

DIRECTORS' REPORT

To,
The Members Keynote Capitals Limited

Dear Shareholders,

1. **INTRODUCTION:**

Your Directors have pleasure in presenting the 24th Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2019.

2. **FINANCIAL SUMMARY OF THE COMPANY:**

(Rs. In lakhs)		
Particulars	2018-19	2017-18
Total Income	446.80	725.81
Total Expenses	422.09	592.47
Profit before Tax	24.71	133.34
Provision for Taxation:		
- Current Tax	3.60	26.84
- Short / (Excess) provision of Taxation for Earlier	Nil	(31.92)
- MAT Credit	(3.60)	Nil
- Deferred tax	9.16	4.40
Profit for the year after tax	15.54	134.02
Profit brought forward from Previous Years	1908.18	1774.17
Surplus carried forward	1923.73	1908.18

3. **REVIEW OF OPERATIONS/PERFORMANCE:**

During the financial year, the Company has earned total income of Rs.446.80/-lakhs as compared to Rs.725.81/-lakhs for the previous year. Profit after Tax stood at Rs.15.54/-lakhs as compared to Rs.134.02/-lakhs for the previous year.

4. **DIVIDEND:**

The Directors of the Company have decided to conserve the resources and no dividend is being recommended.

5. **CHANGE IN NATURE OF BUSINESS, IF ANY:**

There is no change in the nature of business of the Company during the year.

Keynote Capitals Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028

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CIN - U67120MH1995PLC088172

6. MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statement relate and the date of the report.

7. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

There are no significant and material orders issued against the Company by any regulating authority or court or tribunal affecting the going concern status and Company's operation in future.

8. HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

- Your Company is a wholly owned subsidiary of "Keynote Financial Services Limited (Formerly Keynote Corporate Services Limited).
- Your Company has the following as its Subsidiary and Associate Companies at the year end. Statement containing salient features of the financial statement of the following Subsidiary and Associate Companies are made in Form AOC-1 as (Part "A": Subsidiaries & Part "B": Associate) and attached to this report as Annexure -II.

Sr. No.	Name of the Company	Holding/ Subsidiary	Joint Venture/ Associate	No. of shares held in%
1.	Keynote Commodities Limited (CIN: U72900MH2000PLC127047)	Wholly Owned Subsidiary	---	100
2.	Keynote Fincorp Limited (CIN. U67120MH1995PLC084814)	----	Associate	42.86

- Your Company has does not have any Joint Venture Company at the year end.

9. 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 thereunder during the year ended 31st March 2019.

10. STATUTORY AUDITORS:

The reappointment of M/s. R.K. Khandelwal & Co., Chartered Accountants, having (Firm Registration Number: 105054W) as the Statutory Auditors of the Company for the financial year 2019-20 is being recommended by the Audit Committee of the Board for holding office from the conclusion of the ensuing Annual General Meeting until the conclusion of its 27th Annual General Meeting under the applicable provisions of the Companies Act, 2013.

The Company has received a consent letter from them to the effect that their re-appointment, if made, would be in conformity with the limits prescribed under Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 139 of the said Act. The Board recommends their re-appointment.

11. 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 and SEBI Listing Obligations and Disclosure requirement (LODR) 2015 Regulation no. 24A, your Company being a Material Unlisted Subsidiary of Keynote Financial Services Limited has appointed M/s. Uma Lodha & Co., Practicing Company Secretaries to conduct the Secretarial Audit of your Company for the financial year ended 31st March 2019.

12. QUALIFICATIONS/ RESERVATIONS/ ADVERSE REMARKS/COMMENT ON AUDITORS REPORT:

There were no qualifications, reservations, adverse remarks or comment made by the Auditors in their report. The Auditors have referred to certain routine matters in their report and the respective notes to the accounts are self-explanatory.

13. SHARE CAPITAL:

a. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

The company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees as per Rule 16(4) of Companies (share capital and debentures) Rules, 2014.

b. Issue Of Sweat Equity Shares:

The Company has not issued any sweat equity share during the financial year under review.

c. Issue Of Equity Shares With/Without Differential Rights:

The Company has not issued any Equity Shares with/without differential voting rights during the financial year as per Rule 4(4) of Companies (Share capital and debentures) Rules, 2014.

d. Issue of Employee Stock Option:

The company has not issued any employee stock option during the financial year as per Rule 12 of Companies (Share Capital and Debentures) Rules, 2014.

e. Issue Of Equity Shares Without Differential Rights:

The Company has not issued any Equity Shares without Differential Rights during the financial year as per Rule 12 of Companies (Share Capital and Debentures) Rules, 2014.

14. EXTRACT OF THE ANNUAL RETURN:

The extracts of the Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in Form No. MGT - 9 is enclosed herewith in **Annexure-I**.

15. 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 (figures in lakhs):

- a) The foreign exchange earnings - 94.10 (previous year Nil).
- b) The foreign exchange expenditure -Rs.27.62/- (previous year Rs.17.56/-lakhs)

16. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

17. DIRECTOR & KEY MANAGERIAL PERSONNEL (KMP):

(a) Non-Executive & Non-Independent Director:

There was no change in the composition of Non-Executive & Non-Independent Director during the year under review, the composition of the Non-Executive & Non-Independent Director comprising as follows:

Sr. No.	Name of the Director	DIN	Designation
1.	Vineet Suchanti	00004031	Non-Executive Director
2.	Uday S. Patil	00003978	Non-Executive Director

(b) Key Managerial Personnel (KMP):

Appointment of Mr. Sujeet Krishna More as Company Secretary and Key Managerial Personnel (KMP) of the Company:

Pursuant to the Rule 8(A) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Chapter 13) and pursuant to the provisions of sub-section (3) of Section 203 and other applicable provisions, if any, of the Companies Act, 2013, pursuant to the recommendations of the Nomination and Remuneration Committee, your Company has appointed Mr. Sujeet Krishna More having (ICSI Membership No. A49744) as Company Secretary and Key Managerial Personnel (KMP) of the Company with effect from 14th March, 2019.

After taking into account the aforesaid changes during the year in the composition of KMP. The composition of the Key Managerial Personnel is as follows:

Sr. No.	Name of the Key Managerial Personnel	DIN/MEMBERSHIP NO.	Designation
1.	Rakesh Choudhari**	00009093	Managing Director
2.	Devin Joshi	--	CFO
3.	Sujeet Krishna More	A49744	Company Secretary

****Note:** Pursuant to the recommendation of the Nomination and Remuneration Committee and approval the Board of Directors at their meeting held on 21st January 2019, Mr. Rakesh Choudhari have been reappointed as the Managing Director and Key Managerial Personnel of the Company along with remuneration for further period of three (03) years with effect from 1st February 2019 to 31st January, 2022, subject to the approval of shareholders/members is being sought in the ensuing Annual General Meeting.

(c) Non-Executive Independent Director:

(i) Appointment of Independent Director:

Pursuant to the recommendation of the Nomination and Remuneration Committee and approval the Board of Directors at their meeting held on 27th July 2018, your company had appointed Mr. Manish Chandrakant Desai (DIN:02925757) as an additional Non-Designated Independent Director of the Company.

Your Company has also obtained prior approvals by Bombay Stock Exchange (BSE) (vide Ref No. MO/NDD/ 07182018172539, dated 18th July, 2018), National Stock Exchange (NSE) (vide Ref No. NSE/WRO-MEM/2018/1796, dated 19th July, 2018), Metropolitan Stock Exchange of India Ltd. (MSEI) (vide Ref No. MSE/MEM/386/2018/1847, dated 17th July, 2018) with regard to the appointment of Mr. Manish Chandrakant Desai (DIN:02925757) as an additional Non-Designated Independent Director of the Company and also duly ratified the said appointment by the members/shareholders of the company at their Extra Ordinary General Meeting held on 27th August 2018 and duly reappointed Mr. Manish Chandrakant Desai (DIN:02925757) as an Independent Director of the Company not liable to retire by rotation.

(ii) Resignation/Cessation of Independent Director:

Your Directors at their meeting held on 27th July 2018, accepted the resignation as placed by Mr. Hitesh Shah (DIN: 00061296) as Non-Designated Independent Director of the Company considering his unwillingness to be associated due to his other professional engagements. Your Directors placed their sincere appreciation for the services rendered by him towards the company.

After taking into account the aforesaid changes in the composition of the Independent Directors of the Board, the composition of the Non-Executive Independent Director comprising as follows:

Sr. No.	Name of the Director	DIN	Designation
1.	Manish Chandrakant Desai	02925757	Independent Director
2.	Kamlesh Kharade**	03589665	Independent Director

An independent director shall hold office for a term up to two consecutive years or five years on the Board of a Company but shall be eligible for reappointment for one consecutive term of five years for next year, subject to shareholders approval.

All the Independent Directors have confirmed and declared that they have met the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

****Note:** The reappointment of Mr. Kamlesh Kharade as an Independent Director is due for renewal for a further period of 5 years with effect from 1st October 2019, the said reappointment shall be subject to the recommendation of the Nomination and Remuneration Committee, approval of the Board of Directors and shareholders/members of the company by way of special resolution.

Upon receiving approval of the Board of Directors and shareholders/members of the company by way of special resolution, your Directors shall comply the necessary provisions of the Companies Act, 2013 with regard to the said reappointment of Mr. Kamlesh Kharade as an Independent Director of the Company.

18. DIRECTOR LIABLE TO RETIRE BY ROTATION:

In accordance with the provision of Section 152(6)(a) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Vineet Suchanti (DIN: 00004031) being a Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers, himself for reappointment. Your Board recommends his re-appointment.

19. AUDIT COMMITTEE, NOMINATION AND REMUNERATION COMMITTEE AND MANAGEMENT COMMITTEE:

(a) Audit Committee:

As per the provisions of Section 177 of the Companies Act, 2013, the Board has constituted a well-qualified Audit Committee with majority of them are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

There were four (04) Audit Committee meetings held during the financial year under review, i.e. on 23rd May 2018, 27th July 2018, 12th November 2018 and 10th January 2019 respectively.

