

KEYNOTE

DIRECTORS' REPORT

To,
The Members of Keynote Capitals Limited

Dear Shareholders,

1. INTRODUCTION:

Your Directors have pleasure in presenting the 22nd Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2017.

2. FINANCIAL SUMMARY OF THE COMPANY:

(Rs. In lakhs)

Particulars	2016-17	2015-16
Total Income	1484.05	1033.26
Total Expenses	1119.86	906.11
Profit before depreciation	759.54	164.15
Less : Depreciation	395.36	37.01
Profit before Tax	364.18	127.14
Provision for Taxation:		
- Current Tax	72.03	27.07
- Deferred Tax Liability / (Asset)	12.63	13.88
Profit after tax	279.52	86.19
Add: Excess/ (Short) Provision		(8.23)
Profit brought forward from Previous Years	1494.65	1416.69
Surplus carried forward	1774.17	1494.65

3. REVIEW OF OPERATIONS/PERFORMANCE:

During the financial year, the Company has earned total income of Rs.1484.05/-lakhs as compared to Rs.1033.26/-lakhs for the previous year. Profit after Tax stood at Rs.279.52/-lakhs as compared to Rs.86.19/-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.

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.

Keynote Capitals Limited

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

Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: kcl@keynoteindia.net • Website: www.keynoteindia.net

CIN - U67120MH1995PLC088172

KEYNOTE

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 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) 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 31stMarch, 2017.

10. STATUTORY AUDITORS:

Pursuant to Chapter-X (Audit & Auditors) of the Companies Act, 2013 and in accordance with the Rule 6 to the Companies (Audit & Auditors) Rules, 2014 (Manner of Rotation of Auditors by the Companies on Expiry of Their Term), the term of acting of M/s. K.K. Bhageria & Co. Chartered Accountants, having (Firm Registration Number: 101106W) as the Statutory Auditors of the Company is being expired in the ensuing Annual General Meeting.

With this event, vacancy is caused and hence, as per the recommendation of the Audit Committee, your Directors proposes to appoint M/s. R.K. Khandelwal & Co., Chartered Accountants, having (Firm Registration Number: 105054W)as Statutory Auditors of the company for the period of 5 (five) years commencing from the financial year 2017-18 and to hold office from the conclusion of its 22nd Annual General Meeting, until the conclusion of its 27thAnnual General Meeting, subject to ratification at every Annual General Meeting (AGM) by the shareholders of the company under the applicable provisions of the Companies Act, 2013.

Keynote Capitals Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028
Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: kcl@keynoteindia.net • Website: www.keynoteindia.net
CIN - U67120MH1995PLC088172

KEYNOTE

The Company has received consent from M/s. R.K. Khandelwal & Co., Chartered Accountants, having (Firm Registration Number: 105054W) who are willing to act as a Statutory Auditor of the Company to fill-up the Casual Vacancy caused by the expiry of term of M/s. K.K. Bhageria & Co. Chartered Accountants, having (Firm Registration Number: 101106W) also the Company has received a confirmation from the said Auditors that they are not disqualified to act as the Statutory Auditors and are eligible to hold the office as Auditors of the Company.

11. 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.

12. 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 Differential Rights:

The Company has not issued any Equity Shares with 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.

13. 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.

Keynote Capitals Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028
Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: kcl@keynoteindia.net • Website: www.keynoteindia.net
CIN - U67120MH1995PLC088172

KEYNOTE

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

(A) Conservation of energy:

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

(B) Technology absorption:

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

(C) Foreign exchange earnings and Outgo:

- a) The foreign exchange earnings - Nil (previous year Nil).
- b) The foreign exchange expenditure -Rs.26.12/- (previous year Rs.21.28/-lakhs)

15. 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.

16. DIRECTOR & KEY MANAGERIAL PERSONNEL (KMP):

(a) Non Executive- Non Independent Director:

The composition of the Non Executive non Independent Director is as follows:

Sr. No.	Name of the Director	DIN	Designation
1.	Vineet Suchanti	00004031	Non Executive Director

(b) Key Managerial Personnel (KMP):

The composition of the Key Managerial Personnel is as follows:

Sr. No.	Name of the Key Managerial Personnel	DIN	Designation
1.	Rakesh Choudhari	00009093	Managing Director
2.	Devin Joshi	--	CFO

Keynote Capitals Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028
Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: kcl@keynoteindia.net • Website: www.keynoteindia.net
CIN - U67120MH1995PLC088172

KEYNOTE

(c) Non Executive-Independent Director:

The composition of the Non Executive Independent Director is as follows:

Sr. No.	Name of the Director	DIN	Designation
1.	Hitesh Shah	00061296	Independent Director
2.	Kamlesh Kharade	03589665	Independent Director

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

- b) 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.

17. 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. Hitesh Shah, Director (DIN: 00061296) 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.

18. 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 26th May, 2016, 10th August, 2016, 10th October, 2016 and 9th January, 2017 respectively.

Your Directors has duly made reconstitution of the Audit Committee with effect from 1st March, 2017. The revised Composition of the Audit Committee comprises the following:

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

Keynote Capitals Limited

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

Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: kcl@keynoteindia.net • Website: www.keynoteindia.net

CIN - U67120MH1995PLC088172

KEYNOTE

(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 is no Nomination and Remuneration Committee meeting held during the year 2016-17.

Your Directors has duly made reconstitution of the Nomination and Remuneration Committee with effect from 1st March, 2017. The revised Composition of Nomination and Remuneration Committee comprises the following:

Sr. No.	Name of the Director	Designation in the Committee
1.	Rakesh Choudhari	Chairman
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 seven (07) Management Committee meetings held during the financial year under review, i.e. on 22nd August, 2016, 29th August, 2016, 21st September, 2016, 6th October, 2016, 3rd February, 2017, 1st March, 2017 and 8th March, 2017 respectively.

Keynote Capitals Limited

KEYNOTE

Your Directors has duly made reconstitution of the Management Committee with effect from 1st March, 2017. The revised Composition of Management Committee comprises the following:

Sr. No.	Name of the Director	Designation in the Committee
1.	Rakesh Choudhari	Chairman
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 seven (07) times during the financial year under review, i.e. on 25th April, 2016, 26th May, 2016, 10th August, 2016, 10th October, 2016, 9th January, 2017, 6th March, 2017 and 15th March, 2017 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. 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.

21. 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. 32 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.

22. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The purpose of the "Vigil Mechanism/Whistleblower Policy" is to allow employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization. They will be protected against any adverse action and/or discrimination as a result of such a reporting, provided it is justified and made in good faith. The Chairman of the Audit Committee has been designated for the purpose of receiving and recording any complaints under this policy.

Keynote Capitals Limited

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

Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: kcl@keynoteindia.net • Website: www.keynoteindia.net

CIN - U67120MH1995PLC088172

KEYNOTE

23. 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.

