KEYNOTE

Ref # Key18/Stock-Exch.Let/Sm(60)

10th August, 2018

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Ltd.
Listing Department
Exchange Plaza, C-1, Block – G,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051

Scrip Code / Name of Scrip: 512597/KEYCORPSER

Dear Sir,

Reg.: 25th Annual Report of the Company for the Financial Year 2017-2018

Please find enclosed herewith the Annual Report for the Financial Year 2017-2018 as required under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 duly approved and adopted by the members as per the provisions of the Companies Act,2013.

Please acknowledge the receipt.

Thanking you and assuring you of our best co-operation at all times.

Yours sincerely,
For **KEYNOTE CORPORATE SERVICES LIMITED**

KEYNOTE CORPORATE SERVICES LTD. MUMBAI

Uday S. Patil
Director
(DIN: 00003978)

Encl: as above

25 YEARS OF CREATING VALUE THROUGH RELATIONSHIPS AND TRUST

KEYNOTE

25th Annual Report 2017-2018

KEYNOTE CORPORATE SERVICES LTD.

KEYNOTE CORPORATE SERVICES LIMITED
ANNUAL REPORT 2017 – 2018

CONTENTS **PAGE NO.**

- Board of Directors 3
- Notice 4
- Explanatory Statement 9
- Directors Report 14
- Management Discussion and Analysis 37
- Report on Corporate Governance 39
- Auditors' Report to the Shareholders 57
- Balance Sheet 62
- Profit and Loss Account 63
- Notes to the Accounts 64
- Cash Flow Statement 75

CONSOLIDATED ACCOUNTS

- Auditor's Report 76
- Balance Sheet 80
- Profit and Loss Account 81
- Notes to the Accounts 82
- Cash Flow Statement 98
- Statement pursuant to first proviso to sub-section 219 of the Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to Subsidiary Companies 100

BOARD OF DIRECTORS

Shri B. Madhuprasad
Chairman

Shri Uday S. Patil
Director – Investment Banking

Shri Shishir Dalal
Director

Shri Anish Malhotra
Director

Shri Vineet Suchanti
Director

Smt. Rinku Suchanti
Director

Shri Manish Desai
Director

Shri Hitesh Shah
Director (Upto 28th May, 2018)

BOARD COMMITTEES

Audit Committee	Nomination and Remuneration Committee
Shri Shishir Dalal – Chairman Shri Manish Desai – Member Shri Hitesh Shah – Member (up to 28th May, 2018) Shri Uday S. Patil – Member (since 28th May, 2018)	Shri Manish Desai – Chairman Shri B. Madhuprasad – Member Shri Anish Malhotra – Member Shri Hitesh Shah – Member (up to 28th May, 2018)
Management Committee	**Stakeholders Relationship Committee**
Shri Vineet Suchanti – Chairman Shri B. Madhuprasad – Member Shri Uday S. Patil – Member	Shri B. Madhuprasad – Chairman Shri Uday S. Patil – Member Shri Hitesh Shah – Member (up to 28th May, 2018)

COMPANY SECRETARY
Shri Sujeet Krishna More

REGISTERED OFFICE
Keynote Corporate Services Limited
The Ruby, 9th floor, Senapati Bapat Marg,
Dadar (West), Mumbai – 400 028
CIN: L67120MH1993PLC072407
Email: investors@keynoteindia.net
Website: www.keynoteindia.net

BANKERS
Indian Bank
State Bank of India
ICICI Bank Limited
Punjab National Bank
Kotak Mahindra Bank Limited

SHARE TRANSFER AGENT
Link Intime India Pvt. Ltd.,
C 101, 247 Park, LBS Marg,
Vikhroli (West), Mumbai – 400 083
Tel : (022) 49186000 • Fax : (022) 49186060
Website: www.linkintime.co.in

AUDITORS
S M S R & Co. LLP
Chartered Accountants,
A–005, Gr. Floor, Western Edge-II,
Off Western Express Highway,
Borivali East, Mumbai – 400 066

Twenty-Fifth Annual General Meeting
On Thursday, 9th August, 2018 at 10.00 a.m. At Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, Fort, (Town Hall Compound), Mumbai – 400 001

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY-FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF KEYNOTE CORPORATE SERVICES LIMITED WILL BE HELD ON THURSDAY, 9TH DAY OF AUGUST, 2018 AT HOMI J. H. TALEYARKHAN MEMORIAL HALL, INDIAN RED CROSS SOCIETY, 141, SHAHID BHAGAT SINGH ROAD (TOWN HALL COMPOUND) FORT, MUMBAI – 400 001 AT 10.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditor's thereon.
2. To declare dividend for the financial year ended 31st March, 2018.
3. To appoint a Director in place of Smt. Rinku Suchanti, (DIN - 00012903), who retires by rotation and being eligible offers herself for reappointment.

SPECIAL BUSINESS:

4. **Variation in terms of appointment of Smt. Rinku Suchanti, (DIN - 00012903) Whole-time Director of the Company.**

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

   "**RESOLVED THAT** pursuant to provision of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 ("Act") and the Rules made thereunder, as amended from time to time, read with Schedule V to the Act, applicable clauses of the Articles of Association of the Company, recommendation of Nomination & Remuneration Committee and subject to such other approvals, if any, the Company hereby approves the revision of remuneration payable to Smt. Rinku Suchanti, (DIN - 00012903) Whole-time Director of the Company with effect from 1st January, 2018 upto the remaining period of the tenure with the liberty to the Board of Directors to alter and vary the terms of appointment so as not to exceed the limits set out in Schedule V to the Companies Act, 2013 including any statutory modifications or re–enactment thereof for the time being in force or any amendments and/or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto as maybe agreed between the Board and Smt. Rinku Suchanti.

   RESOLVED FURTHER THAT Shri Uday S. Patil Director and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

5. **Re-appointment and variation in terms of appointment of Shri Uday S. Patil (DIN: 00003978) as a Whole-Time Director of the Company.**

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

   "RESOLVED THAT pursuant to Sections 196, 197, 198, 203 and other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the Company hereby accords its approval for revision of remuneration payable to Shri. Uday S. Patil (DIN: 00003978) with effect from 1st January, 2018 up to the remaining term of his appointment and re-appointment as Whole-Time Director of the Company for a period of 3 (three) years with effect from 13th November, 2018, on the terms and conditions of appointment and remuneration which are set out in the explanatory statement annexed to the Notice convening this meeting and the Board of Directors be and is hereby authorized to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 as may be agreed to by the Board of Directors and Shri Uday S. Patil.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year during the currency of tenure of services of Shri Uday S. Patil, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT Shri Vineet Suchanti, Director and/or Company Secretary of the Company be and are hereby authorized to file the necessary returns with the Registrar of Companies, Maharashtra, Mumbai, and to do all the acts, deeds and sign any documents to give effect to this resolution."

For and on behalf of the Board
Keynote Corporate Services Limited

Sd/-
Uday S. Patil
Director
(DIN - 00003978)

Date: 28th May, 2018
Place: Mumbai

NOTES:

1) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto. Additional information, pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), in respect of the directors seeking appointment/ re – appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent/ declaration for their appointment/re–appointment as required under the Companies Act, 2013 and the Rules there under.

2) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 [FORTY-EIGHT] HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

   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 carrying voting rights. A member holding more than 10 [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 person or shareholder.

3) Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorising their representative to attend and vote on their behalf at the meeting.

4) Members/proxies/authorised representatives are requested to bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

5) The Register of Members and share transfer books of the Company will remain closed from Saturday, 4th August, 2018 to Thursday, 9th August, 2018 (both days inclusive).

6) The dividend for the financial year 31st March, 2018, as recommended by the Board of Directors, if approved by the Members, will be paid after Annual General Meeting to those Members holding shares in physical form whose names shall appear on the Company's Register of Members on closure of business hours i.e. 3rd August, 2018; in respect of the shares held in dematerialized form the dividend will be paid to the Members whose names are furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited as the beneficial owners as at the close of business hours on 3rd August, 2018.

7) The Dividend is proposed to be disbursed by way of National Electronic Clearing Service (NECS). For this purpose, the details such as, name of the Bank, name of the branch, 9-digit code number appearing on the

MICR band of the cheque supplied by the Bank, account type, account number etc. are to be furnished to your DP if the shares are in electronic form or to the Registrars & Transfer Agents if they are held in physical mode.

8) The practice of distributing copies of Annual Reports at the Annual General Meeting has been discontinued as a measure of economy.

9) Members wishing to claim dividends, which have remained unclaimed, are requested to correspond with Registrar & Share Transfer Agent and Company Secretary, at the Company's Registered Office. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per Section 205A of the Companies Act, 1956 and/or Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection fund constituted by the Central Government.

The details of Dividends paid by the Company and their proposed dates and year of transfer of unclaimed/ un-encashed dividends to the designated fund of the Central Government are as under:

Date of Declaration of Dividend	Dividend for the year	Proposed date for transfer to Investor Educationand Protection Fund (IEPF)
30th September, 2011	2010 - 2011	7th November, 2018
27th September, 2012	2011 - 2012	4th November, 2019
25th September, 2013	2012 - 2013	2nd November, 2020
9th September, 2014	2013 - 2014	17th October, 2021
29th September, 2015	2014 - 2015	6th November, 2022
29th July, 2016	2015 - 2016	5th September, 2023
23rd August, 2017	2016 - 2017	30th September, 2024

All the members are requested to note that as per the notification of Ministry of Corporate Affairs (MCA) dated 10th May, 2012 full details of shareholders and dividend amount pending encashment have been uploaded on website of MCA (i.e. www.mca.gov.in) and Company (i.e. www.keynoteindia.net). Said information for the period up to 23rd August, 2017 has been made available and will be updated as per the requirements. The members may check the details for unclaimed dividend if any and approach the Company and Registrar for getting the same paid. During Financial Year 2017-2018 Company has transferred a sum of ₹ 1,93,830/- (Rupees One Lakh Ninety Three Thousand Eight Hundred Thirty only) Unclaimed Dividend of Financial Year 2009-2010 to Investor Education and Protection Fund (IEPF) on 7th November, 2017.

10) **Share due to transfer to IEPF:**

Equity shares in respect to which dividend has not been encashed for seven consecutive years or more will be required to transfer to Investors Education & Protection Fund (IEPF) pursuant to Section 124(6) of the Companies Act, 2013. Relevant details in this respect are posted on the Company's website www.keynoteindia.net in Compliance – Investor Relation section.

The Company sends communication in this respect to concerned shareholders from time to time as may be necessary. Shareholders are requested to Contact Company or RTA to encash the unclaimed dividend and in case any pending legal disputes, provide certified copy of order from Court/Authority restraining transfer, payment of dividend etc. During the financial year 2017-2018 Company has transferred 43637 Equity Shares to the Investor Education and Protection Fund (IFPF) authority on 12th December, 2017.

11) All documents referred in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturday & Sunday between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.

12) Members are requested to:

i. Intimate changes, if any, in their registered address at the earliest.

ii. Furnish PAN with Income Tax Ward/Range/District to the Company.

iii. Quote ledger folio nos. in all the correspondence with the Company and the Transfer Agent. In case shares are held in dematerialized mode, please quote the DP ID No. and client ID in all the correspondence.

iv. Bring the copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.

v. Send the queries, if any, **at least 7 (Seven) days in advance** of the meeting so that the information can be made available at the meeting.

13) Ministry of Corporate Affairs, Government of India, vide Circular No. 17/2011 dated 21st April, 2011 and Circular No.18/2011 dated 29th April, 2011 allowed service of documents by e-mode as a Green initiative in the Corporate Governance. Members are requested to register their e-mail addresses with the Company's Registrar and Share Transfer Agents M/s. Link Intime India Pvt. Limited Unit: Keynote Corporate Services Limited, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083, for the purpose of service of documents under Section 20 of the Companies Act, 2013. The members are also requested to update their e-mail address in the Depository Account holding shares of the Company in dematerialized mode enabling the Registrar to consider the same. The form for sending the response is annexed at the end of the Annual Report.

14) **Voting through electronic means**

In compliance with provisions of Section 108 of Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the Listing Regulations, the Company is pleased to provide members the facility to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL). The Company has entered into an arrangement with Central Depository Services (India) Limited for facilitating e-voting for AGM.

The E-voting period for all items of business contained in this Notice shall commence from Monday, 6th August, 2018 (10.00 a.m. IST.) and will end on Wednesday, 8th August, 2018 (5.00 p.m. IST.) During this period Equity Shareholders of the Company holding shares either in physical form or in dematerialized form, as on Thursday, 2nd August, 2018 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently or cast vote again.

The voting rights of Members shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on cut-off date. 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 e-voting as well as voting at the meeting through ballot.

Any person, who acquires shares of the Company, becomes a member of the company after dispatch of the Notice and holding shares as of the cut-off date may follow the same procedure as mentioned for e-Voting.

The Company has appointed an Independent Professional (Practicing Company Secretary – M/s. Uma Lodha & Co.) as Scrutinizer to conduct the E-voting in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or person authorized by him in writing who shall countersign the same.

The results along with Scrutinizer's report shall be placed on the website (i.e. www.keynoteindia.net) of the Company and shall also be communicated to the Stock Exchanges. The Resolutions shall be deemed to be passed, if approved, on the date of AGM.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Monday, 6th August, 2018 (10.00 a.m. IST) and ends on Wednesday, 8th August, 2018 (5.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Thursday, 2nd August, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders / Members

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant Keynote Corporate Services Limited on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

In respect of Item No. 4 – Variation in terms of appointment of Smt. Rinku Suchanti, (DIN - 00012903) Whole-time Director of the Company.

Smt. Rinku Suchanti has been with the Company since March, 2015. Her terms were approved by the members in the 24th Annual General Meeting held on 23rd August, 2017. The annual increment payable to Smt. Rinku Suchanti is being determined by the Board of Directors from time to time as permitted by the members. With effect from 1st January, 2018, the remuneration payable to Smt. Rinku Suchanti has been revised by the Board of Directors to ₹ 2,67,500/- per month from ₹ 2,50,000/-. Such increment is within the overall limits of Schedue V of Companies Act, 2013 and also with the authority of members of the Company.

Following the remuneration is now being proposed to be paid to Smt. Rinku Suchanti, Whole-time Director of the Company.

- Salary: ₹ 2,67,500/- p.m. which may be reviewed/revised by Board of Directors within overall maximum remuneration payable to Whole-time Director as per Schedule V of Companies Act, 2013.
- Performance / Bonus Benefit: The whole-time Director shall be paid yearly performance benefit as decided by the Board.

All other terms and conditions relating to her appointment and remuneration as approved earlier by the members remain unchanged. Details of remuneration paid during the Financial Year 2017-18 have been disclosed in the annexure to the Directors' Report and in the Corporate Governance Report.

Except Smt. Rinku Suchanti and Shri Vineet Suchanti, none of the Directors and Key Managerial personnel of the company and their relative are concerned or interested, financial or otherwise, in the resolution set out at item no. 4.

The Directors recommend the aforesaid resolution for the approval by the members as Ordinary Resolution.

In respect of Item No. 5 – Re-appointment and variation in terms of appointment of Shri. Uday S. Patil (DIN: 00003978) as Whole-Time Director.

Shri Uday S. Patil had been the Whole-Time Director of the company from September, 1997 and has been with the Company Since May, 1994. His terms were approved by the members in the 22nd Annual General Meeting held on 29th September, 2015 for the period of 3 years upto 12th November, 2018. The annual increment payable to Shri Uday S. Patil, is being determined by the Board of Directors from time to time as permitted by the members. With effect from 1st January, 2018, the remuneration payable to Shri Uday S. Patil, has been revised by the Board of Directors to ₹ 3,20,198/- per month from ₹ 2,99,250/-. Such increment is within the overall limits of Schedue V of Companies Act, 2013 and also with the authority of members of the Company.

The Board of Directors of the company at its Meeting held on 28th May, 2018 has re-appointed Shri Uday S. Patil as the Whole-Time Director of the company for the period of 3 (three) years w.e.f 13th November, 2018 subject to the approval of the members of the Company.

Following the remuneration is now being proposed to be paid to Shri. Uday S. Patil, Whole-time Director of the Company.

- Salary: ₹ 3,20,198/- p.m. which may be reviewed/revised by Board of Directors within overall maximum remuneration payable to Whole-time Director as per Schedule V of Companies Act, 2013.
- Performance/Bonus Benefit: The Whole-time Director shall be paid yearly performance benefit as decided by the Board.
- Benefits and Amenities:
  - a) Gratuity:

    Half a months salary for each completed year of service.
  - b) Earned Leave and encashment of leave:

    21 days leave for every year of service out of which 15 days is encashable.
- Perquisites which include following:
  - a) Medical Reimbursement for self and family will be as per rules of the Company.
  - b) Leave Travel expenses for self and family will be as per rules of the Company.
  - c) Club fees (excluding admission to life membership fee) will be on actual basis.
  - d) Expenses on children's education not exceeding ₹15,000/- per annum per child, subject to maximum of two children.
  - e) Personal Accident Insurance and Mediclaim Insurance for self and family will be as per company's rules.
  - f) Contribution to Provident Fund, Superannuation fund or Annuity:

    As per rules of the company to the extent these, either singly or put together are not taxable under the Income Tax Act.
  - g) Provision of car: For use on Company's business.
  - h) Reimbursement of Expenses actually incurred for Company's business against submission of supporting.
  - i) Actual travelling and other related expenses for self touring in India and abroad on Company's Work.

He shall not be paid any sitting fees for attending the meetings of the Board of Directors/Committees thereof. The Annual increment shall be determined by the Board from time to time and subject to approval of the Central Government, if any.

The appointment can be terminated by either side by giving six months notice in writing. Shri Uday S. Patil, is concerned or interested in the resolution and the terms and conditions mentioned herein.

Disclosure Pursuant to Section II of Part II of Schedule V of the Companies Act, 2013

I. **General Information**:

1.	Nature of Industry	:	Merchant Baking/Corporate Advisory Services		
2.	Date or expected date of commencement of commercial production	:	Not Applicable		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	:	Not Applicable		
4.	Financial performance based on given indicators during financial year ended 31st March, 2018	:			(₹ in Lakhs)
			Total Income	:	1,071.96
			Expenses	:	585.90
			Profit	:	322.72
			EPS (₹)	:	4.60
			P/E Ratio (times)	:	11.09
			Total Assets	:	5,680.52
5.	Foreign investment or collaborators, if any	:	As on 31st March, 2018, the foreign shareholding in the company is 5,66,405 Equity Shares representing 8.07% of the total capital.		

II. Information about Shri Uday S. Patil, Whole-Time Director

1. Background Details:

Uday S. Patil is a Science graduate with a Law Degree and also a certified Associate of Indian Institute of Bankers. An ex-banker with rich hands-on experience on various fields of Banking and Investment Banking.

2. Past remuneration:

For the financial year 2017-2018 Shri Uday S. Patil, total remuneration was ₹ 47.31 lakhs.

3. Recognition or awards:

He has been Guest faculty at Alkesh Dinesh Mody Institute of Financial and Management Studies [ADMI], Jamanalal Bajaj Institute of Management Studies [JBIMS] of University of Mumbai, The Institute of Chartered Accountants of India [ICAI], National Institute of Securities Market [NISM] etc. His quote's on primary market related topics find place in leading newspapers & magazines such as Economic Times, Business Standard etc.

4. Job profile and his suitability:

Shri Uday S. Patil has been with the Company since 1994. He has been the member of Board of Directors since September, 1997. He is having about 3 decades of experience in various fields of Commercial Banking & Investment Banking. He is instrumental in forming various processes/procedures for the company as a whole & for Merchant Banking activities of the company which is a core business of the company. His immense contribution as Director (Investment Banking) has helped the company to execute & complete many transactions such as IPOs, Rights Issues, Buy Back, Takeovers etc. The execution capabilities & developing the team with capabilities to handle transactions of various natures has been one of the strengths of Shri Uday S. Patil. He is well suited for the job profile.

5. **Remuneration proposed:**

   The remuneration of Shri Uday S. Patil is set out above.

6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)**

   Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of Shri Uday S. Patil, the proposed remuneration is competitive with the remuneration paid by other companies to such similar positions.

7. **Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:**

   Other than the remuneration stated above, Shri Uday S. Patil has no other pecuniary relationship directly or indirectly with Company.

III. Other Information

1. **Reason of loss of inadequate profits**

   The Company has reported PAT of ₹ 322.72 lakhs for the financial year ended 31st March, 2018. The company being engaged in corporate advisory services, the performance of the company is directly related to the status of capital market and more particularly primary market segment. The income is earned on completion of various assignments.

2. **Steps taken or proposed to be taken for improvement**

   The Company has well defined growth strategy wherein focus on completion of various assignments is laid. The efforts to complete the transactions within the said timelines are on. The execution team has been assigned structured timelines to adhere.

3. **Expected increase in productivity and profits in measurable terms.**

   The Company expects to increase the productivity and profit considerably. Various mandates at various stages of execution are reviewed from time to complete. As a result company expects to improve both the top line and the bottom line growth.

IV. Disclosures

The remuneration details of Shri Uday S. Patil, Whole-Time Director are set out in the explanatory statement.

The Board recommends the passing of an Ordinary Resolution as set out in item No. 5 of the accompanied notice. Except Shri Uday S. Patil, none of the Directors and Key Managerial personnel of the company and their relative is concerned or interested, financial or otherwise, in the resolution set out at item no. 5.

The Directors recommend the aforesaid resolution for the approval by the members as Ordinary Resolution.

For and on behalf of the Board
Keynote Corporate Services Limited

Sd/-
Uday S. Patil
Director
(DIN - 00003978)

Date: 28th May, 2018
Place: Mumbai

ANNEXURE TO THE NOTICE

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting pursuant to Regulation 36 of the Listing Regulations:

1. Smt. Rinku Suchanti – Director [Due to retire by rotation seeking re-appointment.]

A. A brief resume of the director and Nature of her expertise in specific function areas:

Smt. Rinku Suchanti, has been one of the Whole-Time Director of the Company. She is providing an administrative support to the management and has been one of the authorized signatories on behalf of the Company. She is found to be suitable for the job being of the Executive Director and Woman Director.

B. Disclosure of relationships between directors inter-se:

Smt. Rinku Vineet Suchanti, is the spouse of Shri. Vineet Suchanti. None of the other directors are related to Smt. Rinku Suchanti.

C. No listed entities in which Smt. Rinku Suchanti, holds the Directorship and Membership of the Committees of Board.

D. Shareholding in the Company:

3802 Equity shares as on 31st March, 2018.

2. Shri Uday S. Patil - Whole-Time Director [Re-appointment as Whole-Time Director]

A. A brief resume of the director and Nature of his expertise in specific function areas:

Shri Uday S. Patil has been with the Company since 1994. He has been the member of Board of Directors since September, 1997. He is having about 3 decades of experience in various fields of Commercial Banking & Investment Banking. He is instrumental in forming various processes/procedures for the company as a whole & for Merchant Banking activities of the company which is a core business of the company. His immense contribution as Director (Investment Banking) has helped the company to execute & complete many transactions such as IPOs, Rights Issues, Buy Back, Takeovers etc. The execution capabilities & developing the team with capabilities to handle transactions of various natures has been one of the strengths of Shri Uday S. Patil.

He has been Guest faculty at Alkesh Dinesh Mody Institute of Financial and Management Studies [ADMI], Jamanalal Bajaj Institute of Management Studies [JBIMS] of University of Mumbai, The Institute of Chartered Accountants of India [ICAI], National Institute of Securities Market [NISM] etc. His quote's on primary market related topics find place in leading newspapers & magazines such as Economic Times, Business Standard etc.

B. Disclosure of relationships between directors inter-se:

None of the Directors of the Company are related to Shri. Uday S. Patil.

C. No listed entities in which Shri. Uday S. Patil, holds the Directorship and Membership of the Committees of Board.

D. Shareholding in the Company:

2500 Equity shares as on 31st March, 2018.

DIRECTORS' REPORT

The Members of KEYNOTE CORPORATE SERVICES LIMITED

Dear Shareholder(s),

Your Directors have pleasure in presenting their 25th Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2018.

FINANCIAL RESULTS

(₹ In Lakhs)

Particulars	Year Ended 31-03-2018	Year Ended 31-03-2017
Total Income	**1,071.95**	763.98
Gross Operating Profit	**524.69**	278.09
Depreciation	**38.63**	41.24
Exceptional Items	**(42.40)**	—-
Profit Before Tax	**443.66**	236.85
Provision for :		
Current Tax	**120.36**	48.32
Short/(Excess) provision for tax in respect of earlier years)	**(1.85)**	03.08
Deferred Tax Liability/(Assets)	**2.43**	(3.51)
Profit After Tax	**322.72**	188.96
Profit/(loss) brought forward from Previous year	**2,021.93**	1,832.97
Surplus available for appropriations	**2,344.65**	2,021.93
Proposed Dividend	**175.45**	70.18
Tax on Dividend	**35.72**	14.29
Transferred to General Reserve	**—**	—
Balance carried forward	**2,344.64**	2,021.93

DIVIDEND

Your directors are pleased to recommend higher dividend of ₹ 2.50 per Equity Share having a face value of ₹ 10/- each, (i.e.25%) for the year ended 31st March, 2018 on completion of 25 years of the Company and the same will be paid subject to the approval of the shareholders at the 25th Annual General Meeting (AGM) of the Company.

OPERATIONS

We are pleased to state that your Company is completing 25 years of its operation in June 2018. During this journey your Company has functioned on the ethos of "Creating Value through Relationship & Trust". Over the period Company has developed great amount of intimate relationships with its clients, regulators, shareholders, bankers, service providers, employees and all the other stakeholders. No wonder that during this corporate journey your Company managed 135 Public Issues, 52 Rights Issues, 55 Takeover Offers, 15 Buy Back Offers, 8 Delisting Offers, acted as Advisors for 26 Companies to raise capital, Advised 8 FCCB transactions and 1 GDR Transaction & many clients for valuation, corporate advisory & ESOP advisory services. The management has adopted fair & ethical business practices while acting as a corporate entity enabling the Company to emerge as one of the largest Merchant Banker in mid market segment. Company has also successfully survived

the onslaughts of vagaries of market situation, unforeseen adverse events & remained committed to its goal of providing the efficient & cost effective services to its clients.

Out of the last 25 years Company has been consistent in declaring & paying dividend in good times. Continuous dividend payment for past decade is a testimony of Management's policy of sharing. The Board of Directors recommended higher dividend of 25% to the equity shareholders on the occasion of completion of 25 years of operation. The equity shares of the Company are listed on BSE & NSE and the category I registration as Merchant Banker from SEBI has been renewed since December 1993. Presently your Company holds a permanent registration as Category I Merchant Banker from SEBI.

The financial year 2017-18 witnessed high mobilisation in public equity market. In the financial year 45 Main Board IPOs & 155 SME IPOs were completed. The average size in the SME segment enhanced to about ₹ 14.50 Crores. Your Company has adopted a policy of being selective while accepting the assignments particularly in SME IPO space. During this year Company could complete one of the largest SME IPOs to the extent of ₹ 55.00 Crores besides handling various assignments on Rights Issue, Buy Back, Delisting, Open Offers for Companies on Dissemination Board and have also conducted various valuation exercises including ESOP advisory. The total income during the year has enhanced to ₹ 1,072.00 lakhs from ₹ 764.00 lakhs witnessed in 2016-17. Company has also been able to provide corporate advisory services to few large corporates in their acquisition strategy as well as restructuring of business transaction. The overall financial performance of the Company was improved with focussed strategy of providing services to select clients.

Company has taken steps to develop new teams to be able to cater to the requirements of the clients more effectively. It has many mandates on hand for execution during the current financial year.

OPERATIONS OF SUBSIDIARIES

Presently your company has two subsidiaries namely Keynote Capitals Limited (KCL) an integrated broking house and Keynote Fincorp Ltd. (KFIN) a NBFC. KCL is a member of BSE & NSE as well as Depository Participant of Central Depository Services (India) Limited. KCL has a subsidiary namely Keynote Commodities Ltd. which is member of Multi Commodity Exchange of India (MCX).

Presently the Company is debt free. On a consolidated basis Company has reported total revenue of ₹ 2,042.00 lakhs with PAT of ₹ 571.00 lakhs. The networth of the Company on consolidated basis is ₹ 7,712.81 lakhs.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

Keynote Capitals Limited (KCL) and Keynote Fincorp Limited (KFIN) are subsidiary companies. Presently Keynote Capitals Limited has one wholly owned subsidiary namely Keynote Commodities Limited.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in **Form AOC-1** is attached to the financial statements of the Company.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiaries are available on the website of the Company.

The financial statement of the subsidiary Companies are kept for inspection by the shareholders at the Registered Office of the Company. The Company shall provide free of cost, the copy of the financial statement of its subsidiary companies to the shareholders upon their request. The statements are also available on the website of the Company i.e. www.keynoteindia.net

As stipulated by Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"] the consolidated financial statement have been prepared by the Company in accordance with the applicable Accounting standards. The audited consolidated financial statements together with Auditors Report form part of the Annual Report.

The company has formulated a policy for determining 'material' subsidiaries and such policy is disclosed on the company's Website http://www.keynoteindia.net/document-hosting/financial_results/Material Subsidiary_Policy.pdf

NOTE ON INTERIM FINANCIAL RESULTS

Pursuant to the Companies (Indian Accounting Standards) Rules, 2015, our Company had migrated to new Accounting Standards [i.e. Indian Accounting Standards (Ind AS)] effective from 1st April, 2017 and prepared Un-audited Financial Results for the quarter ended 30th June, 2017 and 30th September, 2017 as per Ind AS and same were accordingly published.

However, our attention was drawn to the Notification No. G.S.R. 365(E) issued by MCA dated 30th March, 2016 which amended Companies (Indian Accounting Standards) Rules, 2015. In terms of the Circular, Companies which are "Merchant Banking" were also covered and given further time frame for adopting Ind AS, starting with Financial Year 2018-19 and then 2019-20 depending on the net worth criteria laid down in the notification. In terms of aforesaid circular and being a SEBI Registered Category – I Merchant Banker, we would need to be compliant only effective Financial Year - 2019-20 and not in the current Financial Year i.e. 2017-18. Further, there is no provision for voluntary adoption of Ind AS before this period. Accordingly, we had redrawn our financial results for the Quarter ended 30th June, 2017 and Quarter and Half year ended 30th September, 2017 as per earlier Accounting Standards (Previous GAAP) which were applicable instead of Ind AS.

The Board of Directors of the Company at its Meeting held on 8th February, 2018, considered and again approved the Unaudited Standalone Financial Results of the Company for Quarter ended 30th June, 2017 and Quarter and Half year ended 30th September, 2017 as per GAAP and revised financials were re-published and submitted to the Stock Exchanges.

TRANSFER TO RESERVES

During the year your Company has not transferred any amount to general reserve.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Regulation 34 of the Listing Regulations with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

The Companies Act, 2013 and Listing Regulations require compliances with specified Corporate Governance practices. These practices have been fully implemented and a certificate from the Practicing Company Secretary as well as a detailed report on Corporate Governance approved by the Board of Directors of the Company is set out in the Annual Report. Your Company has also been enlisted in the new SEBI Complaint Redressal System (SCORES) enabling the investors to register their complaints if any for speedy redressal.

LISTING WITH STOCK EXCHANGES

The Equity Shares of the Company continued to be listed and traded on the BSE Limited (BSE) and National Stock Exchange of India Ltd. (NSE). The scrip code number of the Equity Shares of the Company on BSE is 512597/KEYCORPSER and on NSE is KEYCORPSER. The Company has paid up to date listing fees to both the stock exchanges.

DEMATERIALIZATION

The Equity Shares of the Company can be held in dematerialized form. The Company has signed the tripartite agreement with National Securities Depository Ltd. (NSDL), Central Depository Services (India) Ltd. (CDSL) and existing Registrar & Transfer Agent for dematerialization of existing holding of the shareholders. The International Securities Identification Number (ISIN), allotted to the Company is INE681C01015. The Equity Shares of the Company are listed and traded on BSE and NSE. On BSE the equity shares of the Company are traded in "B" segment. The Equity Shares of the Company are being traded in compulsory dematerialized mode. Presently 97.21% of equity capital of the company is in dematerialized mode.

PUBLIC DEPOSIT

Your Company has neither accepted nor renewed any deposit within the meaning of Section 73 and other applicable provisions, if any, of the Companies Act, 2013 and the necessary rules made there under during the year ended 31st March, 2018.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investment have been disclosed in the notes to the financial statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to Managing Director. The Accounts Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and based on the report of internal audit the management undertakes corrective action in the respective areas and thereby strengthens the controls. Significant audit observations and recommendations if any, along with corrective actions thereon are required to be presented to the Audit Committee of the Board. During this financial year no such observations have been made.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company understands and values Corporate Social Responsibility (CSR) initiatives of the Government and has also noted the requirements of CSR activities in terms of Companies Act, 2013. The requirement of mandatory implementation of CSR activity is presently not applicable to your company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

(A) Conservation of energy:

Considering the nature of business activities carried out by the Company, your directors have nothing to report with regard to conservation of energy as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

(B) Technology absorption:

The management keeps itself abreast of the technological advancements in the industry and has adopted the state of the art transaction, billing and accounting systems and also risk management solutions.

(C) Foreign exchange earnings and Outgo:

a) The foreign exchange earnings ₹ 20.10 lakhs (previous year ₹ 35.91 lakhs).

b) The foreign exchange expenditure ₹ 21.22 lakhs (previous year ₹ 1.07 lakhs).

