

**33RD  
ANNUAL  
REPORT  
2018-2019**



**KEY CORP LIMITED**

**BOARD OF DIRECTORS**

Dr. K. B. Agarwal, *Chairman*  
Dr. B. D. Agarwal  
Shri Padam Kumar Jain  
Ms Manju Jain  
Shri Raj Kumar Gupta  
Shri G. D. Maheshwari, *Executive Director*

**COMPANY SECRETARY**

Shri S. N. Tripathi

**JOINT SECRETARY**

Shri V. K. Pandey

**CHIEF FINANCE OFFICER**

Shri R. N. Singh

**AUDITORS**

M/s Vinayak Tandon & Associates  
*Chartered Accountants*  
Kanpur - 208 001

**LEGAL ADVISOR**

Shri Ravindra Verma,  
Advocate

**BANKERS**

Bank of Baroda  
Indian Overseas Bank  
State Bank of India  
ICICI Bank Ltd.

**REGISTERED OFFICE**

16/16-A, Civil Lines,  
Kanpur - 208 001

**33rd Annual Report****NOTICE**

Notice is hereby given that the 33rd Annual General Meeting of Members of Key Corp Limited will be held on Saturday, the 10th August, 2019 at 10:00 a.m. at the Registered Office of the Company at 16/16-A, Civil Lines, Kanpur to transact the following business :-

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Financial Statements of the Company as at 31st March, 2019, together with Directors Report and Auditors Report thereon.
2. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and pursuant to recommendation of Audit Committee and the Board of Directors M/s. Vinayak Tandon & Associates, Chartered Accountants (Registration No. 006751C) Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration of Rs. 30,000/- (Rupees Thirty Thousand only)".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is authorized to do all such act, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

**SPECIAL BUSINESS**

3. **Appointment of Shri Raj Kumar Gupta (DIN No. 00200238) as an Independent Director :**

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

"RESOLVED THAT Shri Raj Kumar Gupta (DIN00200238) who has been appointed as an additional director of the Company by the Board of Directors with effect from 15.01.2019 in terms of Section 161 of the Companies Act, 2013 and Article 96 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of five consecutive years".

4. **Re-appointment of Shri Padam Kumar Jain (DIN No. 00176945) as an Independent Director :**

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





"RESOLVED THAT pursuant to provisions of Section 149 and 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with schedule IV of the Act (including any statutory modification(s) or re-enactment there of for the time being in force) and the Companies (appointment and qualifications of Directors) Rules 2014 as amended from time to time Shri Padam Kumar Jain (DIN No. 00176945) aged about 74 years (DOB 08.09.1944) who holds office of Independent director upto 10.08.2019 who has submitted a declaration that he meets the criteria for independence as provided u/s 149(6) of the Act and Regulation 16(i) (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation 2015 and in respect of whom the Company has received a notice in writing u/s 160 (1) of the Act from a member proposing his candidature for the office of the Director be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a second terms of 5 consecutive years to continue to hold position of non executive independent director w.e.f. 01.04.2019 (when Regulation 17(1) (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018 come into force beyond 75 years of age".

**5. Re-appointment of Shri G.D. Maheshwari (DIN No. 00235209) as a Whole Time Director :**

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

"RESOLVED THAT pursuant to provisions of the Companies Act and all other applicable provisions, if any, of the Companies Act, 2013 or any other modification or re-enactment thereof and subject to such approvals as may be necessary, the Company hereby accords its consent and approval to the re-appointment of Shri G.D. Maheshwari as whole time director of the Company with the designation "Executive Director for a period of 5 years with effect from 1<sup>st</sup> October, 2018 and shall hold office upto end of the September, 2023".

**6. To approve the continuing the Directorship of Dr. K.B. Agarwal (DIN No. 00339934) :**

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

"RESOLVED THAT pursuant to provisions of Regulation 17 (1A) of the Securities and Exchange Board of India Listing Obligations and Disclosure Requirements Amendment Regulations 2018 (including any statutory modification(s) or re-enactment there of for the time being in force) or any other applicable law consent be and is hereby accorded for the continuation of directorship of Dr. K.B. Agarwal (DIN 00339934) aged about 80 years (DOB 01.07.1939) to continue to holds office as a non executive non independent director of the Company to continue to hold the position of non executive non independent director beyond 75 years of age".

**7. To approve the continuing the Directorship of Dr. B.D. Agarwal (DIN 00235154) :**

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

"RESOLVED THAT pursuant to provisions of Regulation 17 (1A) of the Securities and Exchange Board of India Listing Obligations and Disclosure Requirements Amendment Regulations 2018 (including any statutory modification(s) or re-enactment there of for the time being in force) or any other applicable law consent be and is hereby accorded for the continuation of directorship of Dr. B.D. Agarwal (DIN 00235154) aged about 75 years (DOB 02.02.1944) to continue to holds office as a non executive non independent director of the Company as well as to continue to hold the position of non executive non independent director beyond 75 years of age and his term shall be liable to retire by rotation".

*Regd. Office :*

16/16-A, Civil Lines,  
Kanpur – 208 001  
CIN – L65921 UP1985 PLC007547  
Web Site: keycorpltd.com  
E-mail: keycorpltd@gmail.com  
Phone: 2305416

Place : Kanpur  
Dated : 15th May, 2019

By Order of the Board  
G.D. Maheshwari  
*Executive Director*  
(DIN 00235209)





#### NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. A proxy form duly completed and signed should be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 4<sup>th</sup> August 2019 to 10<sup>th</sup> August, 2019 (both days inclusive).
3. Members who are holding shares in identical order of names in more than one folio are requested to write to the Registrar & Share Transfer Agent of the Company for consolidation of their holding in one folio.
4. Members are requested to inform the changes, if any, in their registered addresses to the Registrar & Transfer Agent of the Company M/s. ABS Consultants Pvt. Ltd. 99, Stephen House, 6th Floor, 4, B.B.D. Bag (E), Kolkata-700 001.
5. Members seeking any information with regard to the accounts of the company are requested to write to the company at its Registered Office, so as to reach at least 10 days before the date of the meeting to enable the Management to keep the information ready.
6. Members who hold shares in Physical/Dematerialized Form are requested to bring their Folio No./Depository Account Number and client ID Number for identification.
7. Pursuant to clause 49 of the Listing Agreement relating to Corporate Governance, the particulars of Directors proposed to be appointed or re-appointed are given in the report on Corporate Governance attached to the Directors Report.
8. In terms of Section 107 and 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company is providing its members the facility to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice. Necessary arrangements have been made by the Company with Central Depository Services Ltd. ("CDSL") to facilitate remote e-voting. Remote e-voting is optional and members shall have the option to vote either through remote e-voting or in person at the General Meeting through Ballot or Polling paper.

Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member/beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 03.08.2019.

A person, whose name is recorded in the register of member or in the register of beneficial owner maintained by the depositories as on cut-off date i.e. 03.08.2019 only shall be entitled to avail the facility of remote e-voting/voting through ballot or polling paper at the meeting.

The instructions for shareholders voting electronically are as under :

### 33rd Annual Report

- I. The voting period begins on 07.08.2019 at 9.00 A.M. and ends on 09.08.2019 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 03.08.2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- III. Click on "Shareholders".
- IV. Now enter your user ID.
  - a) For CDSL: 16 digits beneficiary ID,
  - b) For NSDL: 8 character DP ID followed by 8 digits Client ID,
  - c) Members holding shares in physical form should enter folio number registered with the Company.
- V. Next enter the image verification as displayed and Click on "Login".
- VI. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- VII. If you are a first time user follow the steps given below:-

| For Members holding shares in Demat and Physical Form |   |
|---|---|
| PAN   | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholder)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the company/depository participant are requested to use the first two letters of their name and the 8 digits of the Sequence Number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in capital letter. Eg. If your name is Heera Singh with sequence number 1 then enter HE00000001 in the PAN field.</li> </ul> |
| DOB   | <ul style="list-style-type: none"> <li>• Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</li> </ul>   |
| Dividend Bank Details                                 | <ul style="list-style-type: none"> <li>• Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</li> <li>• Please enter the DOB or Dividend Bank details in order to login. If the details are not recorded with the Depository or Company, please enter the member ID/Folio Number in the dividend bank details field as mentioned in instructions (iv).</li> </ul>  |

- VIII. After entering these details appropriately click on "SUBMIT" tab.
- IX. Members holding shares in physical form will then reach directly the company selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is





to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- X. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XI. Click on the **EVSN** for the relevant "company name" on which you choose to vote.
- XII. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- XIII. Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolutions.
- XIV. After selecting the resolution you have decided to vote on, click on "**SUBMIT**". A confirmation box will be displayed. If you wish to confirm your vote, click on "**OK**", else to change your vote, click on "**CANCEL**" and accordingly modify your vote.
- XV. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XVI. You can also take out print of the voting done by you by clicking on "**Click here to print**" option on the Voting page.
- XVII. If demat account holder has forgotten the changed password then Enter the User ID and image verification Code and click on Forgot Password and enter the details as prompted by the system.
- XVIII. Non individuals shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodian are required to log on to <https://www.evotingindia.com> and register themselves as Corporates. A scanned copy of the registration form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evotingindia.com](mailto:helpdesk.evotingindia.com).
- XIX. After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the accounts for which they wish to vote on.
- XX. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- XXI. A scanned copy of the Board resolution and Power of Attorney (POA) which they have issued in favour of custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- XXII. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- XXIII. The Company has appointed Ms. Vibha Mehrotra ( Prop. M/s. Vibha Mehrotra & Company, Kanpur) a Practicing Company Secretary (C.P. No. 3103) as the Scrutinizer for conducting the e-voting process in fair and transparent manner.
- XXIV. A copy of this notice has been placed on the website of the Company and the website of CDSL.
- XXV. In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the facility of ballot paper or polling paper shall be made available at the meeting.

For abundant clarity, please note that the Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

Regd. Office :  
16/16-A, Civil Lines,  
Kanpur – 208 001

By Order of the Board  
G.D. Maheshwari  
Executive Director  
(DIN 00235209)

Dated : 15th May, 2019





**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 on Item No. 3, 4, 5, 6 & 7.**

1. The Board of Directors of the company appointed Shri Raj Kumar Gupta (DIN 00200238) aged 58 years as an Additional (Non Executive Independent Director) of the Company with effect from 15.01.2019 in accordance with the provisions of section 161 of the Companies Act, 2013 and Article 96 of the Articles of Association of the Company to hold office upto this Annual General Meeting. In terms of Section 149 and 152 and any other applicable provisions of the Companies Act, 2013 Shri Raj Kumar Gupta being eligible offers himself for appointment, is proposed to be appointed as Independent Director for five consecutive years till respective Annual General Meeting. Notice has been received from a member proposing his candidature for the office of the Directors of the Company. In the opinion of the Board Shri Raj Kumar Gupta fulfill the conditions specified in Companies Act, 2013 and Rules framed there under for his appointment as an Independent Director of the Company and is independent of the management. The resume of Shri Raj Kumar Gupta is given below pursuant to Clause 49 of the Listing Agreement.

Shri Raj Kumar Gupta holds degree of commerce and a Practicing Chartered Accountants (FCA). He has more than 29 years experience in accounts/audit and taxation. He is Partner of M/s. Nandraj & Associates, Chartered Accountants.

2. Independent Director Shri Padam Kumar Jain have completed his five years term. In terms of 149 and any other applicable provisions of the Companies, Act, 2013 Shri Padam Kumar Jain is proposed to be appointed as Independent Director for five consecutive years till 2024. Respective notice have been received from a member proposing his candidature for the office of the Director of the Company. In opinion of the Board Shri Padam Kumar Jain fulfills the conditions specified in Companies Act, 2013 and Rules framed there under for his re-appointment as an Independent Director of the Company. Pursuant to sub-Regulation 1A of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation 2015 inserted by SEBI (Listing Agreement and Disclosure Requirement (Amendment) Regulations 2018 approval of members by way of special resolution is necessary for appointment/continuation of appointment by any non executive director and independent director who has attained the age of 75 years. Shri Padam Kumar Jain non executive independent director of the Company shall attain age of 75 years on 08.09.2019. The resume of Shri Padam Kumar Jain is given below pursuant to Clause 49 of the Listing Agreement.

Shri Padam Kumar Jain holds master degree in commerce. He is the Ex President of The U.P. Stock Exchange Association Ltd. Kanpur. He holds experience in secondary market operation for more than 49 years. He is director in SPFL Securities Ltd., P.K. Jain Real Estate Pvt. Ltd., Merchants Chamber of Uttar Pradesh, J.K. Cotton Ltd. and Jagran Multi Media Investment Pvt. Ltd.

3. Whole time Director Shri G.D. Maheshwari aged 62 years have completed his five years as Executive Director. As per Companies Act and other applicable provisions of the Companies Act, 2013 Shri G.D. Maheshwari being eligible and offering himself for reappointment are proposed to be reappointed as whole time Director of the Company. In opinion of the Board Shri G.D. Maheshwari fulfills the conditions specified in Companies Act, 2013 and rules framed there under for his re-appointment as Whole time Director of the Company. The resume of Shri G.D. Maheshwari is given below pursuant to clause 49 of the Listing Agreement.

Shri G.D. Maheshwari holds Master Degree in Commerce. He holds experience in secondary market and accounts. He is not directly interested in any other company. He is holding the position of Executive Director since 1<sup>st</sup> October, 2003.

The nomination and remuneration committee of the Board of Directors has recommended the continuation of appointment of Shri G.D. Maheshwari as Executive Director of the Company considering his experience.

4. Pursuant to sub-Regulation 1A of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation 2015 inserted by SEBI (Listing Agreement and Disclosure Requirement (Amendment) Regulations 2018 approval of members by way of special resolution is necessary for appointment/continuation of appointment by any non executive and independent director who has attained the age of 75 years. Dr. K.B. Agarwal aged about 80 years (D.O.B. 01.07.1939) is a non executive non independent director of the Company. The resume of Dr. K.B. Agarwal is given below pursuant to clause 49 of the Listing Agreement.

He holds bachelor degree of Law from Kanpur University and Master degree in Commerce and Ph.D. in Commerce and is a fellow member of the Institute of Cost & Works Accountants of India and Institute of Company Secretaries of India. He has experience in the field of finance, accounts and capital market. He is the promoter and director since incorporation of the Company. He is independent director in J.K. Cement Ltd., Jaykay CEM (Centre) Ltd., Jaykay Enterprises Ltd. and J.K. Cotton Ltd. He has served Merchants Chamber of U.P. and U.P. Stock Exchange Association Ltd. as their President. He has been member of Federation of Indian Chamber of Commerce and Industries and Associated Chamber of Commerce & Industry of India.

5. Pursuant to sub-Regulation 1A of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation 2015 inserted by SEBI (Listing Agreement and Disclosure Requirement (Amendment) Regulations 2018 approval of members by way of special resolution is necessary for appointment/continuation of appointment by any non executive and non independent director who has attained the age of 75 years. Dr. B.D. Agarwal aged about 75 years (DOB 02.02.1944) is a non executive non independent director of the Company. The resume of Dr. B.D. Agarwal is given below pursuant to clause 49 of the Listing Agreement.





He holds M.Sc. Ph.D. Degree and possess 40 years experience in Research, Development and Administration.

6. M/s. Vinayak Tandon & Associates Chartered Accountants (Registration No. 006751C) Statutory Auditors of the Company has been our Auditors for the last two years. They have submitted a certificate about their eligibility. The Board of Director as such have decided to re-appoint them on a remuneration of Rs. 30,000/- (Rupees Thirty Thousand only) to audit the books of accounts of the Company for the year 2019-20. The ordinary resolution to give effect to the said re-appointment is recommended for the approval of shareholders.