The Composition of members of the Audit Committee comprising as per the following:

Sr. No.	Name of the Director	Designation in the Committee
1.	Rakesh Choudhari	Chairman & Member
2.	Vineet Suchanti	Member
3.	Manish Desai	Member
4.	Kamlesh Kharade	Member

(b) Nomination and Remuneration Committee:

As per the provisions of Section 178 of the Companies Act, 2013, the Board has constituted a well-qualified Nomination and Remuneration Committee with majority of them is Independent Directors including Chairman.

There were three (03) Nomination and Remuneration Committee meetings held during the financial year under review, i.e. on 27th July 2018, 21st January 2019 and 13th March 2019 respectively.
2017-18.

The Composition of Nomination and Remuneration Committee comprises the following:

Sr. No.	Name of the Director	Designation in the Committee
1.	Rakesh Choudhari	Chairman & Member
2.	Vineet Suchanti	Member
3.	Kamlesh Kharade	Member

Terms of Reference of the Nomination & Remuneration Committee. The Committee is empowered –

- (i) Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors.
- (ii) Identification and assessing potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel.
- (iii) Support Board in evaluation of performance of all the Directors & in annual self-assessment of the Board's overall performance.
- (iv) Conduct Annual performance review of MD and CEO/CFO and Senior Management Employees;
- (v) Formulate a policy relating to remuneration for the Directors, Committee and also the Senior Management Employees.

(c) Management Committee:

As per the provisions of Section 179 of the Companies Act, 2013, the Management Committee is formed to authorize the committee to approve intercorporate loans, investments or guarantee or security made by the company and borrowing facilities availed by the company from time to time by the Banks, Financial Institution and other entities and execution of documents for these facilities.

There were three (03) Management Committee meetings held during the financial year under review, i.e. on 23rd April 2018, 27th July 2018 and 13th March 2019 respectively.

The Composition of Management Committee comprises the following:

Sr. No.	Name of the Director	Designation in the Committee
1.	Rakesh Choudhari	Chairman & Member
2.	Vineet Suchanti	Member
3.	Devin Joshi	Member

19. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE FINANCIAL YEAR:

Your Board of Directors has duly met nine (09) times during the financial year under review, i.e. on 4th April 2018, 23rd May 2018, 5th June 2018, 27th July 2018, 29th August 2018, 12th November 2018, 21st January 2019, 8th February 2019 and 13th March 2019 respectively 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.

20. ADMISSION OF THE COMPANY'S SECURITIES (EQUITY SHARES) IN THE DEPOSITORY SYSTEM OF CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED:

Pursuant to the notification published by Ministry of Corporate Affairs (MCA) on September 10, 2018 regarding (Prospectus and Allotment of Securities) Third Amendment Rules, 2018 came into force with effect from 2nd October, 2018 regarding dematerialization of securities by Unlisted Public Companies.

Your Directors at their meeting held on 12th November 2018 has appointed M/s. Bigshare Services Pvt. Ltd as Registrar & Transfer Agent (RTA) for admitting the Securities of the Company in the Depository system of Central Depository Services (India) Limited to dematerialize the physical securities (Equity shares) of the Company.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The Particulars of Loans, Investment, Guarantees or Security made by the company under Section 186 of Companies Act, 2013 during the year have been disclosed in the notes to accounts to the financial statements & enclosed herewith in Form MBP-2 with Annexure-III.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

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. The detail regarding particulars of contracts or arrangements referred to in sub-section (1) of Sections 188 have been disclosed in note no. 31(b) in notes to accounts of financial statements under Accounting Standard -18.

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 is enclosed herewith in Form AOC-2 with Annexure-IV.

23. MAINTANANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013, IF ANY:

As such, the provision for maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the company.

24. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

As such, the provision for establishing "Vigil Mechanism/Whistleblower Policy" is not applicable to the Company.

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

During the year under review, there were no complaints reported to the Board relating to the Prevention of Sexual Harassment (POSH) as per Rule 8 of the Companies (Accounts) Rules, 2014 of the Companies Act, 2013 and constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013]".

26. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures,
- b. The directors had 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 financial year and of the profit and loss of the company for that period,
- c. The directors had 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. The directors had prepared the annual accounts on a going concern basis,
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

27. ACKNOWLEDGMENT:

We take this opportunity to express our deep sense of gratitude to 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), M/s. R.K. Khandelwal & Co. Statutory Auditors, our Clients, Bankers and other Government Agencies for their continued support.

**By order of the Board
For Keynote Capitals Limited**



**Uday Patil
Director
(DIN: 00003978)**



**Rakesh Choudhary
Managing Director
(DIN: 00009093)**

**Place: Mumbai
Date: 08.05.2019**



ANNEXURE - I TO THE DIRECTORS' REPORT

Form No. MGT-9

Extract of Annual Return

As on the financial year ended on 31st March 2019

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

I. REGISTRATION AND OTHER DETAILS:

1.	Corporate Identity Number (CIN)	:	U67120MH1995PLC088172
2.	Registration Date	:	08-05-1995
3.	Name of the Company	:	KEYNOTE CAPITALS LIMITED
4.	Category/Sub-Category of the Company	:	Indian Non-Government Company
5.	Address of the Registered Office and contact details	:	The Ruby, 9 th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400 028
6.	Whether listed Company (Yes/No)	:	Unlisted
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	N.A.

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 the total turnover of the Company
1.	Financial Intermediation (Financial Market, Stock Broking and related activities, securities brokerage etc.)	6612	61.27

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 Financial Services Limited (Formerly Keynote Corporate Services Limited) The Ruby, 9 th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028	(CIN: L67120MH1993PLC072407)	Holding Company	100	2(46)
2.	Keynote Commodities Limited The Ruby, 9 th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028	(CIN: U72900MH2000PLC127047)	Wholly Owned Subsidiary Company	100	2(87)(i)(ii)
3.	Keynote Fincorp Limited The Ruby, 9 th Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028	(CIN: U67120MH1995PLC084814)	Associate Company	42.86	2(6)

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

I. CATEGORY-WISE SHARE HOLDING

[illegible]

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2.. Non-Institutions									
a).. Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i).. Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b).. Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i). Individual shareholders holding nominal share capital upto Rs.1 lakh.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
ii). Individual shareholders holding nominal share capital in excess of Rs.1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c).. Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding (B)=(B)(1)+(B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	112,666,67	112,666,67	100	Nil	112,666,67	112,666,67	100	Nil

II). SHAREHOLDING OF PROMOTERS:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total Shares of the Company	% of Shares Pledge d/encumbered to total shares	No. of shares	% of total Shares of the Company	% of Shares Pledged /encumbered to total shares	
1.	Keynote Financial Services Limited (Formerly Key note Corporate Services Limited)	112,666,67	100	Nil	112,666,67	100	Nil	Nil

III) CHANGE IN PROMOTERS' SHAREHOLDING: (There is no change during the year).

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.	-	-	-	-
		-	-	-	-
	At the end of the year	-	-	-	-

IV). SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):
(NOT APPLICABLE)

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
	For Each of the Top 10 Shareholders				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-

V.) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: NIL

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.	-	-	-	-
	At the End of the year	-	-	-	-

VI). DETAILS OF INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment:
(Figures in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01-04-2018				
i). Principal Amount	8,70,678	-		8,70,678
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	8,70,678			8,70,678
Change in Indebtedness during the financial year				
• Addition	83,95,000	-	-	83,95,000
• Reduction	21,24,524	-	-	21,24,524
Net Change	62,70,476	-	-	62,70,476
Indebtedness at the end of the financial year - 31-03-2019	71,41,154	-	-	71,41,154
i). Principal Amount	71,41,154	-	-	71,41,154
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	71,41,154			71,41,154

VII). REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

(a) Remuneration to Managing Director, Whole-Time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (Rs. In lakhs)
1.	Rakesh Choudhari	Managing Director	
1.	Gross Salary		
	(a). Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	35,08,691	35.08
	(b). Value of perquisites u/s17(2) Income-tax Act, 1961		
	(c). Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission	Nil	Nil
	- As % of Profit	Nil	Nil
	- Others specify	Nil	Nil
5.	Others, please specify (Bonus)	303,345	3.03
	Ceiling as per the Act	As per Section 197(1)(i) 5% of the net profit computed as per Section 198 & Schedule V of the Companies Act, 2013	
	Total	38,12,036	38.12

B. Remuneration of other Directors:

I. Independent Directors: NIL

Particulars of Remuneration	Name of Directors		Amount (Rs. In lakhs)
Fees for attending board committee meetings	Nil	Nil	Nil
Commission	Nil	Nil	Nil
Others	Nil	Nil	Nil
Total (1)	Nil	Nil	Nil

II. Other Non-Executive Directors: NIL

Other Non-Executive Directors	Amount (Rs. In lakhs)
Fees for attending board committee meetings	Nil
Commission	Nil
Others	Nil
Total (2)	Nil
Total B = (1+2)	Nil
Ceiling as per the Act	Nil

C. Remuneration to Key Managerial Personnel (KMP) other than MD/Manager/WTD:

Sr. No.	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL			
1.	Gross Salary	CEO	Company Secretary (Sujeet More)	CFO (Devin Joshi)	Total Amount (Rs. In lakhs)
	(a). Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	NA	Nil	11,71,442	11.71
	(b). Value of perquisites u/s17(2) Income-tax Act, 1961	NA	Nil	Nil	Nil
	(c). Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	Nil	Nil	Nil
2.	Stock Option	NA	Nil	Nil	Nil
3.	Sweat Equity	NA	Nil	Nil	Nil
4.	Commission - As % of Profit - Others specify	NA	Nil	Nil	Nil
5.	Others, please specify (Bonus)	NA	Nil	95,498	0.95
	Total	NA	Nil	12,66,940	12.66