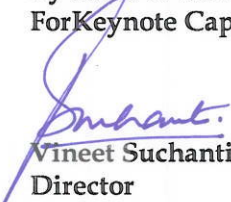
24. SAFETY OF WOMEN AT WORK PLACE:

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace. During the year under review, no complaints were reported to the Board. This Policy was considered, approved and adopted by the Board under investors/ policies/ prevention of Sexual Harassment at workplace.

25. 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. KK Bhageria & Co. Statutory Auditors, our Clients, Bankers and other Government Agencies for their continued support.

By order of the Board
For Keynote Capitals Limited


Vineet Suchanti
Director
(DIN: 00004031)


Rakesh Choudhari
Managing Director
(DIN: 00009093)


Devin Joshi
Chief Financial Officer

Place: Mumbai
Date: 23.05.2017

Keynote Capitals Limited

The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai - 400028
Tel.: 91 22 3026 6000 • Fax: 91 22 3026 6088 • Email: kcl@keynoteindia.net • Website: www.keynoteindia.net
CIN - U67120MH1995PLC088172

ANNEXURE - I TO THE DIRECTORS' REPORT**Form No. MGT-9****Extract of Annual Return****As on the financial year ended on 31st March, 2017****[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rule, 2014]****I. REGISTRAION AND OTHER DETAILS:**

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	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of Shares held	Applicable Section
1.	Keynote 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)

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 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
	For Each of the Directors and KMP				
	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 01-04-2016				
i). Principal Amount	26,57,115	-	-	26,57,115
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	26,57,115	-	-	26,57,115
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	10,11,979	-	-	10,11,979
Net Change	10,11,979	-	-	10,11,979
Indebtedness at the end of the financial year - 31-03-2017				
i). Principal Amount	16,45,136	-	-	16,45,136
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	16,45,136			16,45,136

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/WTM/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	34,58,700	34.58
	(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)	4,25,250	4.25
	Ceiling as per the Act	As per Section 197(1)(i) 5% of the net profit computed as per Section 198 of the Companies Act, 2013	
	Total	38,83,950	38.84

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

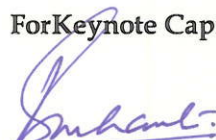
C. Remuneration to Key Managerial Personnel (KMP) other than MD/Manager/WTM:

Sr. No.	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL			
		CEO	Company Secretary	CFO (Devin Joshi)	Total Amount (Rs. In lakhs)
1.	Gross Salary				
	(a). Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	Nil	Nil	10,76,950	10.77
	(b). Value of perquisites u/s17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c). Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission - As % of Profit - Others specify	Nil	Nil	Nil	Nil
5.	Others, please specify (Bonus)	Nil	Nil	1,33,875	1.34
	Total	Nil	Nil	12,10,825	12.11


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


Vineet Suchanti
Director
(DIN: 00004031)


Rakesh Choudhari
Managing Director
(DIN: 00009093)


Devin Joshi
Chief Financial Officer

Place: Mumbai
Date: 23.05.2017

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	01/04/2016 to 31/03/2017
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	22,257,112
Total assets	152,764,294
Total Liabilities	152,764,294
Investments	71,301,870
Turnover	38,35,073
Profit before taxation	53,84,210
Provision for taxation	---
Profit after Taxation	38,91,191
Proposed Dividend	---
% of shareholding	100%

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

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

For Keynote Capitals Limited


Vineet Suchanti
Director
(DIN: 00004031)


Rakesh Choudhari
Managing Director
(DIN: 00009093)


Devin Joshi
Chief Financial Officer

Place: Mumbai
Date: 23.05.2017

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 2017
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.8,47,13,938/-
6. Profit / Loss for the year	
i. Considered in Consolidation	NA
i. Not Considered in Consolidation	Rs.84,01,902/-
. 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



Vineet Suchanti
Director
(DIN: 00004031)



Rakesh Choudhari
Managing Director
(DIN: 00009093)



Devin Joshi
Chief Financial Officer

Place: Mumbai
Date: 23.05.2017

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	Keynote Commodities Limited	Keynote Fincorp Limited
Nature of Relationship	Wholly owned subsidiary	Associate Company
Nature of contracts/arrangements/transactions	(i) Rendering of Services (ii) Leasing of immoveable property (office premises)	(i) Rendering of Services (ii) Leasing of immoveable property (office premises)
Duration of the contracts / arrangements/transactions	As per the mutual agreed terms with the Board	As per the mutual agreed terms with the Board
Salient terms of the contracts or arrangements or transactions including the value, if any	As per the mutual agreed terms with the Board	As per the mutual agreed terms with the Board
Date(s) of approval by the Board, if any,	N.A.	N.A.
Amount paid as advances, if any	N.A.	N.A.

For Keynote Capitals Limited



Vineet Suchanti
Director
(DIN: 00004031)



Rakesh Choudhari
Managing Director
(DIN: 00009093)



Devin Joshi
Chief Financial Officer

Place: Mumbai
Date: 23.05.2017



INDEPENDENT AUDITORS' REPORT

To the Members of
KEYNOTE CAPITALS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **KEYNOTE CAPITALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017 and its profit and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - g. With respect to other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 24 of Notes to Accounts of the Financial Statements.



- ii. 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.
- iii. 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 March 31, 2017.
- iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note No. 27 of Notes to Accounts of the Financial Statements.

Place: Mumbai
Date: 23/05/2017



For K. K. BHAGERIA & CO.
Chartered Accountants,
Firm Registration No. 101106W

(K. K. BHAGERIA)
Partner
Membership No. 033505

“Annexure A” to the Independent Auditors’ Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2017, 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 not holding any stock of shares and securities. Thus, paragraph 3 (ii) of the Order is not applicable to the Company.
- iii. The company has granted unsecured loan to bodies corporate 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, Service Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Cess and other material statutory dues were in arrears as at March 31, 2017 for a period of more than 6 months from the date they became payable.

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, Service Tax, Cess which have not been deposited with the appropriate authority on account of any dispute. However, according to the information and explanations given to us, the following dues of Income Tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	7,42,946	Assessment Year 2011-2012	Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	2,21,950	Assessment Year 2011-2012	Commissioner (Appeals)

- 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 given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 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: 23/05/2017



For K. K. BHAGERIA & CO.
Chartered Accountants,
Firm Registration No. 101106W

A handwritten signature in purple ink, appearing to read "K.K. Bhageria", enclosed within an oval shape.