Regd. Office :  
16/16-A, Civil Lines,  
Kanpur – 208 001  
CIN – L65921 UP1985 PLC007547  
Web Site: keycorppltd.com  
E-mail: keycorppltd@gmail.com  
Phone: 2305416

Place : Kanpur  
Dated : 15th May, 2019

By Order of the Board  
G.D. Maheshwari  
Executive Director  
(DIN 00235209)

## **CHAIRMAN'S MESSAGE TO STAKEHOLDERS**

Dear Stakeholders,

It gives me immense pleasure to share my views with our valued stakeholders and present the 33<sup>rd</sup> Annual Report for the year 2018-19.

I am pleased to report that during the year 2018-19 your Company has delivered satisfactory financial performance.

During the year 2018-19 company has executed Loan business to the tune of Rs. 127.70 lacs as compared to Rs.85.35 lacs in the previous year. The business of the Company has gone up with growth in revenues. Moreover, the Company is concentrating utilising surplus funds in mutual fund schemes.

### **PRESENT ECONOMIC SCENARIO AND PROSPECTS:**

India has emerged as the fastest growing economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years. India's GDP is expected to reach US\$ 6 trillion and achieve upper-middle income status on the back of digitilization, globalization, favourable demographics and reforms. India's Index of Industrial Production (IIP) rose 4.4% year-on-year in 2018-19 and Consumer Price Index (CPI) inflation stood at 2.57% in February 2019. Net direct tax collection for 2018-19 have crossed Rs.10 trillion by March, 2019 while GST collection stood at Rs.10.70 trillion as of February, 2019.

### **ACKNOWLEDGEMENT:**

Before I conclude, on behalf of the Board of Directors and on my own behalf, I would like to express my gratitude to our stakeholders and staff for their faith in our abilities to continuously improve our working.





## DIRECTORS' REPORT TO THE MEMBERS

Your Directors present the 33rd Annual Report and Audited Accounts of the Company for the year ended 31st March, 2019.

| FINANCIAL RESULTS                                    | (₹ in lakhs) |           |
|--|--------------|-----------|
|  | 31.3.2019    | 31.3.2018 |
| Income from Operations                               | 32.78        | 33.88     |
| Income from Investment in Mutual Fund                | 154.11       | 273.00    |
| Other Income   | 0.18         | 0.60      |
| Less : Operating Expenditure                         | 61.09        | 62.49     |
| Profit Before Depreciation and Finance Cost          | 125.98       | 244.99    |
| Less : Depreciation                                  | 3.10         | 2.66      |
| Less : Finance Cost                                  | 0.00         | 0.00      |
| Net Profit for the Year before Tax                   | 122.88       | 242.33    |
| Less : Provision for Income Tax                      | 2.47         | 8.04      |
| Less : Provision for Deferred Tax                    | (0.18)       | 0.10      |
| Profit after Tax                                     | 120.59       | 234.19    |
| Balance of Profit brought forward                    | 32.44        | 20.09     |
| Amount available for appropriation after adjustments | 153.03       | 254.28    |
| <b>APPROPRIATIONS TO :</b>                           |              |           |
| General Reserve                                      | 100.00       | 175.00    |
| Statutory Reserve Fund                               | 24.12        | 46.84     |
| Balance Carried over                                 | 28.91        | 32.44     |

### 2. DIVIDEND

In order to build up resources your Directors do not recommend payment of dividend for the Financial Year 2018-19.

### 3. PERFORMANCE

Looking to the highly competitive market scenario, your Company has done well. Your Company is investing the Surplus Funds in mutual fund schemes to augment income.

### 4. DIRECTORS

- Dr. K.B. Agarwal (DIN 00339934) and Dr. B.D. Agarwal (DIN No. 00235154) having attained the age of 75 years are seeking re-appointment by Special Resolution.
- Shri Yadupati Singhania (DIN 00050364) resigned from the Directorship of the Company on 15.01.2019. The Board places on records its appreciation for the services rendered by him as Director/Chairman.
- Shri Raj Kumar Gupta (DIN 00200238) was appointed as Additional Director on 15.01.2019 in terms of Section 161 of the Companies Act, 2013. Shri Raj Kumar Gupta hold office upto the date of ensuing Annual General Meeting.

d) Dr. K.B. Agarwal was appointed as Chairman of the Company by the Board on 15.01.2019.

e) Further the Board appraised the performance of the independent directors and found their contribution to the proceedings of the Board beneficial for the Company. They have attended almost all the Board meetings and Committee meetings held from time to time. Further, the independent directors have given a declaration that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

### 5. AUDITORS AND AUDITORS REPORT

The present Auditors M/s Vinayak Tandon & Associates (Registration No. 006751C) Chartered Accountants, will retire from their office at the ensuing General Meeting. They have confirmed their eligibility to the effect that their re-appointment, if made would be within the prescribed limits under the Act and that they are not disqualified for re-appointment. You are requested to consider their appointment. The qualifications in the Auditors Report is self explanatory and has been described in the Notes on accounts.

### 6. DISQUALIFICATION OF DIRECTOR

The Practicing Company Secretary has given a certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a directors of Companies by the Board/MCA or any such statutory authority.

### 7. PARTICULARS OF EMPLOYEES

There are no employees getting salary in excess of the limit as specified under the provision of section 197(12) of the Companies Act, 2013 read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

The Company has no activities relating to conservation of energy or technology absorption. There is no foreign exchange earning and outgo during the year.

### 9. LISTING WITH STOCK EXCHANGE

The Companies shares are listed with Bombay Stock Exchange Ltd., Mumbai.

The Company's shares are marketable in Demat mode only. Shareholders are requested to convert their physical shareholding into Demat mode.

### 10. INCOME TAX PROCEEDINGS

Company's assessments are completed upto the assessment year 2017-18

### 11. AUDIT COMMITTEE

During the year the Committee held four meetings.

### 12. NOMINATION & REMUNERATION COMMITTEE

During the year no meeting was held.





### 13. STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year the committee held four meetings.

### 14. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with Stock Exchanges, a report on Corporate Governance is enclosed as integral part of the Annual Report together with the Auditors Certificate in compliance.

### 15. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

In terms of Clause 49 of Listing Agreement of the Stock Exchanges, Management Discussions and Analysis Report forms part of this report.

### 16. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Companies (Appointment & Remuneration and Managerial Personnel) Rules, 2014 the Company appointed M/s. Vibha Mehrotra & Co. Practicing Company Secretary of Kanpur (CP Membership No. 3103) as Secretarial Auditors of the Company for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31<sup>st</sup>, 2019 is annexed to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

### 17. EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company in MGT9 is annexed hereto as Annexure 'A' and form integral part of this report.

### 18. RELATED PARTY TRANSACTIONS

Subject to Note No. B(iii) of the Annual Accounts there was no significant transaction of material nature with the related parties viz Promoters, Directors, Management or relatives during the year and the provisions of Section 188 of the Company's Act, 2013 are not attracted.

### 19. REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a frame work in relation to remuneration of Directors, Key Managerial Personnel of the Company. The details of this Policy is explained in the Corporate Governance Report.

### 20. RISK MANAGEMENT POLICY

The Company has endeavoured to develop and implement a risk management policy, incorporating and identifying economic, financial and environmental risks.

### 21. EVALUATION OF BOARD AND ITS COMMITTEES

The evaluation of the Independent Directors was carried out by the entire Board excluding the directors being evaluated. Further, the Board also carried out assessment of its own performance and that of its committees based upon criteria such as performance against set objectives, contribution to the development of long term strategy and risk management, level of communication amongst the Board/Committee members and of the Board/Committee members with Key Managerial Personnels.

### 22. MEETING OF THE BOARD OF DIRECTORS

The details of the member of meetings of the Board held during the financial year 2018-19 forms part of the Corporate Governance Report.

### 23. CODE OF CONDUCT

The Board of Directors has already adopted a Code of Ethics & Business Conduct for the Directors and Senior Managerial Personnel.

### 24. DIRECTORS RESPONSIBILITY STATEMENT

Your Directors confirm :

- I. that in the preparation of Annual Accounts, the applicable accounting standards had been followed;
- II. that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable & prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2019 and of the profit of the Company for that year;
- III. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safe-guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. that the directors have prepared the annual accounts on a going concern basis;
- V. that the internal financial controls were laid down to be followed and that such internal financial controls were adequate and were operating effectively;
- VI. proper systems were devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

### 25. ACKNOWLEDGEMENT

Your Directors wish to thanks the employees for their dedication and hard work.

Regd. Office :  
16/16-A, Civil Lines,  
Kanpur – 208 001

Dated : 15th May, 2019

For and On behalf of the Board  
**K.B. AGARWAL**  
Chairman  
DIN 00339934





## MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

### I) STRUCTURE AND DEVELOPMENT :

Your Company is an registered NBFC and is engaged in finance business since inception from 1986. The Company's thrust area is vehicle financing, particularly in old vehicle finance and investment of Surplus Funds in Mutual Funds. The Company has developed expertise in financing and recovery of its loan and built up sound portfolio of old vehicles. The business activities of the Company are mainly concentrated in the state of Uttar Pradesh where it has found enough scope.

### II) OPPORTUNITIES AND THREATS :

With the growth in economy, particularly the service sector, there is ample scope for vehicle financing which is company's thrust area. Company has developed expertise during the period of 32 years in financing of used vehicles. Company looks forward to avail such opportunities by expanding area net-work.

However, as the vehicle financing is high risk area, particularly in the northern region where the company is operating, it is moving forward with caution. Moreover there is severe competition from the organized banking sector particularly, private sector banks.

Further, the company foresees substantial potential in revenue generation from its activity of investing surplus funds in mutual funds, which is however subjected to market risks.

### III) PRODUCT-WISE PERFORMANCE :

The company is not a manufacturing company and is engaged only in vehicle financing and investment in mutual funds. The performance of the company has been satisfactory in the current economic scenario.

### IV) OUTLOOK :

As has been explained above, future business scenario is hopeful.

### V) RISKS AND CONCERNS :

Risk is an inherent part of finance business. Your company, however, has taken steps in strengthening the risk management systems and practices. The company is continuously monitoring the business by deputing recovery managers. Company during the last several years has not lost any money in recovering its loans.

### VI) INTERNAL CONTROL SYSTEM :

The company has adequate Internal Control System commensurate with the size and nature of its business with regard to finance, recovery and investment.

### VII) OPERATIONAL PERFORMANCE :

Looking to the highly competitive economic conditions, your company has done well and has secured the business to the tune of Rs. 127.70 lacs.

### Significant Financial Ratios :

| S.No. | Particulars of Ratios   | 31.03.2019 | 31.03.2018 | Remarks (in cases of variances of +/- 25%)   |
|-------|-------------------------|------------|------------|--|
| 1.    | Debtors Turnover Ratio  | 9.07       | 7.60       | -  |
| 2.    | Current Ratio           | 2.76       | 4.46       | The decline in ratio is due to the decrease in the amount of cash and cash equivalents as at 31.03.2019. |
| 3.    | Operating Profit Margin | 67.71%     | 80.43%     | -  |
| 4.    | Net Profit Margin       | 64.46%     | 76.16%     | -  |
| 5.    | Return on Net Worth     | 4.47%      | 9.09%      | The decline in ratio is due to fall in dividend income/sale of investments during the year.              |

### VIII) HUMAN RESOURCES :

The company has a professional team to control its day to-day activities under the guidance of the Executive Director.

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014].

To,  
The Members  
KEY CORP LIMITED  
16/16-A, Civil Lines  
Kanpur

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

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 (audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2019 according to the provisions of :

- i) The Companies Act, 2013 (the Act) and the rules made thereunder ;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder ;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder ;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the company during the audit period).
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2014; (Not applicable to the company during the audit period)





- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the audit period)
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the audit period)
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the audit period)

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with Stock Exchanges,
- iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**I further report that**, having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the company has complied with the following laws applicable specifically to the company :

Various regulations and guidelines under the Non Banking Financial Companies (Reserve Bank), Directions, and the provisions of RBI Act 1934, as applicable to it.

**I further report that :**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Kanpur  
Date : May 10, 2019

Name : **Vibha Mehrotra**  
C.S. No. 3103, CP No. 1832

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**  
As on financial year ended on 31.03.2019  
**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Company (Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS :**

|      |  |   |
|------|--|---|
| i.   | CIN  | L65921UP1985PLC007547   |
| ii.  | Registration Date  | 26.11.1985  |
| iii. | Name of the Company  | KEY CORP LIMITED  |
| iv.  | Category/ Sub-category of the Company                                      | PUBLIC LIMITED COMPANY  |
| v.   | Address of the Registered Office & contact details                         | 16/16-A, Civil Lines, Kanpur-208 001<br>Phone No.: 0512-2305416<br>Website : www.keycorpltd.com   |
| vi.  | Whether listed company   | YES   |
| vii. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | ABS CONSULTANT PVT. LTD.<br>R.NO. 99, STEPHEN HOUSE 6th FLOOR 4BBD BAG (E)<br>KOLKATA-700001<br>E-mail : absconsultant@vsnl.net<br>Phone No. : 033-22201043 |

**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

| SL.No. | Name & Description of main products / services | NIC Code of the Product / Service | % to total turnover of the company |
|--------|--|-----------------------------------|------------------------------------|
| 1      | FINANCIAL SERVICES AND INVESTMENT              | 9971                              | 100                                |



III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES :

| SL.No. | NAME & ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/<br>SUBSIDIARY/<br>ASSOCIATE | % OF<br>SHARES<br>HELD | APPLICABLE<br>SECTION |
|--------|-------------------------------|---------|--------------------------------------|------------------------|-----------------------|
| 1.     | NIL                           | NIL     | NIL                                  | NIL                    | NIL                   |

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as % to Total Equity)

| Category of Share Holders                                  | 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 |                          |
| <b>A. Promoters</b>  |   |          |                |                   |   |          |                |                   |                          |
| (1) Indian   |   |          |                |                   |   |          |                |                   |                          |
| (a) Individual / HUF                                       | 4140519   | 0        | 4140519        | 69.01             | 4140519                                   | 0        | 4140519        | 69.01             | 0                        |
| (b) Central Government or State Government                 | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 | 0                        |
| (c) Bodies Corporate                                       | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 | 0                        |
| (d) Banks/FI   | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 | 0                        |
| (e) Any other  | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 | 0                        |
| <b>Sub Total (A) (1)</b>                                   | <b>4140519</b>                                  | <b>0</b> | <b>4140519</b> | <b>69.01</b>      | <b>4140519</b>                            | <b>0</b> | <b>4140519</b> | <b>69.01</b>      | <b>0</b>                 |
| (2) Foreign  |   |          |                |                   |   |          |                |                   |                          |
| (a) NRIs-Individuals                                       | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 | 0                        |
| (b) Other Individuals                                      | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 | 0                        |
| (c) Bodies Corp.   | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 | 0                        |
| (d) Banks / FI   | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 | 0                        |
| (e) Any other  | 0   | 0        | 0              | 0                 | 0   | 0        | 0              | 0                 | 0                        |
| <b>Sub Total (A) (2) :</b>                                 | <b>0</b>  | <b>0</b> | <b>0</b>       | <b>0</b>          | <b>0</b>                                  | <b>0</b> | <b>0</b>       | <b>0</b>          | <b>0</b>                 |
| <b>Total Shareholding of Promoter (A) = (A)(1)+(A) (2)</b> | <b>4140519</b>                                  | <b>0</b> | <b>4140519</b> | <b>69.01</b>      | <b>4140519</b>                            | <b>0</b> | <b>4140519</b> | <b>69.01</b>      | <b>0</b>                 |

