneration of each Director to the median remuneration of the employee of the Company for the financial year 2015-2016 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company as under:

Sr. No.	Name of Directors and Key Managerial Personnel	Designation	Ratio of remuneration of each Director to median remuneration of employees	% increase / decrease in remuneration in the Financial Year 2015-2016	Comparison of the Remuneration of the KMP against the performance of the Company
1	Prakash B. Rane	Managing Director	85.04	1.33%	8.36%
2	Supriya P. Rane	Non-Executive Director	11.88	-1.67%	
3	M.N. Ahmed	Non-Executive Director	2.83	-12.01%	
4	Dr.Ajit C. Kulkarni	Non-Executive Director	0.19	-88.49%	
5	Sharadchandra D. Abhyankar	Non-Executive Director	1.46	-6.44%	
6	Sanjay Mehta	Non-Executive Director	0.63	100.00%	
7	Paresh M. Golatkar	Chief Financial Officer	3.28	11.39%	8.32%
8	Sarika A. Ghanekar	Company Secretary	3.89	9.95%	8.38%

- 2 **The Percentage increase in the median remuneration of employees in the financial year:** The Median remuneration of the employees in the financial year increased by 17%.
- 3 **The Number of permanent employees on the rolls of Company:** 706 employees as of March, 2016.
- 4 **The explanation on the relationship between average increase in remuneration and the Company Performance:** The average increase in remuneration is largely dependent on market movements with the view to achieve higher retention of our employees. The Company decides percentage of increase in remuneration, depending on salaries in comparable profiles in similar industry and performance of the employee during the year. The increase in the remuneration is done considering the overall performance of the Company.
- 5 **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:** Average percentile increase of employees other than managerial personnel is approximately 8% and average percentile increase of managerial remuneration is approximately 13%. There were no exceptional circumstances for increase in managerial remuneration in the last financial year. The percentile increase process and policy was same for them and all other employees.
- 6 **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:** For the financial year 2015-2016, Key Managerial Personnel were paid remuneration of approximately 9.67% of Net Profit of the Company.

- 7 **The key parameters for any variable component of remuneration availed by the directors:** Commission to Executive and Non-executive directors is the variable component of their remuneration. Key parameters for determining the same are provided in the remuneration policy of the Company.
- 8 **The 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:** No employee received remuneration in excess of the highest-paid director.
- 9 **Affirmation that the remuneration is as per the remuneration policy of the Company:** Yes, the remuneration is as per the remuneration policy of the Company.
- 10 **Variation in the market Capitalization, Price Earning Ratio and Net worth of the Company for the closing Date of the Current Financial year and Previous FinancialYear:**

(In ₹ Thousand)

Particulars	31-03- 2016	31-03- 2015	% Change
Market Capitalisation	1,995,219	1,595,175	25.08
Price Earning Ratio	11.36	9.11	24.70
Percentage Increase / decrease of market quotations of the shares of the Company in comparison to the rate at which the Company came out with last Public offer	1895.00%	1495.00%	-
Net worth of the Company	1,009,630	864,012	16.85

For and on behalf of the Board

Date : 25th May, 2016
Place: Mumbai

Prakash B. Rane
Managing Director
(DIN: 00152393)

Sharadchandra Abhyankar
Director
(DIN: 00108866)

REPORT ON CORPORATE GOVERNANCE

Corporate Governance essentially involves balancing the interests of all the stakeholders in a Company i.e. shareholders, management, customers, suppliers, financiers, government and the society at large. Since it includes the processes through which Company's objectives are set and pursued in the context of the social, regulatory and market environment, it encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure.

Good corporate governance is the basis for decision-making and control processes and comprises responsible, value-based management and monitoring focused on long-term success, goal-orientation and respect for the interests of our stakeholders. Effective and transparent corporate governance guarantees that your Company is managed and monitored in a responsible manner focused on value creation.

Our Corporate Governance philosophy is based on the principles like, appropriate size and composition of Board; systematic information flow to the Directors to enable them to effectively discharge their fiduciary duties; ethical business conduct by the management and employees; appropriate systems and process for internal controls on all operations, risk management and financial reporting; timely and accurate disclosure of all material and financial information to stakeholders.

The Company is in compliance with the requirements with regard to the Corporate Governance of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

I. BOARD OF DIRECTORS

Effectual Corporate governance requires a clear understanding of the respective roles of the Board and the senior management and their relationships with others in the corporate structure. During the year under review, the Board continued its pursuit of achieving these objectives through the adoption and monitoring of corporate strategies, prudent business plans, monitoring of major risks of the Company's business and ensuring that the Company pursues policies and procedures to satisfy its legal and ethical responsibilities. At the core of its Corporate Governance practice is the board, which is responsible for safeguarding and advancing the interests of the shareholders, acting as their representative in establishing corporate policies and reviewing management's execution of those policies. The Board of Directors fully support and endorse Corporate Governance practices and attempt to go beyond the statutory requirements.

The Company has a strong and a broad-based Board with adequate blend of professionals, executive, non-executive and independent Directors. The present Board comprises of six members, three of whom are Independent Directors, one Executive Director and two Non-Executive Directors including Women Director.

During the year under review, five Board Meetings were held on 15th April, 2015, 26th May, 2015, 11th August, 2015, 30th October, 2015 and 28th January, 2016. The previous Annual General Meeting (AGM) of the Company held on 20th August, 2015 was attended by all the Directors except Mr. M. N. Ahmed.

The Details of the Board of Directors of the Company as on 31st March, 2016 is given below:

Name of the Directors	Executive / Non- Executive	Promoter / Independent	Number of Board Meeting attended	Other Directorship #	Memberships/ Chairmanship in Committees of Board of other Public Companies ##
Mr. Prakash B. Rane	Executive-Managing Director	Promoter	5	Nil	Nil
Mrs. Supriya P. Rane	Non- Executive	Promoter	5	Nil	Nil
Mr. M. N. Ahmed	Non- Executive	Non-Independent	5	1	Nil
Dr. Ajit C. Kulkarni *	Non- Executive	Independent	3	1	Nil
Mr. Sharadchandra Abhyankar	Non- Executive	Independent	5	4	1
Mr. Sanjay Mehta**	Non- Executive	Independent	2	Nil	Nil
Dr. Sumit Chowdhury***	Non- Executive	Independent	Nil	Nil	Nil

excluding Private Limited Companies, Unlimited Companies, section 25 Company and Foreign Companies

Includes only Audit Committee and Stakeholders' Relationship Committee.

*Resigned as a Director of the Company w. e. f. 30th October, 2015.

**Appointed as an Independent Director w. e. f. 22nd August, 2015.

***Appointed as an Independent Director w. e. f. 28th March, 2016 through postal ballot and evoting.

All the Directors have made disclosures regarding their directorship and memberships on various Committees across all Companies in which they are directors and / or members. The number of Directorships, Committee Memberships / Chairmanships of all Directors is within respective limits prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations). None of the Directors are related to each other except Mr. Prakash B. Rane and Mrs. Supriya P. Rane, who are husband and wife.

The Board meets at least once in a quarter to review the quarterly results and other items on the agenda. Additional meetings are held, when necessary. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors. Time gap between two Board meetings were not more than four months. The notice of Board meeting is given well in advance to all the Directors. The Agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Managing Director of the Company. Detailed Agenda is circulated to the Directors in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussion at the meetings. Where it is not practicable to enclose any document to the agenda, the same is placed before the meeting. In special and exceptional circumstances, additional item(s) on the agenda are permitted to be discussed at the Meeting.

The minutes of the Board Meetings are circulated in advance to all Directors and confirmed at subsequent Meeting. The Board also reviews the declarations made by all departmental heads of the Company regarding compliance of all applicable laws on a quarterly basis.

Board makes timely strategic decisions, to ensure operations are in line with strategy; to ensure the integrity of financial information and the robustness of financial and other controls; to oversee the management of risk and review the effectiveness of risk management processes; and to ensure that the right people are in place and coming through. Non-executive directors are expected to provide an effective monitoring role and to provide help and advice to the executive directors. All this is in the long term interest of the Company and should be based on the optimum level of information, through smooth processes, by people with the right skills mix and in a constructive manner. The Independent Directors play an important role in deliberations at the Board and Committee meetings and bring to the Company their expertise in the fields of business, commerce, finance, management and law.

Pursuant to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company continuously strive to familiarize its board members, particularly the Independent Directors about their roles, rights, responsibilities in the Company, nature of the industry, details of its business and functional operations, policies and standard operating procedure, business model of the Company, etc. The Company's familiarization policy is available on the Company's website www.abmindia.com.

CODE OF CONDUCT

The Company has in place the Code of Conduct for Board of Directors and Senior Management, (the Code) approved by the Board of Directors. The Code has been communicated to Directors and the members of the senior management. The Code has been displayed on the Company's website www.abmindia.com.

All the Board members and senior management have confirmed compliance with the Code for the year ended 31st March, 2016. A declaration to this effect signed by the Managing Director forms part of this Annual Report.

SEPERATE INDEPENDENT DIRECTORS' MEETING:

During the year under review, the Independent Directors met on 23rd November, 2015, inter alia, to discuss:

1. The performance of Non -Independent Directors and the Board of Directors as a Whole;
2. The performance of the Managing Director of the Company, taking into account the views of the Non- Executive Directors.
3. 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 its duties.

All the Independent Directors were present at the meeting.

II. COMMITTEES OF DIRECTORS

A) AUDIT COMMITTEE:

As on date of this report, the Audit Committee comprises of three (3) directors of whom two (2) are Independent Directors. The Committee is chaired by an Independent Director. All the members of the Committee have relevant experience in financial matters. The head of Internal Auditor and Statutory Auditors attend and participate in the meetings of the Audit Committee on invitation. The Company Secretary acts as a secretary to the Audit Committee.

The Committee meets once in every quarter to carry out its business. During the financial year 2015-2016, the Committee met five times on 15th April, 2015, 26th May, 2015, 11th August, 2015, 30th October, 2015 and 28th January, 2016.

Following are the details regarding the Composition and attendance of the Committee during the year:

Name	Categories of Director	No. of Committee Meetings attended
Mr. Sharadchandra Abhyankar, Chairman	Independent and Non-Executive Director	5
Dr. Ajit C. Kulkarni, Member*	Independent and Non-Executive Director	3
Mr. M. N. Ahmed, Member	Non-Executive Director	5
Mr. Sanjay Mehta	Independent and Non-Executive Director	Nil

*Dr. Ajit C. Kulkarni resigned as director of the Company w. e. f. 30th October, 2015 and ceased to be member of the Committee.

The Committee is governed by the Terms of Reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The Audit Committee also reviews the functioning of the Whistle Blower Policy of the Company and cases reported thereunder. The recommendations of Audit Committee are duly approved and accepted by the Board.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- Reviewing and examination with management the quarterly financial results before submission to the Board;

- Reviewing and examination with management the annual financial statements before submission to the Board and the auditors' report thereon;
- Scrutiny of inter-corporate loans and investments made by the Company;
- Review management discussion and analysis of financial condition and results of operations;
- Reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- Approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Discussing with Statutory Auditors, before the audit commences, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any;
- Reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- Recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company;
- Reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Reviewing management letters / letters of internal control weaknesses issued by the statutory auditor.
- Evaluating internal financial controls and risk management systems;
- Reviewing the functioning of the Whistle Blowing mechanism.

Powers of Audit Committee:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary

The minutes of each Audit Committee meeting are placed and confirmed in the next meeting of the Board.

B) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Committee comprised of two Non-Executive Directors of the Board. During the year the Committee met four times on 16th April, 2015, 14th July, 2015, 6th November, 2015, 28th January, 2016. The attendance of the Members of Stakeholders' Relationship Committee was as under:

Name	Status	No. of total 4 Meetings the attended is
Mr. M. N. Ahmed, Chairman	Non-Executive Director	4
Mrs. Supriya P. Rane, Member	Non-Executive Director	4

The terms of reference of this Committee are:

- Oversee and review all the matters connected with the transfer of Company's securities.
- To look into the requests received for issue of duplicate share certificates on account of loss / mutilated certificates etc.

