



# LKP Finance Ltd.

Regd. Off.: 112 - A / 203, Embassy Centre, Nariman Point, Mumbai - 400 021.  
Tel.: 4002 4785 / 86 • Fax : 2287 4787 • Website : [www.lkpsec.com](http://www.lkpsec.com)  
CIN : L65990MH1984PLC032831

To,  
Dy. Manager  
Dept. of Corporate Services  
B S E Limited  
P. J. Towers,  
Dalal Street, Fort,  
Mumbai 400 001

Dear Sir,

**Scrip code: 507912**

**Sub.: Notice, Annual Report and Attendance Slip/Proxy Form for 34<sup>th</sup> Annual General Meeting to Shareholders to be held on May 15, 2018.**

This is in reference to the captioned subject and our earlier intimation dated April 16, 2018, 34<sup>th</sup> Annual General Meeting of the Company scheduled to be held on May 15<sup>th</sup>, 2018. Further, please note that, in accordance with the compliance with Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company has dispatched Notice, Annual Report and Attendance Slip/Proxy Form to their shareholders through electronic and physical mode.

Further, to notify the Stock Exchange and disseminate the same information to shareholders through public domain, herewith we are enclosing the same as per captioned subject.

Yours Faithfully

For LKP Finance Limited

Girish Innani

Gen. Manager (legal)&

Company Secretary

Enclosed:

1. Notice
2. Annual General Meeting
3. Attendance Slip/Proxy Form



**NOTICE**

**NOTICE** is hereby given that the Thirty Fourth Annual General Meeting of the members of LKP Finance Limited will be held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai 400 001 on Tuesday 15<sup>th</sup> May, 2018 at 10.00 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Statement of Profit & Loss Account for the Financial Year ended on 31<sup>st</sup> March, 2018 and the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Mahendra V. Doshi (holding DIN 00123243), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. MGB & Co. LLP, Chartered Accountants, Firm Reg. No. 101169W/W100035 as statutory auditors of the Company and fix their remuneration.

By Order of the Board of Directors

Mumbai  
Date: 16 April 2018

(Girish B. Innani)  
General Manager (Legal) &  
Company Secretary

**IMPORTANT NOTES:**

1. The profile of the Directors seeking re-appointment, as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below.
2. 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. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBER HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.
3. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members / Proxies / Authorised Representatives should bring the enclosed attendance Slip, duly filled in, for attending the

Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.

6. The Register of Members and the Share Transfer Books of the Company shall remain closed from Wednesday, 9<sup>th</sup> May, 2018 to Tuesday 15<sup>th</sup> May, 2018 (both days inclusive).
7. SEBI & the Ministry of Corporate Affairs encourages paperless communication as a contribution to greener environment. Members holding shares in physical mode are requested to register their e-mail ID's with the Adroit Corporate Services Private Limited, the Registrars & Share Transfer Agents of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
8. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the copy of the Annual Report including Financial Statements, Board's Report etc. and this Notice are being sent by electronic mode, to those members who have registered their email ids with their respective depository participants or with the Registrars and Share Transfer Agents of the Company, unless any member has requested for a physical copy of the same. In case you wish to get a physical copy of the Annual Report, you may send your request to [info@adroitcorporate.com](mailto:info@adroitcorporate.com) mentioning your Folio/DP ID & Client ID.
9. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's Registrars & Share Transfer Agents. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.
10. Members are requested to send all communications relating to shares, and unclaimed dividends, change of address etc. to the Registrar and Share Transfer Agents at the following address:  
M/s. Adroit Corporate Services Private Limited  
19, Jafarbhoy Industrial Estate, 1<sup>st</sup> Floor,  
Makawana Road, Marol Naka,  
Andheri ( East), Mumbai 400 059.  
Tel/Direct: +91 (0)22 42270426 | Fax: +91 (0)22 28503748  
[sandeeph@adroitcorporate.com](mailto:sandeeph@adroitcorporate.com) | [www.adroitcorporate.com](http://www.adroitcorporate.com)  
If the shares are held in electronic form, then change of address and change in the Bank Accounts etc. Should be furnished to their respective Depository Participants (DPs).
11. **Unclaimed/Unpaid Dividend:**  
Members are informed that the dividend amount for the year ended 31st March 2011 remaining unclaimed shall become due for transfer on July, 15, 2018 respectively to the Investor

Education and Protection Fund established by the Central Government in terms of Section 124 of the Companies Act, 2013 on expiry of 7 years from the date of its declaration. Any member, who has not claimed final dividend in respect of the financial year ended 31<sup>st</sup> March 2011 onwards is requested to approach the Company/ the Registrar and Share Transfer Agents of the Company for claiming the same as early as possible but not later than June, 30, 2018 for dividend of F.Y.2010-2011. The Company has already sent reminders to all such members at their registered addresses in this regard.