(K.K. BHAGERIA)
Partner
Membership No. 033505

**“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON
THE FINANCIAL STATEMENTS OF KEYNOTE CAPITALS LIMITED.**

**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 March 31, 2017 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 March 31, 2017, 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: 23/05/2017



For K. K. BHAGERIA & CO.
Chartered Accountants,
Firm Registration No. 101106W

(K.K. BHAGERIA)
Partner
Membership No. 033505

KEYNOTE CAPITALS LIMITED
Balance Sheet as at 31st March, 2017

(Amount in Rs.)			
	Note	As at 31st March 2017	As at 31st March, 2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	1	112,666,670	112,666,670
(b) Reserves and Surplus	2	240,250,545	212,298,461
Non-Current Liabilities			
(a) Long-Term Borrowings	3	870,678	1,645,137
(b) Deferred Tax Liabilities (Net)	4	7,572,642	6,309,408
Current Liabilities			
(a) Short term Borrowings	5	15,059,995	79,026,932
(b) Trade Payables	6	468,346,230	48,924,744
(c) Other Current Liabilities	7	59,043,464	59,794,172
(d) Short-Term Provisions	8	2,745,744	4,129,719
TOTAL		906,555,968	524,795,243
ASSETS			
Non-Current Assets			
(a) Fixed Assets	9		
(i) Tangible Assets		92,213,811	95,230,530
(ii) Intangible Assets		-	35,957,108
(b) Non-Current Investments	10	86,858,363	40,099,806
(c) Long-Term Loans and Advances	11	65,660,600	21,058,331
Current assets			
(a) Current Investments	12	1,212,496	-
(b) Inventories	13	-	18,862,858
(c) Trade Receivables	14	467,330,557	47,495,302
(d) Cash and Bank Balances	15	185,688,576	250,690,223
(d) Short-Term Loans and Advances	16	7,591,565	15,401,085
TOTAL		906,555,968	524,795,243

Notes on Financial Statements 1-34

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **K. K. BHAGERIA & CO.**

Chartered Accountants,

Firm's Registration No. 101106W

(**K. K. BHAGERIA**)

Partner

Membership No. 033505



For **KEYNOTE CAPITALS LIMITED**

RAKESH CHOUDHARI
Managing Director

VINEET SUCHANTI
Director

DEVIN JOSHI
Chief Financial Officer

Place : Mumbai

Date : 23/05/2017

KEYNOTE CAPITALS LIMITED
Statement of Profit and Loss for the year ended 31st March, 2017

(Amount in Rs.)

	Note	Year ended 31st March, 2017	Year ended 31st March, 2016
INCOME			
Revenue from Operations	17	64,462,322	77,074,818
Other Income	18	83,942,954	26,251,787
Total Revenue		148,405,276	103,326,606
EXPENSES			
Employee Benefits Expense	19	19,025,940	17,474,628
Finance Costs	20	20,434,589	6,427,505
Depreciation and Amortization Expense	21	39,536,355	3,701,129
Other Expenses	22	32,989,760	63,008,405
Total Expenses		111,986,644	90,611,667
Profit Before Tax		36,418,633	12,714,938
Tax expense:			
Current tax		7,203,315	2,707,518
Deferred tax		1,263,234	1,388,748
Profit for the year		27,952,084	8,618,672
Earnings per Equity Share of Face value of Rs.10 each			
Basic and Diluted		2.48	0.76

Notes on Financial Statements 1-34

AS PER OUR REPORT OF EVEN DATE ATTACHED

For **K. K. BHAGERIA & CO.**

Chartered Accountants,

Firm's Registration No. 101106W



(K. K. BHAGERIA)

Partner

Membership No. 033505



For **KEYNOTE CAPITALS LIMITED**



RAKESH CHOUDHARI

Managing Director



VINEET SUCHANTI

Director



DEVIN JOSHI

Chief Financial Officer

Place : Mumbai


Date : 23/05/2017

KEYNOTE CAPITALS LIMITED
Cash Flow Statement For The Year Ended 31st March, 2017

	(Amount in Rs.)	
	Year ended 31st. March, 2017	Year ended 31st March, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax as per Statement of Profit & Loss	36,418,632	12,714,939
Adjustments For :		
Depreciation / Amortization	39,536,355	3,701,129
Loss on Sale of Assets	-	250,361
(Profit) / Loss on Sale of Investments	-	(4,435,250)
Finance Cost	20,434,589	6,427,505
Dividend Income	(1,604,900)	(1,547,004)
Interest Income	(16,309,816)	(18,016,834)
Operating profit before working capital changes	78,474,861	(905,154)
Adjustment For :		
(Increase) / Decrease in Trade Receivables	(419,835,256)	(21,419,856)
(Increase) / Decrease in Inventories	18,862,858	(13,286,667)
Increase / (Decrease) in Short Term Borrowing	(63,966,937)	16,437,886
(Increase) / Decrease in Long Term Loans & advances	(44,602,269)	4,275,000
(Increase) / Decrease in Short Term Loans & advances	7,809,521	16,413,363
Increase / (Decrease) in Short Term Provisions	(8,587,290)	(1,707,723)
Increase / (Decrease) in Other Current Liabilities	(750,707)	52,001,989
Increase / (Decrease) in Trade Payables.	419,421,486	(30,431,529)
NET CASH FROM OPERATING ACTIVITIES	(13,173,733)	21,377,308
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(562,527)	(5,051,311)
Sale of Fixed Assets (Stock Exchange Card)	-	620,000
Intangible Asset Written Off	-	-
Sale / (Purchase) of Investments	(46,758,557)	1,124,670
Investments	(1,212,496)	(4,950,257)
Sale of Investments	-	5,229,950
Interest Income	16,309,816	18,016,834
Dividend Income	1,604,900	1,547,004
NET CASH FROM INVESTING ACTIVITIES	(30,618,865)	16,536,890
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Interest paid	(20,434,589)	(6,427,505)
Increase / (Decrease) in Long -Term Borrowing	(774,459)	1,069,256
NET CASH FROM FINANCING ACTIVITIES	(21,209,048)	(5,358,249)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(65,001,646)	32,555,948
Cash and Cash Equivalents at the beginning of the year (Refer Note 14)	250,690,223	218,134,274
Cash and Cash Equivalents at the end of the year (Refer Note 14)	185,688,576	250,690,223

"As per our report of even date attached"

For K. K. BHAGERIA & CO.
Chartered Accountants,
Firm's Registration No. 101106W


(K. K. BHAGERIA)
Partner
Membership No : 033505



For KEYNOTE CAPITALS LIMITED


RAKESH CHOUDHARI
Managing Director


VINEET SUCHANTI
Director


DEVIN JOSHI
Chief Financial Officer

Place : Mumbai
Date: 23/05/2017

KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

NOTE 1. SHARE CAPITAL

	As at 31st March, 2017	As at 31st March, 2016
Authorized Share Capital		
1,50,00,000 (31st March 2016: 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 2016: 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, 2017		As at 31st March, 2016	
	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
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, 2017		As at 31st March, 2016	
	No of Shares	% Holding	No of Shares	% Holding
Keynote Corporate Services Ltd.	11,266,667	100	11,266,667	100

NOTE 2. RESERVES AND SURPLUS

	As at 31st March, 2017	As at 31st March, 2016
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	149,465,121	141,669,142
Add/(Less): Additional Depreciation	-	(822,694)
Add: Profit for the year	27,952,084	8,618,673
	177,417,205	149,465,121
Total	240,250,545	212,298,461