STATE OF AFFAIRS

During the year under review, your Company enjoyed cordial relationship with employees at all levels.

DISCLOSURES UNDER SECTION 134(3) (I) OF THE COMPANIES ACT, 2013

There are no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

DIRECTOR AND KEY MANAGERIAL PERSONNEL (KMP)

(i). Changes in Director and Key Managerial Personnel (KMP):

During the Financial Year there was no change in Composition of the Board of Directors.

During the Financial year Ms. Saloni Maru, Company Secretary resigned with effect from 21st April, 2017 and Shri Sujeet Krishna More has joined as Company Secretary and Compliance Officer of the Company with effect from 25th May, 2017.

Event occurred between the end of the financial year of the Company and date of this report:

Shri Hitesh Shah, Independent Director of the Company due to his pre-occupation submitted his resignation to the Board with effect from 28th May, 2018.

(ii) Retirement by rotation:

As per the provisions of Section 152 of the Companies Act, 2013, Smt. Rinku Suchanti (DIN: 00012903) is due to retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. Your Directors recommend the approval.

(iii) Declaration of Independence

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued there under as well as Regulation 25 of the Listing Regulations.

(iv) Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under Listing Regulations. Listing Regulations mandates that the Board shall monitor and review the Board evaluation framework.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors.

The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

(v) DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued there under and Regulation 19 of the Listing Regulations the Board of Directors at their meeting held on 7th August, 2014 formulated the Nomination and Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee. The salient aspects covered in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors and other matters have been outlined in the Corporate Governance Report which forms part of this Report.

(vi) NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND AUDIT COMMITTEES

Your Board of Directors duly met four (4) times during the financial year i.e. on 25th May, 2017, 11th September, 2017, 1st December, 2017 and 8th February, 2018 in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minute Book maintained for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The Audit Committee duly met four (4) times during the financial year i.e. on 25th May, 2017, 11th September, 2017, 1st December, 2017 and 8th February, 2018 in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

(vii) DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

(a) In the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(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 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 this Act 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 to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER

In accordance with the provisions of section 197(12) of the Companies Act, 2013, the ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub section 12 of Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are forming part of this report as **"Annexure [A]"**.

In accordance with provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the annexure pertaining to the names and other particulars of employees is available for inspection by Members at the Registered Office of the Company, 21 (Twenty one) days before and up to the date of the ensuing Annual General Meeting during the business hours on working days. Any Shareholder interested in obtaining a copy of the said Annexure may write to the Company Secretary & Compliance Officer at the Registered Office of the Company.

EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rule, 2014, the Extract of Annual Return **(Form No. MGT-9)** as on the financial year ended on 31st March, 2018 is enclosed as **"Annexure – [B]"** to the Directors' Report.

AUDIT REPORTS AND AUDITORS

AUDIT REPORTS

The observations made by the Statutory Auditors in their Report for the Financial Year Ended 31st March, 2018, read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under section 134(3) of the Companies Act, 2013.

The Secretarial Auditor's Report for the Financial Year 2017-18 does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report is annexed herewith as **"Annexure - [C]"**

AUDITORS

Statutory Auditors

M/s. S M S R & CO LLP Chartered Accountants, Mumbai (Firm Registration No. 110592W/W100094) was re-appointed as Statutory Auditors of the Company at 23rd Annual General Meeting which was held on 29th July, 2016 to hold the office as Statutory Auditor from the conclusion of 23rd Annual General Meeting till conclusion of 28th Annual General Meeting (AGM) of the Company subject to ratification by the Members of the Company at every Annual General Meeting (AGM). M/s. S M S R & CO LLP is willing to act as a Statutory Auditor of the

Company for the financial year 2018 – 2019. The Company has received a written consent from them vide letter No. SMSR/2018-19/AAS/UB/EL/004 dated 30th April, 2018 for their reappointment and also confirmations from the said Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Statutory Auditors of the Company.

Further, as per the Companies (Amendment) Act, 2017 the provision of ratification by the members at every Annual General Meeting has been deleted w.e.f. 7th May, 2018. Accordingly there is no need to ratify their appointment in the ensuing Annual General Meeting of the Company.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. Uma Lodha & Co., Practicing Company Secretaries to conduct the Secretarial Audit of your Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

In pursuance to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established.

The purpose of the "Whistleblower Policy" is to allow employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization. They will be protected against any adverse action and/ or discrimination as a result of such a reporting, provided it is justified and made in good faith. The Chairman of the Audit Committee has been designated for the purpose of receiving and recording any complaints under this policy. The Vigil Mechanism Policy has been uploaded on the website of the Company at http://www.keynoteindia.net/document-hosting/financial_results/WHISTLE%20BLOWER%20POLICY.pdf

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per **Form AOC-2** is enclosed as **"Annexure-D"**. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the Listing Regulations. This Policy was considered and approved by the Board has been uploaded on the website of the Company at http://www.keynoteindia.net/document-hosting/financial_results/Keynote_Policy%20on%20Related%20Party%20Transactions.pdf

CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website www.keynoteindia.net

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have complied compliance with the Code.

RISK MANAGEMENT

Pursuant to Section 134 (3) (n) of the Companies Act, 2013 & Regulation 17 of Listing Regulations the Company has formulated risk management policy and the same has been placed on the company website. http://www.keynoteindia.net/document-hosting/financial_results/Keynote_Risk%20Management%20Policy.pdf

At present the company has not identified any element of risk which may adversely affect functioning of the company.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. Said code of conduct is in line with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All the Directors and the designated employees have complied with the Code.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company's operations in future.

GENERAL DISCLOSURES

- **DISCLOSURE UNDER SECTION 43(a) (ii) OF THE COMPANIES ACT, 2013**

  The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

- **DISCLOSURE UNDER SECTION 54(1) (d) OF THE COMPANIES ACT, 2013**

  The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1) (d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

- **DISCLOSURE UNDER SECTION 62(1) (b) OF THE COMPANIES ACT, 2013**

  The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1) (b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

- **DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013**

  During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

ACKNOWLEDGMENT

We take this opportunity to express deep sense of gratitude to Members of Board of Directors, Shareholders of the Company, Securities and Exchange Board of India (SEBI), BSE Limited (BSE), National Stock Exchange of India Limited (NSE), Registrar of Companies (ROC), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL), Association of Investment Bankers of India (AIBI), Link Intime India Pvt. Limited, M/s. S M S R & CO. LLP Statutory Auditors, M/s. R. B. Pandya & Co. Internal Auditors, our Clients, Bankers, Employees and other Stakeholders and Government Agencies for their continued support.

For and on behalf of the Board
Keynote Corporate Services Limited

	Sd/-	**Sd/-**
	Vineet Suchanti	**Uday S. Patil**
Date: 28th May, 2018	**Director**	**Director and CFO**
Place: Mumbai	**(DIN: 00004031)**	**(DIN: 00003978)**

Annexure [A] to Director's Report

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Particulars of employees

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Directors	Ratio to median remuneration
Shri Manish Desai	0.13
Shri Shishir Dalal	0.13
Shri Anish Malhotra	—
Shri Hitesh Shah	—
Smt. Rinku Suchanti	6.61
Shri B. Madhuprasad	2.37
Shri. Vineet Suchanti	—
Shri. Uday S. Patil	9.30

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% Increase in remuneration in the financial year
Shri. Vineet Suchanti	—
Shri. Uday S. Patil	5.07
Shri. Manish Desai	71.43
Shri. Shishir Dalal	20.00
Shri. Anish Malhotra	—
Shri. Hitesh Shah	—
Smt. Rinku Suchanti	—
Shri. B. Madhuprasad	—
Shri. Sujeet More	—

c. The percentage increase in the median remuneration of employees in the financial year: 4.96%

d. The number of permanent employees on the rolls of Company: 23.

e. 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:

The average annual increase was around 4.35%. However, during the course of the year, the total increase is approximately 56.52%, after accounting for promotions and other event based compensation revisions. The management wish to retain the well settled manpower by making annual increment irrespective of Company's financial performance. Increase in the managerial remuneration for the year was 5.07%.

f. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board
Keynote Corporate Services Limited

	Sd/-	**Sd/-**
	Vineet Suchanti	**Uday S. Patil**
Date: 28th May, 2018	**Director**	**Director and CFO**
Place: Mumbai	**(DIN: 00004031)**	**(DIN: 00003978)**

Annexure [B] to Director's Report

Extract of Annual Return as on 31st March, 2018

Form No. MGT-9

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

I. **REGISTRAION AND OTHER DETAILS**:

i.	Corporate Identity Number (CIN)	:	L67120MH1993PLC072407
ii.	Registration Date	:	16th June, 1993
iii.	Name of the Company	:	Keynote Corporate Services Limited
iv.	Category/Sub-Category of the Company	:	Public Company Limited by Shares
v.	Address of the Registered office and contact details	:	The Ruby, 9th floor, Senapati Bapat Marg, Dadar (West) Mumbai – 400 028 Tel : (022) 30266000 Fax : 022) 30266088 Email: investors@keynoteindia.net Website: www.keynoteindia.net
vi.	Whether listed Company (Yes/No)	:	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/s. Link Intime India Pvt. Limited C-101, 247, Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 Telephone No.: (022) 49186000 Fax Number : (022) 49186060 Email ID: rnt.helpdesk@linkintime.co.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.	Investment Banking and Advisory Services	649	100

III. **PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of Shares held	Applicable Section
1.	Keynote Capitals Limited	U67120MH1995PLC088172	Subsidiary	100	2(87)(ii)
2.	Keynote Fincorp Limited	U67120MH1995PLC084814	Subsidiary	57.14	2(87)(ii)
3.	Keynote Commodities Limited (Step-down subsidiary)	U72900MH2000PLC127047	Subsidiary of Keynote Capitals Limited	100 by Keynote Capital Limited	2(87)(ii)

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

I. **Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. 1st April, 2017)				No. of Shares held at the end of the year (i.e. 31st March, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/HUF	651052	—	651052	9.28	651052	—	651052	9.28	—
b) Central Govt.	—	—	—	—	—	—	—	—	—
c) State Govt(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corporate	3411166	—	3411166	48.60	3411166	—	3411166	48.60	—
e) Banks/FI	—	—	—	—	—	—	—	—	—
f) Any Other……	—	—	—	—	—	—	—	—	—
Sub-Total (A) (1):-	**4062218**	**—**	**4062218**	**57.88**	**4062218**	**—**	**4062218**	**57.88**	**—**
(2) **Foreign**									
a) NRIs- Individuals	—	—	—	—	—	—	—	—	—
b) Other-Individuals	—	—	—	—	—	—	—	—	—
c) Bodies Corp.	—	—	—	—	—	—	—	—	—
d) Banks/FI	—	—	—	—	—	—	—	—	—
e) Any Other….	—	—	—	—	—	—	—	—	—
Sub-total (A)(2) :-	—	—	—	—	—	—	—	—	—
Total Shareholding of Promoter (A) = (A) (1)+ (A)(2)	**4062218**	**—**	**4062218**	**57.88**	**4062218**	**—**	**4062218**	**57.88**	**—**
B. **Public Shareholding**									
1. **Institutions**									
a) Mutual Funds	—	13900	13900	0.20	—	13900	13900	0.20	—
b) Bank/FI	300	—	300	0.00	300	—	300	0.00	—
c) Central Govt.	—	—	—	—	—	—	—	—	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	—	—	—	—	—	—	—	—	—
g) FIIs	561348	—	561348	8.00	561348	—	561348	8.00	—
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
Sub-Total (B)(1):-	**561648**	**13900**	**575548**	**8.20**	**561648**	**13900**	**575548**	**8.20**	**—**

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. 1st April, 2017)				No. of Shares held at the end of the year (i.e. 31st March, 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. **Non-Institutions**									
a) Bodies Corp.									
i) Indian	103926	31200	135126	1.92	99390	30400	129790	1.85	(0.07)
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	311261	194186	505447	7.20	291717	148560	440277	6.27	(0.93)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	256239	—	256239	3.65	281900	—	281900	4.02	0.37
c) Others									
i) Non-resident Indians (Repat)	2216	2100	4316	0.06	2527	2000	4527	0.06	—
ii) Non Resident (Non Repatriable)	530	—	530	0.01	530	—	530	0.01	—
iii) Trust	1451702	200	1451902	20.69	1451702	200	1451902	20.69	—
iv) Hindu Undivided Family	17498	500	17998	0.26	18287	500	18787	0.27	0.01
v) Clearing Member	9015	—	9015	0.13	9223	—	9223	0.13	—
vi) Investors Education and Protection Fund Authority (Ministry of Corporate Affairs)	—	—	—	—	43637	—	43637	0.62	0.62
Sub-Total (B)(2)	**2152387**	**228186**	**2380573**	**33.92**	**2198913**	**181660**	**2380573**	**33.92**	**—**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**2714035**	**242086**	**2956121**	**42.12**	**2760561**	**195560**	**2956121**	**42.12**	—
C. Shares held by Custodian for GDRs & ADRs									
Promoter and Promoter Group	—	—	—	—	—	—	—	—	—
Public	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	**6776253**	**242086**	**7018339**	**100.00**	**6822779**	**195560**	**7018339**	**100.00**	—

ii) **Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 1st April, 2017			Share holding at the end of the year i.e. 31st March, 2018			
		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	% change in share holding during the year
1.	NSS Digital Media Limited	3112256	44.34	—	3112256	44.34	—	—
2.	Nirmal Suchanti – HUF	282499	4.03	—	282499	4.03	—	—
3.	Concept Production Limited	241600	3.44	—	241600	3.44	—	—
4.	Pushpa Nirmal Suchanti	132308	1.89	—	132308	1.89	—	—
5.	Nirmal Suchanti	117647	1.68	—	117647	1.68	—	—
6.	Naga Accounts Management Pvt. Ltd.	53300	0.76	—	53300	0.76	—	—
7.	Vivek Suchanti	49440	0.70	—	49440	0.70	—	—
8.	B. Madhuprasad	48550	0.69	—	48550	0.69	—	—
9.	Vineet Suchanti	11977	0.17	—	11977	0.17	—	—
10.	Rita Suchanti	4829	0.07	—	4829	0.07	—	—
11.	Dhanvirdhi Tie up Pvt. Limited	4010	0.06	—	4010	0.06	—	—
12.	Rinku Suchanti	3802	0.05	—	3802	0.05	—	—
	Total	**4062218**	**57.88**	—	**4062218**	**57.88**	—	—

iii) **Change in Promoters' Shareholding as on 31st March, 2018 (Please specify, if there is no change)**

Sr. No.	Shareholder's Name	No. of Shares at the beginning i.e. 1st April, 2017	% of total Shares of the Company	Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shares during the year	% of total shares of the company during the year
1.	NSS Digital Media Limited	3112256	44.34	—	No Change	—	3112256	44.34
2.	Nirmal Suchanti – HUF	282499	4.03	—	No Change	—	282499	4.03
3.	Concept Production Limited	241600	3.44	—	No Change	—	241600	3.44
4.	Pushpa Nirmal Suchanti	132308	1.89	—	No Change	—	132308	1.89
5.	Nirmal Suchanti	117647	1.68	—	No Change	—	117647	1.68
6.	Naga Accounts Management Pvt. Ltd.,	53300	0.76	—	No Change	—	53300	0.76
7.	Vivek Suchanti	49440	0.70	—	No Change	—	49440	0.70
8.	B. Madhuprasad	48550	0.69	—	No Change	—	48550	0.69
9.	Vineet Suchanti	11977	0.17	—	No Change	—	11977	0.17
10.	Rita Suchanti	4829	0.07	—	No Change	—	4829	0.07
11.	Dhanvirdhi Tie up Pvt. Limited	4010	0.06	—	No Change	—	4010	0.06
12.	Rinku Suchanti	3802	0.05	—	No Change	—	3802	0.05

iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
	For each of the top Ten Shareholders	No. of Shares at the beginning (01-04-2017)/ end of the year (31-03-2018)	% of total Shares of the company				No. of Shares	% of total Shares of the Company
1	Keynote Trust	1451702	20.68	01-04-2017	0	NIL Movement during the year	1451702	20.68
		1451702	20.68	31-03-2018				
2	India Max Investment Fund Ltd.	561348	8.00	01-04-2017	0	NIL Movement during the year	561348	8.00
		561348	8.00	31-03-2018				
3	Gaurav Himatsingka	121000	1.72	01-04-2017	0	NIL Movement during the year	121000	1.72
		121000	1.72	31-03-2018				
4	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	0	—	01-04-2017	0	Transferred pursuant to the circular issued by Ministry of Corporate Affairs	43637	0.62
		43637	00.62	31-03-2018				
5	Skunk Agents Private Limited	41914	0.59	01-04-2017	0	NIL Movement during the year	41914	0.59
		41914	0.59	31-03-2018				
6	Gulu Khuba Watumull	36071	0.51	01-04-2017	0	5452 Equity Shares clubbed by PAN	41523	0.59
		41523	0.59	31-03-2018				
7	Bela Properties Private Limited	36166	0.51	01-04-2017	0	NIL Movement during the year	36166	0.51
		36166	0.51	31-03-2018				
8	Narsingh Pal Singh	23499	0.33	01-04-2017				
				29-12-2017	902	Purchase	24401	0.34
				05-01-2018	3816	Purchase	28217	0.40
				19-01-2018	4030	Purchase	32247	0.45
				26-01-2018	398	Purchase	32645	0.46
				09-03-2018	975	Purchase	33620	0.47
				16-03-2018	758	Purchase	34378	0.49
				23-03-2018	296	Purchase	34674	0.49
		34674	0.49	31-03-2018			34674	0.49
9	Manoj J. Bagadia	24880	0.35	01-04-2017				
				16-06-2017	(2380)	Sale	22500	0.32
				23-06-2017	(1000)	Sale	21500	0.30
		21500	0.30	31-03-2018			21500	0.30
10	Varsha Berlia	16000	0.22	01-04-2017	0	NIL Movement during the year	16000	0.22
		16000	0.22	31-03-2018				

v) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
	For each of the Directors and KMP	No. of Shares at the beginning (01-04-2017)/ end of the year (31-03-2018)	% of total Shares of the company				No. of Shares	% of total Shares of the Company
	Directors:							
1.	Shri B. Madhuprasad	48550 48550	0.69	01-04-2017 31-03-2018	0	NIL Movement during the year	48550	0.69
2.	Shri Vineet Suchanti	11977 11977	0.17	01-04-2017 31-03-2018	0	NIL Movement during the year	11977	0.17
3.	Shri Uday S. Patil	2500 2500	0.03	01-04-2017 31-03-2018	0	NIL Movement during the year	2500	0.03
4.	Shri Hitesh Shah	0 0	0 0	01-04-2017 31-03-2018	0	NIL holding/ Movement during the year	0	0
5.	Shri Shishir Vasant Dalal	0 0	0 0	01-04-2017 31-03-2018	0	NIL holding/ Movement during the year	0	0
6.	Shri Anish Malhotra	0 0	0 0	01-04-2017 31-03-2018	0	NIL holding/ Movement during the year	0	0
7.	Shri Manish Desai	0 0	0 0	01-04-2017 31-03-2018	0	NIL holding/ Movement during the year	0	0
8.	Smt. Rinku Suchanti	3802 3802	0.05	01-04-2017 31-03-2018	0	NIL Movement during the year	3802	0.03
	Key Managerial Personnel							
1.	Shri Uday S. Patil	2500 2500	0.03 0.03	01-04-2017 31-03-2018	0	NIL Movement during the year	2500	0.03
2.	Shri Sujeet More (w.e.f. 25-05-2017)	0 0	0 0	01-04-2017 31-03-2018	0	NIL holding/ Movement during the year	0	0

V. INDEBTEDNESS

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

Amount (₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01-04-2017				
i) Principal Amount	7,15,030.00	50,894.00	—	7,65,924.00
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	7,15,030.00	50,894.00	—	7,65,924.00
Change in Indebtedness during the financial year				
+ Addition	—	—	—	—
- Reduction	(7,15,030.00)	(50,894.00)	—	(7,65,924.00)
Net Change	(7,15,030.00)	(50,894.00)	—	(7,65,924.00)
Indebtedness at the end of the financial year – 31-03-2018				
i) Principal Amount	—	—	—	—
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (₹)
		*Smt. Rinku Suchanti – Whole-Time Director	Shri Uday S. Patil – Whole-Time Director	
1.	Gross Salary	(₹)	(₹)	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	33,79,642.00	47,30,820.00	81,10,462.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission			
	– As % of Profit	—	—	—
	– Others specify	—	—	—
5.	Others, please specify	—	—	—
	Total (A)	33,79,642.00	47,30,820.00	81,10,462.00
	Ceiling as per the Act			**1,68,00,000/-

* Appointed as Whole-Time Director w.e.f. 25th May, 2017

** The Managerial remuneration paid is in the line with Clause A of Section II of Part II of Schedule V of the Companies Act, 2013.

B. **Remuneration of other Directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (₹)
		Shri Manish Desai	Shri Shishir Dalal	
1.	**Independent Directors**			
	• Fees for attending board committee meetings	60,000/-	60,000/-	1,20,000/-
	• Commission	Nil	Nil	Nil
	• Others	Nil	Nil	Nil
	Total (1)	60,000/-	60,000/-	1,20,000/-

	Particulars of Remuneration	Name of the Director	Total Amount (₹)
		Shri B. Madhuprasad	
2.	**Other Non-Executive Directors**		
	• Fees for attending board committee meetings	Nil	Nil
	• Commission	Nil	Nil
	• Others (Professional fees)	11,22,585.00*	11,22,585.00
	Total (2)	11,22,585.00	11,22,585.00

	Total B = (1+2)		12,42,585.00
	Total Managerial Remuneration		12,42,585.00
	Ceiling as per the Act	* As per Resolution passed by the Nomination & Remuneration Committee of the company.	

C. **Remuneration to Key Managerial Personnel other than MD/Manager/ WTD**

Sl.No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (₹)
		CEO	Company Secretary	CFO	
			Shri Sujeet More*	Shri Uday S. Patil	
1.	Gross Salary	(₹)	(₹)	(₹)	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	—	4,40,700.00	As mention point No. VI(A)	4,40,700.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission	—			
	– As % of Profit	—	—	—	—
	– Others specify	—	—	—	—
5.	Others, please specify	—	—	—	—
	Total	—	4,40,700.00	—	4,40,700.00

*Shri Sujeet More appointed as Company Secretary and Compliance Officer w.e.f. 25th May, 2017

VII. **PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty	**NONE**				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	**NONE**				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	**NONE**				
Punishment					
Compounding					

For and on behalf of the Board
Keynote Corporate Services Limited

Sd/-
Vineet Suchanti
Director
(DIN: 00004031)

Sd/-
Uday S. Patil
Director and CFO
(DIN: 00003978)

Date: 28th May, 2018
Place: Mumbai

Annexure [C] to Director's Report

Form MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

To

The Members of
Keynote Corporate Services Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provision and the adherence to good corporate practices by M/s. Keynote Corporate Services Limited (CIN:L67120MH1993PLC072407) (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 our verification of 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2018complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes' books, forms and returns filed and other records maintained by M/s. Keynote Corporate Services Limited for the financial year ended 31stMarch 2018 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 any Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992(now known as SEBI (prohibition of Insider Trading) Regulation 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009;

   (d) The Securities and Exchange Board of India (Registrars to issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

vi) Other laws specifically applicable to the Company:

   - Securities Exchange Board of India (Merchant Bankers) Regulation,1992.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that there were no events/actions in pursuance of:

- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- The Securities and Exchange Board of India (Delisting of Equity Shares), Regulations, 2009;
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999;

We further report that

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

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

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

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

For Uma Lodha & Company

Sd/-
Uma Lodha
Proprietor
FCS No. : 5363
C.P. No.2593

Place: Mumbai
Date: 28th May 2018

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE B(i)' and forms an integral part of this report.

ANNEXURE B(i)'

To,

The Members,
Keynote Corporate Services Limited

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

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

For Uma Lodha & Company

Sd/-
Uma Lodha
Proprietor
FCS No. : 5363
C.P. No.2593

Place: Mumbai
Date: 28th May 2018

ANNEXURE [D] TO DIRECTOR'S REPORT

FORM No. AOC-2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

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

Sr. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any:	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Particulars	Details
a)	Name (s) of the related party and nature of relationship	NIL
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	
e)	Date(s) of approval by the Board, if any:	
f)	Amount paid as advance, if any:	

For and on behalf of the Board
Keynote Corporate Services Limited

Sd/-
Vineet Suchanti
Director
(DIN: 00004031)

Sd/-
Uday S. Patil
Director and CFO
(DIN: 00003978)

Date: 28th May, 2018
Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry structure and developments

Indian capital market remained very vibrant and volatile during last financial year. The spate of events globally & domestically affects the capital market in India. Indian capital market is well regulated by securities market regulator SEBI, making it more & more transparent. Repeated changes in various Regulations to adapt to the current requirements/practices has been the hallmark of capital market regulator. All the participants in the capital market are required to get registration as intermediary from SEBI & are required to comply with prescribed Regulation for each activity. Thus the industry structure is well defined & organised.

SEBI adopts the principle of consultative approach for making rules & regulations best suited for capital market with objective of developing &regulating the Indian securities market as well as protecting the interest of the investors. The financial year 2017-18 witnessed huge amount of detection of frauds in banking sector and increasing NPAs and implementation of Insolvency & Bankruptcy Code (**IBC**). The entire banking sector has undergone a turmoil thereby effecting corporate sector as well. However, flow of domestic investments in the capital market enhanced steadily. The investments in Mutual Funds have increased manifold and the Mutual Fund industry has surpassed quantum of FPI investments in India. Direction of SEBI to categorise Mutual Fund schemes also has reflection on the mutual fund industry. The effect of introduction of long term capital gain tax & other measures during budget affecting the capital market systems is to be seen in coming years. Nevertheless appropriate industry structure and conducive developments are likely to have positive effects on the investment climate in general and capital market in particular.

Opportunities & Threats

In the developing economy like India there have been number of opportunities for market participants. The Indian economy is settling after the implementation of two major policy initiatives, Demonetisation & GST. The distortions being faced by the industry are getting smoothened and India is likely to witness well designed tax structure. Overall outlook offers various opportunities for appropriate development of the Indian economy, the effect of which would percolate to capital market. The capital market always faces the threat of hectic trading activity leading to profit booking & withdrawal of large investments by investors including FPIs. Capital market also gets affected by events such as interest rate hikes, monsoon performance, tax concerns, crude oil price, other global events & domestic political events such as interim & state elections. The effect of any of the adverse events on the capital market would pose a threat for the process of capital formation and resource raising. The smaller players will find it increasingly difficult to raise equity resources thereby reducing the income generating opportunities for Companies such as yours.

Segment-wise performance

The income of the Company comprises of fees received on advisory services in the Merchant Banking, Corporate Finance & ESOP Advisory. On a consolidated basis income further comprises of brokerage, depository services, profit on trading besides interest on loan & advances.

During the current year, your Company witnessed good improvement in income from Merchant Banking, Corporate Finance activities & ESOP Advisory services.

Outlook

International Monetary Fund (**IMF**) expects India to grow at 7.8% during 2019. The economic survey of India pegs the figure at about 7% to 7.5% for the current financial year. The outlook for current financial year seems positive. However, various bottlenecks in implementation of policy initiatives may drag the growth to some extent. The political uncertainty is also likely to affect the general economic conditions during the current year. The primary capital market is likely to witness mixed trends. Only large Companies with good amount of profitability are likely to succeed in raising equity resources from the capital market. The smaller & mid cap Companies attempting to raise equity from SME Market are likely to face difficulties in raising genuine money.

Risks & Concerns

The size of your Company is a concern given the segment in which it operates. However, your Company also enjoys a niche in the segment in which it operates for providing value added and efficient services to its clients. It may be increasingly difficult to compete for your Company for securing large size mandates.

Internal Control systems and their adequacy

The company being in existence as Merchant Banker since past 25 years has developed well structured internal control systems to conduct the business within the framework of Regulations. The present structure & systems are adequate and commensurate to the size of operations of your company.

Discussion on financial performance with respect to operational performance

Your Company has adopted a policy of being selective while accepting the assignments particularly in SME IPO space. During this year Company could complete one of the largest SME IPOs to the extent of ₹ 55.00 crores besides handling various assignments on Rights Issue, Buy Back, Delisting, Open Offers for Companies on Dissemination Board and have also conducted various valuation exercises including ESOP advisory. The total income during the year has enhanced to ₹ 1,072.00 lakh from ₹ 764.00 lakh witnessed in 2016-17. Company has also been able to provide corporate advisory services to few large corporates in their acquisition strategy as well as restructuring of business transaction. The overall financial performance of the Company was improved with focussed strategy of providing services to select clients.

Company has taken steps to develop new teams to be able to cater to the requirements of the clients more effectively. It has many mandates on hand for execution during the current financial year.

Material developments in Human Resources/Industrial Relations front, including number of people employed

There are no material developments in human resources /industrial relations front. The Company continues to operate with a sleek employee structure.

DISCLOSURE OF ACCOUNTING TREATMENT

Your Company follows Accounting Standards as prescribed by Institute of Chartered Accountants of India (ICAI) for preparation of financial statements; there is no other such different treatment followed for the same.

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

The philosophy of governance has been deeply rooted in the culture of the Company over a long period of time. The Company continues to deliver value to its various stakeholders. The practice of responsible governance has enabled the Company to maintain sustainability, while meeting the expectations of all stakeholders and the society at large. Besides complying with Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Company has adopted various practices and set reasonable standards for conducting business. The Company endeavours to improve upon aspects like transparency, professionalism, accountability and fair disclosures, on an ongoing basis and takes necessary steps towards growth and enhancing value for its shareholders.

The Company has complied with all the regulations stipulated by the Securities Exchange Board of India (SEBI) in the Listing Regulations.

GOVERNANCE FRAMEWORK

The Company's Governance structure consists of Board of Directors, its Committees and the Management.

BOARD STRUCTURE:

Board Leadership:

The Company has a well-balanced Board of Directors with members from diverse backgrounds who have experience and expertise in various fields. Out of 8 members on the Board, 4 are Independent Directors who are well known for their wealth of experience, high standards of governance and independence. The Board over the period of years has created a culture of leadership to provide long-term vision and policy approach to improve performance and quality of governance in the Company. It has played a primary role in providing strategic direction to the management coupled with giving responsibility and accountability to deliver value with highest level of transparency and integrity.

Board Committees:

Committees have been constituted by the Board with specific terms of reference and have an optimum representation of Board members. These Committee members meet at such frequency as is necessary to address the responsibilities and tasks assigned to them. Presently there are four (4) Committees of the Board viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Management Committee (Non-mandatory).

BOARD OF DIRECTORS

Composition:

The composition of the Board is in conformity with Regulation 17(1) of Listing Regulation as well as the Companies Act, 2013. The Company has a Non-Executive Chairman and an optimum representation of Independent Directors on the Board of Directors of the Company.

The composition of the Board of Directors of the Company as on 31st March, 2018 is as follows:

Category	:	Name of Directors
Promoter Directors	:	Shri. B. Madhuprasad Shri. Vineet Suchanti Smt. Rinku Suchanti – Executive Director
Executive Director	:	Shri. Uday S. Patil
Independent Directors	:	Shri. Hitesh Shah Shri. Anish Malhotra Shri. Manish Desai Shri. Shishir Dalal

Smt. Rinku Vineet Suchanti is the spouse of Shri Vineet Suchanti. None of the other directors are related to any other director on the Board.

Board Meetings held during the financial year 2017-2018.

The Board of Directors had met 4 times during the financial year 2017-2018. These meetings were held on 25th May, 2017, 11th September, 2017, 1st December, 2017 and 9th February, 2018. Composition of Board of Directors, attendance at the Board Meetings and the last Annual General Meeting as on 31st March, 2018, as applicable, is tabulated hereunder:

Name of the Director	No. of Board Meeting attended	Attendance at previous AGM on 23/08/2017	No. of outside Directorships held (Excluding Keynote Corporate Services Limited)	No. of Membership/ Chairmanship in other Board Committees (Excluding Keynote Corporate Services Limited)		Nature of Directorship in the Company
				Member	Chairman	
Shri B. Madhuprasad [DIN-00004632]	4	Yes	2	Nil	Nil	Non-Executive
Shri Vineet Suchanti [DIN-00004031]	4	Yes	5	6 #	3 ##	Non-Executive
Shri Uday S. Patil [DIN-00003978]	3	Yes	4	Nil	Nil	Executive
Shri Hitesh Shah [DIN-00061296]	1	Yes	1	1 *	Nil	Independent
Shri Anish Malhotra [DIN-02034366]	1	No	4	Nil	Nil	Independent
Shri Manish Desai [DIN-02925757]	4	Yes	1	Nil	Nil	Independent
Smt. Rinku Suchanti [DIN-00012903]	4	Yes	3	—	—	Executive w.e.f. 25th May, 2017
Shri Shishir Dalal (DIN-00007008)	4	Yes	7	6 @	8 @@	Independent

Member of "Stakeholder Relationship Committee" and "Corporate Social Responsibility (CSR) Committee" of LKP Finance Limited. Member of "Audit Committee" and "Management Committee" of Keynote Capitals Limited, Member of "Management Committee" of Keynote Commodities and Keynote Fincorp Limited .

Chairman of "Audit Committee" and "Nomination and Remuneration Committee" of LKP Finance Limited. Chairman of "Nomination and Remuneration Committee" of Keynote Capitals Limited.

* Member of Audit Committee of Keynote Capitals Limited.