- To issue share certificates upon consolidation or sub-division of shares of the Company.
- Monitor redressal of investors' / shareholders grievances.
- Oversee the performance of the Company's Registrars and Transfer Agents.
- Recommend methods to upgrade the standard of services to the investors.
- Monitor the implementation and compliance of the Company's Code of Conduct

In order to serve the shareholders expeditiously, the Board delegated its powers to approve the transfers / transmissions / dematerialisation / rematerialisation and address the shareholders complaints / requests, to the Managing Director and/or the Company Secretary of the Company. The Company attends to the shareholders'/ Investors' grievances / correspondence expeditiously.

The total numbers of correspondences were received from investors and resolved during the year under review were 21. No complaints were received during the year. There was no valid share transfer pending for registration for more than 30 days as on the said date.

The Company has designated an e-mail ID egovernance@abmindia.com for registering the complaints by investors / shareholders. Mrs. Sarika Ghanekar, Company Secretary is the Compliance Officer.

M/s Universal Capital Securities Pvt. Ltd. is the Registrar and Share Transfer Agent of the Company. All grievances can be addressed to the Registrar and Share Transfer Agent at 21, Shakeel Niwas, Mahakali Caves Road, Andheri (E), Mumbai 400 093. Contact Number: 28207203-05 / 28257641.

C) NOMINATION AND REMUNERATION COMMITTEE:

As on 1st April, 2015 the Nomination & Remuneration Committee consisted of Dr. Ajit C. Kulkarni (Chairman of the Committee) with Mr. Sharadchandra Abhyankar and Mrs. Supriya Rane as members. However Dr. Ajit C. Kulkarni resigned as director from the Company w. e. f. 30th October, 2015 and ceased to be the member of this committee. The Board nominated Mr. Sanjay Mehta – Non-Executive and Independent Director as member of the Committee w. e. f. 28th January, 2016.

During the year under review, three Committee meetings were held on 18th April, 2015, 25th May, 2015 and 25th January, 2016.

The attendance of the Members of Nomination & Remuneration Committee was as under:

Name	Status	Out of total 3 Meetings the attendance is
Dr. Ajit C. Kulkarni, Chairman	Independent and Non-Executive Director	2
Mr. Sharadchandra Abhyankar, Member	Independent and Non-Executive Director	3
Mrs. Supriya P. Rane	Non-Executive Director	3
Mr. Sanjay Mehta	Independent and Non-Executive Director	Nil

The role of Nomination and Remuneration Committee is as follows:

- Determine/ recommend the criteria for appointment of Executive, Non-Executive and Independent Directors, Key managerial Personnel to the Board;
- Determine/ recommend the criteria for qualifications, positive attributes and independence of Director;
- Identify candidates who are qualified to become Directors and who may be appointed in the Management Committee and recommend to the Board their appointment and removal;
- Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits,

bonuses, stock options, pension etc;

- Review and determine fixed component and performance linked incentives for Directors, along with the performance
- Determine whether to extend or continue the term of appointment of independent director, on the basis of the report of performance evaluation of independent directors
- Formulate criteria and carry out evaluation of each Director's performance and performance of the Board as a whole.

POLICY FOR SELECTION, APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Board of Directors are collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows a defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;
- Qualification, expertise and experience of the Directors in their respective fields;
- Size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- Personal, Professional or business standing;
- Diversity of the Board;
- Avoidance of any present or potential conflict of interest;
- Strong interpersonal skills and willingness to devote required time;
- Personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level. The Non- Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, information technology, governance and general management.

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 Nomination & Remuneration Committee for appointment, as an 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 / she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he / she meets the criteria of independence as provided under law.

With changes in the corporate governance norms brought by the Companies Act, 2013 as well as Listing Regulations, the role of Non-Executive Directors and the degree and quality of their engagement with the Board and the Company has undergone significant changes over a period of time. The Company is being hugely benefited from the expertise, advice and inputs provided by the Non-Executive Directors. They devote their valuable time in deliberating on the strategic and critical issues in the course of the Board and Committee meetings of the Company and give their valuable advice, suggestion and guidance to the management of the Company from time to time. The Nomination and Remuneration Committee and / or Board of Directors shall carry out performance review of each of the Non-Executive Directors at least once a year.

The remuneration to Non-Executive Directors comprises of sitting fees and variable commission. The criteria for payment of remuneration is time spent by the Non-Executive Directors at the Audit Committee Meetings, Board Meetings, other Committee Meetings and advice given by them to the Management from time to time on strategic matters.

The remuneration to Executive Directors shall be recommended by Nomination and Remuneration Committee to the Board. The remuneration consists of both fixed compensation and variable compensation and shall be paid as salary, commission, perquisites etc. as approved by the Board and within the overall limits specified in the Shareholders resolution.

Remuneration paid to the Board of Directors during the year under review is as follows:

(₹ In Thousand)

Name of the Director	Status	Salary & Perquisites(₹)	Commission (₹)	Sitting Fees (₹)
Mr. Prakash B. Rane	Managing Director	9,191.02	5,500.00	Nil
Mrs. Supriya P. Rane	Director	Nil	1,973.13	80.00
Mr. M. N. Ahmed	Director	Nil	401.25	88.00
Dr. Ajit C. Kulkarni	Director	Nil	Nil	32.00
Mr. Sharadchandra Abhyankar	Director	Nil	200.63	52.00
Mr. Sanjay Mehta	Director	Nil	100.00	8.00
Total (₹)		9,191.02	8,175.01	260.00

During the year, the Company has paid ₹. 4,50,250/- as professional fees to M/s. Khaitan & Co., a firm in which Mr. Sharadchandra Abhyankar, Director of the Company, is a partner.

Directors

Detailed profile of Director retiring by rotation and being eligible, seeking re-appointment is as below. The same has also been covered under Explanatory Statement to the Notice which is forming part of the Annual Report of the Company.

Mrs. Supriya P Rane: Mrs. Supriya P Rane is a Promoter and Non-Executive Director of the Company. She has been associated with the Company from its inception. She is an Electronic Engineer with a Post Graduate Diploma in System Management. She has considerable management experience, particularly in systems and processes. She provides advice and guidance to the Company for its overall growth to make it a dynamic and progressive organization. The Company has been benefited from her rich experience.

D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility Committee (CSR) has been constituted in accordance with the provisions of Section 135 of the Companies Act, 2013 and the committee:

- Formulates and recommends to the Board, the CSR Policy and activities to be undertaken by the Company;
- Recommends the amount of expenditure to be incurred on CSR activities of the Company;
- Reviews the performance of the Company in area of CSR;
- Monitors CSR Policy of the Company from time to time;
- Monitors the implementation of the CSR projects or programs or activities undertaken by the Company.

The Committee reports regularly to the Board such matters as are relevant to the Company. The CSR Committee currently comprises of:

- Mrs. Supriya P. Rane- Chairperson
- Mr. Sharadchandra Abhyankar- Member
- Mr. Sanjay Mehta- Member

Dr. Ajit C. Kulkarni resigned as director of the Company w. e. f. 30th October, 2015 and ceased to be member of this Committee.

During the Financial Year ended 31st March, 2016, the Committee met on 12th April, 2015 and 19th August, 2015 and 16th January, 2016.

The Company Secretary acts as Secretary to the Corporate Social Responsibility Committee.

E) RISK MANAGEMENT COMMITTEE:

Company has established an effective risk assessment and minimization procedure which is reviewed by the Board. The terms of reference of the Committee inter alia include to formulate and recommend to the Board a Risk Management Plan / Policy, to implement, monitor and review the risk management plan for the Company, to recommend and implement procedures for risk assessment and minimization, to monitor the Risk Management Policy of the Company from time to time, to discharge such other functions and exercise such other powers as may be delegated / directed by the Board of Directors from time to time.

The Risk Management Committee of the Company currently comprises of Mr. Prakash B. Rane as the Chairman and Mr. Sanjay Mehta and Mr. Govind Singh Chauhan as members of the Committee. Due to resignation, Dr. Ajit C. Kulkarni ceased to be member of this Committee.

During the Financial Year ended 31st March, 2016, the Committee met on 21st May, 2015 and 9th March, 2016.

Code for prevention of insider-trading practices:

In compliance with the SEBI regulation on prevention of insider trading, the Company has in place a comprehensive Code of conduct for its Directors and designated employees. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company. The code clearly specifies, among other matters, that Directors and designated employees of the Company can trade in the shares of the Company only during Trading Window is opened. The trading window is closed during the time of declaration of results, dividend and material events, as per the Code. Company Secretary acts as a Compliance Officer for implementation of this code. The Code is also placed on the website of the Company. All Board of Directors and the designated employees have confirmed compliance with the Code.

Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. Audit Committee periodically reviews the existence and functioning of this mechanism. The Company has provided dedicated email address whistleblower@abmindia.com for reporting such concerns. Alternatively, employees can also send written communications to the Company. The employees are encouraged to voice their concerns by way of whistle blowing and all the employees have been given access to the Audit Committee. The Company Secretary is the designated officer for effective implementation of the policy and dealing with the complaints registered under the policy. The Whistle Blower Policy is available on the website of the Company www.abmindia.com.

Certification by Chief Executive Officer:

The certificate of Chief Executive Officer and Chief Financial Officer on the financial statements and the cash flow statement for the year is annexed at the end of the report on Page No. 45. The said certificate is signed by Mr. Prakash B. Rane, Managing Director and Mr. Paresh Golatkar, Chief Financial Officer of the Company.

III. SHAREHOLDERS' INFORMATION:
a) General Information:
23rd Annual General Meeting

Date	: 12 th August, 2016
Time	: 11.00 a.m.
Venue	: 1 st Floor, Dadar Bhagini Samaj, 3 rd Lane, Hindu Colony, Dadar (E), Mumbai- 400 014
Date of Book Closure	: 6 th August, 2016 to 12 th August, 2016 (both days inclusive)
Dividend Payment Date	: On or before September 11, 2016 (Subject to shareholders' approval)
Corporate Identity Number (CIN) of the Company	: L67190MH1993PLC113638

b) Address for Correspondence :
Registered Office of the Company

Shareholder can correspond at the Registered Office of the Company at Mumbai i.e. ABM House, Plot No. 268, Linking Road, Bandra (West), Mumbai- 400 050.

c) Share Transfer Agent :

Registrar & Share Transfer Agents: M/s. Universal Capital Securities Private Limited, 21, Shakeel Niwas, Mahakali Caves Road, Andheri (E), Mumbai- 400 093. Contact Number: 28207203-05/28257641.

d) General Body Meetings:

The last three Annual General Meetings (AGM) of the Company were held on the following dates and time:

Date	Time	Address	Special Resolution
20 th AGM on 24.07.2013	10.00 a.m.	Dadar Bhagini Samaj, 1 st Floor, Hindu Colony, Dadar (E), Mumbai- 400 014	—
21 st AGM on 18.09.2014	10.30 a.m.	Dadar Bhagini Samaj, 1 st Floor, Hindu Colony, Dadar (E), Mumbai- 400 014	—
22 nd AGM on 20.08.2015	11.00 a.m.	Dadar Bhagini Samaj, 1 st Floor, Hindu Colony, Dadar (E), Mumbai- 400 014	Special Resolution passed for Re-appointment of Mr. Prakash B. Rane as a Managing Director of the Company and revision of his remuneration.

Postal Ballot:

During the year, the Company has conducted the Postal Ballot pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014 and regulation 44 (1) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 for obtaining Shareholders' approval by

way of special resolution for Sub-division of 1 (one) Equity Share of ₹ 10/- into 2 (two) Equity Shares of ₹ 5/- each. The Company had also offered e-voting facility, through National Securities Depository Limited, as an alternate, to enable the shareholders to cast their votes electronically.

The Board had appointed Mr. Upendra Shukla, Practising Company Secretary, as the scrutinizer to conduct the Postal Ballot process. The results of the postal ballot were declared on 28th March, 2016.

Details of the voting pattern were as under:

Description of Special Resolution	No. of total valid Postal Ballot Forms / e-votes received	Votes Cast (No of Shares)	
		For	Against
Approval for Sub-division of 1 (one) Equity Share of ₹ 10/- into 2 (two) Equity Shares of ₹ 5/- each.	50	65,05,513	100

Accordingly the said Resolution was approved by the shareholders, with requisite majority.