VIII). PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

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 Keynote Capitals Limited



Uday Patil
Director
(DIN: 00003978)



Rakesh Choudhari
Managing Director
(DIN: 00009093)

Place: Mumbai

Date: 08.05.2019



ANNEXURE - II TO THE DIRECTORS' REPORT

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Name of the Subsidiary	Keynote Commodities Limited (CIN: U72900MH2000PLC127047)
The date since when subsidiary was acquired	18 th August, 2008
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2018 to 31/03/2019
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign	Not Applicable
Subsidiaries.	
Share Capital	35,00,000
Reserves & surplus	257,53,499
Total assets	13,02,37,221
Total Liabilities	13,02,37,221
Investments	5,05,92,035
Turnover	25,73,321
Profit before taxation	2,46,992
Provision for taxation	2,22,575
Profit after Taxation	24,417
Proposed Dividend	---
% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: None
- Names of subsidiaries which have been liquidated or sold during the year: None

For Keynote Capitals Limited



Uday Patil
Director
(DIN: 00003978)



Rakesh Choudhari
Managing Director
(DIN: 00009093)

Place: Mumbai
Date: 08.05.2019

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Venture	Keynote Fincorp Limited (Associate Concern) (CIN: U67120MH1995PLC084814)
Latest Audited Balance Sheet Date	31 st . March 2019
Shares of Associate / Joint Ventures held by the Company on the year end	15,00,000 Equity shares of Rs.10/- each.
Amount of Investment in Associates / Joint Venture	Rs.3,00,00,000/-
Extent of Holding in %	42.85%
Description of how there is significant influence	Common Directors & Shareholders
Reason why the associate / Joint venture is not consolidated	Not Applicable
Networth attributable to Shareholding as per latest audited Balance Sheet	Rs.4,40,29,171.15/-
6. Profit / Loss for the year	
i. Considered in Consolidation	NA
i. Not Considered in Consolidation	Rs.85,74,664/-
Names of associates or joint ventures which are yet to commence operations.	NA
Names of associates or joint ventures which have been liquidated or sold during the year.	NA

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For Keynote Capitals Limited



Uday Patil
Director
(DIN: 00003978)



Rakesh Choudhari
Managing Director
(DIN: 00009093)

Place: Mumbai
Date: 08.05.2019



ANNEXURE - IV TO THE DIRECTORS' REPORT

Form No. AOC-2

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

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

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

Name of the Related Party & Nature of Relationship	---	---	---	---	---	---
Nature of Relationship	---	---	---	---	---	---
Nature of contracts/arrangements/transactions	---	---	---	---	---	---
Duration of the contracts / arrangements/transactions	---	---	---	---	---	---
Salient terms of the contracts or arrangements or transactions including the value, if any	---	---	---	---	---	---
Justification for entering into such contracts or arrangements or transactions	---	---	---	---	---	---
Date(s) of approval by the Board	---	---	---	---	---	---
Amount paid as advances, if any	---	---	---	---	---	---
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 arrangement or transactions at arm's length basis:

Name of the Related Party	Rakesh Choudhari
Nature of Relationship	Managing Director
Nature of contracts/arrangements/transactions	Rendering of Services
Duration of the contracts / arrangements/transactions	As per the mutual agreed terms with the Board
Salient terms of the contracts or arrangements or transactions including the value, if any	Brokerage (Rs.3000)
Date(s) of approval by the Board, if any,	N.A.
Amount paid as advances, if any	N.A.

For Keynote Capitals Limited



Uday Patil
Director
(DIN: 00003978)



Rakesh Choudhari
Managing Director
(DIN: 00009093)

Place: Mumbai
Date: 08.05.2019





INDEPENDENT AUDITOR'S REPORT

To the Members of
KEYNOTE CAPITALS LIMITED

Report on the Financial Statements

Opinion

We have audited the financial statements of **KEYNOTE CAPITALS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019 and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibility of Management for the Financial Statements

The Company's Board of Directors are 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 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



2. As required by Section 143(3) of the Act, we report that:
- 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.
 - 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.
 - 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.
 - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
 - 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".
 - 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:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 25 of Notes to Accounts of the Financial Statements.
 - The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2019.

Place: Mumbai
Date : 08th May, 2019



For R. K. KHANDELWAL & CO.
Chartered Accountants,
Firm Registration No. 105054W


(R. K. KHANDELWAL)
Partner
Membership No. 030054

“Annexure A” to the Independent Auditor’s Report

The Annexure referred to in Independent Auditor’s Report to the members of the Company on the financial statements for the year ended 31st March, 2019, we report that:

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

b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company is having stock of shares and securities which have been physically verified by the management at reasonable intervals during the year and there were no material discrepancies noticed on such verifications.
- iii. The Company has granted unsecured loan to bodies corporate of Rs. 15,28,259/- covered in the register maintained under section 189 of the Companies Act, 2013.
 - a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies 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 bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have 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 the bodies 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 Companies Act, 2013 with respect to loans and investments made.



- v. The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013 and the rules made thereunder.
- vi. As informed to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.
- vii. a) According to the information and explanations given to us and based on the records of the Company examined by us, the Company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, GST, Cess and other material statutory dues, as applicable, with the appropriate authorities. However, interest liability of Rs. 22,397/- for Goods and Service Tax (GST) remained to be paid by the Company and provision for the same has been made.

b) According to the information and explanations given to us and based on the records of the Company examined by us there are no material dues of Provident Fund, Employees' State Insurance, Income Tax, GST, Cess which have not been deposited with the appropriate authority on account of any dispute.
- viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or Government.
- ix. According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material 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.



- 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 financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Mumbai
Date: 08th May, 2019



For R. K. KHANDELWAL & CO.
Chartered Accountants,
Firm Registration No. 105054W


(R. K. KHANDELWAL)
Partner
Membership No. 030054

“Annexure B” to the Independent Auditor’s 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 CAPITALS LIMITED ('the Company') as of 31st March, 2019 in conjunction with our audit of the 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipt and expenditure 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 31st March, 2019, 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.

Place: Mumbai
Date: 08th May, 2019



For R. K. KHANDELWAL & CO.
Chartered Accountants,
Firm Registration No. 105054W


(R. K. KHANDELWAL)
Partner
Membership No. 030054

KEYNOTE CAPITALS LIMITED
Balance Sheet as at 31st. March 2019

(Amount in Rs.)			
	Note	As at 31st March 2019	As at 31st March 2018
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	1	112,666,670	112,666,670
(b) Reserves and Surplus	2	255,207,177	253,652,966
Non-Current Liabilities			
(a) Long-Term Borrowings	3	4,797,420	687,964
(b) Deferred Tax Liabilities (Net)	4	8,928,903	8,012,323
(c) Long Term Provisions	5	2,027,674	2,034,807
Current Liabilities			
(a) Short Term Borrowings	6	19,382,074	87,868,471
(b) Trade Payables	7	4,427,216	10,927,570
(c) Other Current Liabilities	8	54,151,139	14,442,123
(d) Short-Term Provisions	9	1,017,660	1,843,983
TOTAL		462,605,932	492,136,876
ASSETS			
Non-Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		94,532,004	89,153,074
(ii) Intangible Assets		-	-
(b) Non-Current Investments	11	115,633,665	104,493,299
(c) Long-Term Loans and Advances	12	62,463,000	62,473,000
Current Assets			
(a) Current Investments	13	854,803	134,113
(b) Inventories	14	400,000	16,756,284
(c) Trade Receivables	15	32,087,295	52,489,552
(d) Cash and Bank Balances	16	152,751,028	164,434,085
(e) Short-Term Loans and Advances	17	3,884,137	2,203,468
TOTAL		462,605,932	492,136,876

Notes on Financial Statements 1-34
AS PER OUR REPORT OF EVEN DATE ATTACHED

For **R.K.KHANDELWAL & CO.**
Chartered Accountants,
Firm Registration No. 105054W

For **KEYNOTE CAPITALS LIMITED**

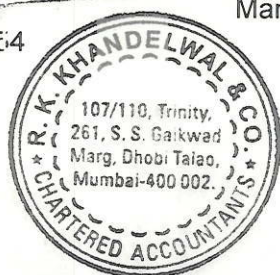
(R.K.KHANDELWAL)
Partner
Membership No. 030054

RAKESH CHOUDHARI
Managing Director

UDAY PATIL
Director

DEVIN JOSHI
Chief Financial Officer

Place : Mumbai
Date : 8th. May 2019



KEYNOTE CAPITALS LIMITED
Statement of Profit and Loss for the period ended 31 March 2019

(Amount in Rs.)