@ Member of "Risk Management Committee" of Windsor Machines Limited. Member of "Nomination and Remuneration Committee", "Banking and Execution Committee" "Corporate Governance Committee" and "Executive Committee" of Sustainable Agro-Commercial Finance Limited and Member of "Nomination and Remuneration Committee" of Ensemble Infrastructure India Ltd.,

@@ Chairman of "Audit Committee" of Sustainable Agro-Commercial Finance Limited, Windsor Machines Limited and Ensemble Infrastructure India Ltd. Chairman of "Nomination and Remuneration Committee", "Corporate Social Responsibility Committee", "Fund Raising Committee" and "Compensation Committee" of Windsor Machines Limited. Chairman of "Corporate Social Responsibility Committee" of Sustainable Agro-Commercial Finance Limited.

All the Directors have informed the Company periodically about their Directorship and Membership on the Board/Committees of the Board of other companies.

INDEPENDENT DIRECTORS:

The Independent Directors have submitted declarations that they meet the criteria of independence as per the provisions of the Companies Act, 2013 and the Listing Regulations; a statement in this regard forms part of the Board's Report. The Company had also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 and Listing Regulations. A sample of the letter of appointment is available on the website of the Company and can be accessed through the link: http://www.keynoteindia.net/document-hosting/AppointmentLetters_CorporateGovernance/Appointment%20Letters%20to%20Independent%20Directors.pdf

The shareholding of the Non-Executive Directors of the company as on 31st March, 2018 is as follows:

Name of the Director	Nature of Directorship	No. of Shares held	% to the paid up Share Capital
Shri B. Madhuprasad	Non-Executive Chairman/Promoter	48550	0.69
Shri Vineet Suchanti	Director/Promoter	11977	0.17
Shri Hitesh Shah	Independent Director	Nil	Nil
Shri Anish Malhotra	Independent Director	Nil	Nil
Shri Manish Desai	Independent Director	Nil	Nil
Shri Shishir Dalal	Independent Director	Nil	Nil

Smt. Rinku Suchanti, Whole-Time Director holds 3802 (0.05%) Equity Shares of the Company as on 31st March, 2018 and Shri Uday S. Patil, Whole-Time Director and CFO holds 2500 (0.03%) Equity Shares of the Company as on 31st March, 2018.

Board Procedures

The Board meets at least once in a quarter to review financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the businesses of the Company. The tentative annual calendar of Board Meetings for the ensuing year is decided in advance by the Board.

The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The Board members are, on a quarterly basis, appraised by the Shri Vineet Suchanti, Director on the overall performance of the Company through presentations and detailed notes.

Presentations are also made by the Executive Directors on the Company's plans, performance, operations and other matters on a periodic basis. The Board has complete access to any information within the Company which includes the information as specified in Part A of Schedule II Listing Regulations and they are updated about their roles and responsibilities in the Company.

The Board, inter alia, reviews annual operating and capital expenditure plans and budgets, financial statements of business segments, compliance report(s) of all laws applicable to the Company, major legal and tax issues, policies/charters of committees of the Company, appointment and remuneration to Directors, minutes of the Board Meetings of the Company's subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, risk management, transactions involving sale of material investments, subsidiaries, assets, which are not in normal course of business, foreign currency exposure, status of all investments made by the Company, minutes of meetings of the Committees of the Board, declaration of dividend, issue of securities, short-term borrowings, any other proposal from the management regarding mergers, acquisitions and restructuring of investments, etc.

The proceedings of each meeting of the Board and its Committees are captured in accordance with the provisions of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014.

Directors' Induction and Familiarization

The provision of an appropriate induction for new Directors and ongoing familiarisation training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. The Managing Director is responsible for ensuring that such induction programme is provided to Directors. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise. The induction process is designed to:

a. build an understanding of the Company, its businesses and the markets and regulatory environment in which it operates;

b. provide an appreciation of the role and responsibilities of the Director;

c. fully equip Directors to perform their role on the Board effectively; and

d. develop understanding of Company's people and its key stakeholder relationships.

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. In addition to the extensive induction and training provided as part of the familiarization programme, the Independent Directors are also taken through various business and functional sessions in the Board meetings including the Board meetings to discuss strategy. The details of Director's induction and familiarization are available on the Company's website at http://www.keynoteindia.net/document-hosting/financial_results/ Familiarization_Pragram_for_Independent Directors_of_Keynote.pdf

Separate Independent Directors' Meeting:

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of Listing Regulations, a meeting of the Independent Directors of the Company was held on 8th February, 2018, without the attendance of Non-Independent Directors and members of the management.

Evaluation of Board Effectiveness

In terms of provisions of the Companies Act, 2013 read with Rules issued there under and Part D of Schedule II of Listing Regulations, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended 31st March, 2018. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution.

COMMITTEES OF THE BOARD

The Committees constituted by the Board play a very important role in the governance structure of the Company. The terms of reference of these Committees are approved by the Board and are in line with the requirements of Companies Act, 2013 and Listing Regulations. The minutes of Committee meetings are tabled at the Board meetings and the Chairman of each Committee briefs the members of the Board on the important deliberations and decisions of the respective Committees. The minutes of the proceedings of the Committee Meetings are captured in the same manner as the Board Meetings and in accordance with the provisions of the Companies Act, 2013.

The Board has currently established the following statutory and non-statutory Committees.

AUDIT COMMITTEE

The Audit Committee has played an important role in ensuring the financial integrity of the Company. The Audit Committee's role includes oversight of the financial reporting process, the audit process, the adequacy of internal controls and compliance with applicable laws and regulations.

The composition of the Audit Committee is in line with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. The members of the Audit Committee are financially literate and have

requisite experience in financial management. The Committee invites the Managing Director, Chief Financial Officer (CFO) and Statutory Auditor to attend its meetings.

The previous annual general meeting (AGM) of the Company was held on 23rd August, 2017 and was attended by Shri Shishir Dalal, Chairman of Audit Committee.

The composition of the Audit Committee of the Board of Directors of the Company along with the details of the meetings held and attended during the financial year ended 31st March, 2018 are detailed below:

The Audit Committee comprises of 3 members namely Shri Shishir Dalal, Shri Hitesh Shah and Shri Manish Desai. All are Independent Directors. The Committee met 4 (four) times during the year under review. The audit committee met prior to the finalization of the accounts for the year ended 31st March, 2018.

Sr. No.	Name of the Director	Designation inCommittee	Nature of Directorship in the Company	No. of Meetings attended upto 31st March, 2018
1.	Shri Shishir Dalal	Chairman	Independent	4
2.	Shri Hitesh Shah	Member	Independent	1
3.	Shri Manish Desai	Member	Independent	4

The necessary quorum was present for all the meetings.

During the period Shri Hitesh Shah, Director of the Company resigned from the Board w.e.f. 28th May, 2018 and Shri Uday S. Patil, Whole-Time Director and CFO of the Company appointed as a Member of Audit Committee w.e.f. 28th May, 2018. Accordingly, Audit Committee was reconstituted as under:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company
1.	Shri Shishir Dalal	Chairman	Independent
2.	Shri Manish Desai	Member	Independent
3.	Shri Uday S. Patil	Member	Whole-Time Director and CFO

Company Secretary of the Company acts as Secretary to the Audit Committee.

The scope of activities and terms of reference of the Audit Committee is governed by a Charter which is in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

A. The role of the Audit Committee, inter alia, includes the following:

(1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

(3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- (a) matters required to be included in the Director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- (b) Changes, if any, in accounting policies and practices and reasons for the same;
- (c) major accounting entries involving estimates based on the exercise of judgment by management;
- (d) significant adjustments made in the financial statements arising out of audit findings;
- (e) compliance with listing and other legal requirements relating to financial statements;
- (f) disclosure of any related party transactions;
- (g) modified opinion(s) in the draft audit report;

(5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) approval or any subsequent modification of transactions of the listed entity with related parties;

(9) scrutiny of inter-corporate loans and investments;

(10) valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) evaluation of internal financial controls and risk management systems;

(12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) discussion with internal auditors of any significant findings and follow up there on;

(15) 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;

(16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) to review the functioning of the whistle blower mechanism;

(19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

B. The audit committee shall mandatorily review the following information:

(1) management discussion and analysis of financial condition and results of operations;

(2) statement of significant related party transactions (as defined by the audit committee), submitted by management;

(3) management letters / letters of internal control weaknesses issued by the statutory auditors;

(4) internal audit reports relating to internal control weaknesses; and

(5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

(6) statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee broadly plays a dual role of determining the composition of the Board based on need and requirements of the Company from time to time and determines the overall compensation framework and policy for Directors, senior management and employees. The Committee further reviews that the human resource practices of the Company are effective in maintaining and retaining a competent workforce.

The composition of the "Nomination and Remuneration Committee" is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations.

The Committee met one (1) time during the financial year ended 31st March, 2018 on 25th May, 2017. The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year ended 31st March, 2018 is detailed below:

The details of Nomination and Remuneration Committee are as follows:

Sr. No.	Name of the Director	Designation inCommittee	Nature of Directorship in the Company	No. of Meetings attended upto 31st March, 2018
1.	Shri Anish Malhotra	Chairman	Independent	—
2.	Shri B. Madhuprasad	Member	Non Executive	1
3.	Shri Hitesh Shah	Member	Independent	—
4.	Shri Manish Desai	Member	Independent	1

During the period Shri Hitesh Shah, Director of the Company resigned from the Board as well as the Member of "Nomination and Remuneration Committee" w.e.f. 28th May, 2018 and Shri Manish Desai Member of "Nomination and Remuneration Committee" appointed as a Chairman of the "Nomination and Remuneration Committee." Accordingly, "Nomination and Remuneration Committee" was reconstituted as under:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company
1.	Shri Manish Desai	Chairman	Independent
2.	Shri Anish Malhotra	Member	Independent
3.	Shri B. Madhuprasad	Member	Non Executive

Company Secretary of the Company acts as Secretary to the "Nomination and Remuneration Committee"

The Nomination and Remuneration Committee is empowered, pursuant to its terms of reference, *inter alia*, to:

1. Identify persons who are qualified to become Directors and persons who may be appointed in Senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
2. Carry on the evaluation of every Director's performance;
3. Formulate criteria for determining qualifications, positive attributes and independence of a Director;
4. Recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
5. Formulate criteria for evaluation of Independent Directors and the Board;
6. Devise a policy on Board Diversity; and
7. Undertake any other matters as the Board may decide from time to time.

In accordance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors at their meeting held on 11th November, 2014 formulated the Nomination and Remuneration Policy of the Company on the recommendations of the Nomination and Remuneration Committee.

Nomination and Remuneration Policy of the Company:

In accordance with the Nomination and Remuneration Policy, the Nomination and Remuneration Committee has, inter alia, the following responsibilities:

1. Formulate the criteria for appointment as a Director: The Committee shall formulate criteria, and review them on an ongoing basis, for determining qualifications, skills, expertise, qualities, positive attributes required to be a Director of the Company.
2. Identify persons who are qualified to be Directors: The Committee shall identify persons who are qualified to become Directors and who satisfy the criteria laid down. The process of identification shall include ascertaining, meeting, screening and reviewing candidates for appointment as Directors, whether Independent, Non-Executive or Executive.
3. Nominate candidates for Directorships subject to the approval of Board: The Committee recommends to the Board the appointment of potential candidates as Non-Executive Director or Independent Director or Executive Director, as the case may be.
4. Approve the candidates required for Senior Management positions: The Committee shall lay down criteria including qualifications, skills, expertise and qualities required for senior management positions like Managing Director, CFO, Company Secretary and Executive Directors of the Company.
5. Evaluate the performance of the Board: The Committee shall determine a process for evaluating the performance of every Director, Committees of the Board and the Board. The Committee may seek the support and guidance of external experts and agencies for this purpose.
6. Evaluate the performance of the Managing Director or Whole-time Director and determine the Executive compensation: The Committee shall evaluate the performance of the Managing Director by setting his Key Performance Objectives at the beginning of each financial year. The Committee shall also approve his/her/their compensation package(s) in accordance with applicable laws, in line with the Company's objectives, shareholders' interests, comparable with industry standards and which shall have an adequate balance between fixed and variable component.
7. Review performance and compensation of Senior Management: The Committee shall review the performance of the senior management of the Company. The Committee shall ensure that the remuneration to the Key Managerial Persons and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
8. Recommend to the Board, commission (if any) to the Non-Executive Directors: The Committee shall recommend the commission payable to the Non-Executive Directors, including Independent Directors, to the Board of Directors of the Company after considering their contribution to the decision making at meetings of the Board/Committees, participation and time spent as well as providing strategic inputs and supporting the highest level of corporate governance and Board effectiveness. It shall be within the overall limits fixed by the shareholders of the Company.

Details of remuneration paid to Non-Executive Directors during the year 2017-18:

During the financial year ended 31st March, 2018, the Company paid ₹ 1,20,000/- (Rupees one lakh twenty thousand only) as sittings fees for attending the Board meetings to the Independent Directors and ₹ 11,22,585/- (Rupees eleven lakh twenty two thousand five hundred eighty five only) as a professional fees to Shri B. Madhuprasad, Chairman of the Company.

Details of the remuneration paid to the Executive Directors of the Company for the financial year ended 31st March, 2018 is as follows:

During the financial year ended 31st March, 2018, the Company paid to total amount ₹ 81,10,462/- (Rupees eighty one lakh ten thousand four hundred sixty two only) to Whole-Time Directors of the Company. Company has not granted any stock options to any of its Directors.

STAKEHOLDERS RELATIONSHIP COMMITTEE

In the Financial Year 2014-2015, the nomenclature of the "Shareholders/Investors Grievance Committee" was changed to "Stakeholders Relationship Committee" pursuant to the provisions of Section 178 of the Companies Act, 2013. The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Stakeholders Relationship Committee of Directors look into the redressal of shareholder and investors complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. The Company has also been enlisted in the new SEBI compliant redressal system (SCORES) enabling the investors to register their complaint if any for speedy redressal.

The details of "Stakeholders Relationship Committee" as on 31st March, 2018 are as follows:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company
1.	Shri B. Madhuprasad	Chairman	Non Executive
2.	Shri Hitesh Shah	Member	Independent
3.	Shri Uday S. Patil	Member	Executive

During the period Shri Hitesh Shah, Director of the Company resigned from the Board as well as the Member of "Stakeholders Relationship Committee" w.e.f. 28th May, 2018. Accordingly, "Stakeholders Relationship Committee" was reconstituted as under:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company
1.	Shri B. Madhuprasad	Chairman	Non Executive
2.	Shri Uday S. Patil	Member	Executive

Company Secretary of the Company acts as Secretary to the "Stakeholders Relationship Committee"

The Committee meets on every 15th day of the month to consider the status of shareholders grievances/complaints and takes on record the details of submissions made by Registrar & Transfer Agent (RTA), if any.

During the financial year 2017-2018 few communications were received from shareholders and Investors. These communications were of routine nature regarding duplicate shares certificates, corrections/change in address, and issuance of demand draft against dividend warrant due to expiry of the date etc and were addressed promptly.

All valid requests for share transfer received during 2017-2018 have been acted upon by the Company and no transfer/grievances/complaints are pending.

The details of the complaints resolved during the financial year ended on 31st March, 2018 are as follows:

Number of Complaints	Received	Resolved	Closing
Nil	Nil	Nil	Nil

MANAGEMENT COMMITTEE

The Company has constituted a "Management Committee" (Non-mandatory) of Directors consisting of:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship in the Company
1.	Shri Vineet Suchanti	Chairman	Executive
2.	Shri B. Madhuprasad	Member	Non-Executive
3.	Shri Uday S. Patil	Member	Executive

The said committee of Board of Director is constituted for the purposes of operational convenience in respect of Merchant Banking assignment handled by the company under the authority of Board of Directors in January, 2006. The committee has powers to open and operate Escrow/Special Accounts and/or any such accounts with Banks for take-over, Buy Back offers and other assignments accepted by the company in the course of Merchant Banking activities.

Further the Board Meeting held on 6th September, 2011 had delegated powers to Management Committee to place the Inter Corporate Deposits (ICDs) with known corporate entities.

The Board of Directors of the Company at their meeting held on 7th February, 2013 delegated the powers to Management Committee comprising of Directors of the Company to give loan to the various body corporates.

GENERAL BODY MEETINGS

Location and time of last three Annual General Meetings are as under:

Year	Venue	Date	Time
2014-2015	Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall compound), Fort,Mumbai – 400 001	29th September, 2015	10.00 a.m.
2015-2016	Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall compound), Fort,Mumbai – 400 001	29th July, 2016	10.00 a.m.
2016-2017	Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall compound), Fort,Mumbai – 400 001	23rd August, 2017	10.00 a.m.

Details of Special Resolutions passed in previous three Annual General Meetings.

Date of Annual General Meeting	Number of Special Resolutions passed	Details of Special Resolutions Passed
29th September, 2015	3	1. Appointment of M/s. NMAH & Co. Chartered Accountants, Mumbai (Firm Registration No. 135966W) as Statutory Auditors of the Company. 2. Appointment of Shri Shishir Dalal [DIN- 00007008] as an Independent Director of the Company for five consecutive years Commencing from 29th September, 2015. 3. Re-appointment of Shri Uday S. Patil as a Whole-time Director of the Company.
29th July, 2016	1	1. To increase borrowing power not exceeding ₹ 200 Crores (Rupees Two Hundred Crore only) on such terms and conditions as Board may think fit.
23rd August, 2017	—	—

All special resolutions set out in the notices for the Annual General Meetings were passed by the shareholders at the respective meetings with requisite majority.

Postal Ballot

During the year, no resolution was passed through Postal Ballot.

Extraordinary General Meeting

During the year, no extraordinary General Meeting of the members was held.

MEANS OF COMMUNICATION

1. **Publication of quarterly financial results:**

   Quarterly, half-yearly, nine-monthly and annual financial results of the Company were published in English and vernacular language newspapers, viz., Free Press Journal and Navshakti, Mumbai newspapers. "Limited Review" by the Statutory Auditors of the Company for the quarterly results was sent to BSE Limited and National Stock Exchange of India Limited where the shares of the company are listed. Shareholders can also access the quarterly results on the website of these exchanges where the equity shares of the company are listed (i.e. www.bseindia.com www.nseindia.com)

2. **Website and News Releases:**

   A separate dedicated section under 'Investors Relations' on the Company's website gives information of unclaimed dividend, Annual Report, Quarterly/Half yearly/ Nine-monthly and Annual financial results along with the applicable policies of the Company.

3. **Stock Exchange:**

   Your Company makes timely disclosures of necessary information to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in terms of the SEBI (LODR) Regulations, 2015 and other rules and regulations issued by SEBI.

4. **NEAPS (NSE Electronic Application Processing System):**

   NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings, inter alia, shareholding pattern, Corporate Governance Report, corporate announcements, amongst others are also filed electronically through NEAPS.

5. **BSE Corporate Compliance & Listing Centre:**

   http://listing.bseindia.com is a web-based application designed by BSE for corporates. All periodical compliance filings, inter alia, Shareholding pattern, Corporate Governance Report, Corporate announcements, amongst others are also filed electronically on the Listing Centre.

GENERAL SHAREHOLDER'S INFORMATION

Annual General Meeting

Date and time	:	Thursday, 9th August, 2018, 10.00 a.m.
Venue	:	Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall compound), Fort, Mumbai – 400 001
Financial Year Ending	:	31st March, 2018
Tentative Schedule for declaration of results during the financial year 2018-2019		
• 1st Quarter (June, 2018)	:	Second week of August, 2018.
• 2nd Quarter (September, 2018)	:	First week of November, 2018
• 3rd Quarter (December, 2018)	:	Second week of February, 2019
• 4th Quarter (March, 2019) and Audited Financial Results for the year ended 31st March, 2019	:	Last week of May, 2019
Date of Book Closure	:	From Saturday 4th August, 2018 to Thursday, 9th August, 2018 (both days inclusive) for the purpose of Annual General Meeting and payment of Dividend which will be subject to approval of shareholders.

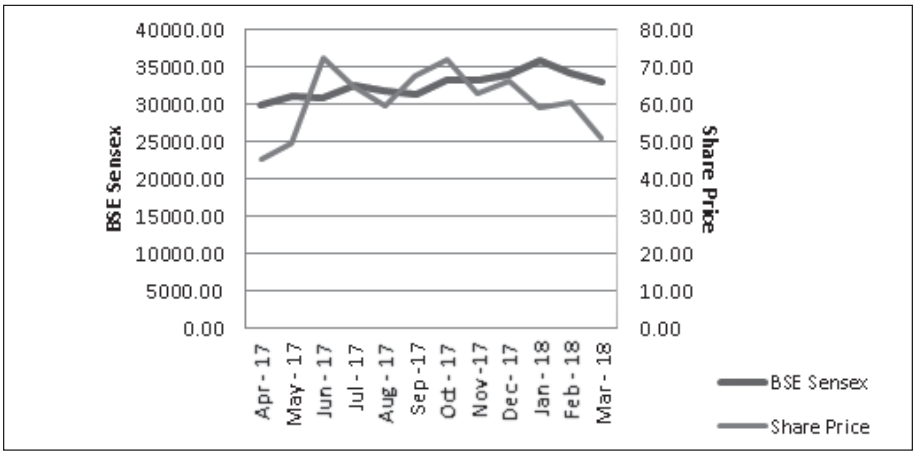
Dividend Payment date		
• Final Dividend 2017-2018 recommended by the Board of Directors at its Meeting held on 28th May, 2018.	:	After 9th August, 2018 (Subject to approval of the shareholders)
Listing on Stock Exchange and Stock Code	:	Equity Shares of the Company are listed at BSE Limited, (Scrip Code : 512597) and National Stock Exchange of India Limited, (Symbol: KEYCORPSER).
Face Value of Equity Shares	:	₹ 10/- each.

Monthly High/Low price of Equity Shares of the Company during the financial year 2017-2018 on BSE Limited and National Stock Exchange of India Limited.

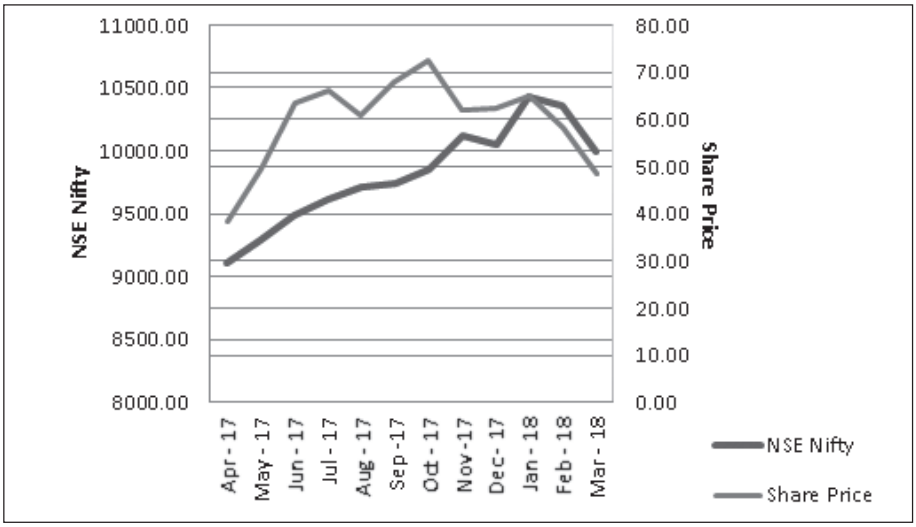
Month	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	Month's High Price (₹)	Month's Low Price (₹)	Month's High Price (₹)	Month's Low Price (₹)
April, 2017	48.00	41.20	38.85	35.50
May, 2017	49.70	41.50	49.70	36.80
June, 2017	97.90	52.05	97.80	49.60
July, 2017	76.15	61.25	77.10	60.45
August, 2017	67.50	52.40	72.50	58.45
September, 2017	73.50	57.00	73.20	57.80
October, 2017	76.85	66.05	72.35	62.65
November, 2017	74.50	58.00	71.30	59.00
December, 2017	66.15	57.00	66.95	57.05
January, 2018	72.90	59.25	76.00	59.00
February, 2018	70.85	53.55	67.85	53.70
March, 2018	72.00	46.35	58.40	44.25

Source : BSE and NSE website

Graphical Representation of Performance of Keynote's share price in comparison with BSE Sensex



Graphical Representation of Performance of Keynote's share price in comparison with NSE Nifty.



REGISTRAR AND TRANSFER AGENT

For any queries relating to the shares of the Company, correspondence may please be addressed to:

Link Intime India Pvt. Ltd.,
C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083
Tel : (022) 4918 6000, Fax : (022) 4918 6060
www.linkintime.co.in

SHARE TRANSFER SYSTEM

The Company's shares being in compulsory Demat list are transferable through the depository system. However, shares in the physical form are processed by the Registrar & Share Transfer Agent and approved by the "Stakeholders Relationship Committee." The share transfer process is reviewed by the said committee.

The Company obtains half-yearly certificate of compliance related to the share transfer formalities from a Company Secretary in practice and Registrar and Share Transfer Agent as required under Regulation 40 (9) and 7(3) of the Listing Regulations respectively and files a copy of the certificate with the Stock Exchanges on or before the due date.

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2018

No. of Shares	Shareholders		Shareholding	
	Number	%	Number	%
Upto 5000	1963	90.84	255093	3.63
5001 to 10000	94	4.35	75002	1.07
10001 to 20000	34	1.58	52635	0.75
20001 to 30000	26	1.20	64382	0.92
30001 to 40000	10	0.46	35036	0.50
40001 to 50000	6	0.27	27611	0.39
50001 to 100000	4	0.19	32302	0.46
100001 and above	24	1.11	6476278	92.28
TOTAL	**2161**	**100.00**	**70,18,339**	**100.00**

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2018

Sr. No.	Category of Shares	No. of Shares	% of total shares
(A)	**Promoter & Promoter Group :**		
	(a) Individuals/Hindu Undivided Family	6,51,052	9.28
	(b) Bodies Corporate	34,11,166	48.60
	Sub Total :	40,62,218	57.88
(B)	**Public Shareholding :**		
	1. Institutions		
	(a) Mutual Funds	13,900	0.20
	(b) Financial Institutions/Banks	300	0.00
	(c) Foreign Institutional Investors	5,61,348	8.00
	2. Non-Institutions		
	(a) Individuals	7,22,177	10.29
	(b) Trust	14,51,902	20.69
	(c) Hindu Undivided Family	18,787	0.27
	(d) Non-Resident (Non-Repatriable)	530	0.01
	(e) Non-Resident Indians (Repat)	4,527	0.06
	(f) Clearing Members	9,223	0.13
	(g) Investor Education and Protection Fund Authority Ministry of Corporate Affairs	43,637	0.62
	(h) Bodies Corporate	1,29,790	1.85
	Sub Total :	29,56,121	42.12
	GRAND TOTAL	**70,18,339**	**100.00**

Dematerialization of Shares: 68,22,779 Equity Shares of ₹ 10/- each (i.e. 97.21%) of the total capital of the Company have been dematerialized as on 31st March, 2018.

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail various benefits of dealing in securities in electronic/ dematerialized form. For any clarification, assistance or information, please contact the Registrar and Transfer Agent of the Company.

Outstanding GDRs/ADRs/Warrants/Convertible Instruments and their impact on equity:

The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on 31st March, 2018.

ADDRESS FOR CORRESPONDENCE:

Keynote Corporate Services Limited
The Ruby, 9th floor,
Senapati Bapat Marg,
Dadar (West),
Mumbai – 400 028.
E-mail: investors@keynoteindia.net

Shareholders are requested to quote their folio no./DP ID & Client ID, e-mail address, telephone number and full address while corresponding with the Company and its Registrar & Transfer Agent.

National Electronic Clearing System (NECS) for dividend:

The remittance of dividend through Electronic Clearing System has been moved to National Electronic Clearing System (NECS) platform through core banking system effective 1st October, 2009. Accordingly, dividend will be credited to the shareholders' bank account through NECS where complete core banking details are available with the Company. In the event any branch of a bank has not migrated to core banking system, or where core banking account is not furnished by the shareholder to the Depository/Company as the case may be, the Company will print details available in its records on the dividend warrants to be issued to the shareholders.

For shares held in physical form:

Investors who would like to avail NECS facility and are holding shares in physical form may send in their NECS Mandate Form, duly filled in to the Company's Registrar and Transfer Agent, Link Intime India Pvt. Ltd. The NECS Mandate instruction should be under the signature of the shareholder(s) as per the specimen signature lodged with the Company.

For shares in electronic/dematerialized form:

Investors holding shares in dematerialized or electronic form may check the details on record with the concerned Depository Participant (DP). Pursuant to the Depository Regulations, the Company is obliged to pay dividend on dematerialized shares as per the details furnished by the concerned DP. The Company or the Registrar and Transfer Agent cannot make any change in such records received from the Depository.

Transfer of unclaimed dividend to Investor Education and Protection Fund:

In terms of Sections 124 of the Companies Act, 2013, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Shareholders are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amounts to the IEPF.

OTHER DISCLOSURES

a. Related Party Transactions

During the financial year 2017-2018, the Company had no materially significant Related Party Transaction (RPT) which is considered to have potential conflict with the interest of the Company at large. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with RPTs and a Policy on materiality of RPTs which is uploaded on the website of the Company and can be accessed through the following link: http://www.keynoteindia.net/document-hosting/financial_results/Keynote_Policy%20on%20Related%20Party%20Transactions.pdf

b. Details of non-compliance by the Company, penalties and strictures imposed on the Company by the stock exchanges or the Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years i.e. 2015-16, 2016-17 and 2017-2018 respectively:

There are no significant material orders passed by the Regulators/ Courts or Tribunals impacting the going concern status of the Company's operations in future.

c. The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link: http://www.keynoteindia.net/document-hosting/financial_results/WHISTLE%20BLOWER%20POLICY.pdf

d. Reconciliation of Share Capital Audit:

A qualified Practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report

confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

e. Code of Conduct

The Company has in place a Code of Conduct applicable to the Board as well as the designated employees and the same has been posted on the website of the company (i.e. www.keynoteindia.net) Date of Number of Details of Special Resolutions Passed Annual General Special Meeting Resolutions passed.
The members of the Board and senior management personnel have affirmed the compliance with the Code applicable to them during the year ended 31st March, 2018. The Annual Report of the Company contains a Certificate by the Director in terms of Regulation 34(3) and Part D of Schedule V of the Listing Regulations based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

SUBSIDIARY COMPANIES

Keynote Capitals Limited (KCL) and Keynote Fincorp Limited (KFIN) are our subsidiaries companies. Presently Keynote Capitals Limited has one wholly owned subsidiary namely Keynote Commodities Limited.

The audit committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the board of directors of the Company.

The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at http://www.keynoteindia.net/document-hosting/financial_results/Material_Subsidiary_Policy.pdf

For and on behalf of the Board
Keynote Corporate Services Limited

Sd/-	**Sd/-**
Vineet Suchanti	**Uday S. Patil**
Director	**Director and CFO**
(DIN: 00004031)	**(DIN: 00003978)**

Date: 28th May, 2018
Place: Mumbai

Declaration by Director

I, Uday S. Patil, (DIN: 00003978) Director of Keynote Corporate Services Limited, hereby declare that all the members of the Board of Directors have affirmed compliance with the Code of Conduct applicable to them as laid down by the Board of Directors in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2018.

For and on behalf of the Board
Keynote Corporate Services Limited

Sd/-
Uday S. Patil
Director
(DIN - 00003978)

Date: 28th May, 2018
Place: Mumbai

Certification

We, Rinku Suchanti (Director) and Uday S. Patil (Director & CFO) of Keynote Corporate Services Limited hereby certify that:

(a) We have reviewed financial statement and the cash flow statement for the year ended 31st March, 2018 and that to the best of our knowledge and belief:

  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

  (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we have aware and the steps taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee that -

  (i) there has not been any significant changes in internal control over financial reporting during the year under reference;

  (ii) there has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

  (iii) there has not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board
Keynote Corporate Services Limited

Sd/-	**Sd/-**
Rinku Suchanti	**Uday S. Patil**
Director	**Director and CFO**
(DIN: 00012903)	**(DIN: 00003978)**

Date: 28th May, 2018
Place: Mumbai

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of **Keynote Corporate Services Limited**

We have examined the compliance of conditions of Corporate Governance by **Keynote Corporate Services Limited** for the year ended March 31, 2018 as stipulated in the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015") as referred in Regulation 15(2) of the listing regulations for the period 1st April, 2017 to 31st March 2018.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of 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 SEBI Listing Regulations, 2015.

We 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 Uma Lodha & Company

Sd/-
Uma Lodha
Proprietor
FCS No. : 5363
C.P. No.2593

Place: Mumbai
Date: 28th May 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of
Keynote Corporate Services Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Keynote Corporate Services Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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 and presentation 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 read relevant rules issued thereunder.

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 standalone 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.

In conducting 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 thereunder.