NOTE 3. LONG TERM BORROWINGS

	As at 31st March, 2017		As at 31st March, 2016	
	Non Current	Current	Non Current	Current
Secured				
Car Loan from Volkswagen Finance Pvt. Ltd. (Secured By Hypothecation of Car - Vento TDI)	-	143,302	143,302	324,650
Car Loan from Kotak Mahindra Prime Limited (Secured By Hypothecation of Car -Honda Accord)	-	-	-	109,031
Car Loan from Daimler Financial Services Pvt. Ltd. (Secured By Hypothecation of Mercedes Benz)	870,678	631,156	1,501,835	578,298
Total	870,678	774,458	1,645,137	1,011,979



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

NOTE 4. DEFERRED TAX LIABILITY (Net)

	As at 31st March, 2017	As at 31st March, 2016
Deferred tax Liability as on 1st April, 2016	6,309,408	4,920,659
Difference between book and Tax Depreciation	1,495,615	1,768,501
Total deferred Tax liability	7,805,023	6,689,160
Expenses Disallowed as per section 43B of Income Tax Act. 1961	232,381	379,752
Total deferred Tax Assets	232,381	379,752
Net Deferred Tax Liability	7,572,642	6,309,408

NOTE 5. SHORT TERM BORROWING

Secured

Axis Bank O/D A/c (O/D against FDR of Rs. 8.00 Cr.)	15,059,995	79,026,932
Total	15,059,995	79,026,932

NOTE 6. TRADE PAYABLES

	As at 31st March, 2017	As at 31st March, 2016
Trade Payables	468,346,230	48,924,744
Total	468,346,230	48,924,744

NOTE 7. OTHER CURRENT LIABILITIES

	As at 31st March, 2017	As at 31st March, 2016
Current Maturities of Long Term Debts	774,458	1,011,979
Deposit / Advance From Clients/ Parties*	3,275,229	46,353,214
Income Received in Advance	1,100,000	1,309,000
Employee Benefits Payable	101,424	98,698
Statutory Dues Payable	2,475,273	4,818,491
Other Payables	46,263,149	4,829,212
Outstanding Expenses Payable	5,053,931	1,373,578
Total	59,043,464	59,794,172

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

NOTE 8. SHORT TERM PROVISIONS

	As at 31st March, 2017	As at 31st March, 2016
Provision for employee benefits		
Provision for Bonus	750,000	700,000
Provision for Gratuity	1,796,725	2,315,269
Provision for Leave Encashment	199,019	185,090
Other Provisions		
Provision for Profit on F & O Open Position	-	929,360
Total	2,745,744	4,129,719



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

(Amount in Rs.)

NOTE 9. FIXED ASSETS

	Description	Gross Block			Depreciation/Amortisation			Net Block	
		As at 1st April, 2016	Additions	Deductions/A adjustments	As at 31st March 2017	As at 1st April, 2016	For the year	Upto 31st March 2017	As at 31st March 2017
a)	TANGIBLE ASSETS								
	Furniture and Fixtures	7,297,477	522,538	-	7,820,015	2,615,094	710,437	3,325,531	4,494,485
	Motor Car	12,971,523	-	-	12,971,523	6,317,367	1,287,740	7,605,107	5,366,416
	Office equipment	1,895,397	-	-	1,895,397	1,800,627	-	1,800,627	94,770
	Office Premises	88,307,368	-	-	88,307,368	5,543,001	1,398,200	6,941,201	81,366,167
	Computers Hardware	13,897,933	39,990	-	13,937,923	12,863,080	182,870	13,045,950	891,973
	Total (A)	124,369,698	562,528.0	-	124,932,226	29,139,169	3,579,247	32,718,416	92,213,811
b)	INTANGIBLE ASSETS								
	Computer software	-	-	-	-	-	-	-	-
	Stock Exchange Membership	35,957,108	-	-	35,957,108	-	35,957,108	35,957,108	35,957,108
	Total (B)	35,957,108	-	-	35,957,108	-	35,957,108	35,957,108	35,957,108
	Total (A+B)	160,326,806	562,528	-	160,889,334	29,139,169	39,536,355	68,675,524	92,213,811
	Previous Year	160,893,343	5,051,311	5,617,848	160,326,806	29,362,833	3,701,129	29,139,169	131,187,638
	Grand Total	160,326,806	562,528	-	160,889,334	29,139,169	39,536,355	68,675,524	131,187,638



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

NOTE 10. NON CURRENT INVESTMENTS (LONG TERM INVESTMENT)

	As at 31st March, 2017	As at 31st March, 2016
Trade (Quoted) (Refer note 10.1)		
Investments in Equity Shares	53,358,363	6,216,649
Investments in Bonds	-	370,000
Trade (Unquoted) (Refer note 10.2)		
NIL (85,527) Equity Shares of BSE Ltd. of Rs.2/ Each	-	13,158
Others (Unquoted) (Refer note 10.3)		
Investments in Equity Shares of Subsidiary	3,500,000	3,500,000
Others (Unquoted) (Refer note 10.4)		
Investments in Equity Shares of Associate	30,000,000	30,000,000
Total	86,858,363	40,099,807