None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

e) Financial Calendar 2016-2017

(Tentative and subject to change)

- Financial Results for the:
 - Quarter ending 30th June, 2016
 - Quarter ending 30th September, 2016
 - Quarter ending 31st December, 2016
 - **Year ending 31st March, 2017**
 - **Annual General Meeting 2016-2017**
- Within 45 days of end of respective quarter
By 30th May, 2017
By September, 2017

IV. OTHER DISCLOSURES:

The Company has followed the guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

Disclosure on Materially Significant Related Party Transactions:

There were no materially significant related party transactions compared to business volume of the Company during the year conflicting with the interest of the Company at large.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters. The Company has formulated a Policy on Related Party Transactions which is also available on Company's website www.abmindia.com. Transactions with Related Party have been disclosed in Note No. 2.29 of the Notes on Financial Statements in the Annual Report.

Risk Management:

Risk evaluation and management is an ongoing process within the Company. The Company's Board is responsible for ensuring existence of adequate policies in relation to risk management, compliance and internal control systems. The Company policies are designed to ensure strategic, operational, legal, reputation and financial risks are identified, assessed, effectively and efficiently managed and monitored to enable achievement of the Company's business objectives.

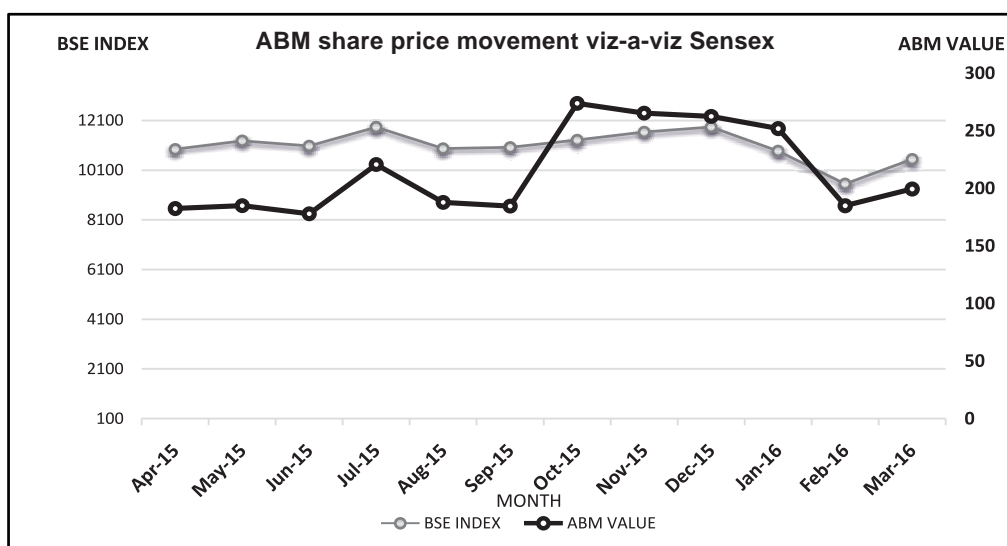
Listing At Stock Exchange:

The Equity Shares of the Company are listed at BSE Limited, Dalal Street, Fort, Mumbai Code No. ABMKNOWLEDGE: 531161.

Listing and Market Price Data:

The high and low prices of every month during the financial year 2015-2016 are given below:

Month	High	Low	Close	Volume (Number)
April 2015	258.00	161.90	182.50	2,60,281
May 2015	215.00	173.60	185.10	74,890
June 2015	205.00	164.80	178.00	69,159
July 2015	246.80	180.10	220.80	2,11,241
August 20145	233.00	169.70	187.90	99,604
September 2015	208.80	167.00	184.60	39,990
October 2015	315.00	181.20	273.90	4,17,910
November 2015	288.80	232.00	265.40	1,36,370
December 2015	278.00	242.90	262.60	1,16,365
January 2016	315.00	221.20	252.00	2,03,086
February 2016	277.00	170.00	185.00	50,583
March 2016	224.00	181.20	199.50	74,099



Share Transfer System:

Share Transfers in physical form shall be lodged with M/s. Universal Capital Securities Private Ltd. at their registered office address. Transfer / Transmission of shares held in physical mode and related matters are approved by the Stakeholders Relationship Committee. Transfer of shares is effected and share certificates are dispatched within a period of 15 days from the date of receipt of relevant documents, provided they are complete in all respects. During the year, 950 shares in physical form were transferred.

In respect of shares held in dematerialized mode, the transfer takes place instantaneously between transferor and transferee at the depository participant(s) through electronic debit / credit of the accounts involved.

As per the Listing Regulations, the Company has obtained the half yearly certificates from the Company Secretary in Practice for compliance of share transfer formalities and the same have been submitted to the Stock Exchanges.

A qualified Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) ("Depositories") and the total issued and listed capital. The audit report confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories).

Shareholding Pattern and Distribution of Shares - as at 31st March, 2016:

SHAREHOLDING PATTERN			DISTRIBUTION OF SHAREHOLDING				
Category	No. of Shares	% to the Total Paid up Capital	Category of Shares	Shareholders		Respective Shareholding	
				Total	%	Total	%
Promoters	6492900	64.92	1-500	2614	82.435	375280	3.752
NRI/OCBs	1191079	11.91	501-1000	251		200138	2.001
Indian Public	1660645	16.61	1001-2000	141	7.915	214136	2.141
Bodies Corporate	531245	5.31	2001-3000	48	4.447	120512	1.205
Others:	-	-	3001-4000	25	1.514	92045	0.920
Directors & their Relatives	21300	0.21	4001-5000	17	0.788	79737	0.797
Clearing Members/ Foreign Nationals / Mutual Funds /NBFCs registered with RBI	8248	0.08	5001-10000	42	0.536	311588	3.116
Foreign Portfolio Investors	95683	0.96	10001-Above	33	1.325	8607664	86.067
Total	10001100	100.00		3171	100.00	10001100	100.00

By Passing a Special Resolution through postal ballot process on 23rd March, 2016 one equity share of ₹ 10/- each is subdivided into 2 equity shares of ₹ 5/-each. However the Corporate Action was pending as on 31st March, 2016 and it was completed on 12th April, 2016.

Dematerialization of Shares:

The Shares of the Company are compulsory traded in the dematerialized form on Stock Exchange by all investors. As on 31st March, 2016, 83.61% shares of the Company are held in dematerialized form.

After sub-division of equity shares of the Company, the new International Securities Identification Number (ISIN) allotted to the Company's equity shares is ISIN INE850B01026.

Shares held by Non-Executive Directors of the Company as on date of this report:

Mrs. Supriya P.Rane: 24,54,000

Mr. M.N. Ahmed: Nil. (Relatives of Mr. M. N. Ahmed are holding 42,600 Equity Shares).

Mr. Sharadchandra Abhyankar: Nil

Mr. Sanjay Mehta: Nil

Dr. Sumit Chowdhury: Nil

Transfer of Unclaimed Dividend to Investor Education & Protection Fund (IEPF):

Pursuant to Sections 205A and 205C and other applicable provisions of the Companies Act, 1956, dividends that are unclaimed for a period of seven years, are statutorily required to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government, and thereafter, cannot be claimed by the investors.

Shareholders who have not encashed / claimed the dividend are requested to write to Registrar and Share Transfer Agent of the Company for claiming the dividend. Members are further requested to note that after completion of 7 years, no claim shall lie against the Company for the amounts of dividend so transferred, nor shall any payment be made in respect of such claims.

Dates of declaration of dividends since 2006-2007 and the dates by which they can be claimed by the shareholders are given in the table below:

Financial Year	Date of Declaration	Last Date for claiming unpaid dividend (before)
2006-2007	26.09.2007	Transferred to IEPF
2007-2008	25.09.2008	Transferred to IEPF
2008-2009	25.08.2009	28.09.2016
2009-2010	29.07.2010	01.09.2017
2010-2011	25.08.2011	29.09.2018
2011-2012	25.07.2012	28.08.2019
2012-2013	24.07.2013	27.08.2020
2013-2014	18.09.2014	22.10.2021
2014-2015	20.08.2015	24.09.2022

Subsidiary Companies:

The Company has no Subsidiary.

Proceeds from Public Issues, Rights Issues, Preferential Issues etc.:

No money was raised through Public / Rights / Preferential Issues during the year.

Compliance with the discretionary requirements under Listing Regulations:

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

i) Audit qualifications:

Company's financial statements are unqualified.

ii) Reporting of Internal Auditor:

The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchange, in

accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.

The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the Listing Regulations.

Disclosure on Website:

Following information has been disseminated on the website of the Company at www.abmindia.com;

1. Details of business of the Company.
2. Terms and conditions of appointment of Independent Directors.
3. Code of Conduct for Board of Directors and Senior Management Personnel.
4. Whistle Blower policy.
5. Nomination & Remuneration Policy.
6. Policy on dealing with Related Party Transactions.
7. Details of familiarization programmes imparted to Independent Directors.
8. Policy for determination of materiality of events.
9. Corporate Responsibility Policy.
10. Board Diversity Policy.
11. Code of Conduct to Regulate, Monitor and Report Trading by Insiders.
12. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

Means of Communication:

- a) The quarterly and half yearly results are published in Navshakti (in Marathi) and Free Press Journal (in English) within 48 hours from the date of declaration. These are not sent individually to the Shareholders.
- b) The Company's results and official news releases are displayed on the Company's website i.e. www.abmindia.com.
- c) The Company has designated the email-id egovernance@abmindia.com for redressal of the investor grievances.
- d) The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchange are filed through BSE Listing Centre, for dissemination on their website.
- f) The Management Discussion & Analysis Report forms part of this Annual Report.

For and on behalf of the Board

Date : 25th May, 2016
Place: Mumbai

Prakash B. Rane
Managing Director
(DIN: 00152393)

Sharadchandra Abhyankar
Director
(DIN: 00108866)

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of ABM Knowledgeware Limited ("the Company"), to the best of our knowledge and belief certify that:

1. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2016 and to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any 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 the existing accounting standards, applicable laws and regulations.
2. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - (i) Significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.

For and on behalf of the Board

Date : 25th May, 2016
Place: Mumbai

Prakash B. Rane
Managing Director (DIN: 00152393)

Paresh Golatkar
Chief Financial Officer

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

[Requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To The Members of

ABM KNOWLEDGEWARE LIMITED

We have examined the compliance of conditions of Corporate Governance by ABM KNOWLEDGEWARE LIMITED ('the Company') for the year ended 31st March, 2016, as stipulated in Clause 49 of Listing Agreement and as per clause C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the

compliance of the conditions of the Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations.

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 Borkar & Muzumdar
Chartered Accountants
Firm Registration No. 101569W

Date: 25th, May 2016
Place: Mumbai

Rajesh Batham
Partner
(M.No. 35941)

**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 Personnel) Rules, 2014]

To,
The Members,
ABM Knowledgeware Limited,
CIN : L67190MH1993PLC113638
ABM House, Plot No. 268,
Linking Road, Bandra (W),
Mumbai- 400 050

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ABM Knowledgeware Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the ABM Knowledgeware Limited 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 Contracts (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 borrowing – not applicable since the Company does not have any FDI, ODI or ECB;
- (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 (upto 14th May,2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effect from 15th May,2015).

I report that during the year under review there was no action/event in pursuance of –

- a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- b) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998; and
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- d) The Securities and Exchange Board of India (Issue and Listing of Debts Securities) Regulations, 2008;
- e) The Securities and Exchange Board of India (Employees Stock Option Scheme and employees Stock Purchase Scheme) Guidelines, 1999 and/or SEBI (Share Based Employee Benefits) Regulations, 2014.
- f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client.
- (vi) The Acts / Guidelines specifically applicable to the Company: The management has confirmed that there is no specific law as identified and applicable to the Company.

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

- a) Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of the Company Secretaries of India (effective from 1st July, 2015); and
- b) Listing Agreement entered into by the Company with the Stock Exchanges in India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. 1st December, 2015).

I report that during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above.

I 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 year under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed proposal on agenda were sent in advance duly complying with the time limits specified 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.
- As per the minutes of the meeting duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit and also on the review of quarterly compliance reports by respective department heads / Company Secretary, which are reviewed by the Managing Director and taken on record by the Board of Directors of the Company, in my opinion adequate systems and processes and control mechanism exists commensurate with the size and operation of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

I further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

I further report that during the audit period, except sub-division of share capital (one Equity Share of ₹ 10/- each was sub-divided into two Equity Shares of ₹ 5/- each), there was no other specific event/action in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above, having major bearing on the Company's affairs.