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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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 standalone 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 31 March 2018, 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 the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;

   (e) On the basis of the written representations received from the directors as on 31 March 2018, taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2018, 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 does not have any pending litigations which would impact its financial position.

      ii. The Company has made provision as at 31 March 2018, as required under the applicable law or accounting standard, for foreseeable losses, if any on long-term contracts. Refer Note 31 to the standalone financial statements.

      iii. There has been no delay in transferring amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S M S R & Co LLP**
Chartered Accountants
Firm Registration No. 110592W/W100094

Sd/-
U Balakrishna Bhat
Partner
Membership No: 019216

Date : 28 May 2018
Place : Mumbai

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our Report of even date)

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

ii. The Company is a service company, primarily rendering services of investment banking, corporate advisory and ESOP advisory services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

iii. According to the information and explanations given to us, the Company has granted unsecured loan to a body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the body corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company

(b) In the case of the loans granted to the body corporate listed in the register maintained under section 189 of the Act, the borrower has been regular in the payment of the principal and interest as stipulated

(c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.

v. In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.

vii. (a) 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, Employees' State Insurance, Income-tax, Goods and Service tax, Service tax and other material statutory dues have been generally 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, Employees' State Insurance, Goods and Service tax, Service tax, and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Provident fund, Employees' State Insurance, Goods and Service tax and Service tax which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below:

Name of the Statute	Nature of dues	Amount (₹)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	9,700	A.Y. 2011-12	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income tax	8,670	A.Y. 2016-17	Deputy Commissioner of Income Tax

viii. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions. The company does not have any loan or borrowings from government, debenture holders or banks during the year.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

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

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

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

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

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

xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **S M S R & Co LLP**
Chartered Accountants
Firm Registration No. 110592W/W100094

Sd/-
U Balakrishna Bhat
Partner
Membership No: 019216

Date : 28 May 2018
Place : Mumbai

ANNEXURE B TO THE INDEPENDENT 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 **Keynote Corporate Services Limited** ("the Company") as of 31 March 2018 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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 judgement, 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 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S M S R & Co LLP**
Chartered Accountants
Firm Registration No. 110592W/W100094

Sd/-
U Balakrishna Bhat
Partner
Membership No: 019216

Date : 28 May 2018
Place : Mumbai

BALANCE SHEET AS AT 31 MARCH, 2018

(Currency: Indian Rupees)

PARTICULARS	Notes	31 March 2018	31 March 2017
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	**70,183,390**	70,183,390
Reserves and surplus	4	**470,057,032**	446,232,577
		540,240,422	516,415,967
Non-current liabilities			
Deferred tax liabilities (net)	5	**7,064,976**	6,822,400
Other long-term liabilities	6	**260,000**	260,000
Long-term provisions	7	**3,549,131**	75,015
		10,874,107	7,157,415
Current liabilities			
Short-term borrowings	8	**—**	50,894
Trade payables	9		
– Dues to micro and small enterprises		**—**	—
– Dues to others		**1,358,166**	972,636
Other current liabilities	10	**10,748,989**	19,562,038
Short-term provisions	11	**4,830,156**	1,136,230
		16,937,311	21,721,798
TOTAL		**568,051,840**	545,295,180
ASSETS			
Non-current assets			
Fixed assets			
– Property, plant & equipment	12	**89,028,739**	92,579,393
Non-current investments	13	**238,868,204**	243,119,674
Long-term loans and advances	14	**2,261,475**	655,023
		330,158,418	336,354,090
Current assets			
Current investments	15	**206,751,755**	69,265,176
Trade receivables	16	**2,639,721**	9,189,896
Cash and bank balances	17	**10,147,494**	14,836,303
Short-term loans and advances	18	**17,001,394**	113,675,569
Other current assets	19	**1,353,058**	1,974,146
		237,893,422	208,941,090
TOTAL		**568,051,840**	545,295,180
Significant accounting policies	2		

The accompanying notes referred above form an integral part of the standalone financial statements

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

Sd/-
U Balakrishna Bhat
Partner
Membership No : 019216

Date : 28 May 2018
Place : Mumbai

For and on behalf of the Board of Directors of
Keynote Corporate Services Limited
CIN No: L67120MH1993PLC072407

Sd/-
Vineet Suchanti
Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Sujeet More
Company Secretary

Date : 28 May 2018
Place : Mumbai

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH, 2018

(Currency: Indian Rupees)

PARTICULARS	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue			
Revenue from operations	20	**82,616,430**	50,020,476
Other income	21	**24,579,532**	26,365,778
		107,195,962	76,386,254
Expenses			
Employee benefits expense	22	**29,369,232**	23,158,915
Finance costs	23	**46,069**	120,055
Depreciation	24	**3,862,687**	4,124,465
Other expenses	25	**25,312,015**	25,297,726
		58,590,003	52,701,161
Profit before exceptional items & tax		**48,605,959**	23,685,093
Exceptional items	37	**(4,240,294)**	—
Profit before tax		**44,365,665**	23,685,093
Tax Expense			
– Current tax		**12,036,111**	4,831,805
– Deferred tax charge/ (credit)		**242,576**	(351,461)
– Taxation for earlier years		**(184,609)**	308,272
		12,094,078	4,788,616
Profit for the year		**32,271,587**	18,896,477
Basic & diluted earnings per share (Face value of ₹10/- each)	28	**4.60**	2.69
Significant accounting policies	2		

The accompanying notes referred above form an integral part of the standalone financial statements

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

Sd/-
U Balakrishna Bhat
Partner
Membership No : 019216

Date : 28 May 2018
Place : Mumbai

For and on behalf of the Board of Directors of
Keynote Corporate Services Limited
CIN No: L67120MH1993PLC072407

Sd/-
Vineet Suchanti
Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Sujeet More
Company Secretary

Date : 28 May 2018
Place : Mumbai

Notes to the financial statements for the year ended 31 March, 2018
(Currency: Indian Rupees)

1. CORPORATE INFORMATION

Keynote Corporate Services Limited ("the Company") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its registered office is at Mumbai. Its shares are listed on two stock exchanges in India. i.e., BSE Limited (BSE) & National Stock Exchange of India Limited (NSE).The Company is engaged in providing services of Investment Banking, Corporate Advisory Services & ESOP Advisory etc.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of financial statements

These Financial Statements are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on a going concern basis. GAAP comprises of mandatory accounting standards as prescribed under the Act. Accounting policies have been consistently applied.

b) Use of estimates

Preparation of the financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported period. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of fixed tangible assets and intangible assets.

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 changes in circumstances surrounding the estimates. Difference between the actual results and estimates are recognized in the period in which the results are known.

c) Current/Non-current classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of resources for delivery and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

d) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of 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 of the Company are segregated.

e) Property Plant & Equipment

Tangible assets and intangible assets are stated at cost less accumulated depreciation / amortization and impairments, if any. Cost includes expenses related to purchases, borrowing costs and any directly attributable cost for bringing the assets to its working condition for its intended use and excludes any duties and taxes recoverable, net of adjustments arising from the exchange rate variations attributable to the assets. Subsequent expenditure related to an item of tangible and intangible fixed asset is capitalized only if it increases the future benefits from the existing assets beyond its previously assessed standards of performance and / or life. The advances given for acquiring for fixed assets are shown under loans and advances (capital advances). The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and resultant gains or losses are recognized in the Statement of Profit and Loss. Items of tangible assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements under "Other current assets". Any expected loss is recognized immediately in the Statement of Profit and Loss. Tangible assets and Intangible assets not ready for the intended use on the date of Balance Sheet are stated at Cost as "Capital work-in-progress" and "Intangible Assets under Development" respectively.

Depreciation is provided on pro rata basis under Straight Line Method, as per the useful life of the assets, on all the tangible fixed assets (including property held as investment) which were in use during the year. Residual value for the assets is considered to be at five percent of the original cost of the asset. If the assets are purchased during the year, depreciation is provided on pro – rata basis from the date the assets are installed. In case the assets are sold, depreciation is provided on the same up to the date of sale on pro – rata basis.

Individual assets costing less than Rs 5,000 are depreciated in full in the year of acquisition.

Estimated useful lives of the tangible assets is as prescribed in Schedule II of the Companies Act, 2013, except in case of Investment Property.

f) Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors except in case of intangibles under development which are reviewed at every reporting date. An impairment loss is recognized in the Statement of Profit & Loss, wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risk specifics to the asset.

An impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimates of the recoverable amount and such loss either no longer exists or has decreased.

g) Operating Lease

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss as per the terms of lease arrangements.

Assets given by the Company under operating lease are included in Investment property. Lease income from operating leases is recognized in the Statement of Profit and Loss on a straight-line basis over the non-cancellable lease term. Costs, including depreciation, incurred in earning the lease income are recognized as expenses. Initial direct costs incurred specifically for an operating lease are recognized in the Statement of Profit and Loss.

h) Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as "Current Investments". On initial recognition, all investments are measured at cost. The cost comprises purchase price. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. All other investments are classified as "Non-Current Investments".

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of weighted average cost and market value determined on individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary diminution in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

i) Investment property

Property given on lease is shown as Investment in property under "Non-Current Investments" and is depreciated using Straight Line method.

j) Revenue recognition

i) Revenue is recognized to the extent that it can be reliably measured and there is no uncertainty about ultimate collection. Income from services is recognized with reference to achievement of milestones defined in the corresponding engagement letters or mandate letters entered with counter party which reflects the proportionate stage of completion method.

ii) Initial acceptance fee is recorded as income after the achievement of the first milestone. In situations where there is no further progress on the mandate, the initial acceptance fees so received, is recorded as income immediately after 12 from the date of issuing of invoice.

iii) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

iv) Dividend from investments is accounted for as income when the right to receive the dividend is established.

v) Other income is recognized on accrual basis.

k) Foreign currency transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the date of the respective transactions or that approximates the actual rate at the date of transaction. Exchange differences arising on foreign currency transactions, settled during the year, are recognized in the statement of profit and loss. The premium or discount on foreign exchange forward contracts is amortized as income or expense over the life of the contract.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are reported using the foreign exchange rates as at the balance sheet date. The resultant exchange differences are recognized in the Statement of Profit & Loss. Non monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

l) Retirement and other employee benefits

i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a Government administered provident fund scheme and has no obligation to pay any further amounts. Retirement benefits in the form of Provident Fund and ESIC is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

ii) Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. Presently the gratuity scheme of the Company is unfunded. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary at the balance sheet date using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date. When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan. Actuarial gains and losses are recognized immediately in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation.

m) Taxes on income

Income tax expense comprises of current and deferred income tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act of 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognized as an asset in Balance Sheet if there is convincing evidence that the Company will pay normal tax after tax holiday period and the resultant asset can be measured reliably.

n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the number of shares outstanding during the year are adjusted for the effects 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 issue including for changes effected prior to the approval of financial statements by the Board of Directors.

o) Provisions, Contingent liabilities & Contingent assets

Provision is recognized in the financial statements when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.

p) Dividends

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as liability on the date of declaration by the Company's Board of Directors.

Notes forming part of the Standalone Financial Statements
(Currency: Indian Rupees)

3. SHARE CAPITAL	**31 March 2018**	31 March 2017
Authorised :		
15,000,000 (P.Y : 15,000,000) equity shares of ₹ 10/- each	**150,000,000**	150,000,000
	150,000,000	150,000,000
Issued :		
11,274,417 (P.Y: 11,274,417) equity shares of ₹ 10/- each	**112,744,170**	112,744,170
	112,744,170	112,744,170
Subscribed and fully paid-up shares:		
7,018,339 (P.Y : 7,018,339) equity shares of ₹ 10/- each	**70,183,390**	70,183,390
	70,183,390	70,183,390

Notes forming part of the Standalone Financial Statements
(Currency: Indian Rupees)

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year :

Particulars	31 March 2018 No. of Shares	31 March 2018 Amount	31 March 2017 No. of Shares	31 March 2017 Amount
Equity shares at the beginning of the year	**7,018,339**	**70,183,390**	7,018,339	70,183,390
Equity shares outstanding at the end of the year	**7,018,339**	**70,183,390**	7,018,339	70,183,390

(b) Terms / rights attached to equity shares

The Company has issued only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. All shares rank pari passu with regard to dividend & repayment of capital. 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, except in case of interim dividend. During the year ended 31st March 2018, the Company has proposed final dividend of ₹ 2.50/- per share (P.Y : ₹ 1/- per share) to equity shareholders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining net assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company :

Name of the shareholder	31 March 2018 No. of Shares	31 March 2018 % holding	31 March 2017 No. of Shares	31 March 2017 % holding
NSS Digital Media Limited	**3,112,256**	**44.34**	3,112,256	44.34
Keynote Trust	**1,451,702**	**20.68**	1,451,702	20.68
India Max Investment Fund Limited	**561,348**	**8.00**	561,348	8.00

Note : As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(d) For the period of five years immediately preceding the date at which the balance sheet is prepared:

– there are no shares allotted as fully paid pursuant to contract(s) without payment being received in cash.

– there are no shares allotted as fully paid up by way of bonus shares, and

– there are no shares bought back.

4 RESERVES AND SURPLUS	31 March 2018	31 March 2017
Securities premium account	**230,648,293**	230,648,293
General reserve	**13,391,679**	13,391,679
Surplus in the statement of profit and loss		
At the commencement of the year	**202,192,605**	183,296,128
Add : Profit for the year	**32,271,587**	18,896,477
Less : Appropriations		
– Equity dividend	**(7,018,339)**	—
– Tax on equity dividend	**(1,428,793)**	—
	226,017,060	202,192,605
	470,057,032	446,232,577

5 DEFERRED TAX LIABILITIES (NET)	31 March 2018	31 March 2017
Deferred tax liabilities		
– Difference between book and tax depreciation	**8,752,816**	7,926,203
– Deferred rent assets	**—**	19,749
	8,752,816	7,945,952
Deferred tax assets		
– Provision for employee benefits allowable u/s 43B of the Income Tax Act, 1961,on payment basis	**1,608,965**	586,146
– Allowance for doubtful debts	**78,875**	537,406
	1,687,840	1,123,552
	7,064,976	6,822,400

6 OTHER LONG-TERM LIABILITIES	31 March 2018	31 March 2017
Interest free security deposits towards lease	**260,000**	260,000
	260,000	260,000

7 LONG-TERM PROVISIONS	31 March 2018	31 March 2017
Provision for employee benefits		
– Gratuity	**3,464,516**	—
– Compensated absences	**84,615**	75,015
	3,549,131	75,015

8 SHORT-TERM BORROWINGS	31 March 2018	31 March 2017
Unsecured		
Loans from parties other than banks *(repayable on demand)*	**—**	50,894
	—	50,894

9 TRADE PAYABLES	31 March 2018	31 March 2017
Dues to micro and small enterprises *(refer note -36)*	**—**	—
Dues to others	**1,358,166**	972,636
	1,358,166	972,636

10 OTHER CURRENT LIABILITIES	31 March 2018	31 March 2017
Current maturities of long-term debts *(refer note below)*	**—**	715,030
Advance received from customers	**3,000,000**	14,935,000
Unpaid dividend *(refer note below)*	**1,198,630**	1,240,449
Statutory dues payable	**4,468,115**	1,028,202
Provision for expenses	**315,048**	727,224
Employee benefits payable	**1,767,196**	916,133
	10,748,989	19,562,038

Notes :

(a) The Company had taken 2 vehicle loans from the financial institution during F.Y.2013-14,carrying interest @ 10.72% p.a. repayable in 59 monthly installments of ₹ 31,550/-each. The said loan has been repaid during the year.

(b) The above loan was secured by hypothecation of respective assets of the company.

(c) During the current year, the Company had transferred ₹ 193,830/- (P.Y : ₹ 112,393) to Investor Education and Protection Fund under section 125 of the Companies Act, 2013.

11 SHORT-TERM PROVISIONS	31 March 2018	31 March 2017
Provision for employee benefits		
– Gratuity	**1,109,173**	1,059,390
– Compensated absences	**92,750**	76,840
Other provisions		
– Provision for Taxation *(Net of Advance Tax of ₹ 8,407,878 (P.Y NIL))*	**3,628,233**	—
	4,830,156	1,136,230

Notes : Disclosures as required by Accounting Standard (AS) 15 Employee Benefits :

(A) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised as an expense and included in "Employee benefits expenses "

Note 22 in the Statement of Profit and Loss are as under :

- Employer's contribution to Provident Fund and Family Pension Scheme ₹ 1,629,192/- (P.Y. : ₹ 1,834,669/-)
- Employer's contribution to Employees State Insurance Scheme ₹ 23,955/- (P.Y. : ₹ 23,988/-)
- Employer's contribution to Gratuity Fund ₹ 3,759,113/- (P.Y. : ₹ -956,814/-)

(B) Defined Benefit Plans

(i) Gratuity

	Particulars	31 March 2018	31 March 2017
I	**Change in the present value of projected benefit obligation during the year**		
	Liability at the beginning of the year	**4,707,026**	5,688,959
	Interest cost	**320,548**	446,014
	Current service cost	**160,940**	180,565
	Past service cost - vested benefit incurred during the period	**1,690,778**	-
	(Benefits paid)	**(2,720,513)**	(290,769)
	Actuarial (gains) / losses	**1,718,853**	(1,317,743)
	Liability at the end of the year	**5,877,632**	4,707,026
II	**Change in fair value of plan assets during the year**		
	Fair value of plan assets at the beginning of the year	**3,647,636**	3,312,457
	Expected return of plan assets	**248,404**	259,697
	Contributions by the employer	**244,814**	360,298
	(Benefits paid)	**(2,720,513)**	(290,769)
	Actuarial gains / (losses)	**(116,398)**	5,953
	Fair value of plan assets at the end of the year	**1,303,943**	3,647,636
III	**Recognition of Actuarial (gains) / losses recognised in the statement of profit or loss**		
	Actuarial (gains)/losses to be recognised on obligation for the period	**1,718,853**	(1,317,743)
	Actuarial (gains)/losses to be recognised on assets for the period	**116,398**	(5,953)
	Total actuarial (gains)/losses to be recognised in statement of profit and loss	**1,835,251**	(1,323,696)
IV	**Actual return on plan assets**		
	Expected return on plan assets	**248,404**	259,697
	Actuarial gains / (losses) on plan assets - due to experience	**(116,398)**	5,953
	Actual return on plan assets	**132,006**	265,650
V	**Net asset / (liability) recognised in the balance sheet**		
	Fair value of plan assets at the end of the year	**1,303,943**	3,647,636
	(Present value of benefit obligation as at the end of the year)	**(5,877,632)**	(4,707,026)
	Funded status	**(4,573,689)**	(1,059,390)
	Unrecognised past service cost at the end of the year	**—**	—
	Net asset / (liability) recognised in the balance sheet	**(4,573,689)**	(1,059,390)
VI	**Expenses recognised in the statement of profit and loss for the year**		
	Current service cost	**160,940**	180,565
	Interest cost	**320,548**	446,014
	Expected return on plan assets	**(248,404)**	(259,697)
	Net interest cost	**72,144**	186,317
	Actuarial (gain) / losses	**1,835,251**	(1,323,696)
	Past service cost (non vested benefit) recognised during the year	**—**	—
	Past service cost (vested benefit) recognised during the year	**1,690,778**	—
	Total expenses as per actuarial valuation recognised in the Statement of Profit & Loss	**3,759,113**	(956,814)
VII	**Balance Sheet Reconciliation**		
	Opening net liability	**1,059,390**	2,376,502
	Expenses recognised in the statement of profit and loss for the year	**3,759,113**	(956,814)
	Employer's contribution	**(244,814)**	(360,298)
	Net asset / (liability) recognised in the balance sheet	**4,573,689**	1,059,390
VIII	**Other details**		
	Number of members	**21**	20
	Salary per month	**1,109,173**	1,134,488
	Prescribed contribution for next year (12 months)	**1,109,173**	1,134,488
IX	**Actuarial assumptions (closing period):**		
	Discount rate	**7.65%**	6.81%
	Rate of return on plan assets	**7.65%**	6.81%
	Salary escalation	**6.00%**	6.00%
	Attrition rate	**20.00%**	13.00%
X	**Category of assets**		
	Government of India assets	**—**	—
	State Government securities	**—**	—
	Special Deposit Scheme	**—**	—
	Debts Instruments	**—**	—
	Corporate bonds	**—**	—
	Cash And Cash Equivalents	**—**	—
	Insurer fund	**1,303,943**	3,647,636
	Asset-Backed Securities	**—**	—
	Structured Debt	**—**	—
	Others	**—**	—
	Total	**1,303,943**	3,647,636
XI	**Classification as per schedule III of the Companies Act, 2013**		
	Current liability *(refer note 11)*	**1,109,173**	1,059,390
	Non- current liability *(refer note 7)*	**3,464,516**	—
		4,573,689	1,059,390

XII	Particulars	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
	Present value of benefit obligation	**(5,877,632)**	(4,707,026)	5,688,959	5,699,687	5,864,303
	Fair value of plan assets	**1,303,943**	3,647,636	3,312,457	2,984,933	2,634,128
	Surplus / (Deficit)	**(4,573,689)**	(1,059,390)	(2,376,502)	(2,714,754)	(3,230,175)
	Experience adjustment on plan liability (gains)/ losses	**1,650,983**	(445,195)	(443,113)	(542,508)	1,963,668
	Experience adjustment on plan assets (losses)/gains	**(116,398)**	5,953	11,793	906	(214,673)

Note:Disclosures of plan assets

The Company has group plan with LIC of India pertaining to insurance and has not been provided with the details of the planned assets. As a result, no disclosures for the same has been made.

(ii) Leave encashment

As per the Company's policy, a sum of ₹ 389,791/- (P.Y.: ₹ 440,752/-) has been paid towards compensated absences; calculated on the basis of unutilised leave. During the year, the Company has provided to the extent of ₹ 177,365/- (P.Y. :₹ 151,855/-) as per actuarial valuation done by independent actuary.

Note : Detailed disclosures of compensated absence is not given in terms of para 132 of AS-15 "Employee Benefits".

Notes forming part of the Standalone Financial Statements
(Currency: Indian Rupees)

12. FIXED ASSETS

Sr. No.	Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Balance as at 01 April, 2017	Additions	Disposals/ Adjustments	Balance as at 31 March, 2018	Balance as at 01 April, 2017	Depreciation/ Amortisation for the year	Disposals / Adjustments during the year	Balance as at 31 March, 2018	Balance as at 31 March, 2018	Balance as at 31 March, 2017
Property, plant and equipment											
(a)	Premises	89,134,571	—	—	**89,134,571**	7,084,579	**1,408,892**	—	**8,493,471**	**80,641,100**	82,049,992
		(89,134,571)	—	—	*(89,134,571)*	*(5,675,687)*	*(1,408,892)*	—	*(7,084,579)*	*(82,049,992)*	*(83,458,884)*
(b)	Motor Cars	10,615,427	—	—	**10,615,427**	6,561,900	**1,170,187**	—	**7,732,087**	**2,883,340**	4,053,527
		(10,615,427)	—	—	*(10,615,427)*	*(5,391,712)*	*(1,170,188)*	—	*(6,561,900)*	*(4,053,527)*	*(5,223,715)*
(c)	Furniture & fixtures	8,487,115	—	—	**8,487,115**	3,943,172	**813,965**	—	**4,757,137**	**3,729,978**	4,543,943
		(8,487,115)	—	—	*(8,487,115)*	*(3,129,207)*	*(813,965)*	—	*(3,943,172)*	*(4,543,943)*	*(5,357,908)*
(d)	Air conditioners	2,028,570	—	—	**2,028,570**	1,335,579	**117,294**	—	**1,452,873**	**575,697**	692,991
		(2,028,570)	—	—	*(2,028,570)*	*(1,099,665)*	*(235,914)*	—	*(1,335,579)*	*(692,991)*	*(928,905)*
(e)	Office equipments	947,484	—	—	**947,484**	874,489	**21,056**	—	**895,545**	**51,939**	72,995
		(947,484)	—	—	*(947,484)*	*(636,641)*	*(237,848)*	—	*(874,489)*	*(72,995)*	*(310,843)*
(f)	Computers & peripherals	3,636,215	**300,857**	—	**3,937,072**	3,255,207	**177,600**	—	**3,432,807**	**504,265**	381,008
		(3,413,851)	*(222,364)*	—	*(3,636,215)*	*(3,151,242)*	*(103,965)*	—	*(3,255,207)*	*(381,008)*	*(262,609)*
(g)	Electrical fittings	1,337,699	—	—	**1,337,699**	552,762	**142,517**	—	**695,279**	**642,420**	784,937
		(1,337,699)	—	—	*(1,337,699)*	*(410,245)*	*(142,517)*	—	*(552,762)*	*(784,937)*	*(927,454)*
		116,187,081	**300,857**	**—**	**116,487,938**	**23,607,688**	**3,851,511**	**—**	**27,459,199**	**89,028,739**	**92,579,393**
		(115,964,717)	***(222,364)***	**—**	***(116,187,081)***	***(19,494,399)***	***(4,113,289)***	**—**	***(23,607,688)***	***(92,579,393)***	***(96,470,318)***

Note Figures in brackets indicate previous year's figures.

13. NON-CURRENT INVESTMENTS
(Valued at cost, unless stated otherwise)

Sr. No.	Particulars	Relationship with company	No. of Shares / Units 31 March 2018	31 March 2017	Classification	Status	Face Value	Amount 31 March 2018	31 March 2017
(A)	**Investment property (at cost less depreciation)**								
	Gross cost of property							**700,000**	700,000
	Less: Accumulated depreciation							**(306,225)**	(295,049)
	Net book value							**393,775**	404,951
(B)	**Investment in Equity Instruments**								
	Trade Investments								
1	Keynote Corporate Services Ltd *(held by Keynote Trust)*	Others	**1,451,702**	1,451,702	Quoted	Fully Paid up	10	**12,970,873**	12,970,873
2	Keynote Capitals Limited	Subsidiary	**11,266,667**	11,266,667	Unquoted	Fully Paid up	10	**175,500,010**	175,500,010
3	Keynote Fincorp Limited	Subsidiary	**2,000,000**	2,000,000	Unquoted	Fully Paid up	10	**37,500,000**	37,500,000
4	Investment in Keynote Trust *(initial corpus fund)*	Others	**—**	—	Unquoted	Fully Paid up	—	**20,000**	20,000
5	Scana point Geomatics Limited	Others	**400**	400	Quoted	Fully Paid up	2	**1,156**	1,156
6	Mitcon Consultancy & Engineering Services Limited	Others	**40,000**	40,000	Quoted	Fully Paid up	10	**2,440,000**	2,440,000
7	Centerac Emarketplaces Private Limited	Others	**—**	1,130	Unquoted	Fully Paid up	10	**—**	1,000,294
8	Dugar Finance Limited	Others	**700**	700	Unquoted	Fully Paid up	10	**2,870**	2,870
9	Dugar Housing Limited	Others	**800**	800	Unquoted	Fully Paid up	10	**9,520**	9,520
10	Stella Exports Limited	Others	**10,000**	10,000	Unquoted	Fully Paid up	3	**30,000**	30,000
11	Eagle Eye Research & Media Private Limited	Others	**—**	9,600	Unquoted	Fully Paid up	10	**—**	3,240,000
								228,474,429	232,714,723
(C)	**Investment in Debentures**								
	ECL Finance Limited	**10,000**	10,000	—	Unquoted	Fully Paid up	1,000	**10,000,000**	10,000,000
								10,000,000	10,000,000
			Grand Total (A+B+C)					**238,868,204**	243,119,674

Particulars	31 March 2018	31 March 2017
Aggregate amount of quoted investments	**15,412,029**	15,412,029
Market Value of quoted investments	**76,101,982**	39,994,390
Aggregate amount of unquoted investments	**223,062,400**	227,302,694
Aggregate provision for diminution in value of investments	**—**	—

Note: Investment property comprises of fixed assets of building granted on lease, terms of which are as disclosed under note 29.

14. LONG TERM LOANS & ADVANCES	31 March 2018	31 March 2017
(Unsecured, considered good)		
Security deposits	**310,770**	310,770
Loans to employees	**288,356**	61,856
Prepaid expenses	**576,050**	—
Advance tax and tax deducted at source	**1,086,299**	282,397
(Net of provision for tax :₹ 72,607,821, (P.Y. :₹ 72,096,979))		
	2,261,475	655,023

15. CURRENT INVESTMENTS

(valued at lower of cost and market value)

Sr. No.	Particulars	Relationship with company	No. of Shares / Units 31 March 2018	31 March 2017	Classification	Status	Face Value	Amount 31 March 2018	31 March 2017
	Trade Investments								
(A)	**Investment in Equity Instruments**								
1	Godrej Properties Limited	Others	**2950**	2,186	Quoted	Fully Paid up	5	**802,782**	781,394
2	Hatsun Agro Product Limited	Others	**—**	2,520	Quoted	Fully Paid up	1	**—**	596,556
3	HDFC Bank Limited	Others	**725**	725	Quoted	Fully Paid up	2	**729,084**	729,084
4	ITC Limited	Others	**—**	3,600	Quoted	Fully Paid up	1	**—**	879,442
5	Jenburkt Pharmaceuticals Limited	Others	**—**	638	Quoted	Fully Paid up	10	**—**	125,415
6	MoldTek Packaging Limited	Others	**—**	3,180	Quoted	Fully Paid up	5	**—**	167,268
7	Kotak Mahindra Bank Limited	Others	**301**	951	Quoted	Fully Paid up	5	**228,185**	657,757
8	Sarla Performance Fibres Limited	Others	**—**	5,200	Quoted	Fully Paid up	1	**—**	172,371
9	Sun Pharmaceuticals Industries Limited	Others	**—**	465	Quoted	Fully Paid up	1	**—**	319,781
10	Info Edge (India) Limited	Others	**500**	550	Quoted	Fully Paid up	10	**558,879**	439,725
11	GRP Limited	Others	**500**	325	Quoted	Fully Paid up	10	**558,970**	324,365
12	SRF Limited	Others	**—**	174	Quoted	Fully Paid up	10	**—**	184,831
13	Shree Cement Limited	Others	**9**	15	Quoted	Fully Paid up	10	**118,014**	196,690
14	Page Industries Limited	Others	**18**	22	Quoted	Fully Paid up	10	**256,804**	313,871
15	Pidilite Industries Limited	Others	**243**	330	Quoted	Fully Paid up	1	**139,894**	189,979
16	P I Industries Limited	Others	**429**	410	Quoted	Fully Paid up	1	**296,254**	278,041
17	Motherson Sumi Sytems Limited	Others	**1139**	915	Quoted	Fully Paid up	1	**201,041**	232,409
18	Mahindra Holidays & Resorts (I) Limited	Others	**—**	545	Quoted	Fully Paid up	10	**—**	213,981
19	Mahindra & Mahindra Financial Services Limited	Others	**—**	918	Quoted	Fully Paid up	2	**—**	216,680
20	Lupin Limited	Others	**—**	205	Quoted	Fully Paid up	2	**—**	296,184
21	Indusind Bank Limited	Others	**272**	251	Quoted	Fully Paid up	10	**268,505**	237,758
22	Havells India Limited	Others	**741**	647	Quoted	Fully Paid up	1	**216,126**	168,126
23	Eicher Motors Limited	Others	**12**	12	Quoted	Fully Paid up	10	**214,148**	214,148
24	Britannia Industries Limited	Others	**85**	97	Quoted	Fully Paid up	2	**261,424**	298,331
25	Bajaj Finance Limited	Others	**271**	324	Quoted	Fully Paid up	10	**248,405**	143,338
26	Bajaj Finserv Limited	Others	**90**	104	Quoted	Fully Paid up	5	**174,540**	201,691
27	Ajanta Pharma Limited	Others	**—**	124	Quoted	Fully Paid up	2	**—**	184,426
28	Dwarkesh Sugar Industries Limited	Others	**—**	1,749	Quoted	Fully Paid up	10	**—**	172,635
29	City Union Bank Limited	Others	**9130**	8,300	Quoted	Fully Paid up	1	**768,340**	768,340
30	Steelcast Limited	Others	**4500**	4,500	Quoted	Fully Paid up	5	**296,342**	296,342
31	Piramal Enterprises Limited	Others	**147**	203	Quoted	Fully Paid up	2	**173,754**	229,597
32	Garware Wall Ropes Limited	Others	**373**	373	Quoted	Fully Paid up	10	**136,358**	136,358
33	Amara Raja Batteries Limited	Others	**—**	315	Quoted	Fully Paid up	1	**—**	280,035
34	Asian Paints Limited	Others	**257**	257	Quoted	Fully Paid up	1	**218,438**	218,438
35	Astral Poly Technik Limited	Others	**2727**	2,774	Quoted	Fully Paid up	1	**1,128,381**	1,147,033
36	Plastiblends India Limited	Others	**—**	286	Quoted	Fully Paid up	1	**—**	121,837
37	Sudarshan Chemicals Industries Limited	Others	**760**	770	Quoted	Fully Paid up	1	**231,904**	234,955
38	Vardhman Textiles Limited	Others	**268**	222	Quoted	Fully Paid up	10	**282,524**	222,628
39	Shriram City Union Finance Limited	Others	**—**	322	Quoted	Fully Paid up	10	**—**	581,500
40	Phillips Carbon Black Limited	Others	**—**	854	Quoted	Fully Paid up	10	**—**	200,236
41	Allsec Technologies Limited	Others	**—**	586	Quoted	Fully Paid up	10	**—**	215,873
42	Balrampur Chini Mills Limited	Others	**—**	2,587	Quoted	Fully Paid up	1	**—**	327,121
43	Cholamandalam Inv & Fin Co Limited	Others	**325**	239	Quoted	Fully Paid up	10	**324,961**	229,395
44	Future Retail Limited	Others	**—**	446	Quoted	Fully Paid up	2	**—**	57,140
45	Koval Medical Center & Hospital Limited	Others	**—**	81	Quoted	Fully Paid up	10	**—**	83,215
46	Rajratan Global Wire Limited	Others	**1388**	1,388	Quoted	Fully Paid up	10	**694,375**	694,375
47	RBL Bank Limited	Others	**769**	768	Quoted	Fully Paid up	10	**360,091**	252,115
48	Shilpa Medicare Limited	Others	**—**	314	Quoted	Fully Paid up	1	**—**	199,641
49	Steel Authority of India Limited	Others	**—**	8,300	Quoted	Fully Paid up	10	**—**	449,664
50	Vijaya Bank	Others	**24300**	10,500	Quoted	Fully Paid up	10	**1,261,170**	482,936
51	Music Broadcast Limited	Others	**—**	2,202	Quoted	Fully Paid up	10	**—**	733,266
52	Ashok Leyland Limited	Others	**5000**	5,000	Quoted	Fully Paid up	1	**455,134**	422,750
53	Bella Casa Fashion & Retail Limited	Others	**5000**	5,000	Quoted	Fully Paid up	10	**372,200**	372,200