	Note	Year ended 31st March 2019	Year ended 31st March 2018
INCOME			
Revenue from Operations	18	27,314,995	43,709,730
Other Income	19	17,365,061	28,871,424
Total Revenue		44,680,056	72,581,154
EXPENSES			
Employee Benefit Expenses	20	18,289,065	20,994,858
Finance Cost	21	3,572,291	14,562,811
Depreciation and Amortization Expenses	22	3,774,366	3,272,126
Other Expenses	23	16,573,543	20,417,849
Total Expenses		42,209,265	59,247,645
Profit Before Tax		2,470,792	13,333,510
Tax expense:			
Current tax		360,370	2,683,900
Short / (Excess) provision of Taxation for Earlier		-	(3,192,492)
MAT Credit		(360,370)	-
Deferred tax		916,580	439,680
Profit for the year		1,554,211	13,402,422
Earnings per Equity Share of Face value of Rs.10 each			
Basic and Diluted		0.14	1.19


Notes on Financial Statements 1-34

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **R.K.KHANDELWAL & CO.**
Chartered Accountants,
Firm Registration No. 105054W

For **KEYNOTE CAPITALS LIMITED**

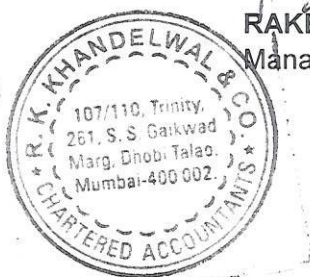

(R.K.KHANDELWAL)
Partner
Membership No. 030054


RAKESH CHOUDHARI
Managing Director


UDAY PATIL
Director


DEVIN JOSHI
Chief Financial Officer

Place : Mumbai
Date : 8th. May 2019



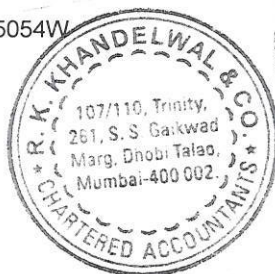
KEYNOTE CAPITALS LIMITED
Cash Flow Statement For The Year Ended 31st March, 2019


	(Amount in Rs.)	
	Year ended 31st. March, 2019	Year ended 31st. March, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax as per Statement of Profit & Loss	2,470,792	13,333,510
Adjustments For :		
Depreciation / Amortization	3,774,366	3,272,126
Loss on Sale of Assets	34,743	-
(Profit) / Loss on Sale of Investments	1,965,134	(5,808,565)
Finance Cost	3,572,291	14,562,811
Dividend Income	(1,683,839)	(1,065,413)
Interest Income	(13,219,849)	(21,124,140)
Operating profit before working capital changes	(3,086,363)	3,170,329
Adjustment For :		
(Increase) / Decrease in Trade Receivables	20,402,257	414,841,786
(Increase) / Decrease in Inventories	16,356,284	(16,756,284)
Increase / (Decrease) in Short Term Borrowing	(68,486,397)	26,624,939
(Increase) / Decrease in Long Term Loans & advances	10,000	3,187,600
(Increase) / Decrease in Short Term Loans & advances	(1,680,669)	8,200,695
Increase / (Decrease) in Long Term Provisions	(7,133)	-
Increase / (Decrease) in Short Term Provisions	(826,323)	1,641,637
Increase / (Decrease) in Other Current Liabilities	39,709,015	(560,371)
Increase / (Decrease) in Trade Payables.	(6,500,354)	(458,089,473)
NET CASH FROM OPERATING ACTIVITIES	(4,109,683)	(17,739,142)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(9,585,370)	(211,389)
Sale of Fixed Assets (Motor Car & Computer)	397,331	-
Sale / (Purchase) of Investments	(11,140,366)	(17,634,936)
Investments	(720,689)	1,078,383
Profit on Sale of Investment	(1,965,134)	5,808,565
Interest Income	13,219,849	21,124,140
Dividend Income	1,683,839	1,065,413
NET CASH FROM INVESTING ACTIVITIES	(8,110,540)	11,230,176
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	(3,572,291)	(14,562,811)
Increase / (Decrease) in Long -Term Borrowing	4,109,456	(182,714)
Increase / (Decrease) in Short -Term Borrowing	-	-
NET CASH FROM FINANCING ACTIVITIES	537,165	(14,745,525)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(11,683,059)	(21,254,491)
Cash and Cash Equivalents at the beginning of the year (Refer Note 16)	164,434,086	185,688,577
Cash and Cash Equivalents at the end of the year (Refer Note 16)	152,751,028	164,434,086

"As per our report of even date attached"

For **R.K.KHANDELWAL & CO.**
Chartered Accountants,
Firm Registration No. 105054W


(R.K.KHANDELWAL)
Partner
Membership No. 030054




RAKESH CHOUDHARI
Managing Director

For **KEYNOTE CAPITALS LIMITED**


UDAY PATIL
Director


DEVIN JOSHI
Chief Financial Officer

Place : Mumbai
Date: 8th. May 2019

NOTE 1. SHARE CAPITAL

	As at 31st. March 2019	As at 31st. March 2018
Authorized Share Capital		
1,50,00,000 (31st March 2018: 1,50,00,000) Equity Shares of Rs.10/- each	150,000,000	150,000,000
Total	150,000,000	150,000,000
Issued, Subscribed and Fully Paid Up Shares		
1,12,66,667 (31st March 2018: 1,12,66,667) Equity Shares of Rs.10/- each	112,666,670	112,666,670
Total	112,666,670	112,666,670

1.1) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

	As at 31st March 2019		As at 31st. March 2018	
	No of Shares	Amount	No of Shares	Amount
Shares outstanding at the beginning of the year	11,266,667	112,666,670	11,266,667	112,666,670
Add: Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	11,266,667	112,666,670	11,266,667	112,666,670

1.2) Details of shareholders holding more than 5% shares in the company

	As at 31st March 2019		As at 31st. March 2018	
	No of Shares	% Holding	No of Shares	% Holding
Keynote Financial Services Ltd.	11,266,667	100	11,266,667	100
(Formerly Keynote Corporate Services Ltd.)	11,266,667	100	11,266,667	100

NOTE 2. RESERVES AND SURPLUS

	As at 31st March 2019	As at 31st. March 2018
Securities Premium Account		
As per last Balance Sheet	62,833,340	62,833,340
Add : Issue of Shares	-	-
	62,833,340	62,833,340
Profit and Loss Account		
As per last Balance Sheet	190,819,626	177,417,205
Add: Profit for the year	1,554,211	13,402,421
	192,373,837	190,819,626
Total	255,207,177	253,652,966

NOTE 3. LONG TERM BORROWINGS

	As at 31st March 2019	As at 31st. March 2018
Secured		
Car Loan from Daimler Financial Services Pvt. Ltd. (Secured By Hypothecation of Mercedes Benz)	-	687,964
Car Loan from HDFC Bank Ltd. (Secured By Hypothecation of Mercedes Benz)	3,738,789	
Car Loan from Yes Bank Ltd. (Secured By Hypothecation of Skoda Laura)	1,058,630	
Total	4,797,420	687,964

NOTE 4. DEFERRED TAX LIABILITY (Net)

	As at 31st. March 2019	As at 31st. March 2018
Deferred tax Liability as on 1st April, 2018	8,012,323	7,572,642
Difference between book and Tax Depreciation	1,062,167	1,017,878
Total deferred Tax liability	9,074,490	8,590,520
Expenses Disallowed as per section 43B of Income Tax Act. 1961	145,587	578,197
Provision for Mark to Market Loss for F & O.	-	-
Total deferred Tax Assets	145,587	578,197
Net Deferred Tax Liability	8,928,903	8,012,323



NOTE 5. LONG TERM PROVISIONS

	As at 31st. March 2019	As at 31st. March 2018
Provision for Gratuity (Non Current)	1,828,542	1,913,731
Provision for Leave Encashment (Non Current)	199,132	121,076
	<u>2,027,674</u>	<u>2,034,807</u>

NOTE 6. SHORT TERM BORROWINGS

	As at 31st. March 2019	As at 31st. March 2018
Secured		
Axis Bank O/D Against FD Account	11,622,135	53,140,751
L K P Finance Limited	-	22,782,254
Car Loan from Volkswagen Finance Pvt. Ltd. (Secured By Hypothecation of Car - Vento TDI)	-	182,714
Car Loan from HDFC Bank Ltd. (Secured By Hypothecation of Mercedes)	1,334,188	
Car Loan from Yes Bank Ltd. (Secured By Hypothecation of Skoda Laura)	827,716	
Car Loan from Daimler Financial Services Pvt. Ltd. (Secured By Hypothecation of Mercedes Benz)	181,832	-
Loan From Related Parties		
Subsidiary / Associate Company	5,416,203	11,762,752
	<u>19,382,074</u>	<u>87,868,471</u>

NOTE 7. TRADE PAYABLES

	As at 31st. March 2019	As at 31st. March 2018
Trade Payables	4,427,215	10,927,570
Total	<u>4,427,215</u>	<u>10,927,570</u>

NOTE 8. OTHER CURRENT LIABILITIES

	As at 31st. March 2019	As at 31st. March 2018
Deposit / Advance From Clients/ Parties*	7,020,952	6,154,418
Income Received in Advance	-	793,973
Interest Payable	22,420	22,420
Employee Benefits Payable	107,793	107,429
Statutory Dues Payable	560,082	2,199,561
Office Deposit	44,000,000	-
Other Payables	2,199,704	4,661,772
Outstanding Expenses Payable	240,188	502,550
Total	<u>54,151,139</u>	<u>14,442,123</u>

*All the above Deposits/Advances are payable as and when demanded by the party.

NOTE 9. SHORT TERM PROVISIONS

	As at 31st. March 2019	As at 31st. March 2018
Provision for employee benefits		
Provision for Bonus	100,000	800,000
Provision for Gratuity (Current)	876,814	876,395
Income Tax (Net of Provision)	-	142,053
Provision for Leave Encashment (Current)	40,846	25,535
Total	<u>1,017,660</u>	<u>1,843,983</u>



KEYNOTE CAPITALS LIMITED

Notes on Financial Statements for the Year ended 31st March, 2019

(Amount in Rs.)