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

	As at 31st March, 2017	As at 31st March, 2016
10.1 Trade (Quoted) (at cost)		
Investments in Mutual Fund	519,091	519,091
Investments in Shares		
437 (NIL) Equity Shares of ABB LTD. of Rs.2/- each Fully Paid	525,084	-
2432 (NIL) Equity Shares of Aegis Logistics Ltd. of Rs.1/-each Fully Paid	396,130	-
11 (NIL) Equity Shares of Ajanta Pharma Ltd. of Rs.2/-each Fully Paid	22,893	-
178 (97) Equity Shares of Alkem Laboratory Ltd. of Rs.2/-each Fully Paid	274,047	124,433
450 (NIL) Equity Shares of APL Apollo Tubes Ltd. of Rs.10/-each Fully Paid	414,547	-
3320 (NIL) Equity Shares of Aptech Ltd. of Rs.10/-each Fully Paid	257,300	257,300
428 (114) Equity Shares of Bajaj Finance Ltd. of Rs.2/-each Fully Paid	-	686,175
7298 (NIL) Equity Shares of Balarampur Chini Ltd. of Rs.1/-each Fully Paid	881,937	-
239 (163) Equity Shares of Bharat Forge Ltd. of Rs.2/-each Fully Paid	201,739	128,905
414 (NIL) Equity Shares of Birla Corporation Ltd. of Rs.10/-each Fully Paid	300,225	-
20 (19) Equity Shares of Bosch Ltd. of Rs.10/-each Fully Paid	354,087	331,380
72 (NIL) Equity Shares of Canfin Homes Ltd. of Rs.10/-each Fully Paid	119,074	-
627 (NIL) Equity Shares of CESC LTD. of Rs.10/-each Fully Paid	513,063	-
2096 (1907) Equity Shares of City Union Bank Ltd. of Rs.1/-each Fully Paid	186,684	161,523
170 (123) Equity Shares of Colgate Palmolive Ltd. of Rs.1/-each Fully Paid	144,769	102,534
84 (84) Equity Shares of Container Corpn. Ltd. of Rs.10/-each Fully Paid	98,116	98,116
2075 (NIL) Equity Shares of Coromandel International Ltd. of Rs.1/-each Fully Paid	574,194	-
285 (285) Equity Shares of Cummins India Ltd. of Rs.2/-each Fully Paid	250,616	250,616
1844 (NIL) Equity Shares of Dalmia Bharat Sugars Ltd. of Rs.2/-each Fully Paid	222,297	-
2256 (NIL) Equity Shares of DCB Bank Ltd. of Rs.10/-each Fully Paid	284,910	-
124 (NIL) Equity Shares of Dhanuka Agri Tech Ltd. of Rs.2/-each Fully Paid	84,133	-
298 (NIL) Equity Shares of Dishman Pharmaceuticals Ltd. of Rs.2/-each Fully Paid	88,374	-
112 (NIL) Equity Shares of Dr. Lal Path Laboratories Ltd. of Rs.10/-each Fully Paid	123,570	-
19 (34) Equity Shares of Eicher Motors Ltd. of Rs.10/-each Fully Paid	361,843	647,386
257 (180) Equity Shares of Emami Ltd. of Rs.1/-each Fully Paid	262,145	179,024
710 (355) Equity Shares of Engineers India Ltd. of Rs.5/-each Fully Paid	53,807	53,807
965 (NIL) Equity Shares of Entertainment Network India Ltd. of Rs.10/-each Fully Paid	703,297	-
1343 (NIL) Equity Shares of Gabriel India Ltd. of Rs.1/-each Fully Paid	160,380	-
31 (28) Equity Shares of Glaxosmithkline Ltd. of Rs.10/-each Fully Paid	176,710	158,514
286 (NIL) Equity Shares of Godrej Industries Ltd. of Rs.1/-each Fully Paid	136,981	-
1989 (NIL) Equity Shares of Graphite India Ltd. of Rs.2/-each Fully Paid	221,192	-



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

2307 (769) Equity Shares of Hindustan Petroleum Ltd. of Rs. 10/-each Fully Paid	522,379	522,379
10 (NIL) Equity Shares of IDFC Ltd. of Rs. 10/-each Fully Paid	576	-
10 (NIL) Equity Shares of IDFC Bank Ltd. of Rs. 10/-each Fully Paid	683	-
2000 (NIL) Equity Shares of Indian Oil Corporation Ltd. of Rs. 10/-each Fully Paid	789,080	-
18000 (NIL) Equity Shares of Innovative Tech Pack Ltd. of Rs. 1/-each Fully Paid	1,011,717	-
292 (268) Equity Shares of Ipca Laboratories Ltd. of Rs. 2/-each Fully Paid	184,844	170,290
600 (NIL) Equity Shares of ITD Cementation Ltd. of Rs. 1/-each Fully Paid	87,180	-
1210 (1210) Equity Shares of J & K Bank Ltd. of Rs. 1/-each Fully Paid	81,312	81,312
2598 (NIL) Equity Shares of Jagran Prakashan Ltd. of Rs. 2/-each Fully Paid	452,794	-
240 (NIL) Equity Shares of Kajaria Ceramics Ltd. of Rs. 1/-each Fully Paid	167,033	-
1077 (NIL) Equity Shares of Kaveri Seeds Ltd. of Rs. 2/-each Fully Paid	512,596	-
630 (444) Equity Shares of Kotak Mahindra Bank Ltd. of Rs. 5/-each Fully Paid	430,384	284,548
243 (NIL) Equity Shares of L & T Technologies Ltd. of Rs. 10/-each Fully Paid	206,351	-
797 (NIL) Equity Shares of Lakshmi Vilas Bank Ltd. of Rs. 2/-each Fully Paid	126,811	-
531 (NIL) Equity Shares of Linde India Ltd. of Rs. 10/-each Fully Paid	202,566	-
163 (NIL) Equity Shares of Mahanagar Gas Ltd. of Rs. 10/-each Fully Paid	107,476	-
768 (849) Equity Shares of Max Financial Services Ltd. of Rs. 2/-each Fully Paid	267,924	296,316
102000 (NIL) Equity Shares of Mitcon Consultancy Ltd. of Rs. 10/-each Fully Paid	7,031,600	-
963 (NIL) Equity Shares of Music Broadcast Ltd. of Rs. 10/-each Fully Paid	320,679	-
9600 (NIL) Equity Shares of Nitiraj Industries Ltd. of Rs. 10/-each Fully Paid	960,000	-
71189 (NIL) Equity Shares of O K Play Ltd. of Rs. 10/-each Fully Paid	9,999,919	-
34 (36) Equity Shares of Page Industries Ltd. of Rs. 10/-each Fully Paid	368,516	381,960
342000 (NIL) Equity Shares of Perfect Infraengineers Ltd. of Rs. 10/-each Fully Paid	5,491,800	-
519 (NIL) Equity Shares of Phoenix Lamps Ltd. of Rs. 10/-each Fully Paid	87,886	-
615 (NIL) Equity Shares of Powermech Projects Ltd. of Rs. 10/-each Fully Paid	317,764	-
253 (NIL) Equity Shares of Quess Corp. Ltd. of Rs. 10/-each Fully Paid	141,011	-
1120 (NIL) Equity Shares of R Shares Nifty Beesearch Fully Paid	1,025,048	-
4650 (NIL) Equity Shares of Shree Pushkar Chemicals Ltd. of Rs. 10/-each Fully Paid	614,213	-
490000 (NIL) Equity Shares of Siddha Real Estates Ltd. of Rs. 1/-each Fully Paid	490,000	490,000
200000 (NIL) Equity Shares of Steel City Securities Ltd. of Rs. 10/-each Fully Paid	11,000,000	-
29 (NIL) Equity Shares of TTK Prestige Ltd. of Rs. 10/-each Fully Paid	143,571	-
231 (NIL) Equity Shares of United Spirits Ltd. of Rs. 10/-each Fully Paid	523,798	-
1372 (1223) Equity Shares of Voltas Ltd. of Rs. 1/-each Fully Paid	346,084	291,040
360 (NIL) Equity Shares of Zensar Technologies Ltd. of Rs. 10/-each Fully Paid	338,300	-
393 (NIL) Equity Shares of Zuari Agro Chemicals Ltd. of Rs. 10/-each Fully Paid	93,233	-
NIL (37) SBI Bond (Maturity at 2025) of Rs. 10,000/each	-	370,000
	53,358,363	6,586,648