Sr. No.	Particulars	Relationship with company	No. of Shares / Units 31 March, 2018	31 March, 2017	Classification	Status	Face Value	Amount 31 March, 2018	31 March, 2017
54	Bharti Infratel Limited	Others	**1279**	1,279	Quoted	Fully Paid up	10	**399,406**	399,406
55	Datamatics Global Services Limited	Others	**—**	1,015	Quoted	Fully Paid up	5	**—**	128,499
56	Faze Three Limited	Others	**6667**	6667	Quoted	Fully Paid up	10	**416,003**	416,003
57	Insecticides (India) Limited	Others	**444**	444	Quoted	Fully Paid up	10	**252,091**	235,809
58	J K Tire & Industries Limited	Others	**—**	1,787	Quoted	Fully Paid up	2	**—**	234,812
59	M R F Limited	Others	**5**	5	Quoted	Fully Paid up	10	**271,723**	271,723
60	PNB Housing Finance Limited	Others	**—**	317	Quoted	Fully Paid up	10	**—**	341,883
61	Welspun India Limited	Others	**3159**	1,928	Quoted	Fully Paid up	1	**183,064**	168,797
62	Yes Bank Limited	Others	**—**	180	Quoted	Fully Paid up	10	**—**	240,907
63	Wim Plast Limited	Others	**222**	742	Quoted	Fully Paid up	10	**129,932**	434,276
64	Visaka Industries Limited	Others	**1100**	—	Quoted	Fully Paid up	10	**383,991**	—
65	Surya Roshni Limited	Others	**2349**	—	Quoted	Fully Paid up	10	**729,990**	—
66	Sharda Motor Industries Limited	Others	**108**	—	Quoted	Fully Paid up	10	**208,672**	—
67	Max Financial Services Limited	Others	**377**	—	Quoted	Fully Paid up	10	**171,026**	—
68	Apex Frozen Food Limited	Others	**1068**	—	Quoted	Fully Paid up	10	**226,446**	—
69	Avanti Feeds Limited	Others	**155**	—	Quoted	Fully Paid up	10	**260,933**	—
70	CESC Limited	Others	**452**	—	Quoted	Fully Paid up	10	**437,378**	—
71	Dalmia Bharat Limited	Others	**104**	—	Quoted	Fully Paid up	10	**300,076**	—
72	Jindal Stainless Limited	Others	**5512**	—	Quoted	Fully Paid up	10	**431,865**	—
73	J K Paper Limited	Others	**4353**	—	Quoted	Fully Paid up	10	**464,099**	—
74	Maharashtra Seamless Limited	Others	**730**	—	Quoted	Fully Paid up	10	**310,506**	—
75	Tejas Networks Limited	Others	**1616**	—	Quoted	Fully Paid up	10	**543,682**	—
76	Thirumalai Chemicals Limited	Others	**176**	—	Quoted	Fully Paid up	10	**215,196**	—
77	V2 Retail Limited	Others	**808**	—	Quoted	Fully Paid up	10	**288,417**	—
78	Astec Lifesciences Limited	Others	**551**	—	Quoted	Fully Paid up	10	**300,449**	—
79	Minda Industries Limited	Others	**122**	—	Quoted	Fully Paid up	10	**128,665**	—
80	The New India Assurance Company Limited	Others	**510**	—	Quoted	Fully Paid up	5	**356,909**	—
81	Technocraft Industries (India) Limited	Others	**936**	—	Quoted	Fully Paid up	10	**460,044**	—
82	Sunflag Iron & Steel Co Limited	Others	**4200**	—	Quoted	Fully Paid up	10	**316,050**	—
83	Reliance Industries Limited	Others	**621**	—	Quoted	Fully Paid up	10	**548,219**	—
84	NMDC Limited	Others	**6000**	—	Quoted	Fully Paid up	1	**711,900**	—
85	Hi-Tech Pipes Limited	Others	**2500**	—	Quoted	Fully Paid up	10	**875,602**	—
86	IDEA Cellular Limited	Others	**7550**	—	Quoted	Fully Paid up	10	**571,913**	—
87	Divi's Laboratories Limited	Others	**132**	—	Quoted	Fully Paid up	10	**142,977**	—
88	Saregama India Limited	Others	**716**	—	Quoted	Fully Paid up	10	**470,985**	—
89	Titan Company Limited	Others	**457**	—	Quoted	Fully Paid up	10	**376,499**	—
90	Weizmann Forex Limited	Others	**329**	—	Quoted	Fully Paid up	10	**348,230**	—
91	Welspun Enterprises Limited	Others	**2909**	—	Quoted	Fully Paid up	10	**411,042**	—
92	Action Construction Equipment Limited	Others	**1976**	—	Quoted	Fully Paid up	10	**330,881**	—
93	Praxis Home Retail Limited	Others	**—**	2,461	Quoted	Fully Paid up	2	**—**	180,467
94	Control Print Limited	Others	**1627**	1,627	Quoted	Fully Paid up	10	**259,483**	259,483
								25,211,371	21,205,332
(B)	**Investment in Mutual Funds**								
1	HDFC Liquid Fund	Others	**—**	800	Unquoted	Fully Paid up	1,000	**—**	2,553,652
2	HDFC Liquid Fund Daily Dividend	Others	**559**	—	Unquoted	Fully Paid up	1,000	**569,585**	—
3	Aditya Birla Sun Life Mutual Fund - Cash Plus	Others	**133,372**	—	Unquoted	Fully Paid up	100	**36,705,348**	—
4	Aditya Birla Sun Life Mutual Fund - Floating Rate Fund - Short Term Fund	Others	**44,440**	—	Unquoted	Fully Paid up	100	**10,000,000**	—
5	Sundram Money Fund	Others	**—**	29,997	Unquoted	Fully Paid up	10	**—**	1,006,192
6	LIC Mutual Fund - Liquid Fund	Others	**—**	10,241	Unquoted	Fully Paid up	—	**—**	30,000,000
7	Mahindra Mutual Fund - Low Duration Bachat Yojana - Regular - Growth	Others	**107,258**	—	Unquoted	Fully Paid up	1,000	**111,711,229**	—
8	Reliance Liquid Fund - Treasury - Growth plan option	Others	**2,808**	3,048	Unquoted	Fully Paid up	1,000	**11,054,222**	12,000,000
								170,040,384	45,559,844
(C)	**Investment in Other Funds**								
1	IIFL Special Opportunities Fund - Series 5	Others	**500,000**	—	Unquoted	Fully Paid up	10	**5,000,000**	—
2	Carpediem Capital Partners Fund	Others	**650**	250	Unquoted	Fully Paid up	10,000	**6,500,000**	2,500,000
								11,500,000	2,500,000
	Grand Total (A+B+C)							**206,751,755**	69,265,176

Particulars	31 March 2018	31 March 2017
Aggregate amount of quoted investments	**25,211,371**	21,205,332
Market value of quoted investments	**35,409,220**	29,934,679
Aggregate amount of unquoted investments	**181,540,384**	48,059,844
Aggregate provision for diminution in value of investments	**781,195**	—

16 TRADE RECEIVABLES	31 March 2018	31 March 2017
Outstanding for a period exceeding six months from the date they are due for payment		
– Unsecured, considered good	—	2,491,330
– Unsecured, considered doubtful	**286,271**	1,950,480
Less: Allowance for doubtful debts	**(286,271)**	(1,950,480)
	—	2,491,330
Other receivables		
– Unsecured, considered good	**2,639,721**	6,698,566
	2,639,721	9,189,896

17 CASH AND BANK BALANCES	31 March 2018	31 March 2017
Cash and cash equivalents		
– Cash on hand	**353,647**	109,873
– **Balances with banks**		
– In current accounts	**7,347,141**	1,204,747
– In fixed deposits accounts (with original maturity of 3 months or less from the reporting date)	**521,658**	11,597,319
	8,222,446	12,911,939
Other bank balances		
– In fixed deposits with maturity of more than 3 months but less than 12 months from the reporting date	**726,418**	683,915
– In unpaid dividend accounts	**1,198,630**	1,240,449
	1,925,048	1,924,364
	10,147,494	14,836,303

Notes:

a) Bank balances include restricted bank balances of ₹ 1,198,630/- (P.Y. ₹ 1,240,449/-) on account of bank balances held as unpaid dividends.

b) The deposits maintained by the Company with banks and financial institutions comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

18 SHORT-TERM LOANS AND ADVANCES	31 March 2018	31 March 2017
(Unsecured, considered good, unless stated otherwise)		
Short term loans and deposits :		
Secured		
– To others *(refer note below)*	**5,000,000**	—
Unsecured		
– To related parties *(refer note 30)*	**213,600**	51,553,845
– To others	**10,000,000**	60,000,000
Balances with government / statutory authorities	**253,950**	277,453
Prepaid expenses	**737,186**	165,240
Loans to employees	**240,000**	87,500
Advances to service providers	**515,224**	1,549,546
Other advances	**41,434**	41,985
	17,001,394	113,675,569

Note:

The Company has given a secured short term loan to Bela Properties Pvt. Ltd. amounting to ₹ 5,000,000 at the rate of 12% p.a., repayable within a period of less than twelve months or on demand .The said loan is secured against 2,51,022 equity shares of Credo Brands Marketing Pvt. Ltd and a demand promissory note.

19 OTHER CURRENT ASSETS	31 March 2018	31 March 2017
(Unsecured, considered good)		
Interest accrued on		
– Short term loans and deposits	**846,579**	1,898,819
– Fixed deposits	**6,479**	3,651
Unbilled revenue	**500,000**	—
Deferred rent asset	—	71,676
	1,353,058	1,974,146

20 REVENUE FROM OPERATIONS	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of services		
– Income from Corporate Finance	**40,654,641**	21,497,827
– Income from ESOP Advisory	**4,426,100**	2,225,000
– Income from Merchant Banking	**36,891,697**	25,706,555
	81,972,438	49,429,382
Other operating revenue		
– Reimbursement of expenses :		
– Income from Corporate Finance	**490,560**	170,000
– Income from ESOP Advisory	**131,974**	29,800
– Income from Merchant Banking	**21,458**	391,294
	643,992	591,094
	82,616,430	50,020,476

21 OTHER INCOME	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income on		
– Short term loans and deposits	**11,079,757**	8,731,927
– Fixed deposits	**252,521**	74,974
Dividend income from investments		
– Current investments	**316,749**	210,374
– Non current investments	**1,491,702**	1,491,702
Net Profit on sale of investments		
– Current investments	**8,393,247**	12,655,970
– Non current investments *(net of loss₹ 609,410, P.Y. :₹ 401,473)*	—	2,147,327
Rent income	**708,324**	741,326
Reversal of provision of doubtful debts	**652,628**	—
Recovery of common expenses	**1,445,212**	—
Miscellaneous income	**239,392**	312,178
	24,579,532	26,365,778

22 EMPLOYEE BENEFITS EXPENSE	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, bonus and allowances	**21,082,029**	20,800,135
Contribution to provident fund and other funds	**1,653,147**	1,858,657
Gratuity	**3,759,113**	(956,814)
Compensated absences	**415,301**	431,330
Staff welfare expenses	**2,459,642**	1,025,607
	29,369,232	23,158,915

23 FINANCE COSTS	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expenses	**46,069**	120,055
	46,069	120,055

24 DEPRECIATION	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation on		
– Property, plant and equipment	**3,851,511**	4,113,289
– Investment property	**11,176**	11,176
	3,862,687	4,124,465

25 OTHER EXPENSES

		For the year ended 31 March 2018		For the year ended 31 March 2017
Electricity charges		**317,361**		298,220
Advertisement and business promotion		**302,688**		817,140
Motor car expenses		**935,876**		769,504
Net loss on foreign exchange fluctuations		**10,088**		13,360
Rates and taxes		**566,679**		1,846,352
Insurance		**223,090**		241,244
Repairs and maintenance				
– Buildings	**2,948,794**		1,754,335	
– Others	**200,605**	**3,149,399**	449,334	2,203,669
Travelling and conveyance		**1,923,870**		1,220,460
Office and admin expenses		**596,341**		352,222
Communication expenses		**706,613**		719,432
Printing and stationery		**466,495**		362,549
Provision for diminution in value of current investments		**781,195**		—
Legal and professional fees		**9,170,300**		11,368,139
Portfolio management charges		**1,872,833**		1,161,302
Directors' sitting fees		**120,000**		85,000
Auditors' Remuneration (excluding applicable taxes)				
– Statutory audit fees	**200,000**		200,000	
– Tax audit fees	**50,000**		50,000	
– Other services	**150,000**		150,000	
		400,000		400,000
Membership and subscription		**883,789**		710,944
Provision for Doubtful Debts		**2,389,591**		1,950,480
Bad debts		**289,500**		440,350
Miscellaneous expenses		**206,307**		337,359
		25,312,015		25,297,726

26 CONTINGENT LIABILITIES

(to the extent not provided for)

The Company has provided corporate guarantees aggregating to ₹ 160,000,000/- (P.Y.: ₹ 220,000,000/-) to the bankers of its subsidiary, Keynote Capitals Limited towards BSE & NSE operations.

27 SEGMENT REPORTING

As per Accounting Standard (AS) 17 Segment Reporting para 4, segment has been disclosed in Consolidated Financial Statements, hence no separate disclosures have been given in Standalone Financial Statements.

28 EARNINGS PER SHARE

The disclosure requirements with respect of Accounting Standard (AS) 20 on "Earnings Per Share" are as follows:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Net profit after tax	**32,271,587**	18,896,477
Number of equity shares outstanding at the end of the year (Face value of ₹ 10/- each)	**7,018,339**	7,018,339
Earnings per share: Basic and diluted (₹)	**4.60**	2.69

29 LEASES

The following are the disclosures in accordance with Accounting Standard (AS) 19 on "Leases" :

Operating lease where Company is a lessor

The Company has given a commercial property on non-cancellable operating lease. The corresponding lease agreement provides for an option to the Company to renew the lease period at the end of non-cancellable period. Accordingly, lease rentals amounting to ₹ 7,08,324/- (P.Y. : ₹ 7,41,326/-) has been recognised as income in the Statement of Profit and Loss as Other Income

There are no exceptional / restrictive covenants in the lease agreement.

The future minimum lease payments receivable in respect of lease property is as follows:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Not later than one year	**819,000**	780,000
Later than one year but not later than 5 years	**2,710,884**	—
Later than 5 years	**—**	—

30 DISCLOSURES AS REQUIRED BY ACCOUNTING STANDARD (AS) 18 - RELATED PARTY DISCLOSURES :

(i) Category of related parties

(a) Enterprise where control exist

Subsidiaries:

Keynote Capitals Limited

Keynote Fincorp Limited

Keynote Commodities Limited *(step down subsidiary)*

(b) Key Management Personnel:

Mr. B. Madhuprasad - Chairman

Mr. Vineet Suchanti - Managing Director *(upto 5 April, 2017) & Director (w.e.f.6th April, 2017)*

Mrs. Rinku Suchanti - Whole-time Director (w.e.f. 25th May, 2017)

Mr. Uday S. Patil - Whole-time Director & Chief Financial Officer

Ms. Saloni Maru - Company Secretary *(upto 21st April, 2017)*

Mr.Sujeet More - Company Secretary *(w.e.f. 25th May, 2017)*

(c) Relatives of Key Management Personnel:

Mrs. Pushpa Suchanti - Mother of Vineet Suchanti

Mr. Vivek Suchanti - Brother of Vineet Suchanti

Mr. Nirmal Suchanti - Father of Vineet Suchanti

(d) Enterprise over which Key Management Personnel exercise significant influence:

Concept Communication Limited

Concept Production Limited

Nirmal Suchanti - HUF

Keynote Trust

NSS Digital Media Limited

Eagle Eye Research & Media Private Limited

VN Creative Chemicals Private Limited

30. Disclosures as required by Accounting Standard (AS) 18 - Related Party Disclosures (Contd...):

ii) Transactions with related parties:

(Currency: Indian Rupees)

Particulars	Name of the related Party	Subsidiary Company		Key Management Personnel/Relatives of key managerial personnel		Enterprise over which key Management personnel exercise Significant Influence		Total	
		31 March 2018	31 March 2017	**31 March 2018**	31 March 2017	**31 March 2018**	31 March 2017	**31 March 2018**	31 March 2017
Receiving of services	Keynote Capitals Limited	1,112	1,800,000	—	—	—	—	1,112	1,800,000
Receiving of services	Concept Communication Limited	—	—	—	—	77,941	48,154	77,941	48,154
		1,112	**1,800,000**	**—**	**—**	**77,941**	**48,154**	**79,053**	**1,848,154**
Managerial Remuneration	Mr. Vineet Suchanti	—	—	—	5,140,095	—	—	—	5,140,095
Managerial Remuneration	Mrs. Rinku Suchanti	—	—	3,379,642	—	—	—	3,379,642	—
Managerial Remuneration	Mr. Uday S. Patil	—	—	4,730,820	4,512,696	—	—	4,730,820	4,512,696
Remuneration	Ms. Saloni Maru	—	—	—	414,220	—	—	—	414,220
Remuneration	Mr. Sujeet More	—	—	440,700	—	—	—	440,700	—
		—	**—**	**8,551,162**	**10,067,011**	**—**	**—**	**8,551,162**	**10,067,011**
Professional Fees	Mr. B. Madhuprasad	—	—	1,122,585	900,000	—	—	1,122,585	900,000
		—	**—**	**1,122,585**	**900,000**	**—**	**—**	**1,122,585**	**900,000**
Dividend paid	Keynote Trust	—	—	—	—	1,451,702	1,451,702	1,451,702	1,451,702
Dividend paid	Mrs. Pushpa Suchanti	—	—	132,308	132,308	—	—	132,308	132,308
Dividend paid	Mrs. Rinku Suchanti	—	—	3,802	3,802	—	—	3,802	3,802
Dividend paid	Mr. B. Madhuprasad	—	—	48,550	48,550	—	—	48,550	48,550
Dividend paid	Mr. Vineet Suchanti	—	—	11,977	11,977	—	—	11,977	11,977
Dividend paid	Mr. Vivek Suchanti	—	—	49,440	49,440	—	—	49,440	49,440
Dividend paid	Mr. Nirmal Suchanti	—	—	117,647	117,647	—	—	117,647	117,647
Dividend paid	Concept Production Limited	—	—	—	—	241,600	241,600	241,600	241,600
Dividend paid	NSS Digital Media Limited	—	—	—	—	2,932,256	2,932,256	2,932,256	2,932,256
Dividend paid	Nirmal Suchanti - HUF	—	—	—	—	282,499	282,499	282,499	282,499
		—	**—**	**363,724**	**363,724**	**4,908,057**	**4,908,057**	**5,271,781**	**5,271,781**
Dividend received	Keynote Trust	—	—	—	—	1,451,702	1,451,702	1,451,702	1,451,702
		—	**—**	**—**	**—**	**1,451,702**	**1,451,702**	**1,451,702**	**1,451,702**
Security deposit given	Mr. B. Madhuprasad	—	—	300,000	300,000	—	—	300,000	300,000
		—	**—**	**300,000**	**300,000**	**—**	**—**	**300,000**	**300,000**
Interest received	Keynote Capitals Limited	—	330,410	—	—	—	—	—	330,410
Interest received	Keynote Fincorp Limited	3,754,521	345,863	—	—	—	—	3,754,521	345,863
Interest received	Concept Communication Limited	—	—	—	—	3,346,330	4,495,191	3,346,330	4,495,191
		3,754,521	**676,273**	**—**	**—**	**3,346,330**	**4,495,191**	**7,100,851**	**5,171,464**
Loans given	Concept Communication Limited	—	—	—	—	—	115,000,000	—	115,000,000
Loans given	Keynote Capitals Limited	—	30,000,000	—	—	—	—	—	30,000,000
Loans given	Keynote Fincorp Limited	60,000,000	19,000,000	—	—	—	—	60,000,000	19,000,000
Advance received	VN Creative Chemicals Private Limited	—	—	—	—	—	11,100,000	—	11,100,000
Advance given	Keynote Trust	—	—	—	—	—	10,000	—	10,000
		60,000,000	**49,000,000**	**—**	**—**	**—**	**126,110,000**	**60,000,000**	**175,110,000**
Loans repaid by	Concept Communication Limited	—	—	—	—	51,147,847	77,774,583	51,147,847	77,774,583
Loans repaid by	Eagle Eye Research & Media Private Limited	—	—	—	—	237,000	—	237,000	—
Loans repaid by	Keynote Capitals Limited	—	30,000,000	—	—	—	—	—	30,000,000
Loans repaid by	Keynote Fincorp Limited	60,000,000	19,000,000	—	—	—	—	60,000,000	19,000,000
		60,000,000	**49,000,000**	**—**	**—**	**51,384,847**	**77,774,583**	**111,384,847**	**126,774,583**
Reimbursement of expenses	Mr. Vineet Suchanti	—	—	2,500	2,500	—	—	2,500	2,500
Reimbursement of expenses	Mr. B. Madhuprasad	—	—	—	2,500	—	—	—	2,500
Reimbursement of expenses	Mr. Uday S. Patil	—	—	2,500	2,500	—	—	2,500	2,500
Reimbursement of expenses	Mrs. Rinku Suchanti	—	—	2,500	—	—	—	2,500	—
Recovery of expenses	Keynote Commodities Ltd	7,442	—	—	—	—	—	7,442	—
Recovery of expenses	Keynote Fincorp Limited	14,884	—	—	—	—	—	14,884	—
Recovery of expenses	Keynote Capitals Limited	1,422,886	1,629,528	—	—	—	—	1,422,886	1,629,528
		1,445,212	**1,629,528**	**7,500**	**7,500**	**—**	**—**	**1,452,712**	**1,637,028**
Outstanding balances :									
Loans given	Concept Communication Limited	—	—	—	—	—	51,147,847	—	51,147,847
Loans and advances given	Eagle Eye Research & Media Private Limited	—	—	—	—	—	237,000	—	237,000
Loans and advances given	Keynote Trust	—	—	—	—	213,600	168,998	213,600	168,998
		—	**—**	**—**	**—**	**213,600**	**51,553,845**	**213,600**	**51,553,845**
Corporate guarantee given	Keynote Capitals Limited	160,000,000	220,000,000	—	—	—	—	160,000,000	220,000,000
		160,000,000	**220,000,000**	**—**	**—**	**—**	**—**	**160,000,000**	**220,000,000**

31. THE PROVISIONS MADE DURING THE YEAR ENDED 31 MARCH 2018 COMPRISES OF THE FOLLOWING :

Particulars	Balance as at 01 April , 2017	Provisions made during the year	Reversal of provisions / payments during the year	Balance as at 31 March, 2018
Bonus	916,133	2,342,074	2,169,627	1,088,580
	(923,149)	*(2,042,747)*	*(2,049,763)*	*(916,133)*
Gratuity	1,059,390	3,759,113	244,814	4,573,689
	(2,376,502)	*(600,000)*	*(1,917,112)*	*(1,059,390)*
Compensated absences	151,855	415,301	389,791	177,365
	(161,277)	*(431,330)*	*(440,752)*	*(151,855)*
Allowance for doubtful debts	1,950,480	2,389,591	4,053,800	286,271
	—	*(1,950,480)*	—	*(1,950,480)*

(Figures in brackets indicate previous year's figures)

32. EXPENDITURE IN FOREIGN CURRENCY CHARGED TO STATEMENT OF PROFIT & LOSS:

Particulars	For the year year ended 31 March 2018	For the year year ended 31 March 2017
Travelling and conveyance	**685,256**	106,583
Staff Welfare	**1,436,377**	—
	2,121,633	106,583

33. EARNINGS IN FOREIGN CURRENCY

	For the year ended 31 March 2018	For the year ended 31 March 2017
Income from Corporate Finance	**2,509,641**	3,590,791
	2,509,641	3,590,791

34. PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURES

Particulars	Foreign Currency	Amount in Foreign Currency		Amount in Indian Currency	
		31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
Trade receivables	USD	**14,720**	11,720	**958,924**	759,908
Trade receivables	AED	**—**	17,200	**—**	303,637

35. LOANS AND ADVANCES IN THE NATURE OF LOANS GIVEN TO SUBSIDIARY AS PER THE PROVISION OF REGULATIONS 34(3) OF SECURITIES EXCHANGE BOARD OF INDIA (SEBI) (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015.

Keynote Capitals Limited

Balance as at 31 March 2018 is Nil (P.Y Nil). Maximum outstanding during the year is Nil (P.Y. ₹ 30,000,000)

Keynote Fincorp Limited

Balance as at 31 March 2018 is Nil (P.Y Nil). Maximum outstanding during the year is ₹ 600,00,000 (P.Y ₹ 19,000,000)

36. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006 :

Particulars	31 March 2018	31 March 2017
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year.	Nil	Nil
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

37 During the financial year the Company has written off two of its long term equity investments in Centerac Emarketplaces Private Limited of ₹ 1,000,000 & Eagleeye & Research Private Limited of ₹ 3,240,000 as both of these entities are in the process of winding up. Accordingly the entire value of the investment made in these entities have been charged off in the Statement of Profit & Loss and is disclosed separately as an "exceptional item".

38 The Company has written off the debts amounting to ₹ 3,300,000 pertaining to Binani Cement Limited. The entire amount was already provided as doubtful debts by the end of the quarter ended 30 September, 2017.

39 The figures of the previous year have been regrouped or reclassified wherever necessary to confirm to the presentation of current year figures.

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

For and on behalf of the Board of Directors of Keynote Corporate Services Limited
CIN No: L67120MH1993PLC072407

Sd/-	Sd/-	Sd/-	Sd/-
U Balakrishna Bhat	**Vineet Suchanti**	**Uday Patil**	**Sujeet More**
Partner	*Director*	*Director & CFO*	*Company Secretary*
Membership No : 019216	DIN : 00004031	DIN : 00003978	

Date : 28 May 2018
Place : Mumbai

Date : 28 May 2018
Place : Mumbai

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018

(Currency: Indian Rupees)

	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(A)	**Cash Flow From Operating Activities**		
	Profit before tax	**44,365,665**	23,685,093
	Adjustments for		
	Depreciation	**3,862,687**	4,124,465
	Gratuity/(Excess provision written back)	**3,759,113**	(956,814)
	Provision for Compensated absences	**415,301**	431,330
	Provision for Doubtful Debts	**2,389,591**	1,950,480
	Sundry balances written back	**(652,628)**	—
	Provision/(Reversal of Provision) for diminution in value of current investment	**781,195**	(170,737)
	Interest expenses	**46,069**	120,055
	Sundry balances written off/(written back)	**289,500**	440,350
	Net profit on sale of Investment		
	– Non current investments	**—**	(2,147,327)
	– Current investments	**(8,393,247)**	(12,655,970)
	Dividend income	**(1,808,451)**	(1,702,076)
	Interest Income	**(11,332,278)**	(8,806,901)
	Rental Income	**(708,324)**	(741,326)
	Unrealised foreign exchange loss / (gain)	**12,531**	15,233
	Operating profit before working capital changes	**33,026,724**	3,585,855
	Adjustment for working capital changes		
	(Increase)/decrease in trade and other receivables	**4,511,181**	(1,836,424)
	(Increase)/decrease in short-term loans and advances	**96,674,175**	(89,652,380)
	(Increase)/decrease in other current assets	**621,088**	(356,884)
	(Increase)/decrease in long-term loans and advances	**(802,550)**	5,138,936
	Increase/(decrease) in short-term borrowings	**(50,894)**	50,894
	Increase/(decrease) in long-term provisions	**3,058,815**	(1,819,175)
	Increase/(decrease) in short-term provisions	**(3,693,420)**	(515,058)
	Increase/(decrease) in trade payables	**385,529**	788,619
	Increase/(decrease) in other long-term liabilities	**—**	(40,000)
	Increase/(decrease) in other current liabilities	**(8,813,049)**	12,617,193
	Cash generated from / (used) in operations	**124,917,599**	(72,038,424)
	Taxes paid	**(9,039,712)**	(4,934,018)
	Net cash generated from / (used) in operating activities before exceptional items(A)	**115,877,887**	(76,972,442)
	Exceptional items	**4,240,294**	—
	Net cash generated from / (used) in operating activities (A)	**120,118,181**	(76,972,442)
(B)	**Cash Flow From Investing Activities**		
	Purchase of fixed assets	**(300,857)**	(222,364)
	Sale of investments (net)	**(129,863,351)**	80,989,941
	Bank deposits placed (net)	**682**	(69,512)
	Rent received	**708,324**	669,650
	Interest received	**11,332,278**	8,450,017
	Dividend received	**1,808,451**	1,686,487
	Net cash generated from / (used) in investing activities (B)	**(116,314,473)**	91,504,219
(C)	**Cash Flow From Financing Activities**		
	Dividend paid	**(7,018,339)**	(7,018,339)
	Dividend distribution tax paid	**(1,428,793)**	(1,214,453)
	Interest paid	**(46,069)**	(120,055)
	Repayment of borrowings	**—**	(715,030)
	Net cash generated from / (used) in financing activities (C)	**(8,493,201)**	(9,067,877)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(4,689,493)**	5,463,900
	Cash and cash equivalents as at beginning of year	**12,911,939**	7,448,039
	Cash and cash equivalents as at the end of the year	**8,222,446**	12,911,939
	Cash and cash equivalents as at the end of the year comprise of:		
	Cash on hand	**353,647**	109,873
	Balances with banks		
	– In current accounts	**7,347,141**	1,204,747
	– In fixed deposits with original maturity of 3 months	**521,658**	11,597,319
		8,222,446	12,911,939

Notes : (a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard 3 "Cash Flow Statement"

(b) Cash and cash equivalents comprises cash on hand, current accounts and deposits with banks (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(c) The corresponding previous year figures have been regrouped or reclassified wherever necessary to confirm with the presentation of current year's figures.

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

Sd/-
U Balakrishna Bhat
Partner
Membership No : 019216

Date : 28 May 2018
Place : Mumbai

For and on behalf of the Board of Directors of
Keynote Corporate Services Limited
CIN No: L67120MH1993PLC072407

Sd/-
Vineet Suchanti
Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Sujeet More
Company Secretary

Date : 28 May 2018
Place : Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of
Keynote Corporate Services Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Keynote Corporate Services Limited ("the Company"), and its subsidiaries and its trust (the Company, its subsidiaries and its trust together referred to as 'the Group') comprising of the consolidated Balance Sheet as at 31 March 2018, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

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 and presentation of these consolidated 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 read relevant rules issued thereunder.

The respective Board of Directors of the companies and trust included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph of the Other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at

31 March 2018, and its consolidated profit and its consolidated cash flows for the year ended on that date.

Other matters

We did not audit the financial statements of three subsidiaries and a trust, whose financial statements reflect total assets of ₹ 796,357,907 as at 31 March 2018, total revenues of ₹ 111,576,047 as at 31 March 2018 and net profit after tax of ₹ 26,303,125 as considered in the consolidated financial statements for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to these subsidiaries and trust, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on reports of other auditors.

Report on Other Legal and Regulatory Requirements

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.

   (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with read relevant rules issued thereunder.

   (e) On the basis of the written representations received from the directors as on 31 March 2018, taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group are disqualified as on 31 March 2018, 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”; 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 Group has disclosed the impact of pending litigations on its financial position in financial statements. Refer Note 29 to the financial statements.

      ii. The Group has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts. Refer Note 32 to the consolidated financial statements.

      iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary companies.

For **S M S R & Co LLP**
Chartered Accountants
Firm Registration No. 110592W/W100094

Sd/-
U Balakrishna Bhat
Partner
Membership No: 019216

Date : 28 May 2018
Place : Mumbai

ANNEXURE TO THE INDEPENDENT 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")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of Keynote Corporate Services Limited ('hereinafter referred to as "the Holding Company") and its subsidiary companies, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiaries which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 respective 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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 judgement, 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 and its subsidiaries which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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.

Other matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in this respect.