Place: Mumbai
Date :May 23, 2016

(U.C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP: 1654

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF****ABM Knowledgeware Limited**

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

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 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

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

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.

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.

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 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

1. As required by 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 the paragraph 3 and 4 of the order. .
2. As required by the 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, Statement of Profit and Loss and 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 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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"; and
 - 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 2.25 of the financial statements;
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Date: 25th, May 2016
Place: Mumbai

For Borkar & Muzumdar
Chartered Accountants
Firm Registration No.:101569W
Rajesh Batham
Partner
(M.No. 035941)

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2016, we report that:

i. FIXED ASSETS:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) Fixed assets have been physically verified by the management at reasonable intervals. We are informed that 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, all the title deeds of immovable properties are held in the name of the Company.

ii. INVENTORIES :

The Company is a service company, primarily rendering software services and does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

iii. LOANS GIVEN BY COMPANY :

Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

iv. LOAN TO DIRECTOR AND INVESTMENT BY COMPANY:

Company has not granted any loan to any director or parties covered under section 185 and in respect of investments the Company has complied with the provisions of section 186 of the Companies Act, 2013 during the year. No such Guarantee or Security was given during the year.

v. DEPOSITS FROM PUBLIC :

The Company has not accepted any deposits from the public during the year.

vi. COST RECORDS :

According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 in respect of operations carried out by the Company.

vii. STATUTORY DUES :

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, value added tax, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, value added tax, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable. However, according to information and explanations given to us, the following dues of income tax, service tax, Property Tax and value added tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (in ₹ 000's)	Period to which the amount relates	Forum where dispute is pending
Service Tax	Disallowance of Cenvat Credit on Rent	1,767.62	F.Y. 2010-2014	Assistant Comm. Of ST
Service Tax	Disallowance of Cenvat Credit on Sponsorship Services	411.27	F.Y. 2010-2014	Assistant Comm. Of ST
Service Tax	Disallowance of Cenvat Credit on Life Insurance Services (mediclinam)	375.13	F.Y. 2010-2014	Assistant Comm. Of ST
Property Tax	Property Tax Payable	4,411.23	F.Y. 2013-2016	MCGM , Assessment and Collection Department, Mumbai
Total		6,965.25		

i. REPAYMENT OF LOANS :

In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of borrowing obtained in the form of Overdraft facility (ODBD Facility) from Canara Bank, Fort branch and Canara Bank, Prabhadevi branch amounting to ₹ 2.5 Cr (1.25 Cr. each branch) nor has it defaulted in respect of the non-fund based facility in the form of Bank Guarantee of ₹ 20 Cr. (Refer to Note no 2.15 (ii) of Notes to accounts)

ii. UTILISATION OF IPO AND FPO:

The Company did not raise 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.

iii. REPORTING OF FRAUD:

According to the information and explanations given by the management, there was no fraud noticed or reported by the company or any fraud on the Company by its officers or employees during the year.

iv. APPROVAL OF MANAGERIAL REMUNERATION:

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.

v. NIDHI COMPANY:

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.

vi. RELATED PARTY TRANSACTIONS:

According to the information and explanations given to us, the Company has disclosed all the transactions with related parties during the year in the Financial Statements and the same are in accordance with section 177 and 188 of Companies Act, 2013 and as required by the applicable Accounting Standards. (Refer to Note no 2.29 of Notes to Accounts).

vii. PREFERENTIAL ALLOTMENT / PRIVATE PLACEMENT:

According to the information and explanations given to us the Company has not made any preferential allotment or private placement of shares / fully or partly convertible debentures, during the year under audit.

viii. NON CASH TRANSACTIONS:

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. Accordingly, paragraph 3(xv) of the Order is not applicable.

ix. REGISTRATION U/S 45IA OF RBI ACT, 1934:

The Company is not required to be registered under section 45-IA of RBI Act, 1934.

**For Borkar & Muzumdar
Chartered Accountants
Firm Registration No.:101569W**

**Rajesh Batham
Partner
(M.No. 035941)**

**Date: 25th, May 2016
Place: Mumbai**

ANNEXURE - B TO THE AUDITORS' REPORT
Report on the Internal Financial Controls under Clause (i) of
Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **ABM Knowledgeware Limited ("the Company")** as of 31st March 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

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 Companies Act, 2013.

Auditors' Responsibility

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls 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.

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.

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

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

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

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 31 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.

Date: 25th, May 2016
Place: Mumbai

For Borkar & Muzumdar
Chartered Accountants
Firm Registration No.:101569W
Rajesh Batham
Partner
(M.No. 035941)

BALANCE SHEET AS AT 31ST MARCH, 2016

(In ₹ Thousand)

	Note	As at 31 st March, 2016	As at 31 st March, 2015
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	2.1	102,415	102,415
b) Reserves and Surplus	2.2	907,215	761,597
		1,009,630	864,012
2 Non-current Liabilities			
a) Deferred Tax Liabilities (net)	2.3	13,848	14,141
b) Other Long Term Liabilities	2.4	325	525
c) Long Term Provisions		-	-
3 Current Liabilities			
a) Trade Payables	2.5		
i) Total outstanding dues of micro Enterprises and small enterprises		447	315
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
		46,414	190,695
b) Other Current Liabilities	2.6	18,942	34,901
c) Short-term Provisions	2.7	30,716	24,441
		96,519	250,352
TOTAL		1,120,322	1,129,030
II ASSETS			
1 Non-current Assets			
a) Fixed assets			
i) Tangible assets	2.8	261,377	267,147
ii) Intangible assets	2.8	9,452	12,600
b) Non-current investments	2.9	18	18
c) Long-term loans and advances	2.10	51,262	51,267
d) Other Non-current Assets	2.11	2,230	2,220
		324,339	333,252
2 Current Assets			
a) Current investments	2.12	152,747	28,730
b) Unbilled Revenue(Includes WIP)	2.13	115,384	15,196
c) Trade Receivables	2.14	200,785	558,365
d) Cash and cash equivalents	2.15	304,219	174,218
e) Short-term Loans and Advances	2.16	6,281	5,167
f) Other Current Assets	2.17	16,567	14,102
		795,983	795,778
TOTAL		1,120,322	1,129,030
Significant Accounting Policies	1		

As per our Report of even date

For Borkar & Muzumdar
 Chartered Accountants
 Firm Registration No.:101569W
Rajesh Batham
 Partner
 (M.No. 35941)
 Mumbai
 25th May, 2016

For and on behalf of the Board

Prakash B. Rane - Managing Director (DIN: 00152393)
Sharadchandra Abhyankar - Director (DIN: 00108866)
Sarika A. Ghanekar - Company Secretary
Paresh M. Golatkar - Chief Financial Officer

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

(In ₹ Thousand)

	Note	Year ended 31 st March, 2016	Year Ended 31 st March, 2015
1			
Revenue From Operations (Net of Service tax)	2.18	772,021	820,899
2			
Other Income	2.19	18,769	20,804
3			
Total Revenue		790,790	841,703
4			
Expenses:			
a) Employee Benefit Expenses	2.20	256,949	210,117
b) Operating Expenses	2.21	180,744	301,564
c) Other Expenses	2.22	63,451	46,817
Total Expenses		501,144	558,498
5			
Earnings Before Exceptional Items And Extraordinary Items, Interest, tax, Depreciation And Amortisation (EBITDA) (3 - 4)		289,646	283,205
6			
Finance Cost	2.23	3,067	2,050
7			
Depreciation And Amortisation Expenses	2.24	16,808	17,245
8			
Profit Before Exceptional And Extraordinary Items And Tax (5 - 6 - 7)		269,771	263,910
9			
Exceptional Items		-	-
10			
Profit / Loss Before Extraordinary Items And Tax (8 - 9)		269,771	263,910
11			
Extraordinary Items		-	-
12			
Profit / Loss Before Tax (10-11)		269,771	263,910
13			
Tax Expense:			
a) Current Tax Expense For Current Year		92,520	84,715
b) Current Tax Expense Relating To Prior Years		1,834	-
c) Deferred Tax Liability / (Asset)		(294)	4,081
14			
Profit / Loss From Continuing Operations (12 - 13)		175,711	175,114
Significant Accounting Policies	1		

As per our Report of even date

For Borkar & Muzumdar
 Chartered Accountants
 Firm Registration No.:101569W
Rajesh Batham
 Partner
 (M.No. 35941)
 Mumbai
 25th May, 2016

For and on behalf of the Board

Prakash B. Rane - Managing Director (DIN: 00152393)
Sharadchandra Abhyankar - Director (DIN: 00108866)
Sarika A. Ghanekar - Company Secretary
Paresh M. Golatkar - Chief Financial Officer

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

(In ₹ Thousand)

	2015-2016	2014-2015
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax as per Profit and loss a/c	269,771	263,909
Adjusted for:		
Net prior year adjustments	108	681
Loss on Sale/ Discard of assets	1,082	-
Depreciation and amortisation Expense	16,808	17,245
Net gain on Sale of Investments	(41)	-
Dividend Income	(4,061)	(3,662)
Interest Income	(11,953)	(10,714)
Finance Costs	3,067	1,851
Provision & Accounts written off for doubtful Trade and Other Receivables	6,719	2,197
Operating Profit before Working Capital changes	281,499	271,506
Adjusted For:		
Trade and other Receivables	250,926	(149,490)
Trade and other Payables	(160,311)	39,878
Inventories	-	-
Cash generated from operations	372,114	161,894
Net Prior Year Adjustments	(108)	(681)
Taxes Paid	(94,992)	(82,259)
Net Cash flow from Operating Activities	277,015	78,954
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(9,697)	(18,316)
Sale of Fixed Assets / Transfer of Participating Interest	725	-
Purchase / addition of Investments	(487,297)	(313,660)
Sale of Investments	363,280	298,500
Movement in Loans and Advances	(3,198)	(10,744)
Interest Income	11,953	10,744
Dividend Income	4,061	3,662
Profit on sale of investment	41	-
Net Cash (Used in) Investing Activities	(120,132)	(29,843)
CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Short Term Borrowings	-	-
Dividends paid (Including Dividend distribution tax)	(23,814)	(23,147)
Finance costs	(3,067)	(1,851)
Net Cash Used in / From Financing activities	(26,882)	(24,998)
Net Increase / (Decrease) in cash and Cash equivalents	130,001	24,113
Opening Balance Of Cash and Cash Equivalents	174,218	150,105
Closing Balance Of Cash and Cash Equivalents	304,219	174,218

As per our Report of even date

For Borkar & Muzumdar
 Chartered Accountants
 Firm Registration No.:101569W
Rajesh Batham
 Partner
 (M.No. 35941)
 Mumbai
 25th May, 2016

For and on behalf of the Board

Prakash B. Rane - Managing Director (DIN: 00152393)
Sharadchandra Abhyankar - Director (DIN: 00108866)
Sarika A. Ghanekar - Company Secretary
Paresh M. Golatkar - Chief Financial Officer

Notes on Financial Statements for the Year ended 31st March, 2016**COMPANIES OVERVIEW**

ABM KNOWLEDGEWARE LTD. (the 'Company') is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE). The Company is one of the few information technology (IT) services companies with exclusive focus on e-governance since 1998.

1. SIGNIFICANT ACCOUNTING POLICIES**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:-**

These financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (Indian GAAP) 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 2013 Act") and the guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 USE OF ESTIMATES:-

The preparation of the financial statements in conformity with Indian GAAP requires that the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) at the date of the financial statements and the reported amounts of revenues and expenses during the year. The Management believes that the estimates used in preparation of financial statements are prudent and reasonable. Estimates and underlying assumptions are reviewed at each Balance Sheet date. The Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.3 REVENUE RECOGNITION:-

The Company derives revenue primarily from software development, maintenance of software / hardware and related services, business process services, sale of IT and other products.

I) SERVICES:-

The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues and costs depends on the nature of the services rendered:

a. Time and material contracts:-

Revenues and costs relating to time and material contracts are recognized as the related services are rendered.

b. Fixed-price contracts:-

Revenues from fixed-price contracts, including systems development and integration contracts are recognized using the percentage-of-completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable. When

total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

"Unbilled revenues" represent cost and earnings in excess of billings as at the end of the reporting period. "Unearned revenues" represent billing in excess of revenue recognized. Advance payments received from customers for which no services have been rendered are presented as "Advance from customers".

c. Maintenance Contracts:-

Revenue from maintenance contracts is recognized ratably over the period of the contract using the percentage of completion method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognized on a straight-line basis over the specified period unless some other method better represents the stage of completion.