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

	As at 31st March, 2017	As at 31st March, 2016
10.2 Trade (Unquoted) (at cost)		
1,71,054 (1,71,054) Equity Shares of Bombay Stock Exchange Ltd. of Rs.1/- each. Fully paid up.	-	13,158
	-	13,158
10.3 Others (Unquoted) Investment in Equity Shares of Subsidiary		
350,000 (350,000) Equity Shares of Keynote Commodities Ltd. of Rs.10/- each.	3,500,000	3,500,000
	3,500,000	3,500,000
10.4 Others (Unquoted) Investment in Equity Shares of Associate		
15,00,000 (15,00,000) Equity Shares of Keynote Fincorp Ltd. of Rs.10/- each.	30,000,000	30,000,000
	30,000,000	30,000,000

Particulars	31st. Mar. 2017	31st. Mar. 2016
Aggregate amount of Quoted Investments	53,358,363	6,586,648
Market Value of Quoted Investment	59,636,650	6,190,575
Aggregate amount of Unquoted Investments	30,000,000	30,013,158
Aggregate provision for diminution in value of Invest.	-	-

NOTE 11. LONG TERM LOANS AND ADVANCES

	As at 31st March, 2017	As at 31st March, 2016
Unsecured Considered good		
Deposit for Premises	10,160,600	10,160,600
Deposit with Corporates & Other Bodies	55,500,000	10,897,731
Total	65,660,600	21,058,331

NOTE 12. CURRENT INVESTMENTS

Investments in Liquid Fund	1,212,496	-
	1,212,496	-

NOTE 13. INVENTORIES

	As at 31st March, 2017	As at 31st March, 2016
Equity Shares(Quoted)	Quantity Amount	Quantity Amount
Mitcon Engineering & Consultancy Ltd.		110,000 7,700,000
Pioneer Embroideries Ltd.		
Sanco Industries Ltd.		224,000 5,600,000
Perfect Infraengineers		342,000 5,557,500
Swelect Energy Systems Ltd.		2 624
Equity Shares(Unquoted)		
J M Financial Ltd.	- -	98 3,734
Mutual Fund (Quoted)		
Goldman Sachs Liquid Exchange Traded Scheme	- -	1 1,000
Total	-	18,862,858



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

NOTE 14. TRADE RECEIVABLES

	As at 31st March, 2017	As at 31st March, 2016
Over Six Months	4,581,298	6,287,760
Others	462,749,259	41,207,541
Total	467,330,557	47,495,302

NOTE 15. CASH AND CASH EQUIVALENTS

	As at 31st March, 2017	As at 31st March, 2016
Balances with Banks		
In Current Accounts	10,221,528	34,942,541
In Fixed Deposits*	175,180,474	214,568,848
Cash on Hand	286,574	1,178,834
Total	185,688,576	250,690,223

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

NOTE 16. SHORT TERM LOANS AND ADVANCES

	As at 31st March, 2017	As at 31st March, 2016
Advances		
Advances Recoverable in Cash or Kind	2,567,006	2,868,669
Income Tax (Net of Provision)	921,196	5,597,100
Loans to Related Parties	847,562	1,004,138
Prepaid Expenses	710,001	906,739
Advances to Staff	274,510	143,405
Service Tax Credit	2,271,290	4,881,034
Total	7,591,565	15,401,085

NOTE 17. REVENUE FROM OPERATIONS

	As at 31st March, 2017	As at 31st March, 2016
Advisory Income	13,688,746	48,055,782
Brokerage Income	26,815,990	28,193,291
Depository Income	383,095	389,665
Short Term Gain	17,076,466	-
Speculation & Currency Trading	5,843,877	-
Primary Market Business	654,148	436,080
Total	64,462,322	77,074,818

NOTE 18. OTHER INCOME

	As at 31st March, 2017	As at 31st March, 2016
Dividend Income	1,604,900	1,547,004
Interest Income	2,992,443	9,000
Interest on Fixed Deposits	13,317,373	18,007,834
Miscellaneous Income	231,956	1,721,086
Profit on Sale of Investments	65,550,106	4,435,250
Provision Written Back	246,176	531,613
Total	83,942,954	26,251,787

NOTE 19. EMPLOYEE BENEFITS EXPENSES

	As at 31st March, 2017	As at 31st March, 2016
Bonus	1,923,615	1,169,009
Company's Contributions to P F & ESIC	1,366,668	1,263,594
Gratuity	-	263,482
Leave Encashment	415,313	267,391
Salaries and incentives	14,948,520	13,772,339
Staff welfare expenses	371,824	738,813
Total	19,025,940	17,474,628



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

NOTE 20. FINANCE COST

	As at 31st March, 2017	As at 31st March, 2016
Bank Charges	482,946	871,675
Interest expense	19,755,272	5,317,161
Other borrowing costs (Interest on Car Loan)	196,371	238,669
Total	20,434,589	6,427,505

NOTE 21 . DEPRECIATION AND AMORTIZATION EXPENSES

	As at 31st March, 2017	As at 31st March, 2016
Depreciation of tangible assets	39,536,355	3,701,129
Total	39,536,355	3,701,129

NOTE 22. OTHER EXPENSES

	As at 31st March, 2017	As at 31st March, 2016
Advertisement & Publicity	25,000	-
Annual Maintenance Charges	96,974	168,708
Auditor Remuneration	425,000	425,000
Books & Periodicals	11,789	10,397
Business Promotion Expenses	1,294,773	900,567
Commission and Brokerage Expenses	2,500,000	33,344,373
Computer Expenses	286,191	180,267
Conveyance Expenses	369,151	338,491
Donation	210,000	70,000
Electricity Charges	197,276	233,367
General Expenses	506,294	975
Insurance Charges	277,978	204,144
Legal & Professional Charges	13,570,402	10,629,200
Loss on Sale of Asset	-	250,361
Loss on Trading in Securities	-	6,494,317
Membership & Subscription	376,222	968,493
Miscellaneous Expenses	962,855	783,644
Motor Car Expenses	676,186	530,937
Postage & Telegraph	44,359	67,243
Printing & Stationery	94,053	68,937
Professional Tax	4,000	4,000
Rent, Rates & taxes & License Fees	2,496,217	1,991,513
Repairs & Renewal	3,371,625	397,713
Security Transaction Tax	280,257	39,421
Loss in F&O Transaction	-	9,295
Stamp Duty & Stamp Expenses	46,860	25,884
Stock Exchange Related Expenses	389,721	1,317,291
Sundry Balances Written off.	13,658	100,663
Telephone & Communication Expenses	566,549	482,938
Travelling Expenses	3,896,369	2,970,266
Total	32,989,760	63,008,405



NOTE 23. 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 were transferred during the year to Trade Investment at 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) INTANGIBLE ASSETS AND AMORTIZATION:

Payment made for the membership of the Bombay Stock Exchange card was shown as intangible asset and the same has been amortised during the year.

(g) 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.