|  |                |                |                |              |                |                |                |              |          |
|--|----------------|----------------|----------------|--------------|----------------|----------------|----------------|--------------|----------|
| <b>B) Public Shareholding</b>  |                |                |                |              |                |                |                |              |          |
| (1) Institutions   |                |                |                |              |                |                |                |              |          |
| (a) Mutual Funds   | 0              | 600            | 600            | 0.01         | 0              | 600            | 600            | 0.01         | 0        |
| (b) Banks/FI   | 600            | 100            | 700            | 0.01         | 600            | 100            | 700            | 0.01         | 0        |
| (c) Central Government   | 0              | 0              | 0              | 0            | 0              | 0              | 0              | 0            | 0        |
| (d) State Government(s)  | 0              | 0              | 0              | 0            | 0              | 0              | 0              | 0            | 0        |
| (e) Venture Capital Funds  | 0              | 0              | 0              | 0            | 0              | 0              | 0              | 0            | 0        |
| (f) Insurance Companies  | 0              | 0              | 0              | 0            | 0              | 0              | 0              | 0            | 0        |
| (g) FIs  | 0              | 0              | 0              | 0            | 0              | 0              | 0              | 0            | 0        |
| (h) Foreign Venture Capital Funds  | 0              | 0              | 0              | 0            | 0              | 0              | 0              | 0            | 0        |
| (i) Other (specify)  | 0              | 0              | 0              | 0            | 0              | 0              | 0              | 0            | 0        |
| <b>Sub Total (B) (1) :</b>   | <b>600</b>     | <b>700</b>     | <b>1300</b>    | <b>0.02</b>  | <b>600</b>     | <b>700</b>     | <b>1300</b>    | <b>0.02</b>  | <b>0</b> |
| (2) Non-Institutions   |                |                |                |              |                |                |                |              |          |
| (a) Bodies Corporate   |                |                |                |              |                |                |                |              |          |
| (I) Indian   | 20214          | 22400          | 42614          | 0.71         | 23278          | 22400          | 45678          | 0.76         | 0.05     |
| (II) Overseas  | 0              | 0              | 0              | 0.00         | 0              | 0              | 0              | 0            | 0        |
| (b) Individuals  |                |                |                |              |                |                |                |              |          |
| (I) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh          | 335480         | 1455536        | 1791016        | 29.85        | 374691         | 1406911        | 1781602        | 29.69        | -0.16    |
| (II) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh | 21671          | 0              | 21671          | 0.36         | 29071          | 0              | 29071          | 0.48         | 0.12     |
| (c) Other (specify) NRI  | 2680           | 200            | 2880           | 0.05         | 1830           | 0              | 1830           | 0.03         | -0.02    |
| <b>Sub Total (B) (2) :</b>   | <b>380045</b>  | <b>1478136</b> | <b>1858181</b> | <b>30.97</b> | <b>428870</b>  | <b>1429311</b> | <b>1858181</b> | <b>30.97</b> | <b>0</b> |
| <b>Total Public Shareholding (B) = (B)(1) + (B) (2)</b>                            | <b>380645</b>  | <b>1478836</b> | <b>1859481</b> | <b>30.99</b> | <b>429470</b>  | <b>1430011</b> | <b>1859481</b> | <b>30.99</b> | <b>0</b> |
| (C) Shares held by custodian for GDRs & ADRs                                       | 0              | 0              | 0              | 0.00         | 0              | 0              | 0              | 0            | 0        |
| <b>GRAND TOTAL (A+B+C)</b>   | <b>4521164</b> | <b>1478836</b> | <b>6000000</b> | <b>100</b>   | <b>4569989</b> | <b>1430011</b> | <b>6000000</b> | <b>100</b>   | <b>0</b> |



**(ii) Shareholding of Promoters**

| 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 Pledged/ Encumbered to total shares | No. of Shares                       | % of total shares of the Company | % of Shares Pledged/ Encumbered to total shares |   |
| 1. Krishna Behari Agarwal | 4140519                                   | 69.01                            | 0   | 4140519                             | 69.01                            | 0   | 0   |
| <b>Total</b>              | <b>4140519</b>                            | <b>69.01</b>                     | <b>0</b>  | <b>4140519</b>                      | <b>69.01</b>                     | <b>0</b>  | <b>0</b>                                  |

**(iii) Change in Promoters' Shareholding (Specify if there is no change)**

| Sr. No. | Shareholding at the beginning of the year  |                                 | Cumulative Shareholding during the year |                                 |
|---------|--|---------------------------------|---|---------------------------------|
|         | No. of Shares  | % of total share of the company | No. of Shares                           | % of total share of the company |
|         | At the beginning of the year   |                                 |   |                                 |
|         | There is no change in the absolute shareholding of the Promoters during the year |                                 |   |                                 |

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

| Sr. No. | For Each of the Top 10 Shareholders | Shareholding As on 31.03.2018 |                                  | Shareholding As on 31.03.2019 |                                  |
|---------|-------------------------------------|-------------------------------|----------------------------------|-------------------------------|----------------------------------|
|         |                                     | No. of Shares                 | % of total shares of the company | No. of Shares                 | % of total shares of the company |
| 1.      | Mahendra Girdhari Lal               | 10793                         | 0.18                             | 18193                         | 0.30                             |
| 2.      | Amrandra Nath Mishra                | 10678                         | 0.18                             | 10678                         | 0.18                             |
| 3.      | Jayant Share Broking Pvt. Limited   | 8700                          | 0.15                             | 9500                          | 0.16                             |
| 4.      | Vijaya Commercial Credit Limited    | 8800                          | 0.15                             | 8800                          | 0.15                             |
| 5.      | Neeta Sunil Kanadia                 | -                             | -                                | 8100                          | 0.14                             |
| 6.      | Rajendra Dhirajlal Gandhi (HUF)     | 7500                          | 0.13                             | 7500                          | 0.13                             |
| 7.      | Vipul Rajendra Bhai Gandhi          | 7500                          | 0.13                             | 7500                          | 0.13                             |
| 8.      | Pratik Rajendra Gandhi              | 7500                          | 0.13                             | 7500                          | 0.13                             |
| 9.      | Rajendra Dhiraj Lal Gandhi          | 7500                          | 0.13                             | 7500                          | 0.13                             |
| 10.     | Rama Mehta                          | -                             | -                                | 7000                          | 0.12                             |

**(v) Shareholding of Directors & KMP**

| Sl.No.    | For Each of the Directors & KMP  | Shareholding at the end of the year (Previous Year) |                                  | Cumulative Shareholding during the year |                                  |
|-----------|--|---|----------------------------------|---|----------------------------------|
|           |  | No. of Shares                                       | % of total shares of the Company | No. of Shares                           | % of total shares of the Company |
| <b>A.</b> | <b>Directors</b>   |   |                                  |   |                                  |
| 1.        | Shri Padam Kumar Jain<br>At the end of the year (or on the date of separation if separated during the year 31.03.2019)     | 100<br>NA   | 0.00<br>NA                       | 100<br>100                              | 0.00<br>0.00                     |
| 2.        | Dr. Bithal Das Agarwal<br>At the end of the year (or on the date of separation if separated during the year 31.03.2019)    | 200<br>NA   | 0.00<br>NA                       | 200<br>200                              | 0.00<br>0.00                     |
| 3.        | Ms. Manju Jain<br>At the end of the year (or on the date of separation if separated during the year 31.03.2019)            | 100<br>NA   | 0.00<br>NA                       | 100<br>100                              | 0.00<br>0.00                     |
| 4.        | Shri Gokul Das Maheshwari<br>At the end of the year (or on the date of separation if separated during the year 31.03.2019) | 40<br>NA  | 0.00<br>NA                       | 40<br>40                                | 0.00<br>0.00                     |
| 5.        | Shri Raj Kumar Gupta<br>At the end of the year (or on the date of separation if separated during the year 31.03.2019)      | -<br>NA   | -<br>NA                          | 100<br>100                              | 0.00<br>0.00                     |
| <b>B.</b> | <b>Key Managerial Personnel</b>  |   |                                  |   |                                  |
| 6.        | Shri V. K. Pandey<br>At the end of the year (or on the date of separation if separated during the year 31.03.2019)         | 220<br>NA   | 0.00<br>NA                       | 220<br>220                              | 0.00<br>0.00                     |
| 7.        | Shri R. N. Singh<br>At the end of the year (or on the date of separation if separated during the year 31.03.2019)          | 20<br>NA  | 0.00<br>NA                       | 20<br>20                                | 0.00<br>0.00                     |

**(v) INDEBTEDNESS**

| Indebtedness of the Company including interest outstanding/ accrued but not due for payment |                                  |                 |            |                    |
|---|----------------------------------|-----------------|------------|--------------------|
|   | Secured Loans excluding deposits | Unsecured Loans | Deposits   | Total Indebtedness |
| <b>Indebtedness at the beginning of the financial year</b>                                  |                                  |                 |            |                    |
| i) Principal Amount   |                                  |                 |            |                    |
| ii) Interest due but not paid   | NIL                              | NIL             | NIL        | NIL                |
| iii) Interest accrued but not due   |                                  |                 |            |                    |
| <b>Total (i + ii + iii)</b>   | <b>NIL</b>                       | <b>NIL</b>      | <b>NIL</b> | <b>NIL</b>         |
| <b>Change in Indebtedness during the financial year</b>                                     |                                  |                 |            |                    |
| Additions   |                                  |                 |            |                    |
| Reduction   |                                  |                 |            |                    |
| Net Change  |                                  |                 |            |                    |
| <b>Indebtedness at the end of the financial year</b>  |                                  |                 |            |                    |
| i) Principal Amount   |                                  |                 |            |                    |
| ii) Interest due but not paid   | NIL                              | NIL             | NIL        | NIL                |
| iii) Interest accrued but not due   |                                  |                 |            |                    |
| <b>Total (i + ii + iii)</b>   | <b>NIL</b>                       | <b>NIL</b>      | <b>NIL</b> | <b>NIL</b>         |



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

| Sl.No. | Particulars of Remuneration   | Name of the MD / WTD / Manager |  |  | Total Amount (Rs.) |
|--------|---|--------------------------------|--|--|--------------------|
| 1.     | <b>Gross Salary</b>   | Shri G. D. Maheshwari          |  |  |                    |
|        | (a) Salary as per provisions contained in section 17 (1) of the Income Tax, 1961. | 363300                         |  |  | 363300             |
|        | (b) Value of perquisites u/s 17 (2) of the Income Tax Act, 1961                   | 104562                         |  |  | 104562             |
|        | (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961     | -                              |  |  | -                  |
| 2.     | Stock option  | -                              |  |  | -                  |
| 3.     | Sweat Equity  | -                              |  |  | -                  |
| 4.     | Commission as % of profit others (specify)  | -                              |  |  | -                  |
| 5.     | Others, please specify  | -                              |  |  | -                  |
|        | <b>Total (A)</b>  | <b>467862</b>                  |  |  | <b>467862</b>      |
|        | <b>Ceiling as per the Act</b>   |                                |  |  |                    |

B. Remuneration to other directors :

| Sl.No. | Particulars of Remuneration                      | Name of the Directors                           |                |                |                 | Total Amount |
|--------|--|---|----------------|----------------|-----------------|--------------|
| 1.     | Independent Directors                            | Shri Y.P. Singhania<br>(Ceased from 15.01.2019) | Shri P.K. Jain | Ms. Manju Jain | Shri R.K. Gupta |              |
|        | (a) Fee for attending board & committee meetings | 3000  | 15000          | 19000          | -               | 37000        |
|        | (b) Commission                                   |   |                |                |                 |              |
|        | (c) Others, please specify                       |   |                |                |                 |              |
|        | <b>Total (1)</b>                                 | <b>3000</b>                                     | <b>15000</b>   | <b>19000</b>   | <b>-</b>        | <b>37000</b> |

|    |   |                  |                  |              |          |               |
|----|---|------------------|------------------|--------------|----------|---------------|
| 2. | Other Non Executive Directors                   | Dr. K.B. Agarwal | Dr. B.D. Agarwal |              |          |               |
|    | (a) Fee for attending board & committee meeting | 15000            | 6000             |              | -        | 21000         |
|    | (b) Commission                                  | -                | -                | -            | -        |               |
|    | (c) Others, please specify                      | -                | -                | -            | -        |               |
|    | <b>Total (2)</b>                                | <b>15000</b>     | <b>6000</b>      |              | <b>-</b> | <b>21000</b>  |
|    | <b>Total (B) = (1+2)</b>                        | <b>18000</b>     | <b>21000</b>     | <b>19000</b> | <b>-</b> | <b>58000</b>  |
|    | <b>Total Managerial Remuneration (A+B)</b>      | <b>485862</b>    | <b>21000</b>     | <b>19000</b> | <b>-</b> | <b>525862</b> |
|    | <b>Overall Ceiling as per the Act.</b>          |                  |                  |              |          |               |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD

| Sl.No. | Particulars of Remuneration  | Key Managerial Personnel |                    |                  | Total (Rs.)   |
|--------|--|--------------------------|--------------------|------------------|---------------|
|        |  | Shri R N Singh           | Shri S.N. Tripathi | Shri V.K. Pandey |               |
|        |  | CFO                      | Company Secretary  | Jt. Secretary    |               |
| 1.     | <b>Gross Salary</b>  |                          |                    |                  |               |
|        | (a) Salary as per provisions contained in section 17 (1) of the Income Tax Act, 1961 | 228840                   | 48000              | 225840           | 502680        |
|        | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961                       | 69840                    | -                  | 68831            | 138671        |
|        | (c) Profit in lieu of Salary under section 17(3) of the Income Tax Act, 1961         | -                        | -                  | -                | -             |
| 2.     | Stock Option   | -                        | -                  | -                | -             |
| 3.     | Sweat Equity   | -                        | -                  | -                | -             |
| 4.     | Commission as % of profit  | -                        | -                  | -                | -             |
| 5.     | Others, please specify   | -                        | -                  | -                | -             |
|        | <b>Total (A)</b>   | <b>298680</b>            | <b>48000</b>       | <b>294671</b>    | <b>641351</b> |





VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority (RD/ NCLT/ Court) | Appeal made if any (give details) |
|-------------------------------------|------------------------------|-------------------|--|-----------------------------|-----------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |  |                             |                                   |
| Penalty                             | -                            | -                 | -  | -                           | -                                 |
| Punishment                          | -                            | -                 | -  | -                           | -                                 |
| Compounding                         | -                            | -                 | -  | -                           | -                                 |
| <b>B. DIRECTORS</b>                 |                              |                   |  |                             |                                   |
| Penalty                             | -                            | -                 | -  | -                           | -                                 |
| Punishment                          | -                            | -                 | -  | -                           | -                                 |
| Compounding                         | -                            | -                 | -  | -                           | -                                 |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |  |                             |                                   |
| Penalty                             | -                            | -                 | -  | -                           | -                                 |
| Punishment                          | -                            | -                 | -  | -                           | -                                 |
| Compounding                         | -                            | -                 | -  | -                           | -                                 |

REPORT ON CORPORATE GOVERNANCE

The detailed report on Corporate Governance in the format prescribed by SEBI and incorporated in clause 49 of the Listing Agreement is set out below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance envisages the attainment of the highest level of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees and the clients. The company believes that all its operations and actions must serve the goal of enhancing overall shareholder value over a sustained period of time.

2. BOARD OF DIRECTORS

The present strength of the Board of Directors is **Six**, whose composition is given below: One promoter Non-Executive & Non-independent Director, Three Independent Non-Executive Directors (including one women director), One Non-Independent Non-Executive Director and One Non-Independent Executive-Director.

The Board of Directors met 5 times during the year. These were on 16/04/2018, 11/05/2018, 11/08/2018, 27/10/2018 and 15/01/2019.