For **S M S R & Co LLP**
Chartered Accountants
Firm Registration No. 110592W/W100094

Sd/-
U Balakrishna Bhat
Partner
Membership No: 019216

Date : 28 May 2018
Place : Mumbai

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2018

(Currency: Indian Rupees)

PARTICULARS	Note	31 March 2018	31 March 2017
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	**55,666,370**	55,666,370
Reserves and surplus	4	**715,614,182**	665,486,605
		771,280,552	721,152,975
Non-current liabilities			
Long-term borrowings	5	**687,964**	870,678
Deferred tax liabilities (net)	6	**15,049,778**	14,371,383
Other long-term liabilities	7	**260,000**	260,000
Long-term provisions	8	**3,549,131**	75,015
		19,546,873	15,577,076
Current liabilities			
Short-term borrowings	9	**134,063,480**	132,111,162
Trade payables	10		
– Dues to micro and small enterprises		**—**	—
– Dues to others		**64,865,876**	546,852,624
Other current liabilities	11	**55,912,175**	85,103,772
Short-term provisions	12	**4,479,908**	3,543,419
		259,321,439	767,610,977
TOTAL		**1,050,148,864**	1,504,341,041
ASSETS			
Non-current assets			
Fixed assets			
– Property, plant and equipment	13	**178,188,627**	184,800,018
– Intangible assets		**—**	—
Goodwill on consolidation (net)		**1,041,615**	1,041,615
Non-current investments	14	**139,803,834**	171,224,045
Long-term loans and advances	15	**71,596,043**	77,748,649
Other non-current assets	16	**10,250,000**	6,000,000
		400,880,119	440,814,327
Current assets			
Current investments	17	**206,885,869**	70,477,669
Inventories	18	**19,868,431**	—
Trade receivables	19	**63,035,174**	476,640,345
Cash and bank balances	20	**194,581,612**	224,585,950
Short-term loans and advances	21	**163,408,751**	289,717,462
Other current assets	22	**1,488,908**	2,105,288
		649,268,745	1,063,526,714
TOTAL		**1,050,148,864**	1,504,341,041
Significant accounting policies	2		

The accompanying notes referred above form an integral part of the consolidated financial statements

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

Sd/-
U Balakrishna Bhat
Partner
Membership No : 019216

Date : 28 May 2018
Place : Mumbai

For and on behalf of the Board of Directors of
Keynote Corporate Services Limited
CIN No: L67120MH1993PLC072407

Sd/-
Vineet Suchanti
Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Sujeet More
Company Secretary

Date : 28 May 2018
Place : Mumbai

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH 2018

(Currency: Indian Rupees)

PARTICULARS	Note	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue			
Revenue from operations	23	**152,424,982**	118,343,500
Other income	24	**51,783,306**	130,282,563
		204,208,288	248,626,063
Expenses			
Employee benefits expense	25	**52,197,018**	43,835,025
Finance costs	26	**18,645,427**	26,761,902
Depreciation and amortisation expenses	27	**7,134,813**	43,660,820
Other expenses	28	**49,298,256**	59,843,989
		127,275,514	174,101,736
Profit before exceptional items and tax		**76,932,774**	74,524,327
Exceptional items	41	**(4,240,294)**	—
Profit before tax		**72,692,480**	74,524,327
Tax expense			
– Current tax		**18,268,179**	15,682,670
– Deferred tax charge		**678,394**	907,242
– Taxation for earlier years		**(3,377,100)**	284,006
		15,569,473	16,873,918
Profit for the year		**57,123,007**	57,650,409
Basic & diluted earnings per share (Face value of ₹ 10/- each)	31	**10.26**	10.36
Significant accounting policies	2		

The accompanying notes referred above form an integral part of the consolidated financial statements

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

Sd/-
U Balakrishna Bhat
Partner
Membership No : 019216

Date : 28 May 2018
Place : Mumbai

For and on behalf of the Board of Directors of
Keynote Corporate Services Limited
CIN No: L67120MH1993PLC072407

Sd/-
Vineet Suchanti
Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Sujeet More
Company Secretary

Date : 28 May 2018
Place : Mumbai

Notes to the financial statements for the year ended 31 March 2018
(Currency: Indian Rupees)

1) CORPORATE INFORMATION

Keynote Corporate Services Limited ("Keynote/the Company") is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956.Keynote together with its subsidiaries and trust, is herein after referred to as ' the Group' having its registered office in Mumbai. Its shares are listed on two stock exchanges in India. i.e., BSE Limited (BSE) & National Stock Exchange of India Limited (NSE).The Group is engaged in providing services of investment banking, corporate advisory services, ESOP advisory, broking business in commodities and trading in securities.

2) SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of Consolidated Financial Statements

These consolidated financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The consolidated financial statements have been prepared on a going concern basis. GAAP comprises of mandatory accounting standards as prescribed under the Act.

The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year.

Further, where applicable the Group follows prudential norms for income recognition, assets classification and provisioning for Non-performing assets (NPA), as well as contingency provisions for standard assets, prescribed by the Reserve Bank of India (RBI) for Non-Banking Financial Companies (NBFC).The accounting standards are followed insofar, as they are not inconsistent with the Prudential Norms, prescribed by the RBI.

b) Principles and assumptions used for Consolidated Financial Statements

i) The consolidated financial statements have been prepared applying the principles laid in the Accounting Standard (AS) 21 "Consolidated Financial Statements" as notified by Companies (Accounting Standards), Rules 2006 (as amended). The consolidated financial statements comprise the financial statements of the Company, its trust and its subsidiaries.

ii) The financial statements have been consolidated on a line-by-line basis by adding together the book value of the assets, liabilities, income and expenses, after eliminating intra-group transactions and unrealized profits or unrealized losses.

iii) The cost to the parent of its investment in each subsidiary and the parent's portion of equity of each subsidiary, at the date on which investment in each subsidiary is made, is eliminated.

iv) The excess of the cost to the parent of its investment in a subsidiary over the parent's portion of equity of the subsidiary, at the date on which investment in the subsidiary is made, is treated as goodwill & recognized as an asset in the Consolidated Financial Statements. When the cost to the parent of its investment in a subsidiary is less than the parent's portion of equity of the subsidiary, at the date on which investment in the subsidiary is made, the difference is treated as a capital reserve in the Consolidated Financial Statements.

v) Following are the Companies / Enterprises whose standalone financial statements have been considered for the Consolidated Financial Statements.

Name of the Company	Country Incorporation	Proportion of of ownership / Beneficial Interest as on 31-March -2018	Proportion of ownership / Beneficial Interest as on 31-March -2017
Keynote Capitals Limited	India	100%	100%
Keynote Commodities Limited	India	100%	100%
Keynote Fincorp Limited	India	100%	100%
Keynote Trust	India	100%	100%

c) Use of estimates

Preparation of the consolidated financial statements in conformity with the GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reported period. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of fixed tangible assets and intangible assets.

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 changes in circumstances surrounding the estimates. Difference between the actual results and estimates are recognized in the period in which the results are known.

d) Current/Non-current classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of resources for delivery and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

e) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of 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 of the Group are segregated.

f) Property Plant & Equipment

Tangible assets and intangible assets are stated at cost less accumulated depreciation / amortization and impairments, if any. Cost includes expenses related to purchases, borrowing costs and any directly attributable cost for bringing the assets to its working condition for its intended use and excludes any duties and taxes recoverable, net of adjustments arising from the exchange rate variations attributable to the assets. Subsequent expenditure related to an item of tangible and intangible fixed asset is capitalized only if it increases the future benefits from the existing assets beyond its previously assessed standards of performance and / or life. The advances given for acquiring for fixed assets are shown under loans and advances (capital advances). The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and resultant gains or losses are recognized in the Statement of Profit and Loss. Items of tangible assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements under "Other current assets". Any expected loss is recognized immediately in the Statement of Profit and Loss. Tangible assets and Intangible assets not ready for the intended use on the date of Balance Sheet are stated at Cost as "Capital work-in-progress" and "Intangible Assets under Development" respectively.

Depreciation is provided on pro rata basis under Straight Line Method, as per the useful life of the assets, on all the tangible fixed assets (including property held as investment) which were in use during the year. Residual value for the assets is considered to be at five percent of the original cost of the asset. If the assets are purchased during the year, depreciation is provided on pro – rata basis from the date the assets are installed. In case the assets are sold, depreciation is provided on the same up to the date of sale on pro – rata basis.

Individual assets costing less than ₹ 5,000 are depreciated in full in the year of acquisition.

Estimated useful lives of the tangible assets is as prescribed in Schedule II of the Companies Act, 2013, except in case of Investment Property.

g) Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors except in case of intangibles under development which are reviewed at every reporting date. An impairment loss is recognized in the Statement of Profit & Loss, wherever the carrying amount of an

asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risk specifics to the asset.

An impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimates of the recoverable amount and such loss either no longer exists or has decreased.

h) Assets acquired under lease

The lease arrangement is classified as either a finance lease or an operating lease, at the inception of the lease, based on the substance of the lease arrangement.

i) Operating lease

Where the group is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease expenses are charged to the statement of profit and loss on straight line basis over lease term.

Where the group is the lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on straight line basis over lease term.

ii) Finance lease

A finance lease is a lease that transfers substantially all the risks and rewards incident to ownership of an asset. A finance lease is recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the asset and the present value of the minimum lease payments. Initial direct costs, if any, are also capitalized and, subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expenses and the reduction of the outstanding liability. The finance expenses is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

i) Borrowing costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost, interest and other financial charges incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

j) Stock-in-trade

The securities held as stock-in-trade are valued at lower of weighted average cost or market value.

k) Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as "Current Investments". On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as "Non-Current Investments".

If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the consolidated financial statements at lower of weighted average cost and fair value determined on Individual investment basis. Non-current investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

l) Investment property

Property given on lease is shown as Investment in property under "Non-Current Investments" and is depreciated using Straight Line method.

m) Revenue recognition

i) Revenue is recognized to the extent that it can be reliably measured and there is no uncertainty about ultimate collection. Income from services is recognized with reference to achievement of milestones defined in the corresponding engagement letters or mandate letters entered with counter party which reflects the proportionate stage of completion method.

ii) Initial acceptance fees is recorded as income after the achievement of the first milestone. In situations where there is no further progress on the mandate, the initial acceptance fees received, is recorded as income after 12 months of its receipt.

iii) Brokerage income, including brokerage on commodity transactions, is recognized on trade date basis and is exclusive of service tax and Securities Transaction Tax (STT)/Commodities Transaction Tax (CTT), wherever applicable.

iv) Advisory and transactional processing fees income is accounted on an accrual basis, in accordance with the terms of contracts, entered into between the Group and the counter party.

v) Income from investment in Mutual Funds is accounted when the same is distributed by the Fund. Return of capital contribution is reduced from the original cost of investments.

vi) Profit / loss on sale of securities held as stock in trade is calculated on weighted average basis.

vii) Profit/loss on equity derivative transactions is accounted for as explained below:

a) Initial and additional margin paid over and above initial margin, for entering into contracts for Equity Index/Stock Futures or equity Index/stock options which are released on final settlement/squaring-up of underlying contracts are disclosed under

Current Assets, Loans and advances. "Mark-to-market margin- Equity Index/Stock Futures" representing the amounts paid in respect of mark to market margin is disclosed under Loans and Advances and amount received is shown under Current Liabilities.

b) "Equity Index/Stock Option Premium Account" represents premium paid or received for buying or selling the options, respectively.

c) On final settlement or squaring-up of contracts for equity index / stock futures, the realized profit or loss is recognized in the Profit and Loss Account. On settlement or squaring-up of equity index / stock options before expiry, the premium prevailing in "Equity Index/Stock Option Premium Account" on that date is recognized in the Statement of Profit and Loss. When more than one contract in respect of the relevant series of equity index / stock futures or equity index/stock options contract to which the squared-up contract pertains is outstanding at the time of the squaring-up of the contract, the contract price of the contract so squared-up is determined using the weighted average cost method for calculating the profit/loss on squaring-up.

d) As at the balance sheet date, the mark to market / unrealized profit / (loss) on all outstanding hedged transactions comprising of Securities and Equity Derivatives positions is determined on a Portfolio basis with net unrealized losses being recognized in the Statement of Profit and Loss. Unrealized gains (on overall portfolio basis) are not recognized in the Statement of Profit and Loss on grounds

of prudence as enunciated in Accounting Standard (AS) - 1, "Disclosure of Accounting Policies". In respect of other transactions, the unrealized losses on equity derivatives determined on script basis are recognized in Statement of Profit and Loss and unrealized gains are ignored; and in case of securities (shares, etc.) the net unrealized losses are recognized in Profit & Loss account and net unrealized gains are ignored.

viii) Account opening charges are recognized on accrual basis.

ix) Income, including interest / discount or any other charges on Non-Performing Assets (NPA) are recognised as income, only when it is actually realized. However, any unrealizable income which is earned on Non- Performing Assets (NPA) would be adjusted / reversed during the year of classification. Dividend from investments is accounted for as income when the right to receive the dividend is established.

x) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rates applicable.

xi) Income from depository operations etc. is recognized on accrual basis.

xii) Other income is recognized on accrual basis.

n) Foreign currency transactions

Foreign currency transactions are recorded using the exchange rates prevailing on the date of the respective transactions or that approximates the actual rate at the date of transaction. Exchange differences arising on foreign currency transactions, settled during the year, are recognised in the statement of profit and loss. The premium or discount on foreign exchange forward contracts is amortized as income or expense over the life of the contract.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are reported using the foreign exchange rates as at the balance sheet date. The resultant exchange differences are recognized in the Statement of Profit & Loss. Non monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

o) Retirement and other employee benefits

i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. Retirement benefits in the form of provident fund and ESIC is a defined contribution plan. The Group's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

ii) Defined benefit plans

The liability in respect of defined benefit plans and other- post employee benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

The Group operates defined benefit plan for its employees, viz., gratuity the costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Leave encashment is provided on the basis of earned leave standing to the credit of the employees and the same is discharged by the Group subsequent to the calendar year end.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation.

p) Taxes on income

Income tax expense comprises of current and deferred nature. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act of 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability, is recognised as an asset in Balance Sheet if there is convincing evidence that the Company will pay normal tax after tax holiday period and the resultant asset can be measured reliably.

q) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the number of shares outstanding during the year are adjusted for the effects 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 issue including for changes effected prior to the approval of financial statements by the Board of Directors.

r) Segment reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Further, segment revenue, expenses, assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment revenue, expenses, assets and liabilities, which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "Un-allocated corporate expenses net of un-allocated income.

s) Provisions, Contingent liabilities & Contingent assets

i) Provision is recognized in the consolidated financial statements when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

ii) Provisioning on Receivables from Financing Business:

a) Provision for standard assets is made on the basis of prudential norms prescribed for NBFCs by Reserve Bank of India.

b) Provision for non-performing asset is based on the management's assessment of the degree of impairment of the loan asset the level of provisioning required as per the prudential norms prescribed for NBFCs by Reserve Bank of India.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the consolidated financial statements.

Notes forming part of the Consolidated Financial Statements
(Currency: Indian Rupees)

3 SHARE CAPITAL	31 March 2018	31 March 2017
Authorised :		
15,000,000 (P.Y : 15,000,000) equity shares of ₹ 10/- each	**150,000,000**	150,000,000
	150,000,000	150,000,000
Issued :		
11,274,417 (P.Y : 11,274,417) equity shares of ₹ 10/- each	**112,744,170**	112,744,170
	112,744,170	112,744,170
Subscribed and fully paid-up shares:		
7,018,339 (P.Y : 7,018,339) equity shares of ₹ 10/- each *(refer note below)*	**55,666,370**	55,666,370
	55,666,370	55,666,370

Note: Since Keynote Trust has been consolidated, hence, the shares held by Keynote Trust in Keynote Corporate Services Limited (Current Year: 1,451,702 shares; Previous Year: 1,451,702 shares) have been eliminated, on consolidation.

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year :

Particulars	31 March 2018 No. of Shares	31 March 2018 Amount ₹	31 March 2017 No. of Shares	31 March 2017 Amount ₹
Equity shares at the beginning of the year	**5,566,637**	**55,666,370**	5,566,637	55,666,370
Equity shares outstanding at the end of the year	**5,566,637**	**55,666,370**	5,566,637	55,666,370

(b) Terms / rights attached to equity shares

The Company has issued only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. All shares rank pari passu with regard to dividend & repayment of capital. 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, except in case of interim dividend. During the year ended 31 March 2018, the Company has proposed final dividend of ₹ 2.50/- per share (P.Y : ₹ 1/- per share) to equity shareholders. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining net assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company :

Name of the shareholder	31 March 2018 No. of Shares	31 March 2018 % holding	31 March 2017 No. of Shares	31 March 2017 % holding
NSS Digital Media Limited	**3,112,256**	**44.34**	3,112,256	44.34
India Max Investment Fund Limited	**561,348**	**8.00**	561,348	8.00

Note : As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(d) For the period of five years immediately preceding the date at which the financial statements are prepared:

- there are no shares allotted as fully paid pursuant to contract(s) without payment being received in cash ;
- there are no shares allotted as fully paid up by way of bonus shares, and
- there are no shares bought back.

4 RESERVES AND SURPLUS	31 March 2018	31 March 2017
Statutory reserve		
At the commencement of the year	**3,963,141**	2,282,761
Add: Transfer from the consolidated statement of profit and loss	**1,892,597**	1,680,380
	5,855,738	3,963,141
Securities premium account	**230,648,293**	230,648,293
General reserve	**13,391,679**	13,391,679
Surplus in the statement of profit & loss		
At the commencement of the year	**417,483,492**	361,513,463
Add : Profit for the year	**57,123,007**	57,650,409
Less : Appropriations		
– Transfer to Statutory reserve	**(1,892,597)**	(1,680,380)
– Equity dividend	**(7,018,339)**	—
– Tax on equity dividend	**(1,428,793)**	—
Add: Dividend adjustment on account of consolidation of trust	**1,451,702**	—
	465,718,472	417,483,492
	715,614,182	665,486,605

Note: Stautory reserve has been created by Keynote Fincorp Limited (subsidiary) as required under section 45IC of the Reserve Bank of India Act, 1934.

5 LONG-TERM BORROWINGS	31 March 2018	31 March 2017
Secured		
– Term loans from parties other than banks *(refer note below)*	**687,964**	870,678
	687,964	870,678

Note: During the F.Y. 2015-16, the subsidiary i.e. Keynote Capitals Limited had obtained vehicle loan from a financial institution carrying interest @ 8.778% p.a, repayable in 48 monthly installments of ₹ 61,500/- each. The aforesaid loan is secured by the hypothecation of a fixed asset of the subsidiary company.

6 DEFERRED TAX LIABILITIES (NET)	31 March 2018	31 March 2017
Deferred tax liabilities		
– Difference between book and tax depreciation and amortisation	**17,343,336**	15,731,226
– Deferred rent assets	**—**	19,748
	17,343,336	15,750,974
Deferred tax assets		
– Provision for employee benefits allowable u/s 43B of the Income Tax Act, 1961,on payment basis	**2,214,683**	842,185
– Allowance for doubtful debts	**78,875**	537,406
	2,293,558	1,379,591
	15,049,778	14,371,383

7 OTHER LONG-TERM LIABILITIES	31 March 2018	31 March 2017
Interest free security deposits towards lease	**260,000**	260,000
	260,000	260,000

8 LONG-TERM PROVISIONS	31 March 2018	31 March 2017
Provision for employee benefits		
– Gratuity	**3,464,516**	—
– Compensated absences	**84,615**	75,015
	3,549,131	75,015

9 SHORT-TERM BORROWINGS	31 March 2018	31 March 2017
Secured		
– Bank overdraft *(refer note 1 below)*	**53,140,751**	15,059,996
Unsecured		
– Loans from parties other than banks *(refer note 2 below)*	**80,922,729**	117,051,166
	134,063,480	132,111,162

Notes:

1 Bank overdraft is secured against pledge of fixed deposits with banks.

2 The subsidiaries i.e. Keynote Fincorp Limited and Keynote Capitals Limited had taken unsecured loans from parties other than banks carrying interest @ 9% p.a, repayable on demand

10 TRADE PAYABLES	31 March 2018	31 March 2017
Dues to micro and small enterprises *(refer note-39)*	—	—
Dues to others	**64,865,876**	546,852,624
	64,865,876	546,852,624

11 OTHER CURRENT LIABILITIES	31 March 2018	31 March 2017
Advances and deposits received from customers	**35,162,298**	66,287,676
Unpaid dividend *(refer note below)*	**1,198,630**	1,240,449
Statutory dues payable	**10,292,640**	3,956,832
Provision for expenses	**1,101,420**	5,973,597
Employee benefit payable	**3,709,820**	1,723,813
Other payables	**4,447,367**	5,921,405
	55,912,175	85,103,772

Note : During the current year, the Company had transferred ₹ 1,93,830/- (P.Y : ₹ 1,12,393) to Investor Education and Protection Fund under section 125 of the Companies Act, 2013.

12 SHORT-TERM PROVISIONS	31 March 2018	31 March 2017
Provision for employee benefits		
– Gratuity	**3,899,299**	2,856,115
– Compensated absences	**239,361**	275,859
Other provisions		
– Provision against standard assets	**341,248**	411,445
	4,479,908	3,543,419

Notes: Disclosures as required by Accounting Standard (AS) 15 Employee Benefits:

(A) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised as an expense and included in "Employee benefits expenses" - Note 25 of the financial statements

– Employers contribution to Provident Fund and Family Pension Scheme ₹ 2,920,490/- (Previous year : ₹ 3,159,088/-)

– Employers contribution to Employees State Insurance Scheme ₹ 84,487/- (Previous year : ₹ 66,237/-)

– Employers contribution to Gratuity Fund ₹ 5,057,928/- (Previous year : ₹ – 956,814/-)

(B) Defined Benefit Plans

(i) Gratuity

Sr. No.	Particulars	31 March 2018	31 March 2017
I	**Change in the present value of projected benefit obligation during the year**		
	Liability at the beginning of the year	**9,633,937**	10,630,084
	Interest cost	**656,071**	833,398
	Current service cost	**408,347**	481,308
	Past service cost - vested benefit incurred during the period	**2,087,069**	—
	(Benefits paid)	**(2,743,490)**	(290,769)
	Actuarial (gains) / losses	**2,262,999**	(2,020,084)
	Liability at the end of the year	**12,304,933**	9,633,937
II	**Change in fair value of plan assets during the year**		
	Fair value of plan assets at the beginning of the year	**6,777,822**	5,938,314
	Expected return of plan assets	**461,570**	465,564
	Contributions by the employer	**527,249**	632,665
	(Benefits paid)	**(2,743,490)**	(290,769)
	Actuarial gains / (losses)	**(82,033)**	32,048
	Fair value of plan assets at the end of the year	**4,941,118**	6,777,822
	Total actuarial gains/(loss) to be recognised	**(2,345,032)**	2,052,132
III	**Recognition of Actuarial (gains) / losses recognised in the statement of profit or loss**		
	Actuarial (gains)/losses to be recognised on obligation for the period	**2,262,999**	(2,020,084)
	Actuarial (gains)/losses to be recognised on assets for the period	**82,033**	(32,048)
	Total actuarial (gains)/losses to be recognised in statement of profit and loss	**2,345,032**	(2,052,132)
IV	**Actual return on plan assets**		
	Expected return on plan assets	**461,570**	465,564
	Actuarial gains / (losses) on plan assets - due to experience	**82,033**	32,048
	Actual return on plan assets	**379,537**	497,612
V	**Net asset / (liability) recognised in the balance sheet**		
	Fair value of plan assets at the end of the year	**4,941,118**	6,777,822
	(Present value of benefit obligation as at the end of the year)	**(12,304,933)**	(9,633,937)
	Funded status	**(7,363,815)**	(2,856,115)
	Unrecognised past service cost at the end of the year	—	—
	Unrecognised transitional liability at the end of the year	—	—
	Net asset / (liability) recognised in the balance sheet	**(7,363,815)**	(2,856,115)
VI	**Expenses recognised in the statement of profit and loss for the year**		
	Current service cost	**408,347**	481,308
	Interest cost	**656,071**	833,398
	Expected return on plan assets	**(461,570)**	(465,564)
	Net interest cost	**194,501**	367,834
	Actuarial (gain) / losses	**2,345,032**	(2,052,132)
	Past service cost (non vested benefit) recognised during the year	—	—
	Past service cost (vested benefit) recognised during the year	**2,110,048**	246,176
	Transitional liability recognised during the year	—	—
	Total expenses as per actuarial valuation recognised in the Statement of Profit & Loss	**5,057,928**	(956,814)

Sr. No.	Particulars	31 March 2018	31 March 2017
VII	**Balance Sheet Reconciliation**		
	Opening net liability	**2,856,115**	4,691,771
	Expenses recognised in the statement of profit and loss for the year	**5,057,928**	(956,814)
	Employer's contribution	**(550,228)**	(878,842)
	Net asset / (liability) recognised in the balance sheet	**7,363,815**	2,856,115
VIII	**Other details**		
	Number of members	**41**	42
	Salary per month	**1,119,769**	1,954,402
	Prescribed contribution for next year (12 months)	**1,119,769**	1,954,402
IX	**Actuarial assumptions (closing period):**		
	1 Discount rate	**7.65%**	6.81%
	2 Rate of return on plan assets	**7.65%**	6.81%
	3 Salary escalation	**6.00%**	8.00%
	4 Attrition rate	**20.00%**	13.00%
X	**Category of assets**		
	Government of India assets	—	—
	State Government securities	—	—
	Special Deposit Scheme	—	—
	Debts Instruments	—	—
	Corporate bonds	—	—
	Cash And Cash Equivalents	—	—
	Insurer fund	**4,941,122**	6,777,822
	Asset-Backed Securities	—	—
	Structured Debt	—	—
	Others	—	—
	Total	**4,941,122**	6,777,822

Sr. No.	Particulars	31 March 2018	31 March 2017
XI	**Classification as per schedule III of the Companies Act,2013**		
	Current liability *(refer note 12)*	**3,899,299**	2,856,115
	Non-current liability *(refer note 8)*	**3,464,516**	—
		7,363,815	2,856,115

XII. Particulars	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Present value of benefit obligation	**12,304,933**	9,633,937	10,630,084	10,004,663	9,724,901
Fair value of plan assets	**4,941,118**	6,777,823	5,938,314	4,983,709	4,467,867
Surplus / (Deficit)	**(7,363,815)**	(2,856,114)	(4,691,770)	(5,020,954)	(5,257,034)
Experience adjustment on plan liability (gains)/ losses	**726,023**	(1,188,140)	(436,659)	(710,994)	290,586
Experience adjustment on plan assets (losses)/ gains	**(82,033)**	32,048	223,758	167,580	(402,746)

Note: Disclosures of plan assets

The Company has group plan with LIC of India for insurance and has not been provided with the details of the planned assets. As a result, no disclosures for the same has been made.

(ii) Leave encashment

As per the Company's policy, a sum of ₹ 588,810/- (Previous year : ₹ 625,842/-) has been paid towards compensated absences; calculated on the basis of unutilised leave. During the year, the Company has provided to the extent of ₹ 323,976/- (Previous Year: ₹ 350,874/-) as per actuarial valuation done by independent actuary.

Note : Detailed disclosures of compensated absence is not given in terms of para 132 of AS-15 "Employee Benefits".

13. FIXED ASSETS (₹)

Sr. No.	Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Balance as at 01 April 2017	Additions	Disposals/ Adjustments	Balance as at 31 March 2018	Balance as at 01 April 2017	Depreciation/ Amortisation for the year	Disposals / Adjustments during the year	Balance as at 31 March 2018	Balance as at 31 March 2018	Balance as at 31 March 2017
(I)	**Property, plant and equipment**										
(a)	Premises	177,441,939	—	—	**177,441,939**	14,025,781	**2,807,092**	—	**16,832,873**	**160,609,066**	163,416,158
		(177,441,939)	—	—	*(177,441,939)*	*(11,218,689)*	*(2,807,092)*	—	*(14,025,781)*	*(163,416,158)*	*(166,223,250)*
(b)	Motor Cars	23,586,950	—	—	**23,586,950**	14,171,658	**2,103,648**	—	**16,275,306**	**7,311,644**	9,415,291
		(23,586,950)	—	—	*(23,586,950)*	*(11,713,730)*	*(2,457,928)*	—	*(14,171,658)*	*(9,415,291)*	*(11,873,219)*
(c)	Furniture & fixtures	16,307,131	—	—	**16,307,131**	7,268,702	**1,556,760**	—	**8,825,462**	**7,481,669**	9,038,429
		(15,784,593)	*(522,538)*	—	*(16,307,131)*	*(5,744,300)*	*(1,524,402)*	—	*(7,268,702)*	*(9,038,429)*	*(10,040,293)*
(d)	Air conditioners	2,028,570	—	—	**2,028,570**	1,335,579	**117,294**	—	**1,452,873**	**575,697**	692,991
		(2,028,570)	—	—	*(2,028,570)*	*(1,099,665)*	*(235,914)*	—	*(1,335,579)*	*(692,991)*	*(928,905)*
(e)	Office equipments	2,842,881	10,000	—	**2,852,881**	2,675,116	**31,056**	—	**2,706,172**	**146,709**	167,765
		(2,842,881)	—	—	*(2,842,881)*	*(2,437,268)*	*(237,848)*	—	*(2,675,116)*	*(167,765)*	*(405,614)*
(f)	Computers & peripherals	17,710,413	502,245	—	**18,212,658**	16,425,967	**365,270**	—	**16,791,237**	**1,421,421**	1,284,446
		(17,448,059)	*(262,354)*	—	*(17,710,413)*	*(16,139,132)*	*(286,835)*	—	*(16,425,967)*	*(1,284,446)*	*(1,308,927)*
(g)	Electrical fittings	1,337,699	—	—	**1,337,699**	552,761	**142,517**	—	**695,278**	**642,421**	784,938
		(1,337,699)	—	—	*(1,337,699)*	*(410,244)*	*(142,517)*	—	*(552,761)*	*(784,938)*	*(927,456)*
	Total (I)	**241,255,583**	**512,245**	**—**	**241,767,828**	**56,455,564**	**7,123,637**	**—**	**63,579,201**	**178,188,627**	**184,800,018**
		(240,470,691)	***(784,892)***	**—**	***(241,255,583)***	***(48,763,028)***	***(7,692,536)***	**—**	***(56,455,564)***	***(184,800,018)***	***(191,707,664)***
(II)	**Intangible Assets**										
(a)	Stock exchange membership card	35,957,108	—	—	**35,957,108**	*35,957,108*	—	—	**35,957,108**	—	—
		(35,957,108)	—	—	*(35,957,108)*	—	*(35,957,108)*	—	*(35,957,108)*	—	*(35,957,108)*
	Total (II)	**35,957,108**	**—**	**—**	**35,957,108**	**35,957,108**	**—**	**—**	**35,957,108**	**—**	**—**
		(35,957,108)	**—**	**—**	***(35,957,108)***	**—**	***(35,957,108)***	**—**	***(35,957,108)***	**—**	***(35,957,108)***
	Grand Total (I + II)	**277,212,691**	**512,245**	**—**	**277,724,936**	**92,412,672**	**7,123,637**	**—**	**99,536,309**	**178,188,627**	**184,800,018**
		(276,427,799)	***(784,892)***	**—**	***(277,212,691)***	***(48,763,028)***	***(43,649,644)***	**—**	***(92,412,672)***	***(184,800,018)***	***(227,664,772)***

Note : Figures in brackets indicate previous year's figures.