**12. Voting Options:-**

**Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 10<sup>th</sup> May 2018 (9:00 am) and ends on 14<sup>th</sup> May, 2018 (5:00 pm). During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 8<sup>th</sup> May, 2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 108331 then user ID is 108331001***.

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digits client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.



6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [lkpfinancescrutinizer@gmail.com](mailto:lkpfinancescrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User](#)

[Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 8<sup>th</sup> May, 2018.
- VII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 8<sup>th</sup> May, 2018, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [sandeeph@adroitcorporate.com](mailto:sandeeph@adroitcorporate.com) .

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- VIII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- IX. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
- X. Mr. V. Ramachandran Practising Company Secretary, Proprietor of M/s V.R. Associates, Company Secretaries, ACS 7731, CP No. 4731 has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XI. The Chairman shall, at the AGM, at the end of discussions on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of “Polling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XII. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting by polling papers and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIII. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company viz. [www.lkpsec.com](http://www.lkpsec.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**Brief Profile / Disclosure Relating to Directors Re-appointed pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings:**

Name	Mr. Mahendra V. Doshi
DIN	00123243
Date of Birth / Age	29/11/ 1949 68 Years
Date of First Appointment	5 <sup>th</sup> May 1984
Qualification	MBA – U. S. A.
Expertise in Specific Functional Areas	Mr. Mahendra V. Doshi is the promoter of the Company and is associated with Company since inception. He was appointed as Executive Chairman w.e.f. 26 <sup>th</sup> July, 2001 and re-appointed thereafter from time to time. He has over 40 years vast experience in the field of Finance, Capital Market and Business Administration.
Other Directorships	<ol style="list-style-type: none"> <li>1. Nilkamal Ltd.</li> <li>2. Graviss Hospitality Limited</li> <li>3. MKM Share and Stock Brokers Ltd.</li> <li>4. JK Helene Curtis Limited</li> <li>5. Bhavana Holdings Pvt. Ltd.</li> <li>6. LKP Wealth Advisory Pvt. Ltd.</li> <li>7. Peak Plastonics Pvt. Ltd.</li> <li>8. Sea Glimpse Investment Pvt. Ltd.</li> <li>9. SolarEx P V Solution Pvt. Ltd.</li> </ol>
*Chairman / Member of Committee of the Board of the Companies on which he is a Director	LKP Finance Ltd. <ol style="list-style-type: none"> <li>i. Share Transfer Committee-Chairman</li> <li>ii. CSR Committee -Chairman</li> <li>iii. Audit Committee-Member</li> </ol> Graviss Hospitality Limited <ol style="list-style-type: none"> <li>i. Audit Committee - Chairman</li> <li>ii. Shareholders &amp; Investors Grievance Committee – Member</li> </ol> Nilkamal Ltd. <ol style="list-style-type: none"> <li>i. Audit Committee – Member</li> <li>ii. Remuneration Committee - Member</li> </ol>
Shareholding in the Company	37,07,967 Equity Shares (29.85%)
Relationship with any Director(s) of the Company	Father of Mr. Pratik M. Doshi

# **LKP Finance Limited**



**34<sup>TH</sup> ANNUAL REPORT 2017-2018**

<b>Board of Directors :</b>	<b>DIN</b>
Shri Mahendra V. Doshi <i>Executive Chairman</i>	00123243
Shri Vineet N. Suchanti	00004031
Shri Sajid Mohamed	06878433
Shri Pratik M. Doshi	00131122
Shri Sayanta Basu	02128110
Smt. Anjali Suresh	02545317

**Company Secretary :**

Shri Girish B. Innani  
(General Manager - Legal & Company Secretary)

**Auditors :**

MGB & Co LLP  
Chartered Accountants  
Peninsula Business Park,  
Tower B, 19th Floor,  
Lower Parel,  
Mumbai - 400 013.