(h) 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. Long term investments are valued at cost less provisions recorded to recognise any decline other than temporary, in the carrying value of each investment.

(i) 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.

(j) 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.

(k) 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 is calculated on the accumulated timing difference at the year end based on the tax rates and laws enacted or substantially enacted on balance sheet date.

(l) 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.

(m) 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 24. CONTINGENT LIABILITIES (to the extent not provided for) :

i) The company had filed an appeal for Assessment Year 2011-2012 before the Commissioner of Income Tax (Appeals) against the total disputed liability of Rs. 7,42,946/-.

ii) The company had filed an appeal for Assessment Year 2012-2013 before the Commissioner of Income Tax (Appeals) against the total disputed liability of Rs. 2,21,950/-. The company expects no liability in the appeal.

iii) The Company has 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/- in the matter of Eco Recycling Ltd v/s Keynote Capitals Ltd and as on date the arbitration petition is duly admitted in the Hon'ble High Court, Mumbai.

The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of operations.

NOTE 25.

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 26.

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 27. Details of Specified Bank Notes (SBN) held and transacted during the period 8th.November 2016 to 30th. December 2016 as provided in the table

Particulars	SBNs	Other Denomination	Total
Closing Cash in Hand as at 8.11.2016	3,15,000	82,822	3,97,822
Add: Permitted Receipts		1,19,000	1,19,000
TOTAL	3,15,000	2,01,822	5,16,822
Less:			
Permitted Payments	-	91,991	91,991
Amount Deposited in Bank	3,15,000	-	3,15,000
TOTAL	3,15,000	91,991	4,06,991
Closing Cash in Hand as at 30.12.2016			1,09,831

NOTE 28. FOREIGN CURRENCY TRANSACTION:

(Rs. in Lakhs)

Particulars	2016-2017	2015-2016
Service Income in Foreign Currency	NIL	NIL
Expenditure in Foreign Currency	26.12	21.28



NOTE 29. AUDITORS REMUNERATION (Excluding Service Tax):

		(Rs. in Lakhs)	
		Year ended 31 st March, 2017	Year ended 31 st March, 2016
(i)	Statutory Audit Fees	3.75	3.75
(ii)	Tax Audit Fees	0.50	0.50
(iii)	Income Tax Matters	0.75	0.75
(iv)	As Advisor or in any other capacity in respect of:		
	-Certification Work	0.20	0.17
	Total	5.20	5.17

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

Particulars	31 st March 2017	31 st March 2016
Net Profit attributable to equity shareholders (A)	2,79,52,084	86,18,673
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)	2.48	0.76
Weighted Number of equity shares outstanding for Diluted EPS (C)	1,12,66,667	1,12,66,667
Diluted Earnings per share (A/C)	2.48	0.76



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

NOTE 31. SEGMENT INFORMATION

A. BUSINESS SEGMENT – PRIMARY

(Rs. In Lacs)

Particulars	Investment Banking		Broking Related Activities		Trading Profit		Total	
	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
Segment Revenue								
External Revenue	143.43	484.92	271.99	285.83	229.20	-	646.62	770.75
Inter Segment Revenue		-		-		-		-
Total Revenue	143.43	484.92	271.99	285.83	229.20	-	646.62	770.75
Segment Result before Interest and tax	(25.39)	86.60	(106.64)	56.19	88.62	(64.94)	(43.41)	77.85
Add/(Less): Unallocated Income/ (Expenses) (NET)							607.12	104.86
Interest and Finance Charges							(199.52)	(55.56)
Deferred Tax Assets/(Liabilities)							(12.63)	(13.89)
Provision for Income Tax							(72.03)	(27.08)
Net Profit							279.52	86.19
Other Information								
Segment Assets			7368.96	4179.17	12.12	188.63	7381.08	4367.80
Unallocated Corporate assets							1684.48	880.16
Total Assets			7368.83	4179.17	12.12	188.63	9065.56	5247.96
Segment Liabilities			4683.46	489.25			4683.46	489.25
Unallocated Corporate liabilities							852.93	1509.05
Total Liabilities			4683.46	488.25			5536.39	1998.30
Depreciation								
Segment depreciation	87.97	22.78	166.82	14.23	140.58	-	395.37	37.01
Unallocated depreciation		-		-		-		-
Total Depreciation	87.97	22.78	166.82	14.23	140.58	-	395.37	37.01



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. Investment Banking 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 Corporate Services Ltd.

ii) **Subsidiary Companies:**

Keynote Commodities Limited

iii) **Key Management Personnel:**

Mr. B.Madhuprasad

Mr. Uday S.Patil

Mr. Vineet Suchanti

Mr. Rakesh Choudhari

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

Pushpa Suchanti

Rita Suchanti

Rinku Suchanti

Madhulika Choudhari

Rajesh Choudhari

Jamuna Choudhari

v) **Other related parties:**

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

Cosy Mercantile Ltd.

Concept Communication Ltd.

Concept Production Ltd.



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

Gupta Builders Pvt. Ltd.
August Brand Communications Ltd
Vivek Suchanti & Co.
Keynote Fincorp Ltd.
Mitcon Consultancy Services Ltd.

b) Description of the nature of transactions with the Related Parties during the year 2016-2017:

(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.	-	-	-	-	-
Director Remuneration (Rakesh Choudhari)	-	-	38.84	-	-
Outstanding Balances (Loans & Advances)	-	-	-	-	-
Keynote Corporate Services Ltd.	-	-	-	-	-
Keynote Fincorp Ltd.	-	-	-	-	36.60
Keynote Commodities Ltd.	-	(28.13)	-	-	-

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.2,72,398 as a total contribution during the year (Previous Year 2,54,413/-).



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

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

(Current Year 2016-17)

1.	Assumption	As On 31/03/2017
	Discount Rate (Previous Year)	6.81%
	Rate of Return on Plan Assest (Previous)	6.81%
	Salary Escalation (Previous)	8.00%
	Attrition Rate (Previous)	13.00%
	Discount Rate (Current)	7.84%
	Rate of Return on Plan Assets (Current)	7.84%
	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	49,41,125
	Interest cost	3,87,384
	Current Service Cost	3,00,743
	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)	-
	Actuarial(Gains) / Losses on obligations	(7,02,341)
	Present Value of Benefit Obligation as at the end of the current period	49,26,911
3.		
	Fair value of plan assets at beginning of year	26,25,856
	Expected return on plan assets	2,05,867
	Contributions	2,72,368
	Transfer from Other Company	-
	Transfer to Other Company	-
	Benefits Paid from the fund	-
		-
	Actuarial gains/(losses) on Plan assets	26,095
	Fair value of plan assets at the end of period	31,30,186
4.		
	Actuarial (gains) /losses on obligation for the period	(7,02,341)
	Actuarial (gains) /losses on Asset for the period	(26,095)
	Sub Total	(7,28,346)
	Actuarial(gains)/losses recognised in Income & Expenses statement	(7,28,346)