14. NON-CURRENT INVESTMENTS
(Valued at cost, unless stated otherwise)

Sr. No.	Particulars	Relationship with company	No. of Shares / Units 31 March 2018	31 March 2017	Classification	Status	Face Value	Amount 31 March 2018	31 March 2017
(A)	**Investment property (at cost less depreciation)**								
	Gross block							**700,000**	700,000
	Less: Accumulated depreciation							**(306,225)**	(295,049)
	Net book value							**393,775**	404,951
(B)	**Rights in financial assets** *(refer note below)*							**11,369,780**	11,369,780
								11,369,780	11,369,780
(C)	**Investment in Equity Instruments**								
	Trade Investments								
1	S H Kelkar & Company Ltd	Others	**50,000**	100,109	Quoted	Fully Paid up	10	**9,000,000**	18,019,620
2	Music Broadcast Ltd	Others	**—**	137	Quoted	Fully Paid up	10	**—**	45,621
3	5 Paisa cap Ltd	Others	**4**	—	Quoted	Fully Paid up	10	**40**	—
4	ABB Ltd	Others	**444**	437	Quoted	Fully Paid up	2	**534,640**	525,084
5	Aegis Logistics Ltd	Others	**1,777**	2,432	Quoted	Fully Paid up	1	**289,169**	396,130
6	Ajanta Pharma Ltd	Others	**—**	11	Quoted	Fully Paid up	2	**—**	22,893
7	Alkem Laboratory Ltd	Others	**178**	178	Quoted	Fully Paid up	2	**274,048**	274,048
8	APL Apollo Tubes Ltd	Others	**450**	450	Quoted	Fully Paid up	10	**414,547**	414,547
9	Aptech Ltd	Others	**3,320**	3,320	Quoted	Fully Paid up	10	**257,300**	257,300
10	Arvind Ltd	Others	**1,670**	—	Quoted	Fully Paid up	10	**667,471**	—
11	AU Small Finance Bank Ltd	Others	**331**	—	Quoted	Fully Paid up	10	**198,661**	—
12	Balarampur Chini Ltd	Others	**—**	7,298	Quoted	Fully Paid up	1	**—**	881,937
13	Bayer Crop Science Ltd	Others	**45**	—	Quoted	Fully Paid up	10	**210,151**	—
14	Bharat Forge Ltd	Others	**478**	239	Quoted	Fully Paid up	2	**201,658**	201,739
15	Birla Corporation Ltd	Others	**291**	414	Quoted	Fully Paid up	10	**211,003**	300,225
16	Blue Star Ltd	Others	**180**	—	Quoted	Fully Paid up	2	**117,383**	—
17	Bosch Ltd	Others	**20**	20	Quoted	Fully Paid up	10	**354,087**	354,087
18	Canfin Homes Ltd	Others	**350**	72	Quoted	Fully Paid up	10	**115,766**	119,074
19	CESC LTD	Others	**627**	627	Quoted	Fully Paid up	10	**513,063**	513,063
20	City Union Bank Ltd	Others	**2,305**	2,096	Quoted	Fully Paid up	1	**186,684**	186,684
21	Colgate Palmolive Ltd	Others	**170**	170	Quoted	Fully Paid up	1	**144,769**	144,769
22	Container Corpn. Ltd	Others	**177**	84	Quoted	Fully Paid up	10	**183,925**	98,116
23	Coromandel International Ltd.	Others	**2,075**	2,075	Quoted	Fully Paid up	1	**574,194**	574,194
24	Cummins India Ltd	Others	**285**	285	Quoted	Fully Paid up	2	**250,616**	250,616
25	Dalmia Bharat Sugars Ltd	Others	**—**	1,844	Quoted	Fully Paid up	2	**—**	222,297
26	DCB Bank Ltd	Others	**1,560**	2,256	Quoted	Fully Paid up	10	**197,673**	284,910
27	Dhanuka Agri Tech Ltd	Others	**117**	124	Quoted	Fully Paid up	2	**79,383**	84,133
28	Dishman Pharmaceuticals Ltd	Others	**367**	298	Quoted	Fully Paid up	2	**111,141**	88,374
29	Dr. Lal Path Laboratories Ltd	Others	**112**	112	Quoted	Fully Paid up	10	**123,570**	123,570
30	Eicher Motors Ltd	Others	**19**	19	Quoted	Fully Paid up	10	**361,843**	361,843
31	Emami Ltd	Others	**257**	257	Quoted	Fully Paid up	1	**262,145**	262,145
32	Engineers India Ltd	Others	**710**	710	Quoted	Fully Paid up	5	**53,807**	53,807
33	Entertainment Network India Ltd	Others	**965**	965	Quoted	Fully Paid up	10	**703,297**	703,297
34	Escorts India Ltd	Others	**975**	—	Quoted	Fully Paid up	10	**617,197**	—
35	Federal Bank Ltd	Others	**2,225**	—	Quoted	Fully Paid up	10	**265,332**	—
36	Gabriel Inida Ltd	Others	**1,150**	1,343	Quoted	Fully Paid up	1	**137,333**	160,380
37	Glaxosmithkline Ltd	Others	**33**	31	Quoted	Fully Paid up	10	**189,924**	176,710
38	Godrej Industries Ltd	Others	**601**	286	Quoted	Fully Paid up	1	**305,011**	136,981
39	Grathite India Ltd	Others	**2,335**	1,989	Quoted	Fully Paid up	2	**433,232**	221,192
40	Gujarat Flurochemicals Ltd	Others	**600**	—	Quoted	Fully Paid up	10	**430,208**	—
41	Hindustan Petroleum Ltd	Others	**—**	2,307	Quoted	Fully Paid up	10	**—**	522,379
42	IIFL Holdings Ltd	Others	**119**	—	Quoted	Fully Paid up	10	**52,788**	—
43	Indian Energy Exchange Ltd	Others	**386**	—	Quoted	Fully Paid up	10	**623,781**	—
44	IDFC Ltd	Others	**10**	10	Quoted	Fully Paid up	10	**576**	576
45	IDFC Bank Ltd	Others	**10**	10	Quoted	Fully Paid up	10	**683**	683
46	Indian Oil Corporation Ltd	Others	**—**	2,000	Quoted	Fully Paid up	10	**—**	789,080
47	Innovative Tech Pack Ltd	Others	**—**	18,000	Quoted	Fully Paid up	1	**—**	1,011,717
48	Ipca Laboratories Ltd	Others	**292**	292	Quoted	Fully Paid up	2	**184,844**	184,844
49	ITD Cementation Ltd	Others	**600**	600	Quoted	Fully Paid up	1	**87,180**	87,180
50	J & K Bank Ltd	Others	**1,210**	1,210	Quoted	Fully Paid up	1	**81,312**	81,312
51	Jagran Prakashan Ltd	Others	**2,813**	2,598	Quoted	Fully Paid up	2	**495,734**	452,794
52	Kajaria Ceramics Ltd	Others	**240**	240	Quoted	Fully Paid up	1	**167,033**	167,033
53	Kaveri Seeds Ltd	Others	**1,429**	1,077	Quoted	Fully Paid up	2	**683,457**	512,596
54	Kotak Mahindra Bank Ltd	Others	**799**	630	Quoted	Fully Paid up	5	**597,625**	430,384
55	L & T Technologies Ltd	Others	**243**	243	Quoted	Fully Paid up	10	**206,351**	206,351
56	Lakshmi Vilas Bank Ltd	Others	**1,063**	797	Quoted	Fully Paid up	2	**159,263**	126,811
57	Linde India Ltd	Others	**531**	531	Quoted	Fully Paid up	10	**202,566**	202,566
58	Mahanagar Gas Ltd	Others	**159**	163	Quoted	Fully Paid up	10	**104,838**	107,476
59	Max Financial Services Ltd	Others	**768**	768	Quoted	Fully Paid up	2	**267,924**	267,924
60	Mphasis Ltd	Others	**481**	—	Quoted	Fully Paid up	10	**353,041**	—
61	Mitcon Consultancy Ltd	Others	**102,000**	102,000	Quoted	Fully Paid up	10	**7,031,600**	7,031,600
62	Music Broadcast Ltd	Others	**—**	963	Quoted	Fully Paid up	10	**—**	320,679

14. NON-CURRENT INVESTMENTS (Continued)
(Valued at cost, unless stated otherwise)

Sr. No.	Particulars	Relationship with company	No. of Shares / Units 31 March 2018	31 March 2017	Classification	Status	Face Value	Amount 31 March 2018	31 March 2017
63	Nitiraj Industries Ltd	Others	—	9,600	Quoted	Fully Paid up	10	—	960,000
64	O K Play Ltd	Others	**71,189**	71,189	Quoted	Fully Paid up	10	**9,999,919**	9,999,919
65	Page Industries Ltd	Others	**32**	34	Quoted	Fully Paid up	10	**347,258**	368,516
66	Perfect Infraengineers Ltd	Others	**180,000**	342,000	Quoted	Fully Paid up	10	**4,883,700**	5,491,800
67	Phoenix Lamps Ltd	Others	—	519	Quoted	Fully Paid up	10	—	87,886
68	Powermech Projects Ltd	Others	**1,000**	615	Quoted	Fully Paid up	10	**588,590**	317,764
69	Quess Corp. Ltd	Others	**250**	253	Quoted	Fully Paid up	10	**139,340**	141,011
70	Sarveshwar Foods Ltd	Others	**235,200**	—	Quoted	Fully Paid up	10	**19,972,800**	—
71	Shakti Pumps Ltd	Others	**1,099**	—	Quoted	Fully Paid up	10	**528,667**	—
72	Shankara Building Products Ltd	Others	**263**	—	Quoted	Fully Paid up	10	**158,381**	—
73	Sun TV Network Ltd	Others	**713**	—	Quoted	Fully Paid up	10	**544,114**	—
74	Suprajit Engery Ltd	Others	**224**	—	Quoted	Fully Paid up	10	**47,452**	—
75	R Shares Nifty Beeseach	Others	—	1,120	Quoted	Fully Paid up	10	—	1,025,048
76	Shree Pushkar Chemicals Ltd	Others	**4,650**	4,650	Quoted	Fully Paid up	10	**614,213**	614,213
77	Siddha Real Estates Ltd	Others	**490,000**	490,000	Quoted	Fully Paid up	1	**490,000**	490,000
78	Steel City Securities Ltd.	Others	**158,000**	200,000	Quoted	Fully Paid up	10	**9,419,700**	11,000,000
79	TTK Prestige Ltd	Others	**24**	29	Quoted	Fully Paid up	10	**118,817**	143,571
80	United Spirits Ltd	Others	**234**	231	Quoted	Fully Paid up	10	**529,488**	523,798
81	Voltas Ltd	Others	**1,372**	1,372	Quoted	Fully Paid up	1	**346,084**	346,084
82	Zensar Technologies Ltd	Others	**360**	360	Quoted	Fully Paid up	10	**338,300**	338,300
83	Zuari Agro Chemicals Ltd	Others	**496**	393	Quoted	Fully Paid up	10	**136,518**	93,233
84	Bharat Wires Ltd	Others	—	9,532	Quoted	Fully Paid up	10	—	428,940
85	Navin Flourine Ltd	Others	**10**	10	Quoted	Fully Paid up	10	**2,135**	2,135
86	Radio Music Ltd	Others	—	2,615	Quoted	Fully Paid up	10	—	870,795
87	Kisan Mouldings Ltd	Others	**127,000**	—	Quoted	Fully Paid up	10	**15,100,300**	—
88	Medicamen Biotech Ltd	Others	**18,500**	—	Quoted	Fully Paid up	10	**10,101,000**	—
89	Shivalik Rasayan Ltd	Others	**35,000**	—	Quoted	Fully Paid up	5	**10,360,000**	—
90	Scana point Geomatics Limited	Others	**400**	400	Quoted	Fully Paid up	2	**1,156**	1,156
91	Mitcon Consultancy & Engineering Services Limited	Others	**40,000**	40,000	Quoted	Fully Paid up	10	**2,440,000**	2,440,000
92	Centerac Emarketplaces Private Limited	Others	—	1,130	Unquoted	Fully Paid up	10	—	1,000,294
93	Dugar Finance Limited	Others	**700**	700	Unquoted	Fully Paid up	10	**2,870**	2,870
94	Dugar Housing Limited	Others	**800**	800	Unquoted	Fully Paid up	10	**9,520**	9,520
95	Stella Exports Limited	Others	**10,000**	10,000	Unquoted	Fully Paid up	3	**30,000**	30,000
96	Eagle Eye Research & Media Private Limited	Others	—	9,600	Unquoted	Fully Paid up	10	—	3,240,000
								117,521,188	78,930,223
(D)	**Investment in Debentures**								
1	ECL Finance Limited	Others	**10,000**	10,000	Unquoted	Fully Paid up	1,000	**10,000,000**	10,000,000
								10,000,000	10,000,000
(E)	**Investment in Mutual Funds**								
1	Sundaram Mutual Fund	Others	—	2,053,731.48	Unquoted	Fully Paid up	10	—	70,000,000
2	ICICI Mutual Fund	Others	**10,980.00**	10,980.00	Unquoted	Fully Paid up	10	**519,091**	519,091
								519,091	70,519,091
Grand Total (A+B+C+D+E)								**139,803,834**	171,224,045

Particulars	31 March 2018	31 March 2017
Aggregate amount of quoted investments	**117,478,798**	74,647,539
Market Value of quoted investments	**157,709,834**	42,788,620
Aggregate amount of unquoted investments	**10,561,481**	84,801,775
Aggregate provision for diminution in value of investments	—	—

Note : The rights in financial assets are secured against hypothecation of immovable property

15. LONG TERM LOANS & ADVANCES	**31 March 2018**	31 March 2017
(Unsecured and considered good)		
Security deposits	**62,783,770**	65,971,370
Loans to employees	**288,356**	61,856
Prepaid expenses	**576,050**	—
Advance tax and tax deducted at source *(Net of provision for tax:₹ 86,988,970, Previous Year:₹ 117,319,318)*	**7,947,867**	11,715,423
	71,596,043	77,748,649

16 OTHER NON CURRENT ASSETS	**31 March 2018**	31 March 2017
(Unsecured and considered good)		
Security deposits with stock exchanges *(Refer note below)*	**10,250,000**	6,000,000
	10,250,000	6,000,000

Note : The aforesaid deposits include ₹ 7,000,000 (P.Y ₹ 2,750,000) as collateral deposits with MCX exchange.

17. CURRENT INVESTMENTS
(valued at lower of cost and market value)

Sr. No.	Particulars	Relationship with company	No. of Shares / Units 31 March, 2018	31 March, 2017	Classification	Status	Face Value	Amount 31 March, 2018	31 March, 2017
Trade Investments									
(A)	**Investment in Equity Instruments**								
1	Godrej Properties Limited	Others	**2,950**	2,186	Quoted	Fully Paid up	5	**802,782**	781,394
2	Hatsun Agro Product Limited	Others	**—**	2,520	Quoted	Fully Paid up	1	**—**	596,556
3	HDFC Bank Limited	Others	**725**	725	Quoted	Fully Paid up	2	**729,084**	729,084
4	ITC Limited	Others	**—**	3,600	Quoted	Fully Paid up	1	**—**	879,442
5	Jenburkt Pharmaceuticals Limited	Others	**—**	638	Quoted	Fully Paid up	10	**—**	125,415
6	MoldTek Packaging Limited	Others	**—**	3,180	Quoted	Fully Paid up	5	**—**	167,268
7	Kotak Mahindra Bank Limited	Others	**301**	951	Quoted	Fully Paid up	5	**228,185**	657,757
8	Sarla Performance Fibres Limited	Others	**—**	5,200	Quoted	Fully Paid up	1	**—**	172,371
9	Sun Pharmaceuticals Industries Limited	Others	**—**	465	Quoted	Fully Paid up	1	**—**	319,781
10	Info Edge (India) Limited	Others	**500**	550	Quoted	Fully Paid up	10	**558,879**	439,725
11	GRP Limited	Others	**500**	325	Quoted	Fully Paid up	10	**558,970**	324,365
12	SRF Limited	Others	**—**	174	Quoted	Fully Paid up	10	**—**	184,831
13	Shree Cement Limited	Others	**9**	15	Quoted	Fully Paid up	10	**118,014**	196,690
14	Page Industries Limited	Others	**18**	22	Quoted	Fully Paid up	10	**256,804**	313,871
15	Pidilite Industries Limited	Others	**243**	330	Quoted	Fully Paid up	1	**139,894**	189,977
16	P I Industries Limited	Others	**429**	410	Quoted	Fully Paid up	1	**296,254**	278,041
17	Motherson Sumi Sytems Limited	Others	**1,139**	915	Quoted	Fully Paid up	1	**201,041**	232,409
18	Mahindra Holidays & Resorts (I) Limited	Others	**—**	545	Quoted	Fully Paid up	10	**—**	213,981
19	Mahindra & Mahindra Financial Services Limited	Others	**—**	918	Quoted	Fully Paid up	2	**—**	216,680
20	Lupin Limited	Others	**—**	205	Quoted	Fully Paid up	2	**—**	296,184
21	Indusind Bank Limited	Others	**272**	251	Quoted	Fully Paid up	10	**268,505**	237,758
22	Havells India Limited	Others	**741**	647	Quoted	Fully Paid up	1	**216,126**	168,126
23	Eicher Motors Limited	Others	**12**	12	Quoted	Fully Paid up	10	**214,148**	214,148
24	Britannia Industries Limited	Others	**85**	97	Quoted	Fully Paid up	2	**261,424**	298,331
25	Bajaj Finance Limited	Others	**271**	324	Quoted	Fully Paid up	10	**248,405**	143,338
26	Bajaj Finserv Limited	Others	**90**	104	Quoted	Fully Paid up	5	**174,540**	201,691
27	Ajanta Pharma Limited	Others	**—**	124	Quoted	Fully Paid up	2	**—**	184,426
28	Dwarkesh Sugar Industries Limited	Others	**—**	1,749	Quoted	Fully Paid up	10	**—**	172,635
29	City Union Bank Limited	Others	**9,130**	8,300	Quoted	Fully Paid up	1	**768,340**	768,340
30	Steelcast Limited	Others	**4,500**	4.500	Quoted	Fully Paid up	5	**296,342**	296,342
31	Piramal Enterprises Limited	Others	**147**	203	Quoted	Fully Paid up	2	**173,754**	229,597
32	Garware Wall Ropes Limited	Others	**373**	373	Quoted	Fully Paid up	10	**136,358**	136,358
33	Amara Raja Batteries Limited	Others	**—**	315	Quoted	Fully Paid up	1	**—**	280,035
34	Asian Paints Limited	Others	**257**	257	Quoted	Fully Paid up	1	**218,438**	218,438
35	Astral Poly Technik Limited	Others	**2,727**	2,774	Quoted	Fully Paid up	1	**1,128,381**	1,147,033
36	Plastiblends India Ltd	Others	**—**	286	Quoted	Fully Paid up	1	**—**	121,837
37	Sudarshan Chemicals Industries Ltd	Others	**760**	770	Quoted	Fully Paid up	1	**231,904**	234,955
38	Vardhman Textiles Ltd	Others	**268**	222	Quoted	Fully Paid up	10	**282,524**	222,628
39	Shriram City Union Finance Ltd	Others	**—**	322	Quoted	Fully Paid up	10	**—**	581,500
40	Phillips Carbon Black Ltd	Others	**—**	854	Quoted	Fully Paid up	10	**—**	200,236
41	Allsec Technologies Ltd	Others	**—**	586	Quoted	Fully Paid up	10	**—**	215,873
42	Balrampur Chini Mills Ltd	Others	**—**	2,587	Quoted	Fully Paid up	1	**—**	327,121
43	Cholamandalam Inv & Fin Co Ltd	Others	**325**	239	Quoted	Fully Paid up	10	**324,961**	229,395
44	Future Retail Ltd	Others	**—**	446	Quoted	Fully Paid up	2	**—**	57,140
45	Koval Medical Center & Hospital Ltd	Others	**—**	81	Quoted	Fully Paid up	10	**—**	83,215
46	Rajratan Global Wire Ltd	Others	**1,388**	1,388	Quoted	Fully Paid up	10	**694,375**	694,375
47	RBL Bank Ltd	Others	**769**	768	Quoted	Fully Paid up	10	**360,091**	252,115
48	Shilpa Medicare Ltd	Others	**—**	314	Quoted	Fully Paid up	1	**—**	199,641
49	Steel Authority of India Ltd	Others	**—**	8,300	Quoted	Fully Paid up	10	**—**	449,664
50	Vijaya Bank	Others	**24,300**	10,500	Quoted	Fully Paid up	10	**1,261,170**	482,936
51	Music Broadcast Ltd	Others	**—**	2,202	Quoted	Fully Paid up	10	**—**	733,266
52	Ashok Leyland Ltd	Others	**5,000**	5,000	Quoted	Fully Paid up	1	**455,134**	422,750
53	Bella Casa Fashion & Retail Ltd	Others	**5,000**	5,000	Quoted	Fully Paid up	10	**372,200**	372,200
54	Bharti Infratel Ltd	Others	**1,279**	1,279	Quoted	Fully Paid up	10	**399,406**	399,406
55	Datamatics Global Services Ltd	Others	**—**	1,015	Quoted	Fully Paid up	5	**—**	128,499
56	Faze Three Ltd	Others	**6,667**	6,667	Quoted	Fully Paid up	10	**416,003**	416,003
57	Insecticides (India) Ltd	Others	**444**	444	Quoted	Fully Paid up	10	**252,091**	235,809
58	J K Tire & Industries Ltd	Others	**—**	1,787	Quoted	Fully Paid up	2	**—**	234,812
59	M R F Ltd	Others	**5**	5	Quoted	Fully Paid up	10	**271,723**	271,723
60	PNB Housing Finance Ltd	Others	**—**	317	Quoted	Fully Paid up	10	**—**	341,883

Sr. No.	Particulars	Relationship with company	No. of Shares / Units 31 March 2018	31 March 2017	Classification	Status	Face Value	Amount 31 March 2018	31 March 2017
61	Welspun India Ltd	Others	**3,159**	1,928	Quoted	Fully Paid up	1	**183,064**	168,797
62	Yes Bank Ltd	Others	**—**	180	Quoted	Fully Paid up	10	**—**	240,907
63	Wim Plast Limited	Others	**222**	742	Quoted	Fully Paid up	10	**129,932**	434,276
64	Visaka Industries Ltd	Others	**1,100**	—	Quoted	Fully Paid up	10	**383,991**	—
65	Surya Roshni Ltd	Others	**2,349**	—	Quoted	Fully Paid up	10	**729,990**	—
66	Sharda Motor Industries Ltd	Others	**108**	—	Quoted	Fully Paid up	10	**208,672**	—
67	Max Financial Services Ltd	Others	**377**	—	Quoted	Fully Paid up	10	**171,026**	—
68	Apex Frozen Food Ltd	Others	**1,068**	—	Quoted	Fully Paid up	10	**226,446**	—
69	Avanti Feeds Ltd	Others	**155**	—	Quoted	Fully Paid up	10	**260,933**	—
70	CESC Ltd	Others	**452**	—	Quoted	Fully Paid up	10	**437,378**	—
71	Dalmia Bharat Ltd	Others	**104**	—	Quoted	Fully Paid up	10	**300,076**	—
72	Jindal Stainless Ltd	Others	**5,512**	—	Quoted	Fully Paid up	10	**431,865**	—
73	J K Paper Ltd	Others	**4,353**	—	Quoted	Fully Paid up	10	**464,099**	—
74	Maharashtra Seamless Ltd	Others	**730**	—	Quoted	Fully Paid up	10	**310,506**	—
75	Tejas Networks Ltd	Others	**1,616**	—	Quoted	Fully Paid up	10	**543,682**	—
76	Thirumalai Chemicals Ltd	Others	**176**	—	Quoted	Fully Paid up	10	**215,196**	—
77	V2 Retail Ltd	Others	**808**	—	Quoted	Fully Paid up	10	**288,417**	—
78	Astec Lifesciences Ltd	Others	**551**	—	Quoted	Fully Paid up	10	**300,449**	—
79	Minda Industries Ltd	Others	**122**	—	Quoted	Fully Paid up	10	**128,665**	—
80	The New India Assurance Company Ltd	Others	**510**	—	Quoted	Fully Paid up	5	**356,909**	—
81	Technocraft Industries (India) Ltd	Others	**936**	—	Quoted	Fully Paid up	10	**460,044**	—
82	Sunflag Iron & Steel Co Ltd	Others	**4,200**	—	Quoted	Fully Paid up	10	**316,050**	—
83	Reliance Industries Ltd	Others	**621**	—	Quoted	Fully Paid up	10	**548,219**	—
84	NMDC Ltd	Others	**6,000**	—	Quoted	Fully Paid up	1	**711,900**	—
85	Hi-ech Pipes Ltd	Others	**2,500**	—	Quoted	Fully Paid up	10	**875,602**	—
86	IDEA Cellular Ltd	Others	**7,550**	—	Quoted	Fully Paid up	10	**571,913**	—
87	Divi's Laboratories Ltd	Others	**132**	—	Quoted	Fully Paid up	10	**142,977**	—
88	Saregama India Ltd	Others	**716**	—	Quoted	Fully Paid up	10	**470,985**	—
89	Titan Company Ltd	Others	**457**	—	Quoted	Fully Paid up	10	**376,499**	—
90	Weizmann Forex Ltd	Others	**329**	—	Quoted	Fully Paid up	10	**348,230**	—
91	Welspun Enterprises Ltd	Others	**2,909**	—	Quoted	Fully Paid up	10	**411,042**	—
92	Action Construction Equipment Ltd	Others	**1,976**	—	Quoted	Fully Paid up	10	**330,881**	—
93	Praxis Home Retail Limited	Others	**—**	2,461	Quoted	Fully Paid up	2	**—**	180,467
94	Control Print Limited	Others	**1,627**	1,627	Quoted	Fully Paid up	10	**259,484**	259,483
								25,211,372	21,205,329
(B)	**Investment in Mutual Funds**								
1	HDFC Liquid Fund	Others	**—**	800	Unquoted	Fully Paid up	1,000	**—**	2,553,652
2	HDFC Liquid Fund Daily Dividend	Others	**559**	—	Unquoted	Fully Paid up	1,000	**569,585**	—
3	Aditya Birla Sun Life Mutual Fund-Cash Plus	Others	**133,372**	—	Unquoted	Fully Paid up	100	**36,705,348**	—
4	Aditya Birla Sun Life Mutual Fund-Floating Rate Fund - Short Term Fund	Others	**44,440**	—	Unquoted	Fully Paid up	100	**10,000,000**	—
5	Sundram Money Fund	Others	**—**	29,997	Unquoted	Fully Paid up	10	**—**	1,006,192
6	LIC Mutual Fund - Liquid Fund	Others	**—**	10,241	Unquoted	Fully Paid up	—	**—**	30,000,000
7	Kotak Liquid Plan-A	Others	**110**	992	Unquoted	Fully Paid up	1,000	**134,113**	1,212,496
8	Mahindra Mutual Fund - Low Duration Bachat Yojana-Regular - Growth	Others	**107,258**	—	Unquoted	Fully Paid up	1,000	**111,711,229**	—
9	Reliance Liquid Fund - Treasury - Growth plan option	Others	**2,808**	3,048	Unquoted	Fully Paid up	1,000	**11,054,222**	12,000,000
								170,174,497	46,772,340
(C)	**Investment in Other Funds**								
1	IIFL Special Opportunities Fund-Series 5	Others	**500,000**	—	Unquoted	Fully Paid up	10	**5,000,000**	—
2	Carpediem Capital Partners Fund	Others	**650**	250	Unquoted	Fully Paid up	10,000	**6,500,000**	2,500,000
								11,500,000	2,500,000
Grand Total (A+B+C)								**206,885,869**	70,477,669

Particulars	31 March 2018	31 March 2017
Aggregate amount of quoted investments	**25,211,372**	21,205,329
Market value of quoted investments	**35,409,220**	29,934,679
Aggregate amount of unquoted investments	**181,674,497**	49,272,340
Aggregate provision for diminution in value of investments	**781,195**	—

18 INVENTORIES

(valued at lower of weighted average cost or market value)

Sr. No	Particulars	Quantity		Face Value	Amount	
		31 March 2018	31 March 2017		31 March 2018	31 March 2017
	Equity Shares (Quoted)					
1	Cochin Shipyard Ltd.	**12,489**	—	10	**5,395,248**	—
2	HUDCO	**150,239**	—	10	**9,312,187**	—
3	MAS Financial Services Ltd.	**11,244**	—	10	**5,160,996**	—
					19,868,431	—

Particulars	31 March 2018	31 March 2017
Aggregate value of inventories		
At book value	**19,868,431**	—
At market value	**22,752,993**	—

19 TRADE RECEIVABLES	**31 March 2018**	31 March 2017
Outstanding for a period of more than six months from the date they became due for payment		
– Unsecured, considered good	**35,358,284**	4,581,298
– Unsecured, considered doubtful	**286,271**	1,950,480
Less: Allowance for doubtful debts	**(286,271)**	(1,950,480)
	35,358,284	4,581,298
Other receivables		
– Unsecured, considered good	**27,676,890**	472,059,047
	27,676,890	472,059,047
	63,035,174	476,640,345

20 CASH AND BANK BALANCES	**31 March 2018**	31 March 2017
Cash and cash equivalents		
– Cash on hand	**696,298**	644,587
Balances with banks		
– In current accounts	**49,612,826**	15,846,345
– In fixed deposits accounts (with original maturity of 3 months or less from the reporting date)	**521,658**	11,597,319
	50,830,782	28,088,251
Other bank balances		
– In fixed deposits with maturity of more than 3 months but less than 12 months from the reporting date	**142,552,200**	195,257,250
– In unpaid dividend accounts	**1,198,630**	1,240,449
	143,750,830	196,497,699
	194,581,612	224,585,950

Notes:

(a) The deposits maintained by the Company & its subsidiaries with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal except for those mentioned in (b) below.

(b) Fixed deposits amounting to ₹ 40,000,000 (P.Y. ₹ 40,000,000) pledged against overdraft facility from banks.

21 SHORT-TERM LOANS AND ADVANCES	**31 March 2018**	31 March 2017
(Unsecured, considered good, unless stated otherwise)		
Short term loans and deposits :		
Secured		
– To others *(refer notes below)*	**82,715,949**	37,588,179
Unsecured		
– To related parties *(refer notes below)*	**—**	73,377,727
– To others *(refer notes below)*	**68,783,382**	170,641,423
Balances with government / statutory authorities	**2,756,116**	2,602,740
Prepaid expenses	**1,124,680**	882,845
Loans to employees	**429,630**	366,010
Advances to service providers	**7,557,560**	4,216,552
Other advances	**41,434**	41,986
	163,408,751	289,717,462

Notes:

1 The Company has given a secured short term loan to Bela Properties Pvt. Ltd. amounting to ₹ 5,000,000 at the rate of 12% p.a., repayable within a period of less than twelve months or on demand .

The said loan is secured against 2,51,022 equity shares of Credo Brands Marketing Pvt. Ltd and a demand promissory note.

2 The subsidiary i.e. Keynote Fincorp Limited had given secured loans to other parties carrying interest rate between 12% to 18% p.a. The said loans are repayable on demand.The said loan is secured against shares of a listed company.

3 The Company and its subsidiary i.e. Keynote Fincorp Limited has given unsecured short-term loans to other parties at the rate of 18% p.a. and between 12% to 18% p.a. respectively. The said loans are repayable on demand.

4 The Company and its subsidiary i.e. Keynote Fincorp Limited has given unsecured short-term loans to its related parties *(refer note 35)* at the rate of 12% p.a. and between 12% to 18% p.a. respectively. The said loans are repayable on demand. The said loans were repaid during the year.

22 OTHER CURRENT ASSETS	**31 March 2018**	31 March 2017
(Unsecured, considered good)		
Interest accrued on		
– Short term loans and deposits	**961,648**	2,029,961
– Fixed deposits	**6,479**	3,651
Unbilled Revenue	**500,000**	—
Prepaid expenses	**20,781**	—
Deferred rent asset	**—**	71,676
	1,488,908	2,105,288

23 REVENUE FROM OPERATIONS	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of services		
– Income from advisory services	**93,998,425**	61,618,128
– Income from broking and other related activities	**30,545,417**	30,554,787
– Interest income on loans	**23,539,044**	22,445,631
– Net profit from trading in securities	**3,698,103**	3,133,860
	151,780,989	117,752,406
Other operating revenue		
– Reimbursement of expenses		
– Income from Corporate Finance	**490,560**	170,000
– Income from ESOP Advisory	**131,974**	29,800
– Income from Merchant Banking	**21,459**	391,294
	643,993	591,094
	152,424,982	118,343,500

24 OTHER INCOME	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income on		
– Short term loans and deposits	**1,575,732**	1,598,447
– Fixed deposits	**21,351,611**	16,687,036
– Commodities MCX	**1,393,815**	2,710,952
– Income tax refunds	**466,416**	—
Dividend income from investments		
– Current investments	**432,392**	273,042
– Non current investments	**1,105,413**	1,644,900
Net Profit on sale of investments	**23,317,319**	105,836,550
Rent income	**708,324**	741,326
Sundry balances written back (net)	**—**	246,176
Reversal of provision of doubtful debts	**653,800**	—
Miscellaneous income	**778,484**	544,134
	51,783,306	130,282,563

25 EMPLOYEE BENEFITS EXPENSE	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, bonus and allowances	**40,393,895**	39,307,320
Contribution to provident fund and other funds	**3,004,977**	3,225,325
Gratuity	**5,057,928**	(956,814)
Compensated absences	**865,311**	861,763
Staff welfare expenses	**2,874,907**	1,397,431
	52,197,018	43,835,025

26 FINANCE COSTS	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest Expenses		
– Vehicle loans	**156,741**	315,654
– Bank overdraft	**2,023,830**	2,876,490
– Term loans from other parties	**16,464,856**	23,569,758
	18,645,427	26,761,902

27 DEPRECIATION AND AMORTISATION	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation and amortisation on		
– Property, plant and equipment	**7,123,637**	7,692,536
– Intangible assets	**—**	35,957,108
– Investment property	**11,176**	11,176
	7,134,813	43,660,820

28 OTHER EXPENSES	For the year ended 31 March 2018		For the year ended 31 March 2017	
Electricity charges		**525,801**		495,496
Donations		**636,400**		510,000
Advertisement and business promotion		**1,215,779**		2,136,912
Motor car expenses		**1,314,691**		1,445,691
Net loss on foreign exchange fluctuations		**10,088**		13,360
Rates and taxes		**1,607,604**		4,348,569
Commission and brokerage		**—**		2,500,000
Insurance		**328,407**		532,760
Repairs and maintenance				
– Buildings	**2,948,794**		1,754,335	
– Others	**1,041,427**	**3,990,221**	4,204,124	5,958,459
Travelling and conveyance		**4,886,976**		5,485,980
Office and admin expenses		**2,050,976**		2,930,134
Communication expenses		**1,295,211**		1,294,447
Printing and stationery		**550,994**		459,652
Provision for diminution in value of current investments		**781,195**		—
Legal and professional fees		**17,826,535**		23,649,716
Portfolio management charges		**2,068,140**		1,161,302
Directors' sitting fees		**120,000**		85,000
Postage and telegraph		**150,199**		44,360
Auditors' Remuneration (excluding applicable taxes)				
– Statutory audit fees	**747,500**		690,000	
– Tax audit fees	**100,000**		100,000	
– Other services	**518,500**		150,000	
		1,366,000		940,000
Membership and subscription		**1,815,866**		1,252,118
Provision for Doubtful Debts		**2,389,591**		1,950,480
Bad debts		**916,532**		440,351
Stock exchange related expenses		**2,165,164**		669,978
Miscellaneous expenses		**1,285,886**		1,539,224
		49,298,256		59,843,989

29 CONTINGENT LIABILITIES

(to the extent not provided for)

(I) Keynote Corporate Services Limited

The Company has provided corporate guarantees aggregating to ₹ 160,000,000 (Previous year : ₹ 220,000,000) to the bankers of its subsidiary, Keynote Capitals Limited towards BSE & NSE operations.

(II) Keynote Capitals Limited

(a) The Company had filed an appeal for Assessment Year 2011-12 before the Commissioner of Income Tax (Appeals), against the total disputed liability of ₹ 742,946.