In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognized with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilized by the customer is recognized as revenue on completion of the term.

II) PRODUCTS:-

Revenue from sale of products is recognised when the significant risks and rewards of ownership has been transferred in accordance with the sales contract. Revenue from product sales is shown net of excise duty and net of sales tax separately charged and applicable discounts.

The company presents revenue net of indirect taxes in its Statement of Profit and Loss.

1.4 PROVISIONS AND CONTINGENCIES:-

PROVISIONS:-

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

CONTINGENT LIABILITIES:-

Contingent liabilities, where existence will be confirmed either by the occurrence or the non-occurrence of one or more uncertain future events, are not recognized in the books of the Company, but are disclosed by way of a note to the Balance Sheet. Contingent liabilities are periodically assessed by the management, and provision is made in the books where it becomes probable that an outflow of Future Economic Benefits will be required for an item previously dealt with, as a contingent liability, in the period in which there is a change in probability.

CONTINGENT ASSETS:-

Contingent Assets are neither recognized in the books of accounts nor disclosed in any manner in the financial statements.

1.5 TANGIBLE ASSETS:-

Tangible assets are stated at their cost of acquisition or construction. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use,

other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. The Company has adopted the provisions of para 46 / 46A of AS 11 The Effects of Changes in Foreign Exchange Rates, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares are usually charged to the profit and loss statement as and when consumed. However if such Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

Capital work-in-progress: Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest. Fixed assets acquired and put to use for project purpose are capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

1.6 INTANGIBLE ASSETS:-

Intangible assets are recognised only when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. Intangible assets are stated at cost except for assets acquired under the composite scheme of amalgamation and arrangement which are recorded at fair value, less accumulated amortisation and impairment loss, if any.

Subsequent expenditure on an intangible asset after its purchase / completion is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its original assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

1.7 DEPRECIATION AND AMORTISATION:-

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Where cost of a part of the asset is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined by the management. Lease hold assets are amortized over a period of lease.

Depreciation for assets / sold during a period is proportionately charged. Intangible assets are amortised over their estimated useful lives on straight line method commencing from the date the asset is available to the company for its use.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically, including at each financial year end.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

1.8 IMPAIRMENT:-

The carrying values of assets /cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discounting factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have

decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

1.9 INVESTMENTS:-

Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long term based on Management's intention. Current investments are carried at the lower of cost and fair value of each investment individually. Long Term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment. Cost of investments includes acquisition charges such as brokerage, fees and duties.

1.10 GOVERNMENT GRANTS, SUBSIDY AND EXPORT INCENTIVE:-

Government grants and subsidies are recognised only when there is reasonable assurance that the conditions attached to them will be complied with and grants / subsidies will be received. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

1.11 OTHER INCOME:-

Profit from sale of investments is recorded on transfer of title from the company and is determined as the difference between the sale price and carrying value of the investment. Interest income is accounted on accrual basis. Dividend income is accounted for, when the right to receive income is established. Any other incomes are recognized when it is earned and right to receive is established.

1.12 INVENTORIES:-

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost is determined by the weighted average cost method. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

1.13 BORROWING COSTS:-

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

1.14 EMPLOYEE BENEFITS:-

Employee benefits include provident fund, employee state insurance scheme, and gratuity fund. Employee benefits such as salaries, performance incentives, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident fund and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense in the Statement of Profit and Loss in the period in which the service is rendered.

Gratuity: The company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") with LIC of India covering eligible employees. In the gratuity plans provides a lump-sum payment to vested employees at retirement,

death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company recognizes the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with Accounting Standard (AS) 15, 'Employee Benefits'. The Company's overall expected long-term rate-of-return on assets has been determined based on consideration of available market information, current provisions of Indian law specifying the instruments in which investments can be made, and historical returns. The discount rate is based on the Government securities yield. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss in the period in which they arise.

Provident Fund: Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The company's contribution is recognized in Profit and loss a/c.

1.15 FOREIGN CURRENCY TRANSACTIONS:-

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or at rates that closely approximate the rate at the date of transaction. Foreign currency monetary items outstanding at the year end (other than derivative contracts) are translated at the exchange rate prevailing as at the balance sheet date. Non-monetary items such as investments are carried at historical cost using the exchange rates on the date of the transaction. Exchange differences arising on settlement or conversion of short-term foreign currency monetary items are recognised in the Statement of Profit and Loss or capital work in progress / fixed assets. Exchange differences relating to long term foreign currency monetary items in so far as they relate to acquisition of a depreciable capital assets is adjusted to the cost of such capital asset and depreciated over the balance useful life of such asset, and in other cases, such differences are accumulated in "Foreign Currency Monetary Translation Difference Account" and amortised in the Statement of Profit and Loss over the balance period of such long term foreign currency monetary items. Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the balance sheet date.

1.16 TAXES ON INCOME:-

Income Tax is accounted for in accordance with Accounting Standard 22 on Accounting for taxes on Income read with Income Computation Disclosure Standard. Taxes comprise both current and deferred tax.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to

realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

Tax on distributed profits payable in accordance with the provisions of Section 115O of the Income tax Act, 1961, is, in accordance with the Guidance Note on Accounting for Corporate Dividend Tax, regarded as a tax on distribution of profits and is not considered in determination of the profits for the year.

1.17 EARNINGS PER SHARE:-

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues, including for changes effected prior to the approval of the financial statements by the Board of Directors.

1.18 LEASES:-

(I) Finance Lease: Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year. Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Lease under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower.

(II) Operating Leases: Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

Lease payments under operating leases are recognized as an expense on a straight-line basis in the Statement of Profit and Loss over the lease term.

1.19 RELATED PARTY TRANSACTIONS:-

All the related party transactions entered into by the company in its ordinary course of business and undertaken at an arm's length basis and the same are entered in to the register maintained as per the provisions of Companies Act 2013.

1.20 INTERIM REPORTING:-

The Company has follow AS-25 Interim Reporting while preparing Interim Financials Report whenever prepared or as required by the Listing Agreement.

1.21 PRIOR PERIOD ITEMS AND EXTRAORDINARY AND EXCEPTIONAL ITEMS:-

Prior Period Items are income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods. A separate disclosure along with the nature and amount is made in the financial statement.

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events / transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

1.22 DEBTORS / CREDITORS:-

Debtors / Creditors are stated at book value after making provisions for doubtful Debts and are subject to confirmation.

1.23 SEGMENTAL REPORTING:-

The Accounting Standard 17 – “Segmental Information”, notified by the Companies (Accounting Standards) Rules, 2006 is not mandatory for Small and Medium Sized Companies and Small and Medium Sized non-corporate entities, thus disclosure of segment-wise information is not required under the said Standard to the Company. Moreover, the Company's business activity comprises of single business segment i.e. Software and services and a geographical segment i.e. India.

1.24 RESEARCH AND DEVELOPMENT EXPENDITURE:-

All revenue expenses pertaining to research and development are charged to the Profit and Loss Account in the year in which these are incurred and expenditure of capital nature is capitalized as fixed assets.

1.25 CASH FLOW STATEMENT:-

The cash flow statement are reported using the “indirect method” set out in Accounting Standard 3 “Cash Flow Statements” whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered, highly liquid bank balances.

1.26 CASH AND CASH EQUIVALENTS:-

Cash and cash Equivalents comprise cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Notes on Financial Statements for the Year ended 31st March, 2016

Amounts in the financial statements are presented in Rs. thousands, except for per equity share data and number of shares are stated in absolute figures.

Note 2.1 Share Capital

(In ₹ Thousand)

	As at 31 st March, 2016		As at 31 st March, 2015	
	Number	Amount	Number	Amount
a) Authorised				
Equity Shares of ₹ 10/- each at Par with voting rights	-	-	12,500,000	125,000
Equity Shares of ₹ 5/- each at Par with voting rights	25,000,000	125,000	-	-
b) Issued				
Equity Shares of ₹ 10/- each at Par with voting rights	-	-	10,350,000	103,500
Equity Shares of ₹ 5/- each at Par with voting rights	20,700,000	103,500	-	-
c) Subscribed & Fully Paid up				
Equity Shares of ₹ 10/- each at Par with voting rights	-	-	10,001,100	100,011
Equity Shares of ₹ 5/- each at Par with voting rights	20,002,200	100,011	-	-
d) Subscribed but not Fully Paid up				
c) Subscribed & Fully Paid up				
Equity Shares of ₹ 10/- each at Par with voting rights	-	-	348,900	2,404
Amount Paid up				
Equity Shares of ₹ 5/- each at Par with voting rights	697,800	2,404	-	-
Amount Paid up				
Total	20,700,000	102,415	10,350,000	102,415

Refer Notes below 2.1(i) to 2.1(vi)

Note 2.1(i) Reconciliation of the number of shares and the amount outstanding at the beginning and at the end of the reporting period.

(In ₹ Thousand)

Particulars	Opening Balance	Fresh Issue	Bonus	ESOP	Conversion	Buy Back	Other Changes (Shares split -up from ₹10 per share to ₹ 5 per share)	Closing balance
Year Ended 31.3.2016								
a) Number	10,350,000	-	-	-	-	-	10,350,000	20,700,000
b) Amount (₹)	102,415	-	-	-	-	-	-	102,415
Year Ended 31.3.2015								
a) Number	10,350,000	-	-	-	-	-	-	10,350,000
b) Amount (₹)	102,415	-	-	-	-	-	-	102,415

Note 2.1(ii) Details of Shares held by each shareholder holding more than 5% shares

	As at 31 st March, 2016		As at 31 st March, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Prakash Baburao Rane	9,542,300	47.71	4,771,150	47.71
Supriya Prakash Rane	2,454,000	12.27	1,227,000	12.27
Total	11,996,300	59.98	5,998,150	59.98

(The number of shares are taken after split for the year 2016 refer note 2.1 (v) below)

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.1(iii) Details of Shares forfeited

(In ₹ Thousand)

Class of shares	As at 31 st March, 2016		As at 31 st March, 2015	
Equity Shares with voting rights	697,800	2,404	348,900	2,404
Total	697,800	2,404	348,900	2,404

Note 2.1(iv) Details for the period of five years immediately preceding the date as at which the Balance Sheet is prepared

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
(A) Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash.	-	-	-	-	-
(B) Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.	-	-	-	-	-
(C) Aggregate number and class of shares bought back.	-	-	-	-	-

Note 2.1(v) Other details:-

The Board of Directors have approved to split the shares vide their resolution dated 28/01/2016, to subdivide each share of ₹ 10/- into 2 shares of ₹ 5/- each. This was approved by the Shareholders by postal ballot by way of passing special resolution on 23/03/2016 and by the BSE on 11/04/2016.

Note 2.1(vi)

The Central Government, in consultation with the National Advisory Committee on Accounting Standards, has amended the Companies (Accounting Standards) Rules, 2006 ("Principal Rules") through a notification issued by the Ministry Of Corporate Affairs dated March 30, 2016. The Companies (Accounting Standards) Rules, 2016 is effective March 30, 2016. According to the amended rules, the above mentioned proposed dividend will not be recorded as a liability as at March 31, 2016 (Refer to para 8.5 of AS 4-Contingencies and Events Occuring after the balance sheet date). The company believes that the Rule 3(2) of the principal rules has not been withdrawn or replaced and accordingly, the Companies (Accounting Standards) Rule, 2016 will apply for the accounting periods commencing on or after March 30, 2016. Therefore the company has recorded ₹ 30,093 thousands as liability for proposed dividends (including Corporate Dividend Tax) as at March 31, 2016.