The Composition of the Board of Directors, attendance of Directors at the Board Meetings and at the last Annual General Meeting as also the number of Directorships and Committee Memberships held by them in other Companies are given below:

| Name of Directors   | Category                                     | No. of Board Meetings Held | No. of Board Meetings Attended | Attendance of the last AGM held on 11.08.2018 | Relationship Interested Director | No. of Directorship in other Companies | No. of Membership in Committee of Directors in other Companies |        |
|---|--|----------------------------|--------------------------------|---|----------------------------------|--|--|--------|
|   |  |                            |                                |   |                                  |  | Chairman   | Member |
| Shri Yadupati Singhania<br>Chairman<br>(Ceased to be a director<br>w.e.f. 15.01.2019) | Independent<br>Non-Executive                 | 5                          | 1                              | No  | -                                | -                                      | -  | -      |
| Dr. K. B. Agarwal<br>Chairman (*)   | Promoter<br>Non-Independent<br>Non-Executive | 5                          | 5                              | Yes   | Dr. B.D. Agarwal                 | 4                                      | 4  | 2      |
| Dr. B. D. Agarwal<br>Director   | Non-Independent<br>Non-Executive             | 5                          | 2                              | No  | Dr. K.B. Agarwal                 | -                                      | -  | -      |
| Shri Padam Kumar Jain<br>Director   | Independent<br>Non-Executive                 | 5                          | 4                              | Yes   | -                                | 1                                      | -  | -      |
| Ms. Manju Jain<br>Director  | Independent<br>Non-Executive                 | 5                          | 5                              | Yes   | -                                | -                                      | -  | -      |
| Shri G.D. Maheshwari<br>Director  | Non-Independent<br>Executive                 | 5                          | 5                              | Yes   | -                                | -                                      | -  | -      |
| Shri R.K. Gupta<br>(Appointed as an<br>Additional Director<br>w.e.f. 15.01.2019)      | Independent Non<br>Executive                 | 5                          | -                              | -   | -                                | -                                      | -  | -      |

(\*) Dr. K.B. Agarwal is an independent director in M/s. J.K. Cement Ltd. and M/s. Jay Kay Enterprises Ltd.



**MEETING OF THE INDEPENDENT DIRECTORS**

During the year under review, a separate meeting of Independent Directors was held to assess and review the performance of Non Independent Directors, Board and timely flow of information to Board from the Company's management. The Independent Directors of the Company were satisfied with the performance and timely flow of information.

**EVALUATION OF BOARD AND ITS MEMBERS**

The evaluation of the Independent Directors was carried out by the entire Board excluding the directors being evaluated. Further, the Board also carried out assessment of its own performance and that of its committees based upon criteria such as performance against set objectives, contribution to the development of long term strategy and risk management, level of communication amongst the Board/Committee members and of the Board/Committee members with Key Managerial Personnels.

**PROFILE OF DIRECTORS TO BE REAPPOINTED ON RETIREMENT BASIS**

Shri Gokul Das Maheshwari (DIN00235209) aged about 62 years was first appointed in the year 2003. He is Post Graduate in Commerce. There is no Directorship in other Companies.

**3. DISQUALIFICATION OF DIRECTOR**

The Practicing Company Secretary has given a certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as a directors of Companies by the Board/MCA or any such statutory authority.

**4. AUDIT COMMITTEE****A. Composition and Broad Terms of Reference**

The Audit Committee of the Company comprises of following three directors :

Shri Padam Kumar Jain : Independent, Non-Executive Director & Chairman of the Committee

Ms. Manju Jain : Independent, Non-Executive Director

Shri G.D. Maheshwari : Non-Independent, Executive Director

All these Directors possess knowledge of Corporate Finance/Accounts/Company Law. The Statutory Auditors attend the meetings as invitees.

The terms of reference of the Audit Committee constituted by the Board in terms of Section 177 of the Companies Act, 2013 and the Corporate Governance code as prescribed under clause 49 of the Listing Agreement.

**B. Meetings/Attendance**

During the financial year ended 31<sup>st</sup> March, 2019, four meetings were held on 11<sup>th</sup> May 2018, 10<sup>th</sup> August, 2018, 27<sup>th</sup> October, 2018 and 15<sup>th</sup> January, 2019 .

The Committee adopted the annual accounts for the year 2017-2018 in their meeting held on 11<sup>th</sup> May, 2018.

The attendance of the committee meetings is as under :

| Name of Members       | Meetings Held | Meetings Attended |
|-----------------------|---------------|-------------------|
| Shri Padam Kumar Jain | 4             | 3                 |
| Ms. Manju Jain        | 4             | 4                 |
| Shri G.D. Maheshwari  | 4             | 4                 |

**5. NOMINATION & REMUNERATION COMMITTEE****A. COMPOSITION**

The Nomination and Remuneration Committee of the Company comprised of Shri Padam Kumar Jain, Dr. B.D. Agarwal and Ms. Manju Jain.

**B. MEETINGS / ATTENDANCE**

During the financial year ended 31<sup>st</sup> March, 2019 no meeting was held.

**C. REMUNERATION POLICY**

Remuneration policy of the company is directed towards rewarding performance, based on review of achievements. However during the year only sitting fee was paid to the Non-Executive Directors. Remuneration was paid to Executive Director as per the terms of his appointment approved by the general body.

The number of Equity Shares held by Non Executive Directors of the Company as on 31.03.2019 is as under :

| Name of Directors     | No. of Shares held |
|-----------------------|--------------------|
| Dr. K.B. Agarwal      | 41,40,519          |
| Shri Padam Kumar Jain | 100                |
| Dr. B.D. Agarwal      | 200                |
| Ms. Manju Jain        | 100                |
| Shri R.K. Gupta       | 100                |

**D. Remuneration of Directors**

Details of Remuneration / Sitting Fee to all the Directors for the year ended 31st March, 2019.

| Name of Directors  | Salary | Benefits | Sitting Fee | Total ₹ |
|--|--------|----------|-------------|---------|
| Shri Yadupati Singhania<br>(Ceased to be a Director w.e.f. 15.01.2019) | -      | -        | 3000        | 3000    |
| Dr. K. B. Agarwal  | -      | -        | 15000       | 15000   |
| Shri Padam Kumar Jain  | -      | -        | 15000       | 15000   |
| Dr. B. D. Agarwal  | -      | -        | 6000        | 6000    |
| Ms. Manju Jain   | -      | -        | 19000       | 19000   |
| Shri G. D. Maheshwari  | 363300 | 104562   | -           | 467862  |





## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

- (A) The Share Transfer Committee inter-alia has been given the powers to deal with all the matters related to transfer, transmission, issuance of duplicate share certificates, split and/or consolidation requests. The Share Transfer Committee meets regularly. During the financial year ended 31st March, 2019, Four meetings were held as under :-

| Name of Members       | Meetings Held | Meetings Attended |
|-----------------------|---------------|-------------------|
| Shri Padam Kumar Jain | 4             | 4                 |
| Ms. Manju Jain        | 4             | 4                 |
| Shri G.D. Maheshwari  | 4             | 4                 |

## (B) COMPLIANCE OFFICER & INVESTOR GRIEVANCE

Shri S.N. Tripathi, Company Secretary who is designated as the Compliance Officer of the Company is assigned with the responsibilities of overseeing Investor's Grievance. His email address is [keycorpltd@gmail.com](mailto:keycorpltd@gmail.com) and Telephone No. 0512-2305416.

During the year under review, no complaint was received.

## 7. GENERAL BODY MEETING

Location and time, where last three AGMs were held :

| Financial Year | Date       | Time       | Place of the Meeting         |
|----------------|------------|------------|------------------------------|
| 2017-2018      | 11.08.2018 | 10.00 a.m. | 16/16-A, Civil Lines, Kanpur |
| 2016-2017      | 11.08.2017 | 10.00 a.m. | 16/16-A, Civil Lines, Kanpur |
| 2015-2016      | 10.08.2016 | 10.00 a.m. | 16/16-A, Civil Lines, Kanpur |

During the year ended 31st March, 2019, no special resolution has been proposed/ passed by the Company's shareholders through postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed by postal ballot.

## 8. DISCLOSURES

### 8A) CEO/CFO CERTIFICATION

A certification in accordance with Provisions of Clause 49(IX) of the Listing Agreement in respect of the Financial year 2018-19 signed by CEO and CFO has been placed before the Board.

### 8B) CODE OF CONDUCT

The Board of Directors has already adopted the Code of Ethics & Business conduct for the Directors and Senior Management personnel. This code is a comprehensive code applicable to all Executives as well as non executive directors and members of the Senior Management. A copy of the code has been hosted on the Company's website [www.keycorpltd.com](http://www.keycorpltd.com).

The CEO of the Company has submitted his report regarding Code of Conduct by the Directors and Senior Management for the year ended 31<sup>st</sup> March, 2019 and the same is annexed with this report.

## 8C) RELATED PARTY TRANSACTIONS

A comprehensive list of Related parties & their transactions as required by AS-18 issued by the Institute of Chartered Accountants of India, forms part of an Annexure to the Notes to Accounts in the Annual Report & is placed before the Audit Committee. None of the transactions with any of the related parties were in conflict with the interest of the Company.

## 8D) WHISTLE BLOWER POLICY

The Company Promoters advocates ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a vigil mechanism and whistle blower policy under which the employees are free to report violations of applicable laws and regulations and code of conduct. The reportable matters may be disclosed to the Ethics and compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review no employee was denied access to the Audit Committee.

- 8E) During the year a fine of Rs. 1,08,560/- was imposed on the Company by BSE under Regulation 6 (1) of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015.

## 8F) Management Discussions and Analysis Report

Management Discussion and Analysis Report forms part of the annual report.

## 9. MEANS OF COMMUNICATION

The Company submitted its Annual, Half Yearly & Quarterly results to the Stock Exchange in accordance with the Listing Agreement and also published them in the two newspapers namely The Pioneer (English), Swatantra Chetana (Hindi).

The financial results and shareholding pattern of the Company are also available on its website [www.keycorpltd.com](http://www.keycorpltd.com)

## 10. COMPLIANCE

The Company Secretary alongwith the Joint Secretary/Compliance Officer of the Company, while preparing the Agenda, notes on agenda and minutes of the meetings, is responsible for and is required to ensure adherence to all applicable laws and regulations including the Companies Act, 1956/Companies Act, 2013 read with rules issued thereunder, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

## 11. GENERAL SHAREHOLDER INFORMATION

### 11.1. Annual General Meeting

|                    |   |
|--------------------|---|
| Day, Date and Time | - Saturday, the 10th August, 2019<br>at 10.00 am.                               |
| Venue              | - Registered Office of the Company at<br>16/16-A, Civil Lines, Kanpur - 208 001 |





**11.2. Financial Calendar (tentative)  
Results for the quarter**

- a) First Quarter Results – Within 45 days from the close of quarter ending June, 2019
- b) Second Quarter Results – Within 45 days from the close of quarter ending Sept., 2019
- c) Third Quarter Results – Within 45 days from the close of quarter ending Dec., 2019
- d) Results for the year ended 31.03.2020 Annual General Meeting – Within 60 days from the close of quarter/ year ending March, 2020 Upto September, 2020
- 11.3. Book Closure Date – 3rd August, 2019 to 10th August, 2019 (Both days inclusive)**
- 11.4. Dividend Payment Date – Not Applicable (No dividend proposed)**

**11.5. Listing on Stock Exchanges**

The Company's shares are listed with B S E Limited, P J Towers, Dalal Street, Mumbai-400001.

**11.6. Stock Code**

Demat ISIN in NSDL/CDSL - INE130F01016

**11.7. Stock Market Price data for the year 2018-2019**

During the year, the market quotation of the stock at Bombay Stock Exchange Ltd. Mumbai was as follows :

**Market Price Data ( ₹ )**

| Month           | Bombay Stock Exchange (BSE) |       |
|-----------------|-----------------------------|-------|
|                 | High                        | Low   |
| April, 2018     | 26.70                       | 21.50 |
| May, 2018       | 22.55                       | 20.00 |
| June, 2018      | 21.00                       | 18.45 |
| July, 2018      | 23.50                       | 17.85 |
| August, 2018    | 27.65                       | 22.80 |
| September, 2018 | 26.25                       | 21.25 |
| October, 2018   | 20.20                       | 16.85 |
| November, 2018  | 18.50                       | 15.70 |
| December, 2018  | 15.50                       | 13.35 |
| January, 2019   | 16.55                       | 12.89 |
| February, 2019  | 15.30                       | 11.45 |
| March, 2019     | 14.96                       | 11.60 |

**11.8. Share Price performance in comparison to broad based indices - BSE and NSE**

As only few transactions could take place in the Company's shares during the year hence the comparison of share price with BSE and NSE indices, in management's view, is not necessary.

**11.9. Registrar and Transfer Agent**

M/s. ABS Consultants Pvt. Ltd., having its office at R.No. 99, Stephen House, 6th Floor 4 B.B.D. Bag (East), Kolkata-700 001 are Registrar and Transfer Agent for both demat and physical segment.

**12.1. Share Transfer System**

The Company's shares are traded in the Stock Exchanges compulsorily in Demat mode. Shares in physical mode which are lodged for transfer are subject to exercise of option under compulsory transfer-cum-demat procedures. Share certificates are either dematerialised or returned to the respective share holders within the time prescribed by the authorities.

**12.2. (a) Distribution of Shareholding as on 31st March, 2019**

| No. of Equity Shares Held | No. of Folios | % of Folios   | No. of Shares Held | % of Shares Held |
|---------------------------|---------------|---------------|--------------------|------------------|
| 001 to 500                | 8330          | 95.33         | 1323859            | 22.06            |
| 501 to 1000               | 293           | 3.35          | 234639             | 3.91             |
| 1001 to 2000              | 77            | 0.88          | 110722             | 1.84             |
| 2001 to 3000              | 11            | 0.13          | 27347              | 0.46             |
| 3001 to 4000              | 08            | 0.09          | 27753              | 0.46             |
| 4001 to 5000              | 05            | 0.06          | 23700              | 0.40             |
| 5001 to 10000             | 11            | 0.13          | 82590              | 1.38             |
| 10001 and above           | 03            | 0.03          | 4169390            | 69.49            |
| <b>TOTAL</b>              | <b>8738</b>   | <b>100.00</b> | <b>6000000</b>     | <b>100.00</b>    |

**(b) Categories of Shareholders as on 31st March, 2019**

| Category        | % of share holding |
|-----------------|--------------------|
| Promoters       | 69.01              |
| Body Corporate  | 0.76               |
| Banks/FI's      | 0.01               |
| Mutual Funds    | 0.01               |
| Public (Indian) | 30.18              |
| Public (NRI)    | 0.03               |





(c) There are no institutional investors who are shareholder of the company.

**13.1. Dematerialisation of Shares and Liquidity**

As on 31st March, 2019, 76.17% of the Company's total shares representing 45,69,989 shares were held in dematerialised form and the balance 23.83% representing 14,30,011 shares were in physical form.

Trading in Equity Shares of the Company is permitted only in Demat form. For having proper liquidity, the equity shares of the company is listed at Bombay Stock Exchange Ltd., Mumbai.

|  |   |      |
|--|---|------|
| <b>13.2 Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion Date and likely impact on equity</b> | - | Nil  |
| <b>13.3 Plant Locations</b>  | - | N.A. |
| <b>13.4 Subsidiaries</b>   | - | Nil  |
| <b>13.5 Address for Correspondence</b>   |   |      |

(i) **The Company's Registered Office is situated at**

16/16-A, Civil Lines,  
Kanpur - 208 001 (U.P.)  
Tel : (0512) 2305416  
Email : [keycorppltd@gmail.com](mailto:keycorppltd@gmail.com)

(ii) **Registrar and Share Transfer Agent**

M/s. ABS Consultants Pvt. Ltd.,  
R. No. 99, Stephen House, 6th Floor, 4 B.B.D. Bag (East), Kolkata - 700 001  
Tel: (033)-22201043, 22430153  
Email : [absconsultant@vsnl.net](mailto:absconsultant@vsnl.net)

**Declaration regarding compliance by Board members and senior management personnel with the Company's Code of Conduct**

This is to confirm that the Company has adopted a Code of Conduct for its employees and Directors.

I confirm that the company has in respect of the financial year ended March 31, 2019, received from the senior management team of the Company and the members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, senior management team means the Chief Financial Officer, the Company Secretary and all functional heads of the Company as on March 31, 2019.