NOTE 10. FIXED ASSETS

Description	Gross Block			Depreciation/Amortisation			Net Block		
	As at 1st April, 2018	Additions	Deductions/A adjustments	As at 31st March 2019	As at 1st April, 2018	For the year	Upto 31st March 2019	As at 31st March 2019	As at 31st March, 2018
a) TANGIBLE ASSETS									
Furniture and Fixtures	7,820,015	-	-	7,820,015	4,068,326	736,441	4,804,767	3,015,249	3,751,689
Motor Car	12,971,523	9,539,055	2,221,545	20,289,033	8,538,568	1,549,252	8,291,031	11,998,003	4,432,955
Office equipment	1,905,397	2,474	-	1,907,871	1,810,627	1,852	1,812,479	95,392	94,770
Office Premises	88,307,368	-	-	88,307,368	8,339,401	1,398,200	9,737,601	78,569,767	79,967,967
Computers Hardware	14,139,311	43,840.00	146,358	14,036,793	13,233,620	88,621	13,183,200	853,593	905,691
Total	125,143,614	9,585,370	2,367,903	132,361,081	35,990,542	3,774,366	37,829,078	94,532,004	89,153,074
Previous Year	124,932,226	211,388	-	125,143,616	32,718,416	3,272,126	35,990,542	89,153,074	



NOTE 11. NON CURRENT INVESTMENTS (LONG TERM INVESTMENT)

	As at 31st. March 2019	As at 31st. March 2018
Trade (Quoted) (Refer note 11.1)		
Investments in Equity Shares & Mutual Fund	82,133,665	70,993,299
Others (Unquoted) (Refer note 11.2)		
Investments in Equity Shares of Subsidiaries	33,500,000	33,500,000
& Others	115,633,665	104,493,299
Total		
	As at 31st. March 2019	As at 31st. March 2018
11.1 Trade (Quoted) (at cost)		
Investments in Mutual Fund	519,091	519,091
4 (4) Equity Shares of 5 Paisa Cap. Ltd.	40	40
NIL (444) Equity Shares of ABB LTD.of Rs.2/- each Fully Paid	-	534,640
1777 (1777) Equity Shares of Aegis Logistics Ltd.of Rs.1/-each Fully Paid	289,169	289,169
1600 (NIL) Equity Shares of Affordable Robotics Ltd.of Rs.10/-each Fully Paid	136,000	-
303 (NIL) Equity Shares of AIA Engineering Ltd. of Rs.2/-each Fully Paid	485,511	-
178 (178) Equity Shares of Alkem Laboratory Ltd. of Rs.2/-each Fully Paid	274,048	274,048
209 (450) Equity Shares of APL Apollo Tubes Ltd. of Rs.10/-each Fully Paid	192,521	414,547
25000 (NIL) Equity Shares of Ashapura Minechem Ltd. of Rs.1/-each Fully Paid	799,498	-
6309 (NIL) Equity Shares of Ashok Leyland Ltd. of Rs.1/-each Fully Paid	535,378	-
3320 (3320) Equity Shares of Aptech Ltd. of Rs.10/-each Fully Paid	257,300	257,300
NIL (1670) Equity Shares of Arvind Ltd. of Rs.10/-each Fully Paid	-	667,471
288 (331) Equity Shares of AU Small Finance Bank Ltd.of Rs.2/-each Fully Paid	172,665	198,661
542 (NIL) Equity Shares of Auribindo Pharma Ltd. of Rs.1/-each Fully Paid	413,206	-
136 (364) Equity Shares of Bajaj Finance Ltd. of Rs.2/-each Fully Paid (Bonus Shares)	-	-
45 (45) Equity Shares of Bayer Crop Science Ltd. of Rs.10/-each Fully Paid	210,152	210,151
478 (478) Equity Shares of Bharat Forge Ltd.of Rs.2/- each Fully Paid	201,739	201,658
291 (291) Equity Shares of Birla Corporation Ltd.of Rs.10/-each Fully Paid	211,003	211,003
180 (180) Equity Shares of Blue Star Ltd.of Rs.2/-each Fully Paid	117,383	117,383
20 (20) Equity Shares of Bosch Ltd.of Rs.10/-each Fully Paid	354,087	354,087
350 (350) Equity Shares of Canfin Homes Ltd.of Rs.2/- each Fully Paid	115,766	115,766
NIL (NIL) Equity Shares of CESC LTD.of Rs.10/-each Fully Paid	-	513,063
3076 (NIL) Equity Shares of Chambal Fertilisers Ltd. of Rs.10/-each Fully Paid	489,880	-
2325 (2305) Equity Shares of City Union Bank Ltd.of Rs.1/-each Fully Paid	168,897	186,684
12489 (NIL) Equity Shares of Cochin Shipyard Ltd.of Rs.10/-each Fully Paid	5,395,248	-
170 (170) Equity Shares of Colgate Palmolive Ltd.of Rs.1/-each Fully Paid	144,769	144,769
442 (177) Equity Shares of Container Corpn. Ltd.of Rs.10/-each Fully Paid	183,925	183,925



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the period ended 31 March 2019

2075 (2075) Equity Shares of Coromandel International Ltd. of Rs.1/-each Fully Paid	574,194	574,194
285 (285) Equity Shares of Cummins India Ltd. of Rs.2/-each Fully Paid	250,616	250,616
1440 (1560) Equity Shares of DCB Bank Ltd. of Rs.10/-each Fully Paid	182,633	197,673
117 (117) Equity Shares of Dhanuka Agri Tech Ltd. of Rs.2/-each Fully Paid	79,383	79,383
439 (367) Equity Shares of Dishman Pharmaceuticals Ltd. of Rs.2/-each Fully Paid	137,673	111,141
107 (112) Equity Shares of Dr. Lal Path Laboratories Ltd. of Rs.10/-each Fully Paid	117,748	123,570
19 (19) Equity Shares of Eicher Motors Ltd. of Rs.10/-each Fully Paid	361,843	361,843
514 (257) Equity Shares of Emami Ltd. of Rs.1/-each Fully Paid	262,145	262,145
710 (710) Equity Shares of Engineers India Ltd. of Rs.5/-each Fully Paid	53,807	53,807
NIL (965) Equity Shares of Entertainment Network India Ltd. of Rs.10/-each Fully Paid	-	703,297
975 (975) Equity Shares of Escorts Inida Ltd. of Rs.10/-each Fully Paid	617,197	617,197
2225 (2225) Equity Shares of Federal Bank Ltd. of Rs.2/-each Fully Paid	265,332	265,332
1150 (1150) Equity Shares of Gabriel Inida Ltd. of Rs.1/-each Fully Paid	137,333	137,333
34 (33) Equity Shares of Glaxosmithkline Ltd. of Rs.10/-each Fully Paid	197,183	189,924
601 (601) Equity Shares of Godrej Industries Ltd. of Rs.1/-each Fully Paid	305,011	305,011
NIL (2335) Equity Shares of Graphite India Ltd. of Rs.2/-each Fully Paid	-	433,232
2339 (NIL) Equity Shares of Greaves Cotton Ltd. of Rs.2/-each Fully Paid	327,196	-
600 (600) Equity Shares of Gujarat Fluorochemicals Ltd. of Rs.10/-each Fully Paid	430,208	430,208
880 (880) Equity Shares of Hindustan Petroleum Ltd. of Rs.10/-each Fully Paid (Eonus Share)	-	-
103334 (NIL) Equity Shares of HUDCO Ltd. of Rs.10/-each Fully Paid	6,200,040	-
317 (NIL) Equity Shares of I C I C I Bank Ltd. of Rs.2/-each Fully Paid	112,665	-
119 (119) Equity Shares of IIFL Holdings Ltd. of Rs.10/-each Fully Paid	52,788	52,788
386 (386) Equity Shares of Indian Energy Exchange Ltd. of Rs.10/-each Fully Paid	623,781	623,781
10 (NIL) Equity Shares of IDFC Ltd. of Rs.10/-each Fully Paid	576	576
10 (NIL) Equity Shares of IDFC Bank Ltd. of Rs.10/-each Fully Paid	683	683
292 (292) Equity Shares of Ipca Laboratories Ltd. of Rs.2/-each Fully Paid	184,844	184,844
600 (600) Equity Shares of ITD Cementation Ltd. of Rs.1/-each Fully Paid	87,180	87,180
1210 (1210) Equity Shares of J & K Bank Ltd. of Rs.1/-each Fully Paid	81,312	81,312
7892 (NIL) Equity Shares of JSW Energy Ltd. of Rs.10/-each Fully Paid	553,345	-
476 (2813) Equity Shares of Jagran Prakashan Ltd. of Rs.2/-each Fully Paid	395,475	495,734
240 (240) Equity Shares of Kajaria Ceramics Ltd. of Rs.1/-each Fully Paid	167,033	167,033
1404 (1492) Equity Shares of Kaveri Seeds Ltd. of Rs.2/-each Fully Paid	677,581	683,457
1315 (NIL) Equity Shares of KEI Industries Ltd. of Rs.2/-each Fully Paid	450,120	-
739 (799) Equity Shares of Kotak Mahindra Bank Ltd. of Rs.5/-each Fully Paid	559,092	597,625
243(243) Equity Shares of L & T Technologies Ltd. of Rs.10/-each Fully Paid	206,351	206,351
1063 (1063) Equity Shares of Lakshmi Vilas Bank Ltd. of Rs.2/-each Fully Paid	159,263	159,263



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the period ended 31 March 2019