Note 2.2 Reserves and Surplus

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) General Reserves		
Opening Balance	30,805	31,600
Add: Additions during the year	-	-
Less: Utilised/Transferred during the year	-	795
Closing Balance	30,805	30,805
b) Surplus / Deficit in statement of profit/Loss a/c		
Opening balance	730,792	579,776
Add: Net Profit/(Net Loss) For the current year	175,711	175,114
Add: Amount Transferred from Reserves	-	-
General Reserves	-	-
Other reserves	-	-
Less: Dividend proposed to be distributed to equity [Refer Note 2.2 (i)]	-	-
Shareholders (₹ 1.25 per share for F.Y. 15-16 & ₹ 2 per share for F.Y. 14-15)	25,003	20,002
Tax on dividend	5,090	4,095
Less: Transferred to reserves	-	-
General Reserves	-	-
Closing Balance	876,410	730,792
Total	907,215	761,597

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.2(i)

The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended March 31, 2015 that amount of dividend per share recognized as distribution to equity shareholders includes ₹ 2/- per share of final dividend. The total dividend appropriation for the year ended March 31, 2015 amounted to ₹ 24,098 thousands including corporate Dividend tax of ₹ 4,095 thousands. The Board has increased dividend payout ratio from 13.76% to 17.13% of post tax profits effective fiscal 2015. The Board in its meeting on May 25, 2016 has proposed a final dividend of ₹ 1.25 per share for the Financial year ended March 31, 2016. The proposal is subject to the approval of the shareholders at the ensuing Annual General Meeting. The total dividend appropriations for the year ended March 31, 2016 amounted to ₹ 30,093 thousands including Corporate Dividend Tax of ₹ 5,090 thousand.

Note 2.3 Deferred Tax Liabilities (Net)
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Opening Balance:-	14,141	10,061
Add:- Tax effects of items constituting deferred tax liability	3,566	4,080
Less:- Tax effects of items constituting deferred tax asset	3,859	-
Net Deferred Tax liability / (Asset)	13,848	14,141

Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to the Income taxes levied by the same taxation authority.

Note 2.4 Other Long term Liabilities
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Trade Payables		
b) Others:		
Sundry Creditors for Capital Goods	325	525
Total	325	525

Note 2.5 Trade Payables
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Trade Payables		
i) Total outstanding dues of micro enterprises and small enterprises	447	315
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	46,414	190,695
Total	46,861	191,010

Note 2.5(i) Other Details

The above trade payables includes payables outstanding for more than 365 days to the tune of ₹ 251 thousands (₹ 5898 thousands for F.Y 2014-15). This amount is not classified as long term liability, since it is held primarily for the purpose of being traded or due to be settled within normal business operating cycle.

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.5(ii)

As at March 31, 2016, ₹ 447 thousands is outstanding to enterprise classified under Micro Small and Medium Enterprises Development Act 2006 (₹ 315 thousands as at March 31, 2015). There is no interests due or outstanding on the said amount pertaining to MSME. Based on the information available with the Company, the vendors which fall under the definition of micro, small and medium scale enterprises has been disclosed above. This information is not verifiable by the auditors.

Note 2.6 Other Current Liabilities
(In ₹ Thousand)

	As at 31 st March, 2016	As at 31 st March, 2015
(a) Unclaimed dividends [Refer Note 2.6 (i)]	2,149	1,865
(b) Other payables	-	-
1) Statutory remittances [Refer note 2.6 (ii) below]	7,698	13,175
2) Others [Refer Note 2.6 (iii) below]	9,095	19,861
Total	18,942	34,901

Note 2.6(i) Unclaimed Dividend
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i) Dividend for F.Y. 2007-08*	-	97
ii) Dividend for F.Y. 2008-09	153	153
iii) Dividend for F.Y. 2009-10	296	296
iv) Dividend for F.Y. 2010-11	372	372
v) Dividend for F.Y. 2011-12	325	325
vi) Dividend for F.Y. 2012-13	260	260
vii) Dividend for F.Y. 2013-14	362	362
viii) Dividend for F.Y. 2014-15	381	-
Total	2,149	1,865

*The amount of ₹ 97.52 thousand representing unclaimed dividend for F.Y.2007-08 has been transferred during the year to the Investor Education and Protection Fund (IEPF) pursuant to Section 125 of Companies Act, 2013.

Note 2.6(ii) Statutory Remittances
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i) Service Tax Payable	1,819	9,757
ii) Provident Fund Payable	1,052	953
iii) ESIC payable	46	41
iv) Professional Tax	136	129
v) Tds deductions	4,645	2,280
vi) VAT Payable	-	15
Total	7,698	13,175

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.6(iii) Others Liability
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i) Outstanding expenses	7,681	13,876
ii) Provision for Expenses	1,264	5,985
iii) EMD refundable	50	-
iv) Deposit from Member for Nomination of Independent Director *	100	-
Total	9,095	19,861

*The above deposit given is in accordance and within the limits laid out in section 160 of the Companies Act, 2013 for the nomination of an Independent Director, Mr. Sumit Dutta Chowdhury who was later appointed as the Independent Director by the Board resolution Dated 28.01.2016 and hence the above amount is refundable by the Company.

Note 2.7 Short Term Provisions
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
(a) Provision for Employee Benefits		
i) Provision for Salary payable	623	343
Total	623	343
b) Provision -Others		
i) Provision for proposed equity dividend	25,003	20,002
ii) Provision for tax on proposed equity dividend	5,090	4,096
Total	30,093	24,098
Grand Total	30,716	24,441

Notes on Financial Statements for the Year ended 31st March, 2016

Note 2.8 SCHEDULE B : Fixed Assets - 1.4.2015 To 31.3.2016

Assets	Gross Block (At cost)				Depreciation				Net Block		
	As at 1st, April 2015	Additions during the Period	Deletion during the year	Adjustments	As at 31st march 2016	As at 1st, April 2015	For the year	Deduction or Adjustment	Upto 31st March, 2016	As at 31 st March, 2016	As at 31 st March, 2015
TANGIBLE ASSETS											
Computers	5,413	537	103	12	5,858	3,855	595	(1)	4,449	1,409	1,558
Office Equipments	12,099	238	-	(12)	12,325	4,469	2,190	1	6,660	5,666	7,630
Furniture	14,384	75	-	-	14,459	7,968	1,034	-	9,003	5,456	6,416
Motor Car	4,850	7,231	3,041	-	9,041	1,724	929	(1,337)	1,316	7,725	3,127
Office Premises	266,893	1,701	-	-	268,593	18,476	8,912	84	27,472	241,121	248,417
Total	303,639	9,782	3,144	-	310,276	36,492	13,660	(1,252)	48,900	261,377	267,147
Intangible Assets											
Software Products	18,563	-	-	-	18,563	5,963	3,148	-	9,111	9,452	12,600
Grand Total	322,202	9,782	3,144	-	328,839	42,455	16,808	(1,252)	58,011	270,829	279,747
Previous year	303,886	18,316	-	-	322,202	24,414	17,245	795	42,455	279,747	279,472

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.8(i)

Since there is no difference in the useful life of the main assets in block of assets and their related critical components, there is no separate disclosure in that respect. Useful life of all assets and the critical or significant components are reviewed periodically to ascertain and accordingly disclosed separately to be compliant with Schedule II of the Companies Act, 2013.

Note 2.8(ii)

The written down value of the assets whose useful life has become zero has been adjusted against depreciation after maintaining 5% residual value as required by Schedule II of the Companies Act, 2013.

Note 2.8(iii)

Gross block of Office premises includes shares allotted to Company of ₹ 0.50 thousand; number of shares being 50 and cost of share being ₹10/-each. Since the said amount has been capitalised the Company has claimed depreciation on the same also.

Note 2.8(iv)

During the year, the Company has transferred amount of ₹ 1,701 thousand from Security deposit to gross block of office premises, since the same was capitalised during the year, Company has worked out the depreciation of the same having a retrospective effect i.e. from 2013. Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II on this amount. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/remaining useful lives. The depreciation pertaining to earlier year has been disclosed under prior period.

Note 2.9 Non-Current Investments
(In ₹ Thousand)

Particulars	As at 31 st March, 2016			As at 31 st March, 2015		
	Quoted	UnQuoted	Total	Quoted	UnQuoted	Total
Investments at cost						
A Trade Investments	-	-	-	-	-	-
B Other Investments						
i) Investment in Equity instruments of other entities	-	-	-	-	-	-
500 Equity shares of ₹ 35 each fully paid	18	-	18	18	-	18
(aggregate market value ₹ 94.93 thousand as on 31.3.2016)						
(aggregate Market Value ₹ 183.95 thousand as on 31.3.2015)						
Total (A+B)	18	-	18	18	-	18

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.10 Long Term Loans & Advances

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	3,476	1,565
Doubtful	-	-
Less: Provision for doubtful advances	-	-
	3,476	1,565
b. Security Deposits		
Secured, considered good	-	-
Unsecured, considered good	14,058	12,725
Doubtful	-	-
Less: Provision for doubtful deposits	-	-
	14,058	12,725
c. Loans and advances to Employees		
Secured, considered good	-	-
Unsecured, considered good	241	10
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	241	10
d. Prepaid expenses -unsecured considered good	2,229	2,708
e. Advance income tax(Net of provisions)	16,571	15,934
f. Balances with Government Authorities		
Unsecured considered good		
(i) Vat Refund receivable	540	540
(ii) service tax credit receivable	3,647	7,036
g. Other loans and advances		
Other [Refer Note 2.10 (i) below]		
Secured, considered good	-	-
Unsecured, considered good	10,500	10,750
Doubtful	200	200
	10,700	10,950
Less: Provision for doubtful receivables	200	200
	10,500	10,750
Total	51,262	51,267

Note 2.10(i) Other Loans and Advances

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Loans & advances	12,928	13,178
Less: Provision	(927)	(927)
Less: Liability against creditor	(1,301)	(1,301)
	-	-
Total	10,700	10,950

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.11 Other Non- Current assets

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Plan assets with LIC(net of gratuity provision)	2,230	2,220
Total	2,230	2,220

Note 2.12 Current Investments

(In ₹ Thousand)

Particulars	As at 31 st March, 2016			As at 31 st March, 2015		
	Quoted	UnQuoted	Total	Quoted	UnQuoted	Total
Investments at cost						
A) Trade Investments	-	-	-	-	-	-
B) Other Investments	-	-	-	-	-	-
Investments in Mutual Funds						
(i) Reliance Money Manager Fund (Market value as on 31.03.16- ₹ 51,120 thousand) (Market value as on 31.03.15- ₹ 28,748 thousand)	51,076	-	51,076	28,730	-	28,730
(ii) Baroda Pioneer Mutual fund (Market value as on 31.03.16- ₹ 101,671thousand) (Market value as on 31.03.15- ₹ Nil)	101,671	-	101,671	-	-	-
Total (A+B)	152,747	-	152,747	28,730	-	28,730

Note 2.13 Unbilled Revenue

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Unbilled Revenue	6,280	15,196
b) Projects under Process(WIP)	109,104	-
Total	115,384	15,196

Note 2.14 Trade Receivables

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	105,541	433,020
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	5,000	-
	100,541	433,020
Other Trade Receivables		
Secured, considered good	-	-
Unsecured, considered good	100,244	125,345
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
Total	200,785	558,365

Note 2.14(i) Other Details

The above trade receivables includes receivables outstanding for more than 12 months amounting to ₹ 61,588 thousand (₹ 76,097 thousand for F.Y 2014-15) against which the management has provided ₹ 5,000 thousand as provision for doubtful debts.