Place : Kanpur  
Dated : 15th May, 2019

**G.D. Maheshwari**  
Executive Director & CEO





## AUDITORS' REPORT ON CORPORATE GOVERNANCE

To,  
The Members of  
KEY CORP LIMITED

We have examined the compliance of conditions of Corporate Governance by Key Corp Limited, for the year ended on 31st March, 2019, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we report that no investor grievances were pending for a period exceeding one month, as per the records maintained by the Company.

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

For VINAYAK TANDON & ASSOCIATES  
Chartered Accountants  
(FRN : 006751C)

(CA. VINAYAK TANDON)  
Partner  
Membership No. : 072968

Place : Kanpur  
Dated : 15th May, 2019

## INDEPENDENT AUDITOR'S REPORT

TO,  
THE MEMBERS OF KEY CORP LIMITED

### REPORT ON THE FINANCIAL STATEMENTS :

#### 1) OPINION

We have audited the accompanying financial statements of KEY CORP LIMITED ('the Company') which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit & Loss and the Cash Flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

#### 2) BASIS FOR OPINION

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

#### 3) KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### DESCRIPTION OF KEY AUDIT MATTER

##### ACCOUNTING FOR PAYMENT OF GRATUITY.

The provision for retirement benefits for gratuity is made as per the Payment of Gratuity Act, 1972. The Accounting Standard 15 "Employees Benefits" prescribed by the Central Government is applicable to the company in its entirety as the company is a listed company.

In formulating the accounting policy regarding employees benefits, the management of the company were motivated by the fact that average number of employees at any time during the year were less than 50. In similar circumstances, unlisted companies have been permitted to calculate and account for the accrued liability under the head (Gratuity) by some other rational method. Provision of the Payment of Gratuity Act, 1972 gives one such method.





The management of the company decided to continue with the same accounting policy as it still feels that the size of the company does not make it feasible to provide gratuity by way of Actuarial Valuation.

#### 4) RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 standard specified under section 133 of the Act, read with the rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selections 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.

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

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

#### 5) AUDITOR'S RESPONSIBILITY :

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### 6) REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

- I) 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 the paragraph 3 and 4 of the order, to the extent applicable.
- II) As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statement comply with the Accounting Standards specified under section 133 of the act read with rule 7 of the Companies (Accounts) Rules, 2014, **except non compliance of AS-'15' "Employee Benefits" to the extent that the provisions for retirement benefits for Gratuity are made as per The Payment of Gratuity Act, 1972 and not in the manner prescribed in AS-15 (See Note No. A.03 (ii) of Notes on Account);**
- e. On the basis of written representations received from the directors, as on 31st March, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls, over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B" and;
- g. With respect to other matter 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 and as confirmed by the management of the company :-
  - i) There are no pending litigations on the company in respect of which a provision is required to be made.
  - ii) The company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
  - iii) There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For VINAYAK TANDON & ASSOCIATES  
Chartered Accountants  
(FRN : 006751C)

(CA. VINAYAK TANDON)  
Partner

Membership No. : 072968

Place : Kanpur  
Dated : 15th May, 2019





**ANNEXURE "A" Referred to in Paragraph 6(I) of our Independent Auditor's Report to the members of KEY CORP LIMITED on the financial statements for the year ended 31 March, 2019.**

Based on such checks and other generally accepted auditing procedures carried on by us and according to the information and explanations given to us, we report that :-

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) All the assets have been physically verified by the Management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No 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 "Key Leasing and Finance Limited", the erstwhile name of the Company.
- ii) During the year, the company had no inventory in the nature of stock on hire, hence, paragraph 3 (ii) of the order is not applicable.
- iii) The Company has not granted any loans to body corporate covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act").
- iv) In our opinion and according to information and explanations given to us, the Company has not granted any loan to directors etc. prescribed U/S 185 of the Companies Act, 2013. Further, the Company is a Non Banking Financial Company, hence Section 186 of the Companies Act, 2013 is not applicable to the Company.
- v) The company has not accepted any deposits from the public.
- vi) The Central Government has not prescribed the maintenance of the cost records under section 148(1) of the Act, for any of the services rendered by the company.
- vii) a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Income tax, Wealth tax, Service tax, and other material statutory dues applicable to it. However, the Employees State Insurance Act is presently not applicable to the company

Further to our information, no undisputed amounts in respect of Income tax, wealth tax and other material statutory dues applicable to it, were in arrears as at 31.03.2019 for a period of more than six months from the date these became payable.

- b) There are no dues of income tax, wealth tax, service tax & other material statutory dues which are required to be deposited on account of any dispute. Custom duty, sales tax, excise duty & cess are not applicable to the Company.
- viii) The Company has not defaulted in the repayment of dues to financial institutions, banks or debenture holders during the year.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

- x) According to information and explanations given to us no material fraud on or by the Company has been noticed or reported during the course, of our audit.
- xi) According to 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) According to 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 information and explanations given to us and based on our examination of the records of the Company, transaction with related parties as identified by the management of the company are in compliance with section 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 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 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.
- xvi) The Company is a Non Banking Financial Company requiring it to be registered under Section 45IA of the Reserve Bank of India Act, 1934. The Company has obtained the said registration.

For VINAYAK TANDON & ASSOCIATES  
Chartered Accountants  
(FRN : 006751C)

(CA. VINAYAK TANDON)  
Partner  
Membership No. : 072968

Place : Kanpur  
Dated : 15th May, 2019





Annexure 'B' to the Auditors' Report referred to in paragraph 5(II)f of our Independent Auditors' Report to the members of Key Corp Limited on the financial statements for the year ended 31<sup>st</sup> March, 2019.

**Report on the internal financial controls over financial reporting 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 Key Corp Limited ("the Company") as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respect.

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 details, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For VINAYAK TANDON & ASSOCIATES  
Chartered Accountants  
(FRN : 006751C)

(CA. VINAYAK TANDON)  
Partner  
Membership No. : 072968

Place : Kanpur  
Dated : 15th May, 2019




**BALANCE SHEET AS AT 31ST MARCH, 2019**

Amount in ₹

| Particulars                       | Note No. | As at<br>31.03.2019 | As at<br>31.03.2018 |
|-----------------------------------|----------|---------------------|---------------------|
| A                                 | B        | C                   | D                   |
| <b>I. EQUITY AND LIABILITIES</b>  |          |                     |                     |
| (1) Shareholders' funds           |          |                     |                     |
| (a) Share capital                 | A 01     | 6,00,00,000         | 6,00,00,000         |
| (b) Reserves and surplus          | A 02     | 20,97,26,081        | 19,76,67,355        |
| <b>SUB TOTAL</b>                  |          | <b>26,97,26,081</b> | <b>25,76,67,355</b> |
| (2) Non-current liabilities       |          |                     |                     |
| (a) Long-term provisions          | A 03     | 20,14,557           | 19,43,705           |
| <b>SUB TOTAL</b>                  |          | <b>20,14,557</b>    | <b>19,43,705</b>    |
| (3) Current liabilities           |          |                     |                     |
| (a) Trade payables                | A 04     | 4,29,735            | 5,80,417            |
| (b) Other current liabilities     | A 05     | 2,87,147            | 3,68,609            |
| (c) Short-term provisions         | A 06     | 10,51,862           | 8,04,325            |
| <b>SUB TOTAL</b>                  |          | <b>17,68,744</b>    | <b>17,53,351</b>    |
| <b>TOTAL</b>                      |          | <b>27,35,09,382</b> | <b>26,13,64,411</b> |
| <b>II. ASSETS</b>                 |          |                     |                     |
| (1) Non-current assets            |          |                     |                     |
| (a) Property Plant And Equipment  |          |                     |                     |
| Tangible assets                   | A 07     | 38,29,077           | 35,54,648           |
| (b) Non-current investments       | A 08     | 25,17,41,119        | 24,14,52,085        |
| (c) Deferred tax assets (Net)     | A 09     | 4,70,217            | 4,51,930            |
| (d) Long term loans and advances  | A 10     | 1,25,90,367         | 77,25,757           |
| <b>SUB TOTAL</b>                  |          | <b>26,86,30,780</b> | <b>25,31,84,420</b> |
| (2) Current assets                |          |                     |                     |
| (a) Trade receivables             | A 11     | 1,04,824            | 1,10,294            |
| (b) Cash and cash equivalents     | A 12     | 14,49,284           | 47,34,250           |
| (c) Short-term loans and advances | A 13     | 30,36,267           | 32,82,057           |
| (d) Other current assets          | A 14     | 2,88,227            | 53,390              |
| <b>SUB TOTAL</b>                  |          | <b>48,78,602</b>    | <b>81,79,991</b>    |
| <b>TOTAL</b>                      |          | <b>27,35,09,382</b> | <b>26,13,64,411</b> |

Additional Notes

Significant Accounting Policies

 B  
C

**AUDITOR'S REPORT**

As per our separate report of even date attached for VINAYAK TANDON & ASSOCIATES Chartered Accountants (FRN : 006751C)

(CA. VINAYAK TANDON)  
Partner  
Membership No. : 072968

Place : Kanpur  
Dated : 15th May, 2019

S.N. TRIPATHI  
Company Secretary

R. N. SINGH  
CFO

DR. K. B. AGARWAL  
Chairman

PADAM KUMAR JAIN  
Director

MANJU JAIN  
Director

RAJ KUMAR GUPTA  
Director

G. D. MAHESHWARI  
Executive Director

**33rd Annual Report**
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

Amount in ₹

| Particulars  | Note No. | Year Ended<br>31.03.2019 | Year Ended<br>31.03.2018 |
|--|----------|--------------------------|--------------------------|
| A  | B        | C                        | D                        |
| I. Revenue from operations   | A 15     | 32,78,131                | 33,87,628                |
| II. Other Income   | A 16     | 1,54,29,212              | 2,73,60,142              |
| <b>III. Total Revenue (I + II)</b>                                     |          | <b>1,87,07,343</b>       | <b>3,07,47,770</b>       |
| IV. Expenses :   |          |                          |                          |
| Employee benefits expense  | A 17     | 30,41,859                | 34,93,814                |
| Finance costs  | A 18     | 0                        | 12                       |
| Depreciation and amortization expense                                  | A 07     | 3,10,041                 | 2,65,764                 |
| Other expenses   | A 19     | 30,67,467                | 27,55,601                |
| <b>Total Expenses</b>  |          | <b>64,19,367</b>         | <b>65,15,191</b>         |
| V. Profit before exceptional and extraordinary items and tax (III-IV)  |          | 1,22,87,976              | 2,42,32,579              |
| VI. Profit before extraordinary items and tax                          |          | 1,22,87,976              | 2,42,32,579              |
| VII. Profit before tax   |          | 1,22,87,976              | 2,42,32,579              |
| VIII. Tax expense :  |          |                          |                          |
| (1) Current tax  |          | 2,47,537                 | 8,04,325                 |
| (2) Deferred tax (Net)   | A 09     | (18,287)                 | 9,260                    |
| IX. Profit/(Loss) for the period from continuing operations (VII-VIII) |          | 1,20,58,726              | 2,34,18,994              |
| X. Profit/(Loss) from Discontinuing operations (after tax)             |          | 0                        | 0                        |
| XI. Profit/(Loss) for the period (IX + X)                              |          | 1,20,58,726              | 2,34,18,994              |
| XII. Earnings per equity share (Basic)                                 | A 20     | 2.01                     | 3.90                     |

Additional Notes

Significant Accounting Policies

 B  
C

**AUDITOR'S REPORT**

As per our separate report of even date attached for VINAYAK TANDON & ASSOCIATES Chartered Accountants (FRN : 006751C)

(CA. VINAYAK TANDON)  
Partner  
Membership No. : 072968

Place : Kanpur  
Dated : 15th May, 2019

S.N. TRIPATHI  
Company Secretary

R. N. SINGH  
CFO

DR. K. B. AGARWAL  
Chairman

PADAM KUMAR JAIN  
Director

MANJU JAIN  
Director

RAJ KUMAR GUPTA  
Director

G. D. MAHESHWARI  
Executive Director





## CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2019

( ₹ in Lacs)

|  | As at<br>31.03.2019 | As at<br>31.03.2018 |          |
|--|---------------------|---------------------|----------|
| <b>A. CASH FROM OPERATING ACTIVITIES :</b>               |                     |                     |          |
| Net Profit after tax                                     | 120.59              | 234.19              |          |
| Adjustment for :-  |                     |                     |          |
| Add : (i) Non Cash Item, Depreciation                    | 3.10                | 2.66                |          |
| (ii) Provision Required by prudential norms              | 0.18                | 0.00                |          |
| (iii) Provision for Income Tax                           | 2.47                | 8.04                |          |
| Less : (i) Deferred Tax                                  | (0.18)              | 0.09                |          |
| (ii) Dividend from Mutual Funds                          | (128.12)            | (216.47)            |          |
| (iii) Gain from Mutual Fund Units                        | (25.99)             | (56.53)             |          |
| (iv) Profit on Sale of Assets                            | (0.00)              | (0.42)              |          |
| (v) Provision Written off                                | (0.00)              | (0.02)              | (262.65) |
| Operating Profit before working capital changes          | (27.95)             | (28.46)             |          |
| <b>Adjustments for Changes in Working Capital</b>        |                     |                     |          |
| Add : (i) Increase in provision for gratuity             | 0.52                | 1.12                |          |
| Less : (ii) Decrease in Current Liabilities and Advances | (2.32)              | (3.09)              |          |
| (iii) Increase in Loan on Vehicles                       | (45.16)             | 22.72               |          |
| (iv) Increase in Current Assets and Advances             | (1.02)              | 0.58                | 21.33    |
| Less : Advance Income Tax Paid                           | (2.29)              | (8.00)              | (8.00)   |
| NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES (a)  | (78.22)             | (15.13)             |          |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>          |                     |                     |          |
| Add : (i) Dividend from Mutual Funds                     | 128.12              | 216.47              |          |
| (ii) Sale of Fixed Assets                                | -                   | 0.42                |          |
| (iii) Sale of Investments (Mutual Fund)                  | 224.42              | 292.44              | 509.33   |
| Less : (i) Purchase of Investments (Mutual Fund)         | (301.32)            | (482.93)            |          |
| (ii) Purchase of Fixed Assets                            | (5.85)              | (8.28)              | (491.21) |
| NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES (b)  | 45.37               | 18.12               |          |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES (c)</b>        | Nil                 | Nil                 |          |
| NET CASH (OUTFLOW)/INFLOW DURING THE PERIOD [a + b + c]  | (32.85)             | 2.99                |          |
| OPENING BALANCE OF CASH & CASH EQUIVALENTS               | 47.34               | 44.35               |          |
| CLOSING BALANCE OF CASH & CASH EQUIVALENTS               | 14.49               | 47.34               |          |

### AUDITOR'S REPORT

As per our separate report of even date attached  
for VINAYAK TANDON & ASSOCIATES  
Chartered Accountants  
(FRN : 006751C)

(CA. VINAYAK TANDON)  
Partner  
Membership No. : 072968

Place : Kanpur  
Dated : 15th May, 2019

S.N. TRIPATHI  
Company Secretary

R. N. SINGH  
CFO

DR. K. B. AGARWAL  
Chairman

PADAM KUMAR JAIN  
Director

MANJU JAIN  
Director

RAJ KUMAR GUPTA  
Director

G. D. MAHESHWARI  
Executive Director

## 33rd Annual Report

### NOTES ACCOMPANYING THE FINANCIAL STATEMENTS AS AT 31.03.2019

| Particulars | As at<br>31.03.2019<br>₹ | As at<br>31.03.2018<br>₹ |
|-------------|--------------------------|--------------------------|
|-------------|--------------------------|--------------------------|

#### A 01) SHARE CAPITAL :

|  |                    |                    |
|--|--------------------|--------------------|
| (a) <b>Authorised :</b>  |                    |                    |
| 1,00,00,000 Equity Shares of ₹ 10/- each                                 | 10,00,00,000       | 10,00,00,000       |
| (b) <b>Issued, Subscribed &amp; Fully Paid-up :</b>                      |                    |                    |
| 60,00,000 (60,00,000) Equity Shares of ₹ 10/- each fully paid-up in cash | 6,00,00,000        | 6,00,00,000        |
| <b>TOTAL</b>   | <b>6,00,00,000</b> | <b>6,00,00,000</b> |