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

5.	Actual return of Plan Assets		
	Expected Return on Plan Assets		2,05,867
	Actuarial gain/ (loss) on plan assets		26,095
	Actual Return on Plan Assets		2,31,962
6.	Amount Recognised in the Balance Sheet		
	Fair Value of Plan Assets at the end of the period		31,30,186
	(Present Value of Benefit Obligation at the end of the period)		(49,26,911)
	Funded Status		(17,96,725)
	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		(17,96,725)
7.	Net Interest Cost for the Current Period		
	Present Value of Benefit Obligation at the beginning of the period		49,41,125
	(Fair Value of Plan Assets at the beginning of the period)		(26,25,856)
	Net Liability / (Asset) at the beginning		23,15,269
	Interest Cost		3,87,384
	(Expected Return on Plan Assets)		(2,05,867)
	Net Interest cost for Current Period		1,81,517
8.	Expenses recognized in the Income Statement		
	Current Service Cost		3,00,743
	Interest Cost		1,81,517
	Actuarial (Gains) / losses		(7,28,436)
	Past Service Cost (Non Vested Benefit) recognized during the period		-
	Past Service Cost (Vested Benefit) recognized during the period		-
	Transitional Liability recognized during the period		-
	Expense Recognised in P & L		(2,46,176)
9.	Balance Sheet Reconciliation		
	Opening Net Liability		23,15,269
	Expense recognized in statement of Profit or Loss		(2,46,176)
	Net Transfer in		-
	(Net Transfer Out)		-
	(Benefit Directly paid by Employer)		-
	(Employers Contribution)		(2,72,368)
	Net Liability / (Asset) recognized in Balance Sheet		17,96,725
10.	Other Details		
	No of Members		22
	Salary PM		8,19,914



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

	Projected Benefit Obligation (PBO)		49,26,911
	Prescribed Contribution for Next year (12 months)		8,19,914
11.	Category of Assets		
	Government of India Assets		-
	Corporate Bonds		-
	Special Deposit Scheme		-
	Equity Shares of Listed Companies		-
	Property		-
	Insurer Managed Funds		31,30,186
	Other		
	Total		31,30,186
12	Experience Adjustment		
	On Plan Liability (gains) / Losses		(9,24,960)
	On Plan Assets (Losses) / Gains		26,095

(Previous Year 2015-16)

1.	Assumption		As On 31/03/2016
	Discount Rate (Previous Year)		7.84%
	Rate of Return on Plan Assets (Previous)		7.84%
	Salary Escalation (Previous)		8.00%
	Attrition Rate (Previous)		13.00%
	Discount Rate (Current)		8.04%
	Rate of Return on Plan Assets (Current)		8.04%
	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		43,04,976
	Interest cost		3,46,120
	Current Service Cost		2,83,575
	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)		-
	Actuarial (Gains) / Losses on obligations		6,454
	Present Value of Benefit Obligation as at the end		49,41,125



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

	of the current period		
3.	Table for fair value of plan assets		
	Fair value of plan assets at beginning of year		19,98,776
	Expected return on plan assets		1,60,702
	Contributions		2,54,413
	Transfer from Other Company		-
	Transfer to Other Company		-
	Benefits Paid from the fund		-
	Actuarial gains/(losses) on Plan assets		2,11,965
	Fair value of plan assets at the end of period		26,25,856
4.	Table of Recognition of Actuarial Gains / Losses		
	Actuarial (gains) /losses on obligation for the period		6,454
	Actuarial (gains) /losses on Asset for the period		(2,11,965)
	Sub Total		(2,05,511)
	Actuarial(gains)/losses recognised in Income & Expenses statement		(2,05,511)
5.	Actual return of Plan Assets		
	Expected Return on Plan Assets		
	Actuarial gain/ (loss) on plan assets		2,11,965
	Actual Return on Plan Assets		3,72,667
6.	Amount Recognised in the Balance Sheet		
	Fair Value of Plan Assets at the end of the period		26,25,856
	(Present Value of Benefit Obligation at the end of the period		(49,41,125)
	Funded Status		(23,15,269)
	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		(23,15,269)
7.	Net Interest Cost for the Current Period		
	Present Value of Benefit Obligation at the beginning of the period		43,04,976
	(Fair Value of Plan Assets at the beginning of the period)		(19,98,776)
	Net Liability / (Asset) at the beginning		23,06,200
	Interest Cost		3,46,120
	(Expected Return on Plan Assets)		(1,60,702)
	Net Interest cost for Current Period		1,85,418
8.	Expenses recognized in the Income Statement		
	Current Service Cost		2,83,575
	Interest Cost		1,85,418
	Actuarial (Gains) / losses		(2,05,511)



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

	Past Service Cost (Non Vested Benefit) recognized during the period		-
	Past Service Cost (Vested Benefit) recognized during the period		-
	Transitional Liability recognized during the period		-
	Expense Recognised in P & L		2,63,482
9.	Balance Sheet Reconciliation		
	Opening Net Liability		23,06,200
	Expense recognized in statement of Profit or Loss		2,63,482
	Net Transfer in		-
	(Net Transfer Out)		-
	(Benefit Directly paid by Employer)		-
	(Employers Contribution)		(2,54,413)
	Net Liability / (Asset) recognized in Balance Sheet		23,15,269
10.	Other Details		
	No of Members		22
	Salary PM		8,15,898
	Projected Benefit Obligation (PBO)		49,41,125
	Prescribed Contribution for Next year (12 months)		8,15,898
11.	Category of Assets		
	Government of India Assets		-
	Corporate Bonds		-
	Special Deposit Scheme		-
	Equity Shares of Listed Companies		-
	Property		-
	Insurer Managed Funds		26,25,856
	Other		-
	Total		26,25,856
12	Experience Adjustment		
	On Plan Liability (gains) / Losses		(42,397)
	On Plan Assets (Losses) / Gains		2,11,965



KEYNOTE CAPITALS LIMITED
Notes on Financial Statements for the Year ended 31st March, 2017

2. Compensated Absences:

As per the Company's Policy, a sum of Rs.1,85,090 (Previous Year Rs. 1,48,724/-) 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 19** of the Statement of Profit and Loss are as under:

(Figures in Rs.)

Particulars	2016-2017	2015-2016
1) Contribution to Employees Provident Fund	13,24,419	12,33,150
2) Employees State Insurance Scheme	42,249	30,444
Total	13,66,668	12,63,594

NOTE 34.

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

For **K.K.BHAGERIA & CO.**
Firm Registration No. 101106W
Chartered Accountants,

For **KEYNOTE CAPITALS LIMITED**


K. K. BHAGERIA
Partner
Membership No. 033505




RAKESH CHOUDHARI
Managing Director


VINEET SUCHANTI
Director


DEVIN JOSHI
Chief Financial Officer

Place : Mumbai
Date : 23/05/2017