(b) The company had filed an appeal for Assessment Year 2012-13 before the Commissioner of Income Tax (Appeals), against the total disputed liability of ₹ 221,950. The company expects no liability in the appeal.

As per the Certificate received from tax consultants, outstanding amount is NIL. However the subsidiary has not received the order copy from CIT (A).

(c) The Company has filed an Arbitration Petition in the High Court, Mumbai against arbitrary order of Appellate bench of National Stock Exchange of India Limited amounting to ₹ 23,516,348 with interest @ 10% p.a from 04.03.2013 till date of payment in the matter of "Eco Recycling Limited v Keynote Capitals Limited" and as on date the arbitration petition is duly admitted in the Hon'ble High Court, Mumbai.

The Management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

(III) Keynote Fincorp Limited

Contingent liability not provided for in respect of disputed income tax demand of ₹ 53,836,990 for Assessment Year 2012-13 & ₹ 56,461,650/- for Assessment Year 2013-14 as the company has contested the entire demand before Income Tax Appellate Tribunal and for ₹ 2,88,320/- for Assessment Year 2014-15 is before CIT (A).

The Management of the Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

30 SEGMENT INFORMATION

(I) Primary Segment

(a) The business segment has been considered as the primary segment for disclosure. The Company's primary business comprises of Merchant Banking & related activities, Broking & related activities, Trading in securities and Financing Activities. Further, the identified business segments have been identified as per the criteria specified in Accounting Standard (AS) 17 "Segment Reporting".

(b) The business segments have been identified based on the dominant source, the nature of services, the differing risks and returns, the organisational structure and the internal financial reporting system. The accounting policies and principles adopted for segment reporting are in conformity with the significant accounting policies of the Company.

(c) Broking and other related activities include broking services to clients, advisory services, depository services etc.

(d) Investment banking represents results of raising financial capital by underwriting or acting as the client's agent in the issuance of securities.

(e) Income and expenses have been specifically identified to a segment, based upon the relationship with the operating activities for each segment. Further, income and expenses which relate to enterprise as a whole and are not allocable to any segment, on reasonable basis have been disclosed as "Unallocable".

(f) Segment Assets and liabilities represents the assets and liabilities in respective segments. Further, investments, tax related assets and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

The following table gives information as required under the Accounting Standard (AS) - 17 "Segment Reporting" **(Amount in ₹)**

	Income from Adivosory Seervices		Broking & related activities		Trading in Securities		Investment Activities		Unallocated		Elimination		Total	
	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017	For the year ended 31 March 2018	For the year ended 31 March 2017
External Revenue	94,642,417	62,196,222	30,559,950	30,554,787	37,590,452	100,584,362	23,539,044	30,831,619	7,652,395	4,914,829	14,563,720	1,451,702	**179,420,537**	227,630,117
Inter Segment Revenue	—	—	—	—	—	—	—							
Total Revenue	**94,642,417**	**62,196,222**	**30,559,950**	**30,554,787**	**37,590,452**	**100,584,362**	**23,539,044**	**30,831,619**	**7,652,395**	**4,914,829**	**14,563,720**	**1,451,702**	**179,420,537**	**227,630,117**
RESULT														
Segment Result	30,052,714	(6,575,083)	1,169,580	(9,145,547)	20,693,371	84,074,756	5,253,311	18,744,535	776,629	(4,534,878)	(12,846,298)	2,273,702	**70,791,904**	**80,290,081**
Un-allocated expenses													—	—
Operating profit													70,791,904	80,290,081
Interest Expenses													18,646,880	26,762,172
Interest Income													24,787,751	20,996,419
Exceptional items													(4,240,294)	—
Income Tax													15,569,473	16,873,918
Net Profit													**57,123,007**	**57,650,409**
Other Information														
Segment Assets	103,525,522	117,907,636	353,259,081	776,095,072	226,761,113	70,484,483	152,967,950	287,844,544	213,635,197	252,009,306	—	—	1,050,148,864	1,504,341,041
Segment Liabilities	11,191,638	19,690,989	176,929,325	668,829,163	—	—	58,504,607	75,874,108	32,242,742	18,793,806	—	—	278,868,312	783,188,066
Capital Expenditure	300,857	222,364	211,388	562,528	—	—	—	—	—	—	—	—	512,245	784,892
Depreciation and amortisation	3,862,687	4,124,464	3,272,126	39,536,355	—	—	—	—	—	—	—	—	7,134,813	43,660,819
Non-cash expenses other than depreciation	2,679,091	2,390,831	20,448	13,658	781,195	(170,737)	—	—	—	—	—	—	3,480,734	2,233,752

(II) Geographical Segment

Particulars	Year	In India	Outside India	Total
Revenue (excluding other income)	31 March 2018	149,915,341	2,509,641	152,424,982
	31 March 2017	135,364,172	3,590,791	138,954,963
Carring amount of Segment Assets	31 March 2018	1,049,189,940	958,924	1,050,148,864
	31 March 2017	1,503,277,766	1,063,275	1,504,341,041
Cost aquired for Tangible and Intangible Assets	31 March 2018	512,245	—	512,245
	31 March 2017	784,892	—	784,892

31 EARNINGS PER SHARE

The disclosure requirements with respect of Accounting Standard (AS) 20 on "Earnings Per Share" are as follows:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Net profit after tax	**57,123,007**	57,650,409
Number of equity shares outstanding at the end of the year (Face value of ₹ 10/- each)	**5,566,637**	5,566,637
Earnings per share: Basic and diluted (₹)	**10.26**	10.36

Note : Keynote trust has been consolidated. Consequently, the shares held by Keynote trust in Keynote Corporate Services Limited i.e.1,451,702 shares (P.Y 1,451,702) have been eliminated while computing the earning per share.

32 The provisions made during the year ended 31 March 2018 comprises of the following :

Particulars	Balance as at 01 April , 2017	Provisions made during the year	Reversal of provisions / payments during the year	Balance as at 31 March, 2018
Bonus	1,723,813 *(1,683,149)*	3,209,384 *(2,850,427)*	2,977,307 *(2,809,763)*	1,955,890 *(1,723,813)*
Gratuity	2,856,115 *(4,691,771)*	5,057,928 *—*	550,228 *(1,835,656)*	7,363,815 *(2,856,115)*
Compensated absences	350,874 *(346,367)*	561,912 *(630,349)*	588,810 *(625,842)*	323,976 *(350,874)*
Allowance for doubtful debts	1,950,480 *—*	2,389,591 *(1,950,480)*	4,053,800 *—*	286,271 *(1,950,480)*

(Figures in brackets indicate previous year's figures)

33 LEASES

The following are the disclosures in accordance with Accounting Standard (AS) 19 on "Leases" :

Operating lease as lessor

The Company has given a commercial property on non-cancellable operating lease. The corresponding lease agreement provides for an option to the Company to renew the lease period at the end of non-cancellable period. Accordingly, lease rentals amounting to ₹ 7,08,324/- (Previous Year: ₹ 7,41,326/-) has been recognised as income in the Statement of Profit and Loss under"Other Income" - Note 24 of the financial statements.

There are no exceptional / restrictive covenants in the lease agreement.

The future minimum lease payments receivable in respect of lease property is as follows:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Not later than one year	**819,000**	780,000
Later than one year but not later than 5 years	**2,710,884**	—
Later than 5 years	**—**	—

34 DISCLOSURES AS REQUIRED BY ACCOUNTING STANDARD (AS) 18 - RELATED PARTY DISCLOSURES

(i) Category of related parties

(a) Key Management Personnel:

Mr. B.Madhuprasad - Chairman

Mr. Vineet Suchanti - Managing Director *(upto 5 April, 2017) & Director (w.e.f.6th April, 2017)*

Mrs. Rinku Suchanti - Whole-time Director (w.e.f. 25th May, 2017)

Mr. Rakesh Choudhari - Managing Director, Keynote Capitals Limited

Mr. Uday S. Patil - Whole-time Director & Chief Financial Officer

Mr. Devin Joshi - Chief Financial Officer, Keynote Capitals Limited

Ms. Saloni Maru - Company Secretary *(upto 21st April, 2017)*

Mr.Sujeet More - Company Secretary *(w.e.f. 25th May, 2017)*

Mr Manish Desai - Director, Keynote Commodities Limited

(b) Relatives of Key Management Personnel:

Mrs. Pushpa Suchanti - Mother of Vineet Suchanti

Mr. Nirmal Suchanti - Father of Vineet Suchanti

Mr. Vivek Suchanti - Brother of Vineet Suchanti

(c) Enterprise over which Key Management Personnel exercise significant influence:

Concept Communication Limited

Concept Production Limited

Nirmal Suchanti - HUF

NSS Digital Media Limited

Eagle Eye Research & Media Private Limited

Akshara Advertising Limited

Concept Public Relation India Limited

Liqvd Digital India Private Limited

ITSA Brand Innovations Limited

VN Creative Chemicals Pvt Ltd

Rakesh Choudhari (HUF)

Pelican Finstock Ltd

Vivek Suchanti & Co

34 Disclosures as required by Accounting Standard (AS) 18 - Related Party Disclosures (Contd.)**:**

ii) Transactions with related parties: (Amount in ₹)

Particulars	Name of the related Party	Key Management Personnel/Relatives of Key Managerial personnal		Enterprise over which Key Management Personnel exercise significant influence		Total	
		31 March 2018	31 Mach 2017	31 March 2018	31 Mach 2017	31 March 2018	31 Mach 2017
Receiving of services	Concept Communication Limited	—	—	77,941	48,154	77,941	48,154
		—	—	77,941	48,154	77,941	48,154
Managerial Remuneration	Mr. Vineet Suchanti	—	5,140,095	—	—	—	5,140,095
Managerial Remuneration	Mrs. Rinku Suchanti	3,379,642	—	—	—	3,379,642	—
Managerial Remuneration	Mr. Uday S. Patil	4,730,820	4,512,696	—	—	4,730,820	4,512,696
Managerial Remuneration	Mr. Rakesh Choudhari	4,170,285	3,883,950	—	—	4,170,285	3,883,950
Remuneration	Mr. Devin Joshi	1,300,969	1,210,825	—	—	1,300,969	1,210,825
Remuneration	Ms.Saloni Maru	—	414,220	—	—	—	414,220
Remuneration	Mr Sujeet More	440,700	—	—	—	440,700	—
		14,687,816	15,713,386	—	—	14,687,816	15,713,386
Professional Fees	Mr. B.Madhuprasad	1,122,585	900,000	—	—	1,122,585	900,000
		1,122,585	900,000	—	—	1,122,585	900,000
Dividend paid	Mrs. Pushpa Suchanti	132,308	132,308	—	—	132,308	132,308
Dividend paid	Mrs. Rinku Suchanti	3,802	3,802	—	—	3,802	3,802
Dividend paid	Mr. B.Madhuprasad	48,550	48,550	—	—	48,550	48,550
Dividend paid	Mr. Vineet Suchanti	11,977	11,977	—	—	11,977	11,977
Brokerage paid	Mr. B.Madhuprasad	25,378	—	—	—	25,378	—
Brokerage paid	Mr. Vineet Suchanti	23,590	—	—	—	23,590	—
Brokerage paid	Mr. Rakesh Choudhari	2,528	—	—	—	2,528	—
Brokerage paid	Rakesh Choudhari - HUF	27,712	—	—	—	27,712	—
Dividend paid	Mr. Vivek Suchanti	49,440	49,440	—	—	49,440	49,440
Dividend paid	Mr.Nirmal Suchanti	117,647	117,647	—	—	117,647	117,647
Dividend paid	Concept Production Limited	—	—	241,600	241,600	241,600	241,600
Dividend paid	NSS Digital Media Limited	—	—	2,932,256	2,932,256	2,932,256	2,932,256
Dividend paid	Nirmal Suchanti - HUF	—	—	282,499	282,499	282,499	282,499
		442,932	363,724	3,456,355	3,456,355	3,899,287	3,820,079
Security deposit given	Mr. B.Madhuprasad	300,000	300,000	—	—	300,000	300,000
		300,000	300,000	—	—	300,000	300,000
Interest received	Concept Communication Limited	—	—	3,346,330	4,495,191	3,346,330	4,495,191
Interest received	Concept Public Relation India Ltd	—	—	—	18,148	—	18,148
Interest received	Akshara Advertising Ltd	—	—	—	5,753	—	5,753
Interest received	Liqvd Digital India Pvt Ltd	—	—	37,619	984,766	37,619	984,766
Interest received	VN Creative Chemicals Pvt Ltd	—	—	—	4,562	—	4,562
		—	—	3,383,949	5,508,420	3,383,949	5,508,420
Loans given	Concept Communication Limited	—	—	—	120,000,000	—	120,000,000
		—	—	—	120,000,000	—	120,000,000
Loans repaid by	Concept Communication Limited	—	—	51,147,847	77,774,583	51,147,847	77,774,583
Loans repaid by	Eagle Eye Research & Media Private Limited	—	—	237,000	—	237,000	—
		—	—	51,384,847	77,774,583	51,384,847	77,774,583
Reimbursement of expenses	Mr. Vineet Suchanti	2,500	2,500	—	—	2,500	2,500
Reimbursement of expenses	Mr. B.Madhuprasad	—	2,500	—	—	—	2,500
Reimbursement of expenses	Mrs. Rinku Suchanti	2,500	—	—	—	2,500	—
Reimbursement of expenses	Mr. Uday S. Patil	2,500	2,500	—	—	2,500	2,500
		7,500	7,500	—	—	7,500	7,500
Outstanding balances :							
Loans given	Concept Communication Limited	—	—	—	56,147,847	—	56,147,847
Loans and advances given	Akshara Advertising Ltd	—	—	—	3,500,000	—	3,500,000
Loans and advances given	Concept Public Relation India Ltd	—	—	—	1,200,000	—	1,200,000
Loans and advances given	Liqvd Digital India Pvt Ltd	—	—	—	1,425,318	—	1,425,318
Loans and advances given	VN Creative Chemicals Pvt Ltd	—	—	—	11,104,562	—	11,104,562
		—	—	—	73,377,727	—	73,377,727

35 DETAILS OF SCHEME OF AMALGAMATION APPROVED BY THE HON'BLE HIGH COURT

As per the scheme of amalgamation approved by the Allahabad, Bombay, and Gawahati High court vide order dated 21 December 2006, 09 March, 2007 and 19 March, 2007 respectively, ₹ 1,451,702 equity shares of ₹ 10/- each fully paid up is held by Keynote trust as a beneficiary of the Company. Due to such cross holding the dividend of ₹ 1,451,702 (Previous year ₹ 1,451,702) has been paid & received back from the trust. With respect to the dividend of ₹ 1/- per share for March 31, 2017, the Company has adjusted its liability of dividend towards shares held by the Trust.

36 EXPENDITURE IN FOREIGN CURRENCY CHARGED TO STATEMENT OF PROFIT & LOSS :

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Travelling and conveyance	**2,441,390**	2,718,732
Staff Welfare	**1,436,377**	—
	3,877,767	2,718,732

37 EARNINGS IN FOREIGN CURRENCY :

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Income from Corporate Finance	**2,509,641**	3,590,791
	2,509,641	3,590,791

38 PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURES :

Particulars	Foreign currency	Amount in foreign currency		Amount in Indian Currency	
		31 March 2018	31 March 2017	**31 March 2018**	31 March 2017
Trade receivables	USD	14,720	11,720	958,924	759,908
Trade receivables	AED	—	17,200	—	303,367

39 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006 :

Particulars	31 March 2018	31 March 2017
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year.	Nil	Nil
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

40 Additional information as required, under Schedule III of Companies Act, 2013, of enterprises consolidated as subsidiaries:

Sr. No.	Name of Entity	Share of Net Assets 31 March 2018		Share of Net Assets 31 March 2017		Share in Profit and Loss 31 March 2018		Share in Profit and Loss 31 March 2017	
		As % of consolidated Net Assets	Amount	As % of consolidated Net Assets	Amount	As % of consolidated Profit (Loss)	Amount	As % of consolidated Profit (Loss)	Amount
	Parent Company								
1	Keynote Corporate Services Limited	**70.04%**	**540,240,422**	71.61%	516,415,965	**56.49%**	**32,271,586**	32.78%	18,896,476
	Indian Subsidiaries								
2	Keynote Capitals Ltd	**47.49%**	**366,319,636**	48.94%	352,917,215	**23.46%**	**13,402,421**	48.49%	27,952,084
3	Keynote Commodities Limited	**3.79%**	**29,229,082**	3.57%	25,757,112	**6.08%**	**3,471,970**	6.75%	3,891,191
4	Keynote Fincorp Limited	**12.21%**	**94,176,921**	11.75%	84,713,938	**16.57%**	**9,462,983**	14.57%	8,401,902
	Indian Trust								
5	Keynote Trust	**1.71%**	**13,204,473**	1.82%	13,159,871	**–0.06%**	**(34,249)**	–0.07%	(39,540)
	Total	**135.25%**	**1,043,170,534**	137.69%	992,964,101	**102.54%**	**58,574,711**	102.52%	59,102,113
	Elimination Adjusted	**–35.25%**	**(271,889,982)**	–37.69%	(271,811,126)	**–2.54%**	**(1,451,704)**	–2.52%	(1,451,704)
	Net Total	**100.00%**	**771,280,552**	100.00%	721,152,975	**100.00%**	**57,123,007**	100.00%	57,650,409
	Minority Interest in all subsidiaries	**—**	—	**—**	**—**	—	—		
	Grand Total	**100.00%**	**771,280,552**	**100.00%**	**721,152,975**	**100.00%**	**57,123,007**	**100.00%**	**57,650,409**

41 During the financial year the Company has written off two of its long term equity investments in Centerac Emarketplaces Private Limited of ₹ 1,000,000 & Eagleeye & Research Private Limited of ₹ 3,240,000 as both of these entities are in the process of winding up. Accordingly the entire value of the investment made in these entities have been charged off in the Statement of Profit & Loss and is disclosed separately as an "exceptional item".

42 The Company has written off the debts amounting to ₹ 3,300,000 pertaining to Binani Cement Limited. The entire amount was already provided as doubtful debts by the end of the quarter ended 30 September, 2017.

43 The figures of the previous year have been regrouped or reclassified wherever necessary to confirm to the presentation of current year figures.

For S M S R & Co LLP
Chartered Accountants
Firm Registration
No: 110592W/W100094

For and on behalf of the Board of Directors of Keynote Corporate Services Limited
CIN No: L67120MH1993PLC072407

Sd/-
Balakrishna Bhat
Partner
Membership No : 019216

Sd/-
Vineet Suchanti
Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-U
Sujeet More
Company Secretary

Date : 28 May 2018
Place : Mumbai

Date : 28 May 2018
Place : Mumbai

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

(Currency: Indian Rupees)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(A) Cash Flow From Operating Activities		
Profit before tax	**72,692,480**	74,524,327
Adjustments for		
Depreciation and amortisation expenses	**7,134,813**	43,660,819
Provision for Gratuity	**5,057,928**	—
Provision for Compensated absences	**865,311**	—
Provision for Doubtful Debts	**2,389,591**	1,950,480
Provision for contingencies on Standard Assets	**(70,197)**	141,760
Provision/(Reversal of Provision) for diminution in value of current investment	**781,195**	(170,737)
Interest expenses	**18,645,427**	26,761,903
Sundry balances written off/(written back)	**262,732**	13,658
Net Profit on sale of investments	**(23,317,319)**	(87,935,963)
Dividend income	**(1,537,804)**	(1,917,942)
Interest Income	**(22,927,343)**	(18,285,483)
Rental Income	**(708,324)**	(741,326)
Unrealised foreign exchange loss / (gain)	**12,531**	25,909
Operating profit before working capital changes	**59,281,021**	38,027,405
Adjustment for working capital changes		
(Increase)/decrease in trade and other receivables	**410,940,317**	(416,808,017)
(Increase)/decrease in short-term loans and advances	**126,308,710**	(148,269,861)
(Increase)/decrease in other current assets	**616,380**	(1,004,729)
(Increase)/decrease in long-term loans and advances	**2,385,050**	(43,033,389)
(Increase)/decrease in Stock in trade	**(19,868,431)**	19,923,933
(Increase)/decrease In Other non-current assets	**(4,250,000)**	6,100,000
Increase/(decrease) in short-term borrowings	**1,952,318**	(24,573,217)
Increase/(decrease) in long-term provisions	**2,608,805**	(1,387,845)
Increase/(decrease) in short-term provisions	**(4,121,439)**	(301,544)
Increase/(decrease) in trade payables	**(481,986,748)**	398,258,352
Increase/(decrease) in other long-term liabilities	**—**	(40,000)
Increase/(decrease) in other current liabilities	**(29,191,597)**	72,317,731
Cash generated from / (used) in operations	**64,674,386**	(100,791,182)
Taxes paid	**(12,624,275)**	(16,961,970)
Net cash generated from / (used) in operating activities before exceptional items(A)	**52,050,111**	(117,753,152)
Exceptional items	**4,240,294**	—
Net cash generated from / (used) in operating activities (A)	**56,290,405**	(117,753,152)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (Contd...)

(Currency: Indian Rupees)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
(B) Cash Flow From Investing Activities		
Purchase of fixed assets	**(512,245)**	(784,892)
Sale of fixed assets	**—**	—
Sale of investments (net)	**(85,129,769)**	23,032,852
Bank deposits placed (net)	**52,746,869**	29,349,100
Rent received	**708,324**	669,650
Interest received	**22,927,343**	18,285,483
Dividend received	**1,512,754**	1,917,942
Net cash generated from / (used) in investing activities (B)	**(7,746,724)**	72,470,135
(C) Cash Flow From Financing Activities		
Dividend paid	**(5,566,637)**	(5,566,637)
Dividend distribution tax paid	**(1,428,793)**	(1,214,453)
Interest paid	**(18,623,006)**	(26,761,903)
Repayment of borrowings	**(182,714)**	(1,489,489)
Net cash generated from / (used) in financing activities (C)	**(25,801,150)**	(35,032,482)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**22,742,531**	(80,315,498)
Cash and cash equivalents as at beginning of year	**28,088,251**	108,403,749
Cash and cash equivalents as at the end of the year	**50,830,782**	28,088,251
Cash and cash equivalents as at the end of the year comprise of		
Cash on hand	**696,298**	644,587
Balances with banks		
– In current accounts	**49,612,826**	15,846,345
– In fixed deposits with original maturity of 3 months or less from reporting date	**521,658**	11,597,319
	50,830,782	28,088,251

Notes :

(a) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard 3 "Cash Flow Statement"

(b) Cash and cash equivalents comprises cash on hand, current accounts and deposits with banks (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(c) The corresponding previous year figures have been regrouped or reclassified wherever necessary to confirm with the presentation of current year's figures.

As per our report of even date attached

For S M S R & Co LLP
Chartered Accountants
Firm Registration No: 110592W/W100094

Sd/-
U Balakrishna Bhat
Partner
Membership No : 019216

Date : 28 May 2018
Place : Mumbai

For and on behalf of the Board of Directors of
Keynote Corporate Services Limited
CIN No: L67120MH1993PLC072407

Sd/-
Vineet Suchanti
Director
DIN : 00004031

Sd/-
Uday Patil
Director & CFO
DIN : 00003978

Sd/-
Sujeet More
Company Secretary

Date : 28 May 2018
Place : Mumbai

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

Details of Subsidiary Companies (₹)

Particulars	Name of Subsidiaries		
	Keynote Capitals Limited	Keynote Commodities Limited	Keynote Fincorp Limited
Share Capital	112,666,670	3,500,000	35,000,000
Reserves & Surplus	253,652,966	25,729,082	59,176,921
Total Assets	492,136,095	111,686,537	179,297,202
Total Liabilities	492,136,095	111,686,537	179,297,202
Investment (Except investment in subsidiaries)	71,127,412	35,563,435	23,481,927
Turnover	73,945,643	6,267,011	31,363,393
Profit/(Loss) before Taxation	13,333,510	4,516,275	11,962,983
Add Excess Provision	3,192,492	—	—
Less Short Provision	—	—	—
Provision for Taxation	2,683,900	1,048,168	2,500,000
Deferred Tax (Asset) / Liability	439,680	(3,863)	—
Profit/(Loss) after Taxation	13,402,421	3,471,970	9,462,983
Proposed Dividend	—	—	—
Percentage (%) of Shareholding	100.00	100.00	100.00

For on behalf of the Board of Directors of
KEYNOTE CORPORATE SERVICES LTD
CIN No: L67120MH1993PLC072407

	Sd/-	Sd/-	Sd/-
	Vineet Suchanti	**Uday Patil**	**Sujeet More**
Place : Mumbai	Director	Director & CFO	Company Secretary
Date : 28 May 2018	DIN: 00004031	DIN: 00003978	

KEYNOTE CORPORATE SERVICES LIMITED

CIN: L67120MH1993PLC072407

Registered Office: The Ruby, 9th floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028

Tel : (022) 3026 6000 Fax : (022) 3026 6088

Website: www.keynoteindia.net E-mail: investors@keynoteindia.net

CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC MODE

1. Name(s) of Shareholder(s) (including joint holders, if any) : _____

2. Registered Address of the sole/ First name shareholder : _____

_____

_____

_____

3. Registered folio No.DP ID No./Client ID No. [*Applicable to investor holding share in Dematerialized form] : _____

4. No. of Shares held : _____

5. I/We hereby exercise my/our option to receive the documents such as Notice of Annual General Meeting, Audited Financial Statement, Balance Sheet, Profit & Loss Account, Director's Report, Auditor's Report; Explanatory Statement etc. in electronic mode pursuant to the **"Green Initiative"** by the Ministry of Corporate Affairs vide circular dated 29th April, 2011.

6. My email ID is : _____

Place:

Date:

_____

(Name and Signature of the Member)

KEYNOTE CORPORATE SERVICES LIMITED

CIN: L67120MH1993PLC072407

Registered Office: The Ruby, 9th floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028

PROXY FORM – MGT - 11

[Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of Companies (Management and Administration) Rules, 2014]

Name and Address of the Member(s) : _____

Registered Address : _____

_____

I/We being the member(s) of _____ shares of Keynote Corporate Services Limited, hereby appoint:

1. Name : _____
   Email ID : _____
   Address : _____
   Signature _____

   or failing her/him

2. Name : _____
   Email ID : _____
   Address : _____
   Signature _____

   or failing her/him

3. Name : _____
   Email ID : _____
   Address : _____
   Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty-Fifth Annual General Meeting of the Company, to be held on Thursday, 9th August, 2018 at 10.00 a.m. at Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall Compound), Fort, Mumbai – 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

* I wish my above proxy to vote in the manner as indicated in the below table:

	Resolution	For	Against
1.	Adoption of the Audited Financial Statements (including Audited Consolidated Financial Statements) for the Financial year ended 31st March, 2018 and the Reports of Directors and the Auditors thereon.		
2.	Approval for dividend of ₹ 2.50 per Equity Shares of the Company for the Financial Year ended 31st March, 2018.		
3.	R-appointment of Smt. Rinku Suchanti (DIN- 00012903), who retires by rotation and being eligible, offers herself for re-appointment.		
4.	Variation in terms of appointment of Smt. Rinku Suchanti, (DIN 00012903) Whole-time Director of the Company.		
5.	Re-appointment and variation in terms of appointment of Shri Uday S. Patil (DIN: 00003978) as a Whole-Time Director of the Company.		

Signed this _____ day of _____ 2018.

Affix a Re.1/- Revenue Stamp

_____ Signature of Shareholder

_____ Signature of proxy holder(s)

Note:

(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not than 48 hours before the commencement of the meeting.

(2) A Proxy need not be a member of the Company.

(3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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 person or shareholder.

*(4) This is only optional. Please put a "X" in the appropriate column against the resolutions indicated in the Box. If you leave the "FOR or "Against" column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

(5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

(6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

KEYNOTE CORPORATE SERVICES LIMITED
CIN: L67120MH1993PLC072407
Registered Office: The Ruby, 9th floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028
Tel : (022) 3026 6000 Fax : (022) 3026 6088
Website: www.keynoteindia.net E-mail investors@keynoteindia.net

ATTENDANCE SLIP

Serial No.:

Registered Folio/ DP ID & Client ID	:	
Name and Address of the Shareholder(s)	:	
Joint Holder 1 Joint Holder 2		
No. of Shares held	:	

I/We hereby record my/our presence at the Twenty-Fifth Annual General Meeting of the Company being held on Thursday, 9th August, 2018 at 10.00 a.m. at Homi J. H. Taleyarkhan Memorial Hall, Indian Red Cross Society, 141, Shahid Bhagat Singh Road, (Town Hall Compound), Fort, Mumbai – 400 001

Signature of the Shareholder/Proxy/Authorized Representative: _____

Please fill in the attendance slip and hand it over at the entrance of the meeting hall. Please bring your copy of the annual report for reference at the Meeting.

(To be retained with the members)

ELECTRONIC VOTING PARTICULARS

The Company is providing facility for remote e-voting (i.e. voting from a place other than venue of Annual General Meeting) and the business as set out in the notice of Annual General Meeting (AGM) dated 28th May, 2018 may be transacted by the members through such voting. The remote e-voting facility is provided through e-voting platform of Central Depository Services (India) Limited (CDSL)

The detailed instructions for remote e-voting are given in the AGM notice. The particulars for Remote e-voting are as under:

EVSN Electronic Voting Sequence Number	User ID	PASSWORD/ SEQUENCE NO *
180618007		Read Note No. 2

1. * To be used in the PAN field for password creation after logging on to www.evotingindia.com **only by the members** who are first time users and who have not updated their PAN with the Company Depository Participant.
2. The members who have not earlier created their password for CDSL platform for e-voting but have furnished their PAN to the Company/ Depository Participant need to use their PAN for password creation. Existing users can login using their existing password.

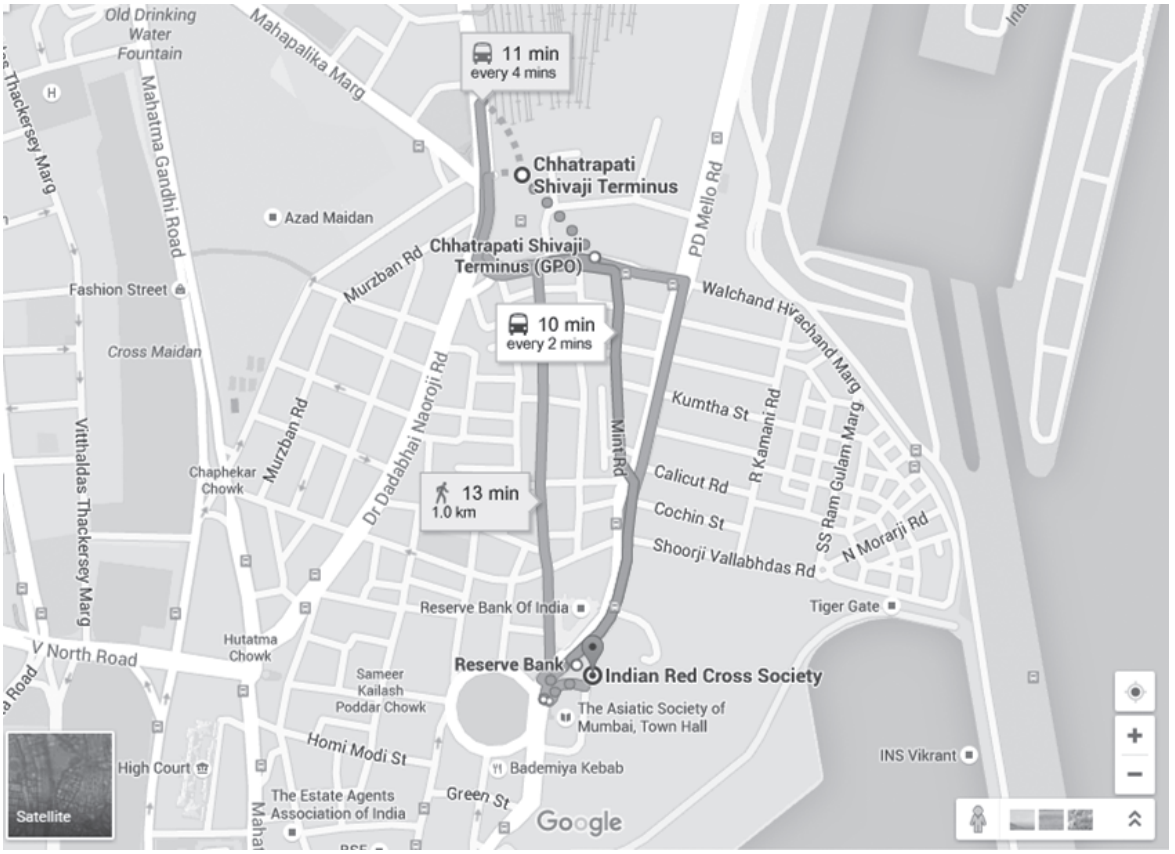
Please read the detailed instructions for remote-e-voting given in the AGM notice before voting.

The e-voting facility will be available during the following voting period.

Commencement of e-voting		End of e-voting
6th August, 2018 at 10.00 a.m.	:	8th August, 2018 at 5.00 p.m.

The above details form an integral part of the AGM notice.

ROUTE MAP FROM CHHATRAPATI SHIVAJI MAHARAJ TERMINUS (CSMT) TO THE VENUE OF THE ANNUAL GENERAL MEETING OF THE COMPANY DATED 9TH AUGUST, 2018



BY COURIER

If undelivered, please return to:

KEYNOTE CORPORATE SERVICES LIMITED

The Ruby, 9th floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400 028