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.15 Cash and Cash Equivalents

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Cash on Hand	90	1,227
b) Cheques, Drafts on Hand	-	-
c) Balances With Banks (Scheduled Banks)		
(i) In Current Accounts [Refer Note 2.15 (i) below]	774	784
(ii) OD Accounts (Debit balances) [refer note 2.15 (ii) below]	145,084	36,762
(iii) In Deposit Accounts [refer note 2.15 (iii) below]	108,632	91,192
(iv) In Earmarked Accounts [refer note 2.15 (iv) below]		
(a) Unclaimed Dividend Accounts	2,149	1,865
(b) Balances Held As Margin Money or Security Against Borrowings, Guarantees and Other Commitments	47,490	42,388
Total	304,219	174,218

Note 2.15(i) (a) Balances with Banks helds as Unclaimed Dividend accounts

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i) Axis Bank Ghatkopar (A/c No.029010200016719)	36	36
ii) HDFC Bank Ltd. Chembur Branch (A/c No.04252000003843)	67	66
iii) Citi Bank (A/c No 0036771119)	-	313
iv) Canara Bank - VSL Loan account (A/c No. 0130257005276)	-	1
v) Bank of Baroda (A/c No.03840200001542)	671	368
Total	774	784

Note 2.15(ii) Details of the Overdraft from Banks (Debit balances)#:

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i) Canara Bank Prabhadevi (A/c No. 0130256005136) (The Fort Branch has apportioned of OD Book Debts Limit of	145,063	35,590
ii) ₹ 2.50 Cr & BG limit of ₹ 20.00 Crore to Prabhadevi Branch, Mumbai) Canara Bank Fort (A/c No. 0214261004244)	21	1,172
Total	145,084	36,762

Above Overdrafts are payable on demand and are secured by:-

- (a) Hypothecation of book debts of the company.
- (b) Collateral:
 - i) EMT of Office premises at Swastik Chambers, Office No.514 and 515,5th floor, Umarshi Bappa Chowk, Chembur, Mumbai - 400071 Standing in the name of the company.
 - ii) EMT of Office Premises at Prabhadevi Unique Industrial Premises Co-op Soc. Ltd, Unit No.5, Ground Floor, Off Veer Savarkar Marg, Prabhadevi, Mumbai - 400025 standing in the name of the Company.
 - iii) Three LIC policies having Face Value ₹ 1.50 lac in the name of the directors. Matured and proceedings converted into KDRS for ₹ 72,900/-, ₹ 139,900/-, ₹ 100,250/- respectively total ₹ 313,050/-
 - iv) 5 KDR's having face value of ₹ 2.60 lac in the personal names of directors Mr.Prakash Rane and Mrs.Supriya Rane (Directors).
- (c) Personal Guarantees from directors – Mr. Prakash B. Rane and Mrs. Supriya P. Rane .

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.15(iii) Details of Fixed Deposit:-
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i) Canara Bank at Prabhadevi	94,892	87,797
ii) Canara Bank at Fort	13,740	3,395
Total	108,632	91,192

Note 2.15(iv)
(a) Balances With Banks Helds as Unclaimed Dividend Accounts
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i) Axis Bank (07-08) A/c No. 029010200019682	-	98
ii) Axis Bank (08-09) A/c No. 029010200024222	153	153
iii) HDFC Bank (2012-13) A/c No.50200001565983	260	260
iv) HDFC Bank (2010-11) A/c No. 602230015385	372	372
v) HDFC Bank (2011-12) A/c No. 602230016499	325	325
vi) HDFC Bank (2009-10) A/c No. 602230013761	296	296
vii) HDFC Bank (2013-14) A/c No.50200007504460	362	362
viii) HDFC Bank (2014-15) A/c No.50200014043740	381	-
Total	2,149	1,865

(b) Balances with Banks helds as Margin Money
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i) Canara Bank Prabhadevi (A/c No. 0130256005136)	3,779	3,203
ii) Canara Bank Fort (A/c No. 0214261004244)	43,711	39,186
Total *	47,490	42,388

* The above balance includes Rs. 34,551 thousands which is margin money held by bank against Bank Guarantee expired, for submission for original fixed deposit receipts by the parties.

Note 2.16 Short Term Loans & Advances
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Security Deposits		
Secured, considered good	-	-
Unsecured, considered good	1,138	394
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	1,138	394
b. Loans And Advances To Employees		
Secured, considered good	-	-
Unsecured, considered good	429	464
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	429	464
c. Prepaid Expenses - Unsecured Considered Good	4,570	4,309
d. Other Loans and Advances		
Secured, considered good	144	-
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	144	-
Total	6,281	5,167

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.17 Other Current Assets

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a. Accruals		
(i) Receivables	16,567	14,102
Total	16,567	14,102

Note 2.18 Revenue From Operations:-

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Income From Sale of Products & Services	870,635	907,137
Less: Services Tax	98,614	86,238
Net Revenue From Operations	772,021	820,899

Note 2.19 Other Incomes

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Interest on Bank Deposits	11,953	10,714
b) Dividend Income [Refer Note 2.19(i) below]		
from current Investments (Dividend received on investment in mutual Funds)	4,056	3,660
from long term Investments (Dividend received on investment in shares)	5	2
c) Net Gain / Loss on Sale of Investments		
- Current Investments	41	-
- Long Term Investments	-	-
d) Other Non-operating Income [Refer Note 2.19 (ii) Below]	5	50
e) Other Operating Income [Refer Note 2.19 (iii) Below]	2,709	6,378
Total	18,769	20,804

Note 2.19(i) Dividend Income

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
From Current Investments		
i) Reliance Money Manager Fund - Institutional	1,544	3,660
ii) Baroda Pioneer Mutual fund	2,512	-
Total	4,056	3,660
From Long Term Investments		
i) Equity Shares at Canara bank	5	2
Total	5	2

Note 2.19(ii) Other Non Operating Income

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Miscellaneous Income	5	50
Total	5	50

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.19(iii) Other Operating Income
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i) Sundry Balances Written Back	2,709	2,840
ii) Bad Debts Recovered	-	3,538
Total	2,709	6,378

Note 2.20 Employee Benefit Expenses
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Salaries and Wages [Refer Note (i) below]	227,065	185,820
b) Contribution to Provident and Other Funds [Refer Note (ii) below]	16,198	15,670
c) Staff Welfare Expenses [Refer Note (iii) below]	13,686	8,627
	256,949	210,117

Note 2.20(i) Salaries and Wages
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i) Salaries and Emoluments of Employees	210,635	169,020
ii) Director's Commission	8,175	12,600
iii) Director's Remuneration(MD)	8,255	4,200
Sub Total	277,065	185,820

Note 2.20(ii) Contribution to Provident and Other Funds
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i) Contribution to Provident Fund	13,703	10,302
ii) Gratuity Fund	2,495	5,368
Sub Total	16,198	15,670

Note 2.20(iii) Staff Welfare Expenses
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
i) Employee Mediciam Policy	1,306	1,205
ii) ESIC Employer Contribution	1,402	795
iii) Employee Get Together Expenses	2,998	1,186
iv) Staff Recruitment	2,377	1,168
v) Other Staff Expenses	5,603	4,274
Sub Total	13,686	8,627
Total (i + ii + iii)	256,949	210,117

Note 2.21 Operating Expenses
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Services charges & Project Expenses	180,744	301,564
Total	180,744	301,564

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.22 Other Expenses

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Communication, Advertising & Sales Promotion		
i) Advertising Expenses	1,152	557
ii) Telephone Charges	2,774	2,478
iii) Other Expenses	4,218	4,521
b) Rent, Rates And Taxes:		
i) Rent	8,389	7,451
ii) Property Tax	4,227	187
iii) Others	2,485	394
c) Establishment Expenses:-		
i) Electricity Charges	3,646	3,286
ii) Legal & Professional Fees [Refer Note 2.22 (i)]	4,382	2,563
iii) Miscellaneous Expenses	8,875	3,747
iv) Printing & Stationery	1,234	1,254
v) Repairs & Maintenance - Bldg/others	1,099	1,434
vi) Travelling & Conveyance	10,115	11,538
vii) Membership & Subscription	1,026	608
vii) Payment To Auditors [Refer Note 2.22(ii) below]	425	425
ix) Bad Debts Written Off	195	3,997
x) Donation / CSR [Refer Note 2.22 (ii) below]	2,624	1,265
xi) Insurance Expenses	395	431
xii) Provision For Doubtful Trade and Other Receivables,	5,000	-
xiii) Prior Period Adjustments (Net)[Refer Note 2.22 (iii) below]	108	681
xiv) Loss On Sale of Asset	1,082	-
	63,451	46,817

Note 2.22(i) Payment to other Auditors (Included in Legal & Professional Fees)

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Other Matters		
i) Taxation	40	-
b) Payments to other auditors		
i) Internal Audit Fees	100	100
ii) IFC Audit fees	250	-
iii) Secretarial Audit fees	30	-
Total	420	100

Note 2.22(ii) Payment To Auditors

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Payment to Auditors Comprises of:		
a) As Auditor:-		
i) For Statutory Auditor Fees	350	350
ii) For Tax audit Fees	75	75
	425	425
b) Other Matters		
i) Certification Fees (Included In Legal & Professional Fees)	78	-
C) Reimbursement of Audit Expenses:-		
i) To Statutory Auditors	5	-
ii) To Tax Auditors	-	-
Total	508	425

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.22(iii) Details Of Prior Period Items
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Prior Period Items:-		
i) Prior Period Income	(44)	(7)
ii) Depreciation on Building	84	-
iii) Prior Period Expenses	68	688
Total	108	681

Note 2.23 Finance Cost
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
a) Interest Expense:-		
i) Bank Interest	27	0.20
b) Other Borrowing Cost:-		
i) Bank Limit charges	1,514	525
ii) Bank Guarantee Charges	1,349	1,326
iii) Bank Charges	177	199
Total	3,067	2,050

Note 2.24 Depreciation & Amortisation
(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Depreciation & Amortisation [Refer note 2.8 of notes to accounts]	16,808	17,245
Total	16,808	17,245

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.25 Additional disclosure to the financial statements as per the accounting standards

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Contingent Liabilities and Commitments (to the extent not provided for):		
(i) Contingent Liabilities:		
(a) Claims against the company not acknowledged as debts [Refer Note 2.25 (i)]	2,227	2,227
(b) Bank Guarantees [Refer Note 2.25 (ii)]	51,814	98,440
(c) Property Tax of Office Premises at Bandra [Refer Note 2.25 (iii)]	4,411	-
(d) Service Taxes [Refer Note 2.25(iv)]	2,554	-
(ii) Capital Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for:		
-tangible Assets	-	-
-Office interior [Refer note 2.25 (v)]	10,589	12,500

Note 2.25(i)

The amount mentioned pertains to the margin money paid to court against the Unique Value Case with interest at 9% p.a. against the court order received in June, 2005. Since the decision of the court is pending hence the same is disclosed as contingent liability.

Note 2.25(ii)

The Overdrafts and Bank Gaurantee facility availed by the Company are payable on demand and are secured by:-

- (a) Hypothecation of book debts of the company.
- (b) Collateral:
 - i) EMT of Office premises at Swastik Chambers, Office No.514 and 515, 5th floor, Umarshi Bappa Chowk, Chembur, Mumbai - 400071 Standing in the name of the company.
 - ii) EMT of Office Premises at Prabhadevi Unique Industrial Premises Co-op Soc. Ltd, Unit No.5, Ground Floor, Off Veer Savarkar Marg, Prabhadevi, Mumbai - 400025 standing in the name of the Company.
 - iii) Three LIC policies having Face Value ₹1.50 lac in the name of the directors. Matured and proceedings converted into KDRS for ₹ 729 thousand, ₹140 thousand, ₹ 100 thousand respectively total ₹ 313 thousand.
 - iv) 5 KDR's having face value of ₹ 260 thousand in the personal names of directors Mr. Prakash Rane and Mrs. Supriya Rane (Directors).
- (c) Personal Guarantees from directors – Mr. Prakash B. Rane and Mrs. Supriya P. Rane.

Note 2.25(iii)

Property tax amounting to ₹ 4,411 thousand is contingent in nature since the demand raised by the Asstt. Assessor & Collector/H-West Ward was of ₹ 8,411 thousand but during the year the company has paid ₹ 4,000 thousand against these expenses. Rest of the amount as per the management is contingent in nature.

Note 2.25(iv)

The service tax amount shown of ₹ 2,554 thousand pertains to the show cause notices received by the company for disallowances of cenvat credit on Rent, Mediclaim & Sponsorship expenses for the F.Y. 2010-11 to 2013-14.

Note 2.25(v)

The contract of office interior is done in phases and according to the management estimation remaining amount to be executed on account of capital contract is ₹ 10,589 thousand.

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.26 Dividends Remitted in Foreign Currency:-

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Amount of Dividend remitted in foreign currency	USD 30252.39	USD 30252.39
Amount of Dividend remitted in Indian currency	2,000	2,000
Total Number of non- resident shareholders (to whom the dividends were remitted in foreign currency)	3	3
Total Number of shares held by them on which dividend was due	1,000,000	1,000,000
Year to which dividend relates	2014-15	2013-14

Note 2.27 Calculation of Earnings Per share:-

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Earnings Per share		
Basic and diluted		
Net Profit for the year	175,710	175,114
less: Preference dividend and tax thereon	-	-
Net Profit for the year attributable to the Equity Shareholders	175,710	175,114
Weighted average no.of equity shares	20,002,200	10,001,100
Par Value per share	5.00	10.00
Earnings Per share from Continuing operations - Basic	8.78	17.51

Note 2.28 Employee Benefit plans
A) Defined contribution plans
Provident Funds:-

The Company makes provident fund contributions to defined contribution plans for qualifying employees. Under the scheme the company is required to contribute a special percentage of the payroll costs to fund the benefits. The company recognised ₹ 12,816 thousands (year ended 31.3.2016 ₹ 9,474 thousands) for provident contributions in the statement of Profit & Loss.