NIL (531) Equity Shares of Linde India Ltd. of Rs.10/- each Fully Paid	-	202,566
154 (159) Equity Shares of Mahanagar Gas Ltd. of Rs.10/- each Fully Paid	101,541	104,838
768 (768) Equity Shares of Max Financial Services Ltd. of Rs.2/- each Fully Paid	267,924	267,924
5663 (NIL) Equity Shares of Nagarjuna Const. Co. Ltd. of Rs.2/- each Fully Paid	525,390	-
NIL (481) Equity Shares of Mphasis Ltd. of Rs.10/- each Fully Paid	-	353,041
102000 (NIL) Equity Shares of Mitcon Consultancy Ltd. of Rs.10/- each Fully Paid	7,031,600	7,031,600
71189 (71189) Equity Shares of O K Play Ltd. of Rs.10/- each Fully Paid	9,999,919	9,999,919
32 (32) Equity Shares of Page Industries Ltd. of Rs.10/- each Fully Paid	347,258	347,258
180000 (342000) Equity Shares of Perfect Infraengineers Ltd. of Rs.10/- each Fully Paid	1,020,300	4,883,700
1000 (1000) Equity Shares of Powermech Projects Ltd. of Rs.10/- each Fully Paid	588,590	588,590
152 (250) Equity Shares of Quess Corp. Ltd. of Rs.10/- each Fully Paid	84,719	139,340
1143 (NIL) Equity Shares of Radico Khaitan Ltd. of Rs.2/- each Fully Paid	453,555	-
813 (NIL) Equity Shares of Ramkrishna Forging Ltd. of Rs.10/- each Fully Paid	419,115	-
325 (NIL) Equity Shares of S H Kelkar Ltd. of Rs.10/- each Fully Paid	64,019	-
250 (NIL) Equity Shares of SRF Ltd. of Rs.10/- each Fully Paid	431,649	-
297600 (235200) Equity Shares of Sarveshwar Foods Ltd. of Rs.10/- each Fully Paid	20,702,320	19,972,800
1099 (1099) Equity Shares of Shakti Pumps Ltd. of Rs.10/- each Fully Paid	528,668	528,667
NIL (263) Equity Shares of Shankara Building Products Ltd. of Rs.10/- each Fully Paid	-	158,381
NIL (713) Equity Shares of Sun TV Network Ltd. of Rs.10/- each Fully Paid	-	544,114
224 (224) Equity Shares of Suprajit Engineers Ltd. of Rs.10/- each Fully Paid	47,453	47,452
914 (NIL) Equity Shares of Syngene International Ltd. of Rs.10/- each Fully Paid	559,928	-
4650 (NIL) Equity Shares of Shree Pushkar Chemicals Ltd. of Rs.10/- each Fully Paid	614,213	614,213
490000 (NIL) Equity Shares of Siddha Real Estates Ltd. of Rs.1/- each Fully Paid	490,000	490,000
158000 (200000) Equity Shares of Steel City Securities Ltd. of Rs.10/- each Fully Paid	9,641,500	9,419,700
4313 (NIL) Equity Shares of Tata Power Ltd. of Rs.1/- each Fully Paid	306,390	-
24 (24) Equity Shares of TTK Prestige Ltd. of Rs.10/- each Fully Paid	118,818	118,817
381 (NIL) Equity Shares of Tech Mahindra Ltd. of Rs.1/- each Fully Paid	261,157	-
NIL (231) Equity Shares of United Spirits Ltd. of Rs.10/- each Fully Paid	-	529,488
1780 (NIL) Equity Shares of Va Tech Wabag Ltd. of Rs.2/- each Fully Paid	647,878	-
82 (NIL) Equity Shares of VIP Industries Ltd. of Rs.2/- each Fully Paid	34,460	-
9 (NIL) Equity Shares of V Mart Ltd. of Rs.10/- each Fully Paid	20,309	-
1372 (1372) Equity Shares of Voltas Ltd. of Rs.1/- each Fully Paid	346,085	346,084
NIL (360) Equity Shares of Zensar Technologies Ltd. of Rs.10/- each Fully Paid	-	338,300
NIL (496) Equity Shares of Zuari Agro Chemicals Ltd. of Rs.10/- each Fully Paid	-	136,518
	82,133,665	70,993,299



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the period ended 31 March 2019

11.2 Others (Unquoted) Investment in Equity Shares of Subsidiaries & Others (at cost)

15,00,000 (15,00,000) Equity Shares of Keynote Fincorp Ltd. of Rs.10/- each.	30,000,000	30,000,000
350,000 (350,000) Equity Shares of Keynote Commodities Ltd. of Rs.10/- each.	3,500,000	3,500,000
	33,500,000	33,500,000

Particulars	31st. Mar. 2019	31st. Mar. 2018
Aggregate amount of Quoted Investments	82,133,665	70,993,299
Market Value of Quoted Investments	66,409,771	88,297,198
Aggregate amount of Unquoted Investments	33,500,000	33,500,000
Aggregate provision for Diminution in Value of Investment	-	-

NOTE 12. LONG TERM LOANS AND ADVANCES

	As at 31st. March 2019	As at 31st. March 2018
Unsecured Considered good		
Deposit for Premises	10,050,000	10,150,000
Deposit with Corporates & Other Bodies	52,413,000	52,323,000
Total	62,463,000	62,473,000

NOTE 13. CURRENT INVESTMENTS

Investments in Liquid Fund	854,803	134,113
	854,803	134,113

NOTE 14. INVENTORIES

	As at 31st. March. 2019		As at 31st. March 2018	
Equity Shares(Quoted)	Quantity	Amount	Quantity	Amount
COCHIN SHIPYARD	-	-	12,489	5,395,248
HUDCO	-	-	103,334	6,200,040
MAS Financial Services Ltd.			11,244	5,160,996
IDBI CE 25 APRIL 2019		400,000	-	-
	-	400,000	127,067	16,756,284

NOTE 15. TRADE RECEIVABLES

	As at 31st. March 2019	As at 31st. March 2018
Over Six Months	28,064,364	35,276,920
Others	4,022,931	17,212,632
Total	32,087,295	52,489,552



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the period ended 31 March 2019

NOTE 16. CASH AND CASH EQUIVALENTS

	As at 31st. March 2019	As at 31st. March 2018
Balances with Banks		
In Current Accounts	12,052,995	38,292,075
In Fixed Deposits*	140,212,029	125,906,813
Cash on Hand	486,004	235,197
Total	152,751,028	164,434,085

* Fixed Deposits with bank include maturity of more than 12 months.

NOTE 17. SHORT TERM LOANS AND ADVANCES

	As at 31st. March 2019	As at 31st. March 2018
Advances		
Advances Recoverable in Cash or Kind	1,515,109	600,549
Income Tax (Net of Provision)	1,524,484	-
Loans to Related Parties		
Associate Concern	-	1,057,617
Prepaid Expenses	323,915	378,672
Advances to Staff	520,630	166,630
Total	3,884,137	2,203,468

NOTE 18. REVENUE FROM OPERATIONS

	As at 31st. March 2019	As at 31st. March 2018
Advisory Income	12,028,792	12,025,987
Brokerage Income	13,216,921	27,997,685
Depository & Late Payment Charges Income	415,523	1,197,776
Profit from Trading in Securities	1,189,514	2,137,122
Profit from Speculation	57,368	135,552
Profit from F&O & Currency Trading	406,877	215,607
Total	27,314,995	43,709,730

NOTE 19. OTHER INCOME

	As at 31st. March 2019	As at 31st. March 2018
Dividend Income	1,683,839	1,065,413
Income from Rent	100,000	-
Interest Income	918,881	2,149,967
Interest on Fixed Deposits	12,300,968	18,507,757
Interest on Income Tax Refund	-	466,416
Miscellaneous Income	1,847,295	540,266
Profit on Sale of Mutual Fund (Debt - Fund)	514,079	333,041
Profit on Sale of Investments	-	5,808,565
Total	17,365,061	28,871,424

NOTE 20. EMPLOYEE BENEFIT EXPENSES

	As at 31st. March 2019	As at 31st. March 2018
Bonus	635,120	2,559,504
Company's Contributions to P F & ESIC	1,357,561	1,351,830
Gratuity	219,973	1,298,815
Leave Encashment	413,403	424,600
Salaries and incentives	15,445,793	14,944,844
Staff welfare expenses	217,215	415,265
Total	18,289,065	20,994,858

NOTE 21. FINANCE COST

	As at 31st. March 2019	As at 31st. March 2018
Bank Charges	18,844	12,250
Interest expense	3,060,469	14,439,888
Other borrowing costs (Interest on Car Loan)	492,977	110,672
Total	3,572,291	14,562,811



NOTE 22 . DEPRECIATION AND AMORTIZATION EXPENSES

	As at 31st. March 2019	As at 31st. March 2018
Depreciation of tangible assets	3,774,366	3,272,126
Total	3,774,366	3,272,126

NOTE 23. OTHER EXPENSES

	As at 31st. March 2019	As at 31st. March 2018
Annual Maintenance Charges	29,950	88,400
Auditor Remuneration	375,000	425,000
Books & Periodicals	13,211	12,582
Business Promotion Expenses	377,429	913,091
Commission and Brokerage Expenses	1,506	-
Computer Expenses	230,340	202,574
Conveyance Expenses	432,815	369,324
Donation	11,000	636,400
Electricity Charges	3,860	208,440
General Expenses	35,481	112,563
Insurance Charges	304,293	258,965
Legal & Professional Charges	3,600,606	8,514,835
Loss on Sale of Asset	34,743	-
Loss on Sale of Investments	1,965,134	-
Membership & Subscription	51,510	653,869
Miscellaneous Expenses	310,666	285,748
Motor Car Expenses	410,102	378,815
Portfolio Management Fees	518,522	195,307
Postage & Telegraph	33,653	72,674
Printing & Stationery	76,520	86,651
Professional Tax	4,000	4,000
Rent, Rates & taxes & License Fees	1,597,352	1,545,118
Repairs & Renewal	28,446	581,999
Security Transaction Tax	323,645	775,480
Stamp Duty & Stamp Expenses	23,240	19,281
Stock Exchange Related Expenses	757,269	800,676
Sundry Balances Written off.	112,282	20,448
Telephone & Communication Expenses	639,822	655,229
Travelling Expenses	4,271,146	2,600,381
Total	16,573,543	20,417,849



NOTE 24. SIGNIFICANT ACCOUNTING POLICIES:

(a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

These financial statements are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on accrual basis. GAAP comprises of 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 & 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:

The preparation of Financial Statements in conformity with GAAP requires management to make estimates and assumptions to be made that affect the reported balances of assets and liabilities and disclosure related to contingent liabilities as at the date of financial statements and the reported amount of revenues and expenses during the reporting period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

(c) REVENUE RECOGNITION:

- i. Brokerage income is recognised on trade date basis and is exclusive of service tax and Securities Transaction Tax (STT) wherever applicable.
- ii. Advisory and transactional processing fees income is accounted for on accrual basis in accordance with the terms of contracts entered into between the company and the counter party.
- iii. Income from investment in Mutual Fund is booked as and when the same is distributed by the Fund. Return of capital contribution is reduced from the original cost of investments.
- iv. Profit/loss on sale of securities is determined based on first in first out basis.

v. 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 statement of Profit and Loss. 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 - 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 statement of Profit and Loss and net unrealized gains are ignored.

vi. In respect of other heads of income, income from depository operations etc., the Company accounts the same on accrual basis.

vii. Dividend Income is recognized when the right to receive the payment is established.

viii. Interest Income is recognized on accrual basis.

ix. Account opening charges are recognized on accrual basis.