(c) As at the year end the following equity shareholders held more than five percent shares in the company :-

| Particulars | As at 31.03.2019        | As at 31.03.2018      |              |                       |              |
|-------------|-------------------------|-----------------------|--------------|-----------------------|--------------|
| S. No.      | Name of the Shareholder | Number of Shares held | % of holding | Number of Shares held | % of holding |
| (i)         | Shri K. B. Agarwal      | 41,40,519             | 69.01        | 41,40,519             | 69.01        |

| Particulars | As at<br>31.03.2019<br>₹ | As at<br>31.03.2018<br>₹ |
|-------------|--------------------------|--------------------------|
|-------------|--------------------------|--------------------------|

#### A 02) RESERVES & SURPLUS :

|  |                     |                     |
|--|---------------------|---------------------|
| (a) Capital Reserve  | 2,52,323            | 2,52,323            |
| (b) Statutory Reserve Fund                                   | 1,14,77,035         | 90,65,289           |
| (c) General Reserve :<br>Opening Balance                     | 18,50,00,000        | 16,75,00,000        |
| Add : Transferred from Profit & Loss Account during the year | 1,00,00,000         | 1,75,00,000         |
| <b>Sub Total</b>   | <b>19,50,00,000</b> | <b>18,50,00,000</b> |
| (d) Reserve for Deferred Tax                                 | 1,05,710            | 1,05,710            |
| (e) Profit and Loss Account :-<br>Opening Balance            | 32,44,033           | 20,08,838           |
| Add : Surplus in the Statement of Profit and Loss Account    | 1,20,58,726         | 2,34,18,994         |
| Amount available for appropriation                           | 1,53,02,759         | 2,54,27,832         |
| Less : Transferred to General Reserve                        | 1,00,00,000         | 1,75,00,000         |
| Transferred to Statutory Reserve Fund                        | 24,11,746           | 46,83,799           |
| <b>Sub Total</b>   | <b>28,91,013</b>    | <b>32,44,033</b>    |
| <b>Total (a+b+c+d+e)</b>                                     | <b>20,97,26,081</b> | <b>19,76,67,355</b> |

(f) A sum of ₹ 2411746/- (Previous Year ₹ 4683799/-) being 20% of the net profit has been transferred in the current year to the Statutory Reserve Fund u/s 45IC of the Reserve Bank of India Act, 1934 as per the advise of the Reserve Bank of India.





| Particulars   | As at<br>31.03.2019<br>₹ | As at<br>31.03.2018<br>₹ |
|---|--------------------------|--------------------------|
| <b>A 03) (i) LONG-TERM PROVISIONS :</b>   |                          |                          |
| (a) Provision for Employees benefits  | 19,56,483                | 19,03,718                |
| (b) Provision against Standard Assets   | 58,074                   | 39,987                   |
| <b>Total</b>  | <b>20,14,557</b>         | <b>19,43,705</b>         |
| (ii) The Accounting Standard-15 "Employee benefits", prescribed by the Central Government, is applicable to the company in its entirety as our company is a listed Company.<br>In formulating the accounting policy regarding employee benefits, we were motivated by the fact that average number of employees at any time during the financial year, were 17 i.e. less than 50. In similar circumstances, unlisted companies have been permitted to calculate and account for the accrued liability under the head "Gratuity", by some other rational method. Provisions of The Payment of Gratuity Act, 1972 gives one such method. This is based on the assumption that such benefits are payable to all employees at the end of the accounting year.<br>The management still feels that the size of the company does not make it feasible to provide Gratuity by way of actuarial valuation. Hence, it is decided to continue with the same accounting policy. |                          |                          |
| <b>A 04) TRADE PAYABLES :</b>   |                          |                          |
| (i) Total Outstanding dues of Creditors other than Micro, Small and Medium Enterprises  |                          |                          |
| (a) Miscellaneous Payable (Centre head)   | 3,41,124                 | 5,21,697                 |
| (b) Liabilities for Expenses  | 88,611                   | 58,720                   |
| <b>Total</b>  | <b>4,29,735</b>          | <b>5,80,417</b>          |
| (ii) The company has not received any memorandum (as required to be filed by the Suppliers with the notified authority under the Micro, small and medium Enterprises Development Act, 2006), claiming their status as Micro, small or medium enterprises. Consequently, the amount paid / payable to these parties during the year is Nil.  |                          |                          |
| <b>A 05) OTHER CURRENT LIABILITIES :</b>  |                          |                          |
| (a) Tax deducted at Source (Payable)  | 193                      | 74                       |
| (b) Goods & Service Tax Payable on reverse charges  | 6,842                    | 1,328                    |
| (c) Instalment received in advance from customers   | 1,43,351                 | 2,30,446                 |
| (d) Other charges received in advance from customer   | 1,36,761                 | 1,36,761                 |
| <b>Total</b>  | <b>2,87,147</b>          | <b>3,68,609</b>          |
| <b>A 06) SHORT TERM PROVISIONS :</b>  |                          |                          |
| (i) Others :  |                          |                          |
| Provision for Tax (MAT) FY. 2017-18   | 8,04,325                 | 8,04,325                 |
| Provision for Tax (MAT) F.Y. 2018-19  | 2,47,537                 | 0                        |
| <b>Total</b>  | <b>10,51,862</b>         | <b>8,04,325</b>          |
| (ii) Provision for Tax is made in accordance with the requirements of the Income Tax Act, 1961.   |                          |                          |
| <b>A 08) NON CURRENT INVESTMENTS :</b>  |                          |                          |
| (i) Investments in mutual fund (Quoted)<br>(Details as per annexure annexed)  | 25,17,41,119             | 24,14,52,085             |
| <b>Total</b>  | <b>25,17,41,119</b>      | <b>24,14,52,085</b>      |
| (ii) The aggregate net asset value of the investment in mutual fund as on 31.03.2019 is ₹ 31,16,30,273/- (Previous year ₹ 30,43,47,773/-)   |                          |                          |
| (iii) In the opinion of the Management diminution in the market value of some investments is a temporary market phenomenon and the company has adequate General Reserves to meet any Contingency.   |                          |                          |

**A 07. TANGIBLE ASSETS (PROPERTY, PLANT & EQUIPMENT) AND DEPRECIATION THEREON**

| DESCRIPTION                          | GROSS BLOCK            |                          |                      |                         |                  | DEPRECIATION (ON SLM BASIS) |                |                         |                   | NET BLOCK (AS PER SLM BASIS) |  |
|--------------------------------------|------------------------|--------------------------|----------------------|-------------------------|------------------|-----------------------------|----------------|-------------------------|-------------------|------------------------------|--|
|                                      | Cost as on 01.4.2018 ₹ | Additions/ Adjustments ₹ | Sales/ Adjustments ₹ | Total as on 31.3.2019 ₹ | Upto 31.3.2018 ₹ | Sales/ Adjustments ₹        | For the year ₹ | Total as on 31.3.2019 ₹ | As at 31.3.2019 ₹ | As at 31.3.2018 ₹            |  |
| ASSETS                               | 2                      | 3                        | 4                    | 5                       | 6                | 7                           | 8              | 9                       | 10                | 11                           |  |
| Land (Freehold)                      | 670447                 | 0                        | 0                    | 670447                  | 0                | 0                           | 0              | 0                       | 670447            | 670447                       |  |
| Building                             | 2407953                | 0                        | 0                    | 2407953                 | 930778           | 0                           | 39923          | 970701                  | 1437252           | 1477175                      |  |
| Computers & Data Processing Units    | 268900                 | 0                        | 0                    | 268900                  | 261745           | 0                           | 7135           | 268880                  | 20                | 7155                         |  |
| Furniture & Fittings                 | 928254                 | 0                        | 0                    | 928254                  | 928036           | 0                           | 950            | 926986                  | 1268              | 2218                         |  |
| Motor Vehicles                       | 1897800                | 583420                   | 0                    | 2481220                 | 528523           | 0                           | 246013         | 774536                  | 1706684           | 1369277                      |  |
| Electrical Installations & Equipment | 394137                 | 1050                     | 0                    | 395187                  | 370694           | 0                           | 13823          | 384517                  | 10670             | 23443                        |  |
| Office Equipment                     | 267528                 | 0                        | 0                    | 267528                  | 262595           | 0                           | 2197           | 264792                  | 2736              | 4933                         |  |
| <b>Grand Total</b>                   | <b>6835019</b>         | <b>584470</b>            | <b>0</b>             | <b>7419489</b>          | <b>3280371</b>   | <b>0</b>                    | <b>310041</b>  | <b>3590412</b>          | <b>3829077</b>    | <b>3554648</b>               |  |
| <b>Previous Year Figures</b>         | <b>6401690</b>         | <b>827535</b>            | <b>394206</b>        | <b>6835019</b>          | <b>3408812</b>   | <b>394205</b>               | <b>265764</b>  | <b>3280371</b>          | <b>3554648</b>    | <b>-</b>                     |  |



**ANNEXURE TO NOTE NO. A 08  
LONG TERM TRADE INVESTMENT IN MUTUAL FUNDS**



50

| NAME OF MUTUAL FUNDS                                 | BALANCE AS ON 01.04.18 |            | PURCHASE DURING THE YEAR |            | SALES DURING THE YEAR |            | BALANCE AS ON 31.03.19 |            |
|--|------------------------|------------|--------------------------|------------|-----------------------|------------|------------------------|------------|
|  | UNIT                   | AMOUNT (₹) | UNIT                     | AMOUNT (₹) | UNIT                  | AMOUNT (₹) | UNIT                   | AMOUNT (₹) |
| <b>EQUITY/ EQUITY ORIENTED FUND</b>                  |                        |            |                          |            |                       |            |                        |            |
| Aditya Birla Sun Life Infrastructure Fund - Dividend | 52876.364              | 800000     |                          |            |                       |            | 52876.364              | 800000     |
| Aditya Birla Sun Life Digital India Fund - Dividend  | 198677.263             | 4540000    | 36840.709                | 800000     |                       |            | 235517.972             | 5340000    |
| Aditya Birla Sun Life Midcap Fund-Dividend           | 5620.082               | 150000     |                          |            |                       |            | 5620.082               | 150000     |
| Aditya Birla Sun Life Dividend Yield Fund - Dividend | 98768.678              | 1500000    |                          |            |                       |            | 98768.678              | 1500000    |
| Aditya Birla Sun Life Equity Advantage Fund-Dividend | 32235.001              | 2945000    | 78695.487                | 6931839    |                       |            | 110930.488             | 9876839    |
| Aditya Birla Sun Life Small Cap Fund-Dividend.       | 19525.782              | 527686     |                          |            |                       |            | 19525.782              | 527686     |
| Axis Bluechip Fund-Dividend.                         |                        |            | 194996.479               | 2971569    |                       |            | 194996.479             | 2971569    |
| DSP Small Cap Fund - Dividend                        | 197399.244             | 2300000    |                          |            |                       |            | 197399.244             | 2300000    |
| DSP Midcap Fund-Dividend                             | 81430.191              | 1350000    |                          |            |                       |            | 81430.191              | 1350000    |
| DSP Top 100 Equity Fund-Dividend                     | 18851.475              | 450000     |                          |            |                       |            | 18851.475              | 450000     |
| DSP Equity Opportunities Fund-Dividend               | 140386.039             | 3600000    | 14328.111                | 380000     |                       |            | 154714.150             | 3980000    |
| Franklin India Prima Fund-Dividend                   | 6154.112               | 300000     |                          |            |                       |            | 6154.112               | 300000     |
| Franklin India Focussed Equity Fund-Dividend         | 8131.776               | 195000     |                          |            |                       |            | 8131.776               | 195000     |
| Franklin India Opportunities Fund-Dividend           | 258455.470             | 4890000    |                          |            |                       |            | 258455.470             | 4890000    |
| HDFC Equity Fund - Dividend                          | 112787.043             | 3970383    |                          |            |                       |            | 112787.043             | 3970383    |
| HDFC Midcap Opportunities Fund - Dividend            | 120048.024             | 1800000    | 6465.004                 | 190000     |                       |            | 126513.028             | 1990000    |
| HDFC Top 100 Fund - Dividend                         | 85222.625              | 3311095    |                          |            |                       |            | 85222.625              | 3311095    |
| HDFC Small Cap Fund - Dividend                       |                        |            | 11137.925                | 300000     |                       |            | 11137.925              | 300000     |
| HSBC Large Cap Equity Fund - Dividend                | 15412.253              | 450000     |                          |            |                       |            | 15412.253              | 450000     |
| IDFC Multicap Fund - Dividend                        | 71905.018              | 1700000    |                          |            |                       |            | 71905.018              | 1700000    |
| IDFC Focussed Equity Fund - Dividend                 | 111372.064             | 1515000    |                          |            |                       |            | 111372.064             | 1515000    |
| Kotak Standard Multicap Fund - Dividend              | 102404.947             | 2349722    | 63736.636                | 1389818    |                       |            | 166141.583             | 3739540    |
| L&T Midcap Fund-Dividend                             | 28817.494              | 1464358    |                          |            |                       |            | 28817.494              | 1464358    |
| L&T India Value Fund-Dividend                        | 133129.871             | 3100000    | 112624.022               | 2694501    |                       |            | 245753.893             | 5794501    |
| Mirae Asset Emerging Bluechip Fund-Dividend          | 30100.289              | 750000     |                          |            |                       |            | 30100.289              | 750000     |
| Principal Emerging Bluechip Fund - Dividend          | 101414.521             | 3750000    |                          |            |                       |            | 101414.521             | 3750000    |
| Principal Multicap Growth Fund - Dividend            | 12109.470              | 500000     |                          |            |                       |            | 12109.470              | 500000     |
| ICICI Prudential Multi Asset Fund - Dividend         | 156970.437             | 3382361    |                          |            |                       |            | 156970.437             | 3382361    |
| ICICI Prudential Midcap Fund - Dividend              | 114160.141             | 2560488    |                          |            |                       |            | 114160.141             | 2560488    |
| ICICI Prudential Large & Midcap Fund - Dividend      | 139045.468             | 2650000    |                          |            |                       |            | 139045.468             | 2650000    |
| ICICI Prudential Multicap Fund - Dividend            | 99538.331              | 2232721    |                          |            |                       |            | 99538.331              | 2232721    |