Notes on Financial Statements for the Year ended 31st March, 2016
B) Defined Benefit Plans:-
Gratuity:-

(In ₹ Thousand)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
	Gratuity	Gratuity
Components of Employer Expense		
Current service cost	3,497	2,752
Interest cost	838	513
Expected return on plan assets	(1,177)	(871)
Curtailement cost / (credit):		
Settlement Cost / (credit):		
Past service cost		
Actuarial losses/ (gains)	(665)	2,783
Total expense recognised in the Statement of profit /loss	2,494	5,177
Actual Contribution and benefit payment for the year		
Actual benefit payments		
Actual contributions		
Net asset / liability recognised in the balance sheet		
Present Value of defined benefit obligation	13,713	(11,162)
Fair value of plan assets	15,952	13,391
Funded Status [surplus / (deficit)]	2,239	2,229
Unrecognised past service costs	-	-
Net asset/(liability) recognised in the balance sheet	2,239	2,229
Change in defined benefit obligations (DBO) During the year		
Present value of DBO at beginning of the year	11,162	5,794
Current Service cost	3,497	2,752
Interest cost	838	513
Curtailement cost / (credit):		
Settlement Cost / (credit):		
Plan ammendments		
Acquisitions		
Actuarial (gains)/ losses	(681)	2,544
Past service cost		
Benefits paid	(1,104)	(441)
Present value of DBO at end of the year	13,713	11,162
Change in fair Value of assets during the year		
Plan assets at the beginning of the year	13,391	7,155
Acquisitions adjustments	-	-
Expected return on plan assets	1,177	871
Actual company contributions	2,505	6,045
Actuarial (Gains)/ losses:	(16)	(239)
Benefits Paid	(1,104)	(441)
Plan assets at the end of the year	15,952	13,391
Actual return on plan assets	1,161	632
Actuarial Gain / (Loss) recognised		
Actuarial Gain/(Loss) for the period (obligation)	681	(2,544)
Actuarial Gain/(Loss) for the period (Plan Assets)	(16)	(239)
Total Gain/(Loss) for the period	665	(2,783)
Actuarial Gain/(Loss) recognized for the period	665	(2,783)
Unrecognized Actuarial Gain/(Loss) at end of period	-	-
Compositon of the Plan assets is as follows		
Government Bonds - not less than	20%	20%
PSU Bonds - not less than	40%	40%
Others - not exceeding	60%	60%
Actuarial Assumptions		
Discount Rate	8%	7.90%
Mortality	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Expected Return on plan assets	7.75%	8.75%
Salary Escalation	5%	5%
Attrition	2%	2%

Notes on Financial Statements for the Year ended 31st March, 2016
Note 2.29 Related party Disclosures:-
List of Related Parties as identified:-

- a. Prakash Rane : Managing Director
- b. Supriya Rane : Relative of Key Managerial Personnel
- c. Dr. Ajit C. Kulkarni * : Non- Executive Director
- d. M.N. Ahmed : Non- Executive Director
- e. Sharadchandra Abhyankar : Non- Executive Director
- f. Khaitan & Co : Sharadchandra Abhyankar is partner in this firm
- g. Paresh Golatkar : CFO
- h. Sarika Ghanekar : Company Secretary

(In ₹ Thousand)

Name of the Related party with whom Transaction have been made	Description of Relationship with the party	Nature Of Transaction	For the year 2015-2016	For the year 2014-2015
Prakash.B.Rane	Managing Director (Key Management Personnel)	Remuneration and Commission	14,691	14,060
		Dividend	11,928	9,542
Supriya P. Rane	Director	Sitting Fees and Commission	2,053	2,088
		Dividend	3,068	2,454
Sharadchandra Abhyankar	Independent Director	Sitting Fees & Commission	253	270
Dr. Ajit Kulkarni *	Director	Sitting Fees & Commission	32	278
M.N.Ahmed	Director	Sitting Fees & Commission	489	556
	Relative of Director M. N. Ahmed	Dividend	53	43
Sanjay Mehta	Independent Director	Sitting Fees & Commission	108	-
Khaitan & co.	Firm in which Director is Partner	Legal advice Fees	450	450

* Resigned w.e.f. 30th October, 2015

Note 2.30 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company meeting applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, and rural development projects. A CSR committee has been formed by the company as per the act and the CSR funds are used in the areas mentioned above to some extent.

(In ₹ Thousand)

Gross Amount required to be spent by the company during the year is	4,843
Amount spent during the year	2,624
Shortfall in amount spent	2,219

Management Comments

The Company has made efforts to identify projects in line with its CSR focus areas. However, the Company could not spend the requisite money on or before 31st March, 2016 as considerable time is taken in evaluating and implementing projects. Company believes that CSR expenditure is aimed at larger public good rather than mere compliance. However, the Company has spent around 90% of the stipulated CSR funds before signing the Balance Sheet.

Notes on Financial Statements for the Year ended 31st March, 2016**Note 2.31**

Sundry Creditors, Debtors, Loans & Advances and Deposits are subject to confirmation and reconciliation if any. During the year, letters for confirmation of balances have been sent to various parties by the Company. The Management however, does not expect any material changes. The balances are as per records available with the company.

Note 2.32

The figures are regrouped or reclassified, wherever it is necessary.

As per our Report of even date

For For Borkar & Muzumdar

Chartered Accountants

Firm Registration No.:101569W

Rajesh Batham

Partner (M.No. 35941)

Mumbai

25th May, 2016

For and on behalf of the Board

Prakash B. Rane - Managing Director (DIN: 00152393)

Sharadchandra Abhyankar - Director (DIN: 00108866)

Sarika A. Ghanekar - Company Secretary

Paresh M. Golatkar - Chief Financial Officer

Past Year Galore- Achievements



Prakash Rane, MD, ABM had been invited earlier this fiscal year as **Moderator for Majha Maharashtra, Digital Maharashtra** organized by **ABP Majha**, a sister channel of **ABP News**. The conference had a session on e-Governance which aimed to help common man and make him understand the various aspects of e-Governance. Mr. Prakash Rane presented his views on opportunities & challenges related to usage of digital platform by a common man of Maharashtra and how to spin the wheel for digital revolution in Maharashtra via e-Governance.



Maharashtra Tourism's web portal www.maharashtratourism.gov.in, one of ABM's Tourism segment projects, was officially launched this fiscal year by Hon. Chief Minister of Maharashtra **Shri Devendra Fadnavis** at the event **Maharashtra International Travel Mart, Mumbai**. The evening also saw the presence of Cabinet Minister, State Tourism Minister, Cultural Affairs Minister, Secretary Tourism and Culture, Government of Maharashtra, MTDC MD, MTDC Joint MD and Bollywood Legend **Mr. Amitabh Bachchan**.

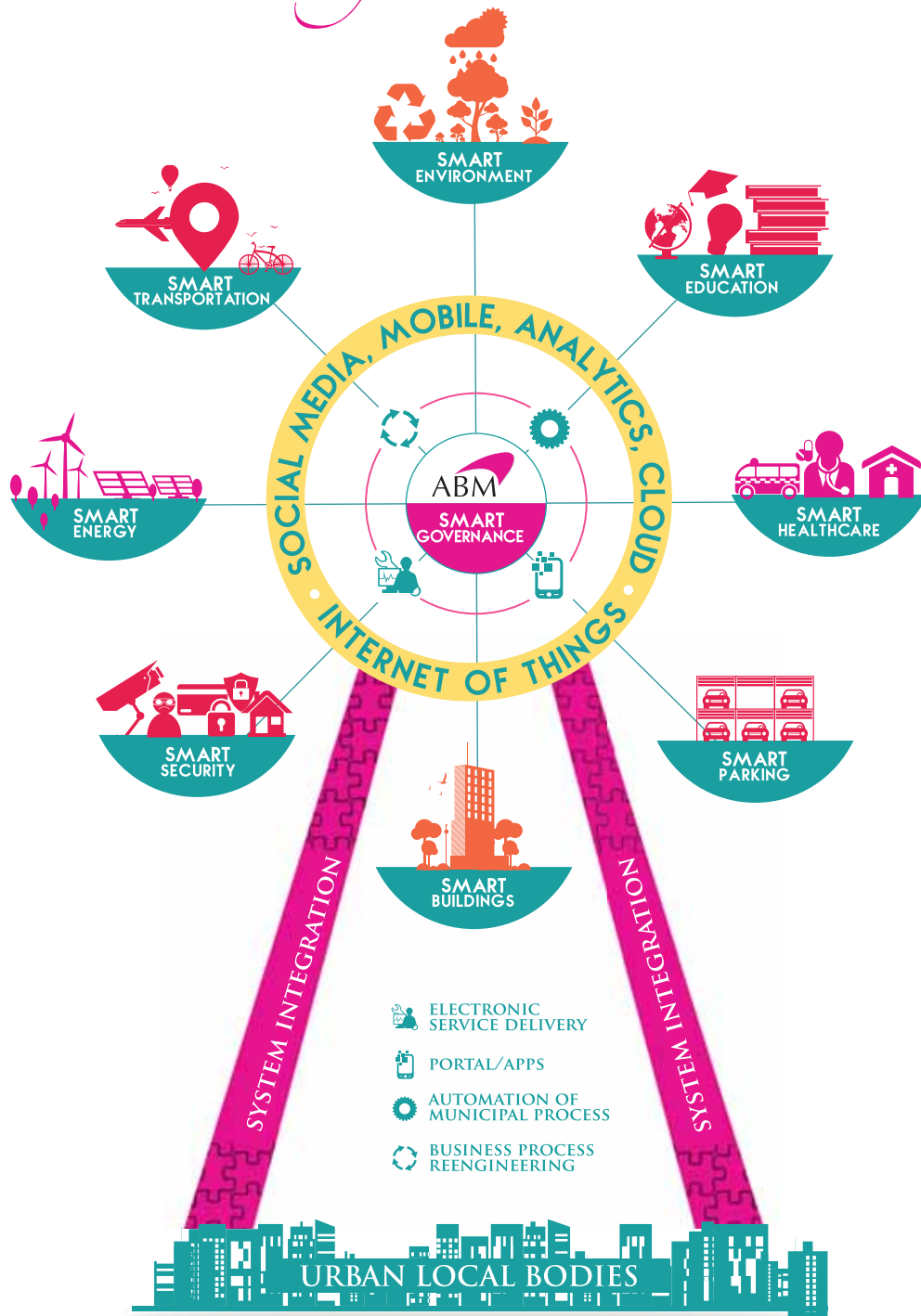


ABM got a major breakthrough in state of Bihar. The Urban Development & Housing Department (UD&HD), Government of Bihar has launched an ambitious plan to introduce e-Municipality. This project will be **"Single Integrated Web Based Municipal Application"**. After the successful implementation in first phase Corporations, the application will be rolled out in balance municipal bodies. 1st Phase inauguration event was held in Bihar which was graced by Hon. Chief Minister of Bihar.



ABM had a major win at Madhya Pradesh. This is a state level project rollout of citizen friendly SAP based e-Governance solutions, which will be provided to 377 ULBs across the state. The order includes the implementation and post-implementation support for 5 years and will strengthen ABM's leadership position in this segment.

ABM - making the cities Smarter



ABM is leader in e-municipality segment in India with several successfully sustained projects. 750+ Urban Local Bodies which include many from the initial 100 Smart Cities are our esteemed customers. ABM's various e-municipality solutions deliver millions of Citizen Services every year. Several states have selected ABM for a state-wide rollout of e-municipality projects as we competed with reputed MNCs and Indian IT firms. ABM's e-municipality projects are quoted as exemplary case studies in various prestigious journals & international research reports and have bagged awards from credible international organizations, central/state governments, Industry associations and reputed media publications. **ABM is the perfect fit for making the cities smarter.**