(d) STOCK-IN-TRADE

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

(e) FIXED ASSETS AND DEPRECIATION

- i. Fixed assets are stated at cost or at revalued amount, less accumulated depreciation if any. Cost comprises of cost of acquisition, cost of improvements and any attributable cost of bringing the assets to its working condition for intended use.
- ii. Depreciation on tangible fixed assets are provided on straight line method and in the manner specified in Schedule II of the Companies Act, 2013. In accordance with the provisions of Schedule II of the Act.
- iii. Assets costing Rs. 5,000/- or less are fully depreciated in the year of purchase.

(f) FOREIGN CURRENCY TRANSACTION:

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss.

(g) INVESTMENTS :

Investments are classified into long term investments and current investments based on management's intention. Investments that are intended to be held for one year or more are classified as long term investments and investments that are intended to be held for less than one year are classified as current investments. Current investments are carried at lower of cost and fair value of each investment individually and whatever decline in the value of investment is considered as temporary and therefore no provision has been made in the books of accounts.

(h) EMPLOYEE BENEFITS:

- i. Provident Fund is a defined contribution scheme and the contributions as required by the Statute are charged to the statement of Profit and Loss as incurred.
- ii. Gratuity Liability is a defined benefit plan. The amount of Gratuity payable as per the actuarial valuation is deposited with the Group Gratuity Assurance Scheme of Life Insurance Corporation of India. The liability of gratuity is provided in the accounts on the basis of actuarial valuation as at the year end.
- iii. The employees of the company are entitled to compensated absences and leave encashment as per the policy of the Company. The liability of compensated absences and leave encashment is provided in the accounts on the basis of actuarial valuation as at the year end.

(i) BORROWING COSTS:

Borrowing costs that are attributable to the acquisition or construction of qualifying asset are capitalised as part of the cost of such assets. All other borrowing costs are recognized as an expense in the period in which they are incurred.

(j) TAXATION:

Tax Expenses comprise current tax and deferred tax

Current Tax

Current Tax is calculated as per the provisions of the Income tax Act, 1961.

Deferred tax

Deferred tax is recognized on timing differences being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. 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 related to the taxes on income levied by some governing taxation laws. Deferred tax assets, subject to the consideration of prudence are recognized and carried forward only to the extent that there is a reasonable certainty that the sufficient future taxable income will be available against such deferred tax assets can be realized.

The tax effect of deferred tax liability/ Assets is calculated as per the current rate of taxation applicable to the company. However, the opening deferred tax liability / Assets has been calculated as per the rate of the tax which was prevalent in the relevant year.

(k) IMPAIRMENT OF ASSETS :

Assets are reviewed for impairment at each balance sheet date. In case, events and circumstances indicate any impairment, the recoverable amount of these assets is determined. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the statement of profit and loss in the period in which an asset is defined as impaired. 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.

(l) PROVISIONS AND CONTINGENCIES :

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

NOTE 25. CONTINGENT LIABILITIES (to the extent not provided for) :

i)The Company had filed an Arbitration Petition in the High Court, Mumbai against arbitrary order of Appellate bench of National Stock Exchange of India Ltd amounting to Rs.2,35,16,348/- with interest @ 10% per annum from 4.03.2013 till date of payment in the matter of Eco Recycling Ltd v/s Keynote Capitals Ltd and the petition is been allowed by the Honourable Bombay High Court as per order dated 21st. June 2018

NOTE 26.

Sundry Debtors, Creditors and Loans and Advances are subject to confirmation by the parties. No dues payable to micro, small and Medium Enterprises. The Status about these enterprises is based on the available information with the management.

NOTE 27.

In the opinion of the Company, the Current Assets, Loans and Advances are not less than the value stated, if realised in the ordinary course of the business. The provision for depreciation and all known liabilities are adequate and not in excess of amount considered necessary.

NOTE 28. FOREIGN CURRENCY TRANSACTION:

(Rs. in Lakhs)

Particulars	2018-2019	2017-2018
Service Income in Foreign Currency	94.10	NIL
Expenditure in Foreign Currency	27.62	17.56

NOTE 29. AUDITORS REMUNERATION (Excluding GST):

(Rs. in Lakhs)

		Year ended 31 st March, 2019	Year ended 31 st March, 2018
(i)	Statutory Audit Fees	3.75	3.75
(ii)	Tax Audit Fees	-	0.50
	Total	3.75	4.25

NOTE 30. COMPUTATION OF BASIC & DILUTED EARNINGS/(LOSS) PER SHARE:

Particulars	31st March 2019	31st March 2018
Net Profit attributable to equity shareholders (A)	15,54,211	1,34,02,422
Weighted Average Number of equity shares issued (B) (face value of Rs. 10 each)	1,12,66,667	1,12,66,667
Basic Earnings per share (A/B)	0.14	1.19
Weighted Number of equity shares outstanding for Diluted EPS (C)	1,12,66,667	1,12,66,667
Diluted Earnings per share (A/C)	0.14	1.19

KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2019

NOTE 31. SEGMENT INFORMATION

A. BUSINESS SEGMENT – PRIMARY

(Rs. In Lacs)

Particulars	Advisory Services		Broking Related Activities		Trading Profit		Total	
	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018	2018-2019	2017-2018
Segment Revenue								
External Revenue	120.29	120.26	136.32	291.95	16.54	24.88	273.14	437.09
Inter Segment Revenue								
Total Revenue	120.29	120.26	136.32	291.95	16.54	24.88	273.14	437.09
Segment Result before Interest and tax	52.84	72.70	(104.67)	30.45	9.07	21.12	(42.76)	124.27
Add/(Less): Unallocated Income/ (Expenses) (NET)							103.00	154.56
Interest and Finance Charges							(35.53)	(145.50)
Deferred Tax Assets/(Liabilities)							(9.17)	(4.40)
Provision for Income Tax							-	(26.84)
Excess Provision of Tax for Earlier Years							-	31.92
Net Profit							15.54	134.01
Other Information								
Segment Assets			2719.52	2984.68	12.55	168.90	2732.07	3153.58
Unallocated Corporate assets							1893.99	1767.77
Total Assets			2719.52	2984.68	12.55	168.90	4626.06	4921.35
Segment Liabilities			44.27	109.28			44.27	109.28
Unallocated Corporate liabilities							903.04	1148.89
Total Liabilities			44.27	109.28			947.31	1258.17
Depreciation								
Segment depreciation	16.62	8.73	18.83	22.18	2.29	1.81	37.74	32.72
Unallocated depreciation								
Total Depreciation	16.62	8.73	18.83	22.18	2.29	1.81	37.74	32.72

B. OTHER DISCLOSURES

1. Segments have been identified in line with the Accounting Standard (AS) 17 on Segment Reporting taking into Account the Organisation Structure as well as the differential risks and returns of these Segments.

2. The Company has disclosed Business Segment as the Primary Segment.

3. Types of Products and Services in each Business Segment:

<u>Business Segment</u>	<u>Types of Products and Services</u>
Primary Segment	1. Advisory Services 2. Broking Related Activities 3. Trading in Securities

4. The Segment Revenues, Results, Assets and Liabilities include the respective amounts identifiable to each of the Segment and amounts allocated on a reasonable basis.

5. Secondary Segment information – Geographical Segment: The Operations of the Company are, at present, only in India within a single Geographical Segment.

NOTE 32. RELATED PARTY DISCLOSURE:

Related Party Disclosure as per “Accounting Standard -18” issued by Institute of Chartered Accountants of India.

a) Disclosure of Related Parties and relationship between the parties:

i) **Holding Company:**

Keynote Financial Services Ltd. (Formerly Keynote Corporate Services Ltd.)

ii) **Subsidiary Companies:**

Keynote Commodities Limited

iii) **Key Management Personnel:**

Mr. Rakesh Choudhari - Managing Director

Mr. Devin Joshi - Chief Financial Officer

iv) **Relatives of Key Management Personnel:**

Nirmal Suchanti

Vivek Suchanti

v) **Other related parties:**

(Associates of the Company / Enterprises over which key management personnel and / or their relatives exercise significant influence)

Rakesh Choudhari (HUF)

Keynote Fincorp Ltd.

KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2019

b) Description of the nature of transactions with the Related Parties during the year 2018-2019:

(Rs. in Lacs)

Particulars	Holding Company	Subsidiary Company	Key Management Personnel	Related to Key Management Personnel	Other Related Parties
Brokerage					
Keynote Fincorp Ltd.	-	-	-	-	-
Keynote Commodities Ltd.	-	-	-	-	-
Rakesh Choudhari (HUF)					-
Vineet Suchanti			-		
B Madhuprasad			-		
Rakesh Choudhari	-	-	0.03	-	-
Director Remuneration (Rakesh Choudhari) (Remuneration)	-	-	38.12	-	-
Chief Financial Officer (Devin Joshi) (Remuneration)	-	-	12.67	-	-
Loan Given					
Keynote Fincorp Ltd.					15.28
Loan / Deposit Taken					
Keynote Commodities Ltd.		1323.00			
Keynote Fincorp Ltd.					87.40
Outstanding Balances (Loans & Advances)	-	-	-	-	-
Keynote Corporate Services Ltd.	-	-	-	-	-
Keynote Fincorp Ltd.	-	-	-	-	(72.24)
Keynote Commodities Ltd.	-	(421.94)	-	-	-

NOTE 33. EMPLOYEE BENEFITS:

Disclosure required under Accounting Standard - 15 for "Employee Benefits" are as under:

A. Defined Benefit Plans

1. Gratuity

Retirement Benefits in the form of Gratuity for the eligible employees are considered as Defined Benefit Plan. The Company has implemented Group Gratuity Assurance Scheme of Life Insurance Corporation of India dated 5th July 2005 which is effective from 1st June 2005 and has paid Rs.3,27,721/- as a total contribution during the year (Previous Year 2,82,436/-).