**Registered Office :**

203, Embassy Centre,  
Nariman Point,  
Mumbai - 400 021.  
Tel. : 4002 4785 / 4002 4786  
Fax : 2287 4787

**CIN: L65990MH1984PLC032831****Registrar & Shares Transfer Agent :**

Adroit Corporate Services Pvt. Ltd.  
19, Jaferbhoy Industrial Estate,  
1st Floor, Makavana Road,  
Marol Naka, Andheri (East),  
Mumbai - 400 059.  
Tel. : 28590942 / 28594060

**CONTENTS**

	<b>Page Nos.</b>
Notice and Explanatory Statement .....	1-4
Directors' Report.....	5-7
Annexures A to G the Directors' Report.....	8-20
Report on Corporate Governance .....	21-26
Management Discussion and Analysis .....	27-28
Independent Auditors' Report .....	29-31
Balance Sheet.....	32
Statement of Profit and Loss.....	33
Cash Flow Statement.....	34
Notes to Financial Statements .....	35-47
Consolidated Financial Statements.....	48-58

**34th Annual General Meeting on Tuesday, 15th May, 2018 at  
10.00 a.m. at M. C. Ghia Hall, Hargovindas Building, 18/20,  
Kaikhushru Dubash Marg, Mumbai - 400 001.**

**NOTICE**

**NOTICE** is hereby given that the Thirty Fourth Annual General Meeting of the members of LKP Finance Limited will be held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai 400 001 on Tuesday 15<sup>th</sup> May, 2018 at 10.00 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Statement of Profit & Loss Account for the Financial Year ended on 31<sup>st</sup> March, 2018 and the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Mahendra V. Doshi (holding DIN 00123243), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. MGB & Co. LLP, Chartered Accountants, Firm Reg. No. 101169W/W100035 as statutory auditors of the Company and fix their remuneration.

By Order of the Board of Directors

Mumbai  
Date: 16 April 2018

(Girish B. Innani)  
General Manager (Legal) &  
Company Secretary

**IMPORTANT NOTES:**

1. The profile of the Directors seeking re-appointment, as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below.
2. 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. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. MEMBER HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.
3. Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members / Proxies / Authorised Representatives should bring the enclosed attendance Slip, duly filled in, for attending the

Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.

6. The Register of Members and the Share Transfer Books of the Company shall remain closed from Wednesday, 9<sup>th</sup> May, 2018 to Tuesday 15<sup>th</sup> May, 2018 (both days inclusive).
7. SEBI & the Ministry of Corporate Affairs encourages paperless communication as a contribution to greener environment. Members holding shares in physical mode are requested to register their e-mail ID's with the Adroit Corporate Services Private Limited, the Registrars & Share Transfer Agents of the Company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrars & Share Transfer Agents of the Company in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
8. In terms of Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the copy of the Annual Report including Financial Statements, Board's Report etc. and this Notice are being sent by electronic mode, to those members who have registered their email ids with their respective depository participants or with the Registrars and Share Transfer Agents of the Company, unless any member has requested for a physical copy of the same. In case you wish to get a physical copy of the Annual Report, you may send your request to [info@adroitcorporate.com](mailto:info@adroitcorporate.com) mentioning your Folio/DP ID & Client ID.
9. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's Registrars & Share Transfer Agents. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.
10. Members are requested to send all communications relating to shares, and unclaimed dividends, change of address etc. to the Registrar and Share Transfer Agents at the following address:  
M/s. Adroit Corporate Services Private Limited  
19, Jafarbhoy Industrial Estate, 1<sup>st</sup> Floor,  
Makawana Road, Marol Naka,  
Andheri ( East), Mumbai 400 059.  
Tel/Direct: +91 (0)22 42270426 | Fax: +91 (0)22 28503748  
[sandeeph@adroitcorporate.com](mailto:sandeeph@adroitcorporate.com) | [www.adroitcorporate.com](http://www.adroitcorporate.com)  
If the shares are held in electronic form, then change of address and change in the Bank Accounts etc. Should be furnished to their respective Depository Participants (DPs).
11. **Unclaimed/Unpaid Dividend:**  
Members are informed that the dividend amount for the year ended 31st March 2011 remaining unclaimed shall become due for transfer on July, 15, 2018 respectively to the Investor



Education and Protection Fund established by the Central Government in terms of Section 124 of the Companies Act, 2013 on expiry of 7 years from the date of its declaration. Any member, who has not claimed final dividend in respect of the financial year ended 31<sup>st</sup> March 2011 onwards is requested to approach the Company/ the Registrar and Share Transfer Agents of the Company for claiming the same as early as possible but not later than June, 30, 2018 for dividend of F.Y.2010-2011. The Company has already sent reminders to all such members at their registered addresses in this regard.

**12. Voting Options:-**

**Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 10<sup>th</sup> May 2018 (9:00 am) and ends on 14<sup>th</sup> May, 2018 (5:00 pm). During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 8<sup>th</sup> May, 2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:

**Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2 : Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 108331 then user ID is 108331001***.

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digits client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [lkpfinancescrutinizer@gmail.com](mailto:lkpfinancescrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User

Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 8<sup>th</sup> May, 2