51

|   |                    |                  |                   |                 |              |          |                    |                  |
|---|--------------------|------------------|-------------------|-----------------|--------------|----------|--------------------|------------------|
| Invesco India Contra Fund - Dividend                        |                    |                  | 59554.165         | 1434034         |              |          | 59554.165          | 1434034          |
| Invesco India Growth Opportunities Fund - Dividend          |                    |                  | 106608.369        | 1687730         |              |          | 106608.369         | 1687730          |
| Reliance Power & Infra Fund - Dividend                      | 18761.826          | 950000           |                   |                 |              |          | 18761.826          | 950000           |
| Reliance Multicap Fund - Dividend                           | 332116.991         | 7625459          | 10395.659         | 300000          |              |          | 342512.650         | 7925459          |
| Reliance Growth Fund - Dividend                             | 237262.816         | 13090397         |                   |                 |              |          | 237262.816         | 13090397         |
| Reliance Value Fund - Dividend                              | 23042.852          | 453592           |                   |                 |              |          | 23042.852          | 453592           |
| Reliance Vision Fund - Dividend                             | 69531.864          | 3063455          |                   |                 |              |          | 69531.864          | 3063455          |
| SBI Blue Chip Fund - Dividend                               | 731960.049         | 12520000         |                   |                 |              |          | 731960.049         | 12520000         |
| SBI Magnum Global Fund - Dividend                           | 249226.906         | 6312402          |                   |                 |              |          | 249226.906         | 6312402          |
| SBI Large & Midcap Fund - Dividend                          | 45787.849          | 2203324          |                   |                 |              |          | 45787.849          | 2203324          |
| SBI Contra Fund-Dividend                                    | 182674.880         | 3996850          |                   |                 |              |          | 182674.880         | 3996850          |
| Sundaram Midcap Fund - Dividend                             | 159507.107         | 3300000          |                   |                 |              |          | 159507.107         | 3300000          |
| Sundaram Small Cap Fund - Dividend                          | 21613.981          | 300000           |                   |                 |              |          | 21613.981          | 300000           |
| Tata Infrastructure Fund - Dividend                         | 54227.138          | 1400000          |                   |                 |              |          | 54227.138          | 1400000          |
| Tata Ethical Fund - Dividend                                | 152324.504         | 5076123          |                   |                 |              |          | 152324.504         | 5076123          |
| Tata Large & Midcap Fund - Dividend                         | 130805.338         | 3735000          | 83340.946         | 2552821         |              |          | 214146.284         | 6287821          |
| Tata Equity P/E Fund-TB10%-Dividend                         | 58595.389          | 3080000          |                   |                 |              |          | 58595.389          | 3080000          |
| Tata India Consumer Fund-Dividend                           | 108142.276         | 1816426          |                   |                 |              |          | 108142.276         | 1816426          |
| Templeton India Value Fund - Dividend                       | 14548.652          | 650000           |                   |                 |              |          | 14548.652          | 650000           |
| UTI Mid Cap Fund - Dividend                                 | 72775.177          | 1950000          |                   |                 |              |          | 72775.177          | 1950000          |
| UTI MNC Fund - Dividend                                     | 12137.389          | 1100000          |                   |                 |              |          | 12137.389          | 1100000          |
| <b>TOTAL EQUITY/ EQUITY ORIENTED FUND</b>                   | <b>5227992.457</b> | <b>131656842</b> | <b>778723.512</b> | <b>21632312</b> | <b>0.000</b> | <b>0</b> | <b>6006715.969</b> | <b>153289154</b> |
| <b>BALANCE FUNDS</b>  |                    |                  |                   |                 |              |          |                    |                  |
| Franklin India Equity Hybrid Fund - Dividend                | 69918.118          | 1350000          |                   |                 |              |          | 69918.118          | 1350000          |
| HDFC Hybrid Equity Fund - Dividend                          | 230653.735         | 1651644          |                   |                 |              |          | 230653.735         | 1651644          |
| HDFC Balanced Advantage Fund - Dividend                     | 266229.219         | 8036313          |                   |                 |              |          | 266229.219         | 8036313          |
| Kotak Equity Hybrid Fund - Dividend                         | 353540.327         | 7800000          |                   |                 |              |          | 353540.327         | 7800000          |
| ICICI Prudential Equity & Debt Fund - Dividend              | 425290.686         | 6824467          |                   |                 |              |          | 425290.686         | 6824467          |
| SBI Equity Hybrid Fund - Dividend                           | 226425.216         | 5102451          |                   |                 |              |          | 226425.216         | 5102451          |
| Tata Hybrid Equity Fund - Dividend                          | 99003.484          | 3800000          |                   |                 |              |          | 99003.484          | 3800000          |
| <b>TOTAL BALANCE FUNDS</b>                                  | <b>1671060.785</b> | <b>34564875</b>  | <b>0.000</b>      | <b>0</b>        | <b>0.000</b> | <b>0</b> | <b>1671060.785</b> | <b>34564875</b>  |
| <b>LIQUID FUNDS / DEBT FUND</b>                             |                    |                  |                   |                 |              |          |                    |                  |
| Aditya Birla Sun Life Interval Income Fund -Qty Sr-1 Growth | 30741.928          | 440000           |                   |                 |              |          | 30741.928          | 440000           |
| Aditya Birla Sun Life Interval Income Fund -Ann-IX- Growth  | 20000.000          | 200000           |                   |                 | 20000.000    | 200000   | 0.000              | 0                |
| Aditya Birla Sun Life Medium Term Plan - Growth             | 192066.824         | 3200000          |                   |                 |              |          | 192066.824         | 3200000          |
| Aditya Birla Sun Life Short Term Opp.-Fund - Growth         | 338939.918         | 6900000          |                   |                 |              |          | 338939.918         | 6900000          |

33rd Annual Report





**A09) DEFERRED TAX ASSETS/(LIABILITIES) (NET):**

(a) Deferred tax is calculated and determined in accordance with the requirements of Accounting Standard - 22 "Accounting for Taxes on Income" and is subject to the concept of prudence, on timing difference being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are reviewed for their carrying values at each balance sheet date and recognized only if there is 'reasonable certainty' that they will be realized in future. As at 31.03.2019 the recognized deferred tax liability/asset is as follows:-

(b) **Deferred Tax Liability:**  
The Break-up of deferred tax liability into major components as on 31.03.2019 is as follows:

| Particulars                                    | 31.03.2019    |                       | 31.03.2018    |                       |
|--|---------------|-----------------------|---------------|-----------------------|
|  | Total ₹       | Deferred Tax Impact ₹ | Total ₹       | Deferred Tax Impact ₹ |
| Timing difference on depreciation for the year | 130395        | 33577                 | 148647        | 38277                 |
| <b>Total</b>                                   | <b>130395</b> | <b>33577</b>          | <b>148647</b> | <b>38277</b>          |

(c) **Deferred Tax Assets:**

The Break-up of deferred tax assets into major components as on 31.03.2019 is as follows:

| Particulars  | 31.03.2019     |                       | 31.03.2018     |                       |
|--------------|----------------|-----------------------|----------------|-----------------------|
|              | Total ₹        | Deferred Tax Impact ₹ | Total ₹        | Deferred Tax Impact ₹ |
| (i) Gratuity | 1956483        | 503794                | 1903718        | 490207                |
| <b>Total</b> | <b>1956483</b> | <b>503794</b>         | <b>1903718</b> | <b>490207</b>         |

(d) Net Deferred Tax Assets/(Liability) ₹ 470217/- (Previous Year ₹ 451930/-)  
(e) The net deferred tax recognized in the profit and loss account is ₹ 18287/- (Previous Year ₹ 9260/-)  
(f) Net deferred tax adjusted from deferred tax reserve/A/c ₹ NIL (Previous Year ₹ 36903/-)

**Particulars**

|  | As at 31.03.2019 ₹ | As at 31.03.2018 ₹ |
|--|--------------------|--------------------|
|--|--------------------|--------------------|

**A 10) (i) LONG TERM LOANS AND ADVANCES:**

(a) Loan on vehicle (Secured by hypothecation of vehicles) 1,25,59,167 76,94,557  
(b) Security Deposit with KESCO LTD. 25,200 25,200  
(c) Security Deposit with (PNG) 6,000 6,000  
**Total** 1,25,90,367 77,25,757

(ii) Balance in some accounts of long term loans and advances is subject to confirmation.  
(iii) Loans and advances to related parties - NIL (Previous Year - NIL)

|  |                     |                  |                   |                 |                   |                 |                    |
|--|---------------------|------------------|-------------------|-----------------|-------------------|-----------------|--------------------|
| Aditya Birla Sun Life Corporate Bond Fund - Growth | 12399.435           | 600000           |                   |                 |                   | 12399.435       | 600000             |
| Aditya Birla Sun Life Savings Fund-Growth          | 23911.289           | 770000           |                   |                 | 19292.793         | 6209279         | 1490721            |
| Axis Liquid Fund-Growth                            |                     |                  | 1094.591          | 2150000         | 1094.591          | 2150000         | 0                  |
| Axis Ultra Short Term Fund-Growth                  |                     |                  | 201278.070        | 2100000         |                   |                 | 2100000            |
| DSP Credit Risk Fund - Growth                      | 124958.213          | 2600000          |                   |                 |                   |                 | 2600000            |
| DSP Low Duration Fund-Growth                       | 84887.482           | 1000000          |                   |                 | 28640.447         | 337393          | 662607             |
| Franklin India Credit Risk Fund - Growth           | 169470.546          | 2400000          |                   |                 |                   |                 | 2400000            |
| Franklin India Short Term Income Plan - Growth     | 253.368             | 700000           |                   |                 |                   |                 | 700000             |
| Franklin India USBF Super Inst. Plan-Growth        | 63567.518           | 1000000          |                   |                 |                   |                 | 1000000            |
| HDFC Credit Risk Debt Fund - Growth                | 420219.518          | 4650000          |                   |                 |                   |                 | 4650000            |
| HDFC Liquid Fund - Growth                          | 618.728             | 2000000          |                   |                 | 52.906            | 170912          | 565.822            |
| ICICI Prudential Medium Term Bond Fund - Growth    | 285673.470          | 6050000          |                   |                 |                   |                 | 6050000            |
| ICICI Prudential Bond Fund - Growth                | 92752.199           | 1700000          |                   |                 |                   |                 | 1700000            |
| Invesco India Liquid Fund - Growth                 |                     |                  | 882.040           | 2150000         | 882.040           | 2150000         | 0                  |
| IDFC Low Duration Fund- Growth                     | 92299.186           | 1500000          |                   |                 |                   |                 | 1500000            |
| Kotak Dynamic Bond Fund -Growth                    | 6823.547            | 150000           |                   |                 | 6823.547          | 150000          | 0                  |
| Kotak Low Duration Fund -Growth                    | 578.888             | 1200000          |                   |                 | 552.337           | 1145885         | 26.551             |
| L&T Money Market Fund -Growth                      | 584620.537          | 9450000          |                   |                 | 149186.977        | 2413308         | 435433.560         |
| Principal Short Term Debt Fund -Growth             | 30698.637           | 570000           |                   |                 |                   |                 | 570000             |
| Principal Low Duration Fund -Growth                | 330.283             | 900000           |                   |                 |                   |                 | 900000             |
| Reliance Strategic Debt Fund - Growth              | 408616.194          | 4450000          |                   |                 |                   |                 | 4450000            |
| Reliance Low Duration Fund -Growth                 |                     |                  | 814.660           | 2100000         |                   |                 | 2100000            |
| Reliance Credit Risk Fund - Growth                 | 235830.631          | 4165722          |                   |                 |                   |                 | 4165722            |
| Tata Short Term Bond Fund - Growth                 | 26942.267           | 654646           |                   |                 |                   |                 | 654646             |
| Tata Treasury Advantage Fund - Growth              | 3386.506            | 8450000          |                   |                 | 920.422           | 2316501         | 2466.084           |
| <b>TOTAL LIQUID /DEBT FUNDS</b>                    | <b>3250587.112</b>  | <b>72630368</b>  | <b>204069.361</b> | <b>8500000</b>  | <b>227446.060</b> | <b>17243278</b> | <b>3227210.413</b> |
| <b>FIXED MATURITY PLANS</b>                        |                     |                  |                   |                 |                   |                 |                    |
| IDFC Fixed Term Plan Series 88 - Growth            | 210000.000          | 2100000          |                   |                 | 210000.000        | 2100000         | 0                  |
| TATA Fixed Maturity Plan Series 44 Sch D- Growth   | 50000.000           | 500000           |                   |                 | 50000.000         | 500000          | 0                  |
| <b>TOTAL FIXED MATURITY PLANS</b>                  | <b>260000.000</b>   | <b>2600000</b>   | <b>0.000</b>      | <b>0</b>        | <b>260000.000</b> | <b>2600000</b>  | <b>0.000</b>       |
| <b>GRAND TOTAL</b>                                 | <b>10409640.354</b> | <b>241452085</b> | <b>982792.873</b> | <b>30132312</b> | <b>487446.060</b> | <b>19843278</b> | <b>251741119</b>   |





| Particulars   | As at<br>31.03.2019<br>₹ | As at<br>31.03.2018<br>₹ |
|---|--------------------------|--------------------------|
| <b>A 11) (i) TRADE RECEIVABLES :</b>  |                          |                          |
| Interest on loan receivable<br>(Secured considered good)  | 1,04,824                 | 1,10,294                 |
| <b>Total</b>  | <b>1,04,824</b>          | <b>1,10,294</b>          |
| (ii) Balance in some accounts of trade receivables is subject to confirmation.  |                          |                          |
| (iii) All trade receivables are outstanding for a period less than six months from the date they are due for payment. Also, no debts are due by directors or any other officers of the company either severally or jointly. |                          |                          |
| <b>A 12) CASH AND CASH EQUIVALENTS :</b>  |                          |                          |
| (a) Cash in hand  | 1,09,371                 | 84,366                   |
| (b) Balances with scheduled banks :<br>In current account   | 13,39,913                | 46,49,884                |
| <b>Total</b>  | <b>14,49,284</b>         | <b>47,34,250</b>         |
| (c) There are no bank deposits with more than 12 months maturity.   |                          |                          |
| <b>A 13) (i) SHORT TERM LOANS AND ADVANCES :</b>  |                          |                          |
| (a) Loan on vehicle (Secured by hypothecation of vehicles)  | 19,59,305                | 23,02,109                |
| (b) Advance Income Tax  | 10,29,460                | 9,30,000                 |
| (c) Advance to The Registrar State Consumer Commission  | 25,000                   | 25,000                   |
| (d) Prepaid expenses (to the extent not written-off)  | 22,502                   | 24,948                   |
| <b>Total</b>  | <b>30,36,267</b>         | <b>32,82,057</b>         |
| (ii) Balance in some accounts of short term loans and advances is subject to confirmation.  |                          |                          |
| (iii) Loans and advances to related parties - Nil (Previous Year - Nil)   |                          |                          |
| <b>A 14) OTHER CURRENT ASSETS :</b>   |                          |                          |
| (a) Dividend Receivable   | 1,42,627                 | 53,390                   |
| (b) Income Tax Receivable   | 1,45,600                 | 0                        |
| <b>Total</b>  | <b>2,88,227</b>          | <b>53,390</b>            |