During the year the company has made a provision of gratuity based on actuarial valuation.

(Current Year 2018-19)

1.	Assumption		As On 31/03/2019
	Discount Rate (Previous Year)		7.65%
	Rate of Return on Plan Assest (Previous)		7.65%
	Salary Escalation (Previous)		8.00%
	Attrition Rate (Previous)		13.00%
	Discount Rate (Current)		7.07%
	Rate of Return on Plan Assets (Current)		7.07%
	Salary Escalation (Current)		8.00%
	Attrition Rate (Current)		13.00%
2.	Table Showing changes in present value of Defined benefit obligation		
	Present value of benefit obligations as at beginning of year		64,27,300
	Interest cost		4,91,688
	Current Service Cost		3,29,280
	Transitional Liability incurred during the period		-
	Past Service Cost (Non Vested Benefit) incurred during the period		-
	Past Service Cost (Vested Benefit) incurred during the period		-
	Liability Transferred in		-
	Liability Transferred out		-
	(Benefit Paid Directly by Employer)		-
	(Benefit Paid from the fund)		(14,399)
	Actuarial(Gains) / Losses on obligations		(2,36,823)
	Present Value of Benefit Obligation as at the end of the current period		69,97,046
3.			
	Fair value of plan assets at beginning of year		36,37,175

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Notes on Financial Statements for the Year ended 31st March, 2019

	Expected return on plan assets	2,78,244
	Contributions	3,27,721
	Transfer from Other Company	-
	Transfer to Other Company	-
	Benefits Paid from the fund	(14,399)
	Actuarial gains/(losses) on Plan assets	62,949
	Fair value of plan assets at the end of period	42,91,690
4.		
	Actuarial (gains) /losses on obligation for the period	(2,36,823)
	Actuarial (gains) /losses on Asset for the period	(62,949)
	Sub Total	(2,99,772)
	Actuarial(gains)/losses recognised in Income & Expenses statement	
5.	Actual return of Plan Assets	
	Expected Return on Plan Assets	2,78,244
	Actuarial gain/ (loss) on plan assets	62,949
	Actual Return on Plan Assets	3,41,193
6.	Amount Recognised in the Balance Sheet	
	(Present Value of Benefit Obligation at the end of the period	(69,97,046)
	Fair Value of Plan Assets at the end of the period	42,91,690
	Funded Status	(27,05,356)
	Unrecognised past service cost at the end of the period	-
	Unrecognised transitional liability at the end of the period	-
	Net (Liability) / Asset recognized in the Balance Sheet	(27,05,356)
7.	Net Interest Cost for the Current Period	
	Present Value of Benefit Obligation at the beginning of the period	64,27,300
	(Fair Value of Plan Assets at the beginning of the period)	(36,37,175)
	Net Liability / (Asset) at the beginning	27,90,125
	Interest Cost	4,91,688
	(Expected Return on Plan Assets)	(2,78,244)
	Net Interest cost for Current Period	2,13,444
8.	Expenses recognized in the Income Statement	
	Current Service Cost	3,29,280
	Interest Cost	2,13,444
	Actuarial (Gains) / losses	(2,99,772)
	Past Service Cost (Non Vested Benefit) recognized during the period	-
	Past Service Cost (Vested Benefit) recognized during	-

KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2019

	Expense Recognised in P & L		2,42,952
9.	Balance Sheet Reconciliation		
	Opening Net Liability		27,90,125
	Expense recognized in statement of Profit or Loss		2,42,952
	Net Transfer in		-
	(Net Transfer Out)		-
	(Benefit Directly paid by Employer)		-
	(Employers Contribution)		(3,27,721)
	Net Liability / (Asset) recognized in Balance Sheet		27,05,356
10.	Other Details		
	No of Members		20
	Salary PM		8,76,814
	Projected Benefit Obligation (PBO)		69,97,046
	Prescribed Contribution for Next year (12 months)		8,76,814
11.	Category of Assets		
	Government of India Assets		
	Corporate Bonds		
	Special Deposit Scheme		
	Equity Shares of Listed Companies		
	Property		
	Insurer Managed Funds		42,91,690
	Other		42,91,690
	Total		
12	Experience Adjustment		
	On Plan Liability (gains) / Losses		(4,10,160)
	On Plan Assets (Losses) / Gains		62,949

(Previous Year 2017-18)

1.	Assumption		As On 31/03/2018
	Discount Rate (Previous Year)		7.84%
	Rate of Return on Plan Asset (Previous)		7.84%
	Salary Escalation (Previous)		8.00%
	Attrition Rate (Previous)		13.00%
	Discount Rate (Current)		6.81%
	Rate of Return on Plan Assets (Current)		6.81%
	Salary Escalation (Current)		8.00%
	Attrition Rate (Current)		13.00%
2.	Table Showing changes in present value of Defined benefit obligation		
	Present value of benefit obligations as at beginning of year		49,26,911

KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2019

	Interest cost		3,35,523
	Current Service Cost		2,47,407
	Transitional Liability incurred during the period		-
	Past Service Cost (Non Vested Benefit) incurred during the period		-
	Past Service Cost (Vested Benefit) incurred during the period		3,96,291
	Liability Transferred in		-
	Liability Transferred out		-
	(Benefit Paid Directly by Employer)		-
	(Benefit Paid from the fund)		(22,978)
	Actuarial(Gains) / Losses on obligations		5,44,146
	Present Value of Benefit Obligation as at the end of the current period		64,27,300
3.			
	Fair value of plan assets at beginning of year		31,30,186
	Expected return on plan assets		2,13,166
	Contributions		2,82,436
	Transfer from Other Company		-
	Transfer to Other Company		-
	Benefits Paid from the fund		(22,978)
			-
	Actuarial gains/(losses) on Plan assets		34,365
	Fair value of plan assets at the end of period		36,37,175
4.			
	Actuarial (gains) /losses on obligation for the period		5,44,146
	Actuarial (gains) /losses on Asset for the period		(34,365)
	Sub Total		5,09,781
	Actuarial(gains)/losses recognised in Income & Expenses statement		5,09,781
5.	Actual return of Plan Assets		
	Expected Return on Plan Assets		2,13,166
	Actuarial gain/ (loss) on plan assets		34,365
	Actual Return on Plan Assets		2,47,531
6.	Amount Recognised in the Balance Sheet		
	(Present Value of Benefit Obligation at the end of the period)		(64,27,300)
	Fair Value of Plan Assets at the end of the period		36,37,175
	Funded Status		(27,90,125)
	Unrecognised past service cost at the end of the period		-
	Unrecognised transitional liability at the end of the period		-
	Net (Liability) / Asset recognized in the Balance Sheet		(27,90,125)
7.	Net Interest Cost for the Current Period		

KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2019

	Present Value of Benefit Obligation at the beginning of the period	49,26,911
	(Fair Value of Plan Assets at the beginning of the period)	(31,30,186)
	Net Liability / (Asset) at the beginning	17,96,725
	Interest Cost	3,35,523
	(Expected Return on Plan Assets)	(2,13,166)
	Net Interest cost for Current Period	1,22,357
8.	Expenses recognized in the Income Statement	
	Current Service Cost	2,47,407
	Interest Cost	1,22,357
	Actuarial (Gains) / losses	5,09,781
	Past Service Cost (Non Vested Benefit) recognized during the period	-
	Past Service Cost (Vested Benefit) recognized during the period	3,96,291
	Transitional Liability recognized during the period	-
	Expense Recognised in P & L	12,75,836
9.	Balance Sheet Reconciliation	
	Opening Net Liability	17,96,725
	Expense recognized in statement of Profit or Loss	12,75,836
	Net Transfer in	-
	(Net Transfer Out)	-
	(Benefit Directly paid by Employer)	-
	(Employers Contribution)	(2,82,436)
	Net Liability / (Asset) recognized in Balance Sheet	27,90,125
10.	Other Details	
	No of Members	20
	Salary PM	8,76,394
	Projected Benefit Obligation (PBO)	64,27,300
	Prescribed Contribution for Next year (12 months)	8,76,394
11.	Category of Assets	
	Government of India Assets	-
	Corporate Bonds	-
	Special Deposit Scheme	-
	Equity Shares of Listed Companies	-
	Property	-
	Insurer Managed Funds	36,37,175
	Other	-
	Total	36,37,175
12	Experience Adjustment	
	On Plan Liability (gains) / Losses	7,92,719
	On Plan Assets (Losses) / Gains	34,365

2. Compensated Absences:

As per the Company's Policy, a sum of Rs.3,20,036 (Previous Year Rs. 4,77,008/-) has been paid towards compensated absences calculated on the basis of unutilised leave.

B. Defined Contribution Plans

Company's Contribution Paid / Payable during the year to Provident fund and ESIC Contribution are recognized as an Expense and included in **Note 20** of the Statement of Profit and Loss are as under:

(Figures in Rs.)


Particulars	2018-2019	2017-2018
1) Contribution to Employees Provident Fund	13,20,465	12,91,298
2) Employees State Insurance Scheme	37,096	60,532
Total	13,57,561	13,51,830

NOTE 34.


Previous year's figures have been regrouped and / or rearranged wherever considered necessary.

For **R.K.KHANDELWAL & CO.**
Firm Registration No. 105054W
Chartered Accountants,

For **KEYNOTE CAPITALS LIMITED**


(R.K.KHANDELWAL)
Partner
Membership No. 030054


RAKESH CHOUDHARI
Managing Director


UDAY PATIL
Director


DEVIN JOSHI
Chief Financial Officer

Place : Mumbai
Date :

08 MAY 2019