**33rd Annual Report**

| Particulars  | Year ended<br>31.03.2019<br>₹ | Year ended<br>31.03.2018<br>₹ |
|--|-------------------------------|-------------------------------|
| <b>A 15) REVENUE FROM OPERATIONS :</b>             |                               |                               |
| (a) Interest (TDS ₹ NIL (Last Year ₹ 4618/-)       | 29,70,920                     | 32,24,293                     |
| (b) Other financial services                       |                               |                               |
| (i) Overdue Interest (TDS ₹ NIL Last year ₹ NIL)   | 79,461                        | 18,235                        |
| (ii) Processing charges                            | 2,27,750                      | 1,45,100                      |
| <b>(b) Sub Total</b>                               | <b>3,07,211</b>               | <b>1,63,335</b>               |
| <b>Grand Total (a+b)</b>                           | <b>32,78,131</b>              | <b>33,87,628</b>              |
| <b>A 16) OTHER INCOME :</b>                        |                               |                               |
| (i) Dividend Income                                | 1,28,11,948                   | 2,16,47,427                   |
| (ii) Net gain / loss on sale of investments        | 25,99,084                     | 56,52,973                     |
| (iii) Other non-operating income (net of expenses) |                               |                               |
| (a) Balance written back                           | 150                           | 404                           |
| (b) Profit on Sale of Assets                       | 0                             | 41,999                        |
| (c) Miscellaneous Income                           | 2,430                         | 15,000                        |
| (d) Provision Written Back                         | 0                             | 2,339                         |
| (e) Interest received from Income Tax              | 15,600                        | 0                             |
| <b>Sub Total (iii)</b>                             | <b>18,180</b>                 | <b>59,742</b>                 |
| <b>Total [(i) + (ii) + (iii)]</b>                  | <b>1,54,29,212</b>            | <b>2,73,60,142</b>            |
| <b>Grand Total (15+16)</b>                         | <b>1,87,07,343</b>            | <b>3,07,47,770</b>            |
| <b>A 17) EMPLOYEE BENEFITS EXPENSES :</b>          |                               |                               |
| (a) Salaries expenses                              | 24,18,176                     | 24,78,858                     |
| (b) Bonus / Ex-Gratia                              | 1,35,860                      | 1,35,860                      |
| (c) Stipend paid                                   | 0                             | 60,000                        |
| (d) Contribution to Provident Fund                 | 1,15,987                      | 1,06,931                      |
| (e) Employees Pension Fund                         | 78,095                        | 91,141                        |
| (f) Administrative Expenses & Insurance to P.F.    | 18,989                        | 24,562                        |
| (g) Gratuity                                       | 76,246                        | 3,21,524                      |
| (h) Leave Encashment                               | 1,45,100                      | 1,78,664                      |
| (i) Staff welfare expenses                         | 53,406                        | 96,274                        |
| <b>Total (a to i)</b>                              | <b>30,41,859</b>              | <b>34,93,814</b>              |
| <b>A 18) FINANCE COSTS :</b>                       |                               |                               |
| Interest Expenses                                  | 0                             | 12                            |
| <b>Total</b>                                       | <b>0</b>                      | <b>12</b>                     |





| Particulars                                  | Year ended       | Year ended       |
|--|------------------|------------------|
|  | 31.03.2019       | 31.03.2018       |
|  | ₹                | ₹                |
| <b>A 19) OTHER EXPENSES :</b>                |                  |                  |
| (i) Conveyance Expenses                      | 5,14,853         | 4,75,962         |
| (ii) Power and Fuel                          | 3,75,311         | 3,62,598         |
| (iii) Directors Sitting Fee                  | 58,000           | 37,000           |
| (iv) Rates & Taxes excluding taxes on Income | 49,294           | 45,252           |
| (v) Repairs to Building                      | 835              | 0                |
| (vi) Repairs to Machinery                    | 95,527           | 82,970           |
| (vii) Insurance                              | 38,062           | 7,404            |
| (viii) Payment to Statutory Audit Fee        | 30,000           | 30,000           |
| (ix) Internal Audit Expenses                 | 6,000            | 6,000            |
| (x) Miscellaneous Expenses                   | 10,98,995        | 8,94,185         |
| (xi) Donations                               | 5,00,000         | 5,00,000         |
| (xii) Service Charges                        | 1,10,300         | 65,250           |
| (xiii) Recovery Charges                      | 1,05,503         | 1,59,680         |
| (xiv) Provision required by prudential norms | 18,087           | 0                |
| (xv) Professional Charges                    | 66,700           | 89,300           |
| <b>Total { (i) to (xv) }</b>                 | <b>30,67,467</b> | <b>27,55,601</b> |

**A 20) EARNING PER SHARE :**

- (i) Annualised earning per equity share has been calculated on the net profit (after taxation) of ₹ 1,20,58,726/- (previous year ₹ 2,34,18,994/-) taken as the numerator divided by number of equity shares 60,00,000 (previous year 60,00,000) taken as the denominator.

| Particulars             | Year ended  | Year ended  |
|-------------------------|-------------|-------------|
|                         | 31.03.2019  | 31.03.2018  |
|                         | ₹           | ₹           |
| Basic Earning per share | 2.01        | 3.90        |
| <b>Total</b>            | <b>2.01</b> | <b>3.90</b> |

- (ii) There is no diluted earning per share in the company.

**(B) ADDITIONAL NOTES :**

- (i) (a) The company follows the Reserve Bank of India guidelines applicable to Non Banking Financial Companies regarding assets classification, provisioning and income recognition on non performing assets and accounting for Investments.
- (b) Information required to be disclosed in terms of paragraph 13 of Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is as under :-

**NOTE TO THE BALANCE SHEET OF A NON DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY**  
{as required in the terms of Paragraph 13 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007}

₹ in Lacs

| PARTICULARS  | Amount      | Amount  |
|--|-------------|---------|
|  | outstanding | overdue |
| <b>LIABILITIES SIDE :</b>  |             |         |
| <b>1. Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :</b> |             |         |
| (a) Debentures : Secured   | NIL         | NIL     |
| : Unsecured<br>(other than falling within the meaning of public deposits)*                             | NIL         | NIL     |
| (b) Deferred Credits   | NIL         | NIL     |
| (c) Term Loans   | NIL         | NIL     |
| (d) Inter-corporate loans and borrowings   | NIL         | NIL     |
| (e) Commercial Paper   | NIL         | NIL     |
| (f) Other Loans (specify nature)   | NIL         | NIL     |

\* Please see Note 1 below.

**ASSETS SIDE :**

₹ in Lacs

| PARTICULARS   | Amount      | Amount      |
|---|-------------|-------------|
|   | outstanding | outstanding |
| <b>2. Break-up of Loans &amp; Advances including bills receivable (other than those included in (3) below :</b> |             |             |
| (a) Secured   | NIL         |             |
| (b) Unsecured   | 4.21        | 4.21        |
| <b>3. Break-up of Leased Assets and Stock on hire and other Assets counting towards AFC activities :</b>        |             |             |
| (i) Lease assets including lease rentals under sundry debtors :   |             |             |
| (a) Financial Lease   | NIL         |             |
| (b) Operating Lease   | NIL         | NIL         |
| (ii) Stock on hire including hire charges under sundry debtors :  |             |             |
| (a) Assets on hire  | NIL         |             |
| (b) Repossessed Assets  | NIL         | NIL         |
| (iii) Other loans counting towards AFC activities :   |             |             |
| (a) Loans where assets have been repossessed  | NIL         |             |
| (b) Loans other than (a) above  | 146.23      | 146.23      |





4. Break-up of Investments :

Current Investments :

(1) Quoted :

|                             |     |     |
|-----------------------------|-----|-----|
| (i) Shares: (a) Equity      | NIL |     |
| (b) Preference              | NIL |     |
| (ii) Debentures and Bonds   | NIL |     |
| (iii) Units of Mutual Funds | NIL |     |
| (iv) Government Securities  | NIL |     |
| (v) Others (please specify) | NIL | NIL |

(2) Unquoted :

|                             |     |     |
|-----------------------------|-----|-----|
| (i) Shares: (a) Equity      | NIL |     |
| (b) Preference              | NIL |     |
| (ii) Debentures and Bonds   | NIL |     |
| (iii) Units of Mutual Funds | NIL |     |
| (iv) Government Securities  | NIL |     |
| (v) Others (please specify) | NIL | NIL |

Long Term Investments :

(1) Quoted :

|                             |         |         |
|-----------------------------|---------|---------|
| (i) Shares: (a) Equity      | NIL     |         |
| (b) Preference              | NIL     |         |
| (ii) Debentures and Bonds   | NIL     |         |
| (iii) Units of Mutual Funds | 2517.41 |         |
| (iv) Government Securities  | NIL     |         |
| (v) Others (please specify) | NIL     | 2517.41 |

(2) Unquoted :

|                             |     |     |
|-----------------------------|-----|-----|
| (i) Shares: (a) Equity      | NIL |     |
| (b) Preference              | NIL |     |
| (ii) Debentures and Bonds   | NIL |     |
| (iii) Units of Mutual Funds | NIL |     |
| (iv) Government Securities  | NIL |     |
| (v) Others (please specify) | NIL | NIL |

5. Borrower group-wise classification of Assets financed as in (2) and (3) above :

Please see Note 2 below

₹ in Lacs

| CATEGORY                              | Amount Net of Provisions |             |               |
|---------------------------------------|--------------------------|-------------|---------------|
|                                       | Secured                  | Unsecured   | Total         |
| (1) <b>Related Parties**</b>          |                          |             |               |
| (a) Subsidiaries                      | NIL                      | NIL         | NIL           |
| (b) Companies in the same group       | NIL                      | NIL         | NIL           |
| (c) Other related parties             | NIL                      | NIL         | NIL           |
| (2) <b>Other than Related Parties</b> | 146.23                   | 4.21        | 150.44        |
| <b>Total</b>                          | <b>146.23</b>            | <b>4.21</b> | <b>150.44</b> |

6. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) : Please see Note 3 below

₹ in Lacs

| CATEGORY                               | Market Value/Break-up / fair Value / NAV | Book Value (Net of Provisions) |
|--|--|--------------------------------|
| (i) <b>Related Parties**</b>           |  |                                |
| (a) Subsidiaries                       | NIL                                      | NIL                            |
| (b) Companies in the same group        | NIL                                      | NIL                            |
| (c) Other related parties              | NIL                                      | NIL                            |
| (ii) <b>Other than Related Parties</b> | 3116.30                                  | 2517.41                        |
| <b>Total</b>                           | <b>3116.30</b>                           | <b>2517.41</b>                 |

\*\*As per Accounting Standard of ICAI (Please see Note 3)

7. Other Information :

₹ in Lacs

| PARTICULARS                                   | Amount |     |
|---|--------|-----|
| (i) <b>Gross Non-performing assets :</b>      |        |     |
| (a) Related Parties                           | NIL    |     |
| (b) Other than related parties                | NIL    | NIL |
| (ii) <b>Net Non-performing Assets :</b>       |        |     |
| (a) Related Parties                           | NIL    |     |
| (b) Other than related parties                | NIL    | NIL |
| (iii) Assets acquired in satisfaction of debt | NIL    | NIL |

NOTES :

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance, of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (non deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break-up/fair value/NAV in respect of unquoted investments has been disclosed irrespective of whether they are classified as long term or current in column (4) above.

B (ii) In the financial year 2018-19 the Company has operated in only one business segment, hence, compliance of AS-17 regarding "Segment Reporting" is not necessary.

B (iii) Accounting Standard (18) on "Related party Disclosure"

| (A) Particulars             | 2018-19     | 2017-18     |
|-----------------------------|-------------|-------------|
| In Respect of:              |             |             |
| Rendering of Services       | ₹ 1,77,575  | ₹ 1,77,072  |
| Key Managerial Remuneration | ₹ 10,61,213 | ₹ 10,58,086 |

(B) Subsidiaries There is no subsidiary of the Company

(C) Promoter Director Dr. K. B. Agarwal

(D) Key Management Personnel Shri G.D. Maheshwari

Shri S. N. Tripathi

Shri R. N. Singh

Shri V. K. Pandey

(E) Relative of Promoter Director & Key Management Personnel Dr. B.D. Agarwal (Brother of Dr. K.B. Agarwal)

Mr. Madan Maheshwari

(Brother of Shri G.D. Maheshwari)



**B (iv) CONTINGENT LIABILITIES :****CONTINGENT LIABILITY NOT PROVIDED FOR**

Claims against the Company not acknowledged as debt

|           |           |
|-----------|-----------|
| (2018-19) | (2017-18) |
| ₹ NIL     | ₹ NIL     |

**B (v)** The figures have been rounded off to the nearest rupee.**B (vi)** Last year's figures have been regrouped and re-arranged wherever necessary to conform to the figures of the current year.**(C) SIGNIFICANT ACCOUNTING POLICIES****(a) VALUATION :-**

- Fixed Assets are valued at cost.
- Non-current investments are valued at cost.
- Current investments are valued at lower of cost or fair value.
- Stock on Hire are valued at Cost less Capital recovery.

**(b) PHYSICAL VERIFICATION :-**

- Fixed Assets (Property, Plant & Equipment) in use of the Company are physically verified once in every year.
- Physical verification of stock on hire is carried out on test check basis.

**(c) DEPRECIATION :-**

- In respect of Tangible Assets, of the company Depreciation is provided on Straight Line method over the useful lives of assets specified in Schedule II of the Companies Act, 2013.

**(d) REVENUE RECOGNITION :-**

- All income & expenses are accounted for on accrual basis, except otherwise stated.
- Interest on overdue instalments and dividend on shares of corporate bodies and units of mutual funds are accounted for on certainty of the realisation.
- The Company has followed the prudential norms for Income recognition and provisioning for non-performing assets as prescribed by the Reserve Bank of India for non-banking financial companies.

**(e) EARNING PER SHARE :-**

The Company reports earnings per share in accordance with AS-20.

**(f) EMPLOYEE BENEFITS :-**

- Provisions for Retirement benefits for Gratuity are made as per The Payment of Gratuity Act, 1972.
- Leave Encashment is accounted as per Service Rules and charged to the P&L Account.
- Contribution to Provident Fund is recognised when due.

**(g) INTANGIBLE ASSETS :-**

The Company recognised intangible assets in accordance with AS 26.

**(h) IMPAIRMENT OF ASSETS :-**

An asset is impaired if there are sufficient indication that the carrying cost would exceed the recoverable amount of cash generating assets. In that event an impairment loss so computed would be recognised in the accounts in the relevant year.

**AUDITOR'S REPORT**

As per our separate Report of even date attached  
for VINAYAK TANDON & ASSOCIATES  
Chartered Accountants  
(FRN : 006751C)

S.N. TRIPATHI  
Company Secretary

R. N. SINGH  
CFO

DR. K. B. AGARWAL  
Chairman

PADAM KUMAR JAIN  
Director

MANJU JAIN  
Director

RAJ KUMAR GUPTA  
Director

G. D. MAHESHWARI  
Executive Director

(CA. VINAYAK TANDON)  
Partner

Membership No. : 072968

Place : Kanpur

Dated : 15th May, 2019

**33rd Annual Report****KEY CORP LIMITED**

CIN : L65921UP1985PLC007547

Regd. Office : 16/16-A, Civil Lines, Kanpur - 208 001

**ATTENDANCE SLIP**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional slip at the venue of the meeting.

|            |  |               |  |
|------------|--|---------------|--|
| DP ID*     |  | Folio No.     |  |
| Client ID* |  | No. of Shares |  |

Name and Address of the Shareholder.....  
I hereby record my presence at the 33rd ANNUAL GENERAL MEETING of the Company held on Saturday August 10, 2019 at 10.00 a.m. at the Registered Office of the Company at 16/16A, Civil Lines, Kanpur.

\*Applicable for invertors holding shares in electronic form.

Signature of Shareholder/proxy

----- ✂ ----- PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP AT THE MEETING -----

**KEY CORP LIMITED**

CIN : L65921UP1985PLC007547

Regd. Office : 16/16-A, Civil Lines, Kanpur - 208 001

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

|                            |                          |
|----------------------------|--------------------------|
| Name of the member(s)..... | e-mail Id.....           |
| Registered Office.....     | Folio No*/Client Id..... |
|                            | *DP Id.....              |

I/We, being the member(s) of..... shares of Key Corp Limited, hereby appoint :

- ..... of..... having e-mail id..... or failing him.....
- ..... of..... having e-mail id..... or failing him.....
- ..... of..... having e-mail id.....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company to be held on Saturday 10th August, 2019 at 10.00 a.m. at the Registered Office of the Company at 16/16A, Civil Lines, Kanpur-208 001 and at my adjournment thereof in respect of such resolutions as are indicated below :

\*\* I wish my above Proxy to vote in the manner as indicated in the box below :

| No.   | Resolutions   | For | Against |
|---|---|-----|---------|
| <b>Ordinary Business :</b>                    |   |     |         |
| 1.  | Adoption of Financial Statement for the year ended 31st March, 2019   |     |         |
| 2.  | Appointment of M/s. Vinayak Tandon & Associates, Chartered Accountants as Auditors and fixing their remuneration. |     |         |
| <b>Special Business / Special Resolutions</b> |   |     |         |
| 3.  | Appointment of Shri Raj Kumar Gupta as an Independent Director.   |     |         |
| 4.  | Re-appointment of Shri Padam Kumar Jain as an Independent Director.   |     |         |
| 5.  | Re-appointment of Shri G.D. Maheshwari as whole-time Director.  |     |         |
| 6.  | Approve the continuing the Directorship of Dr. K.B. Agarwal.  |     |         |
| 7.  | Approve the continuing the Directorship of Dr. B.D. Agarwal.  |     |         |

Signed this..... day of..... 2019

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

**Notes :** 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hrs. before the commencement of the meeting. 2. A proxy need not be a member of the Company. 3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholders. \*\*4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate. 5. Appointing a proxy does not prevent member from attending the meeting in person if he so wishes. 6. In the case of joint the holders, the signature of any one holder will be sufficient, but name of all the joint holders should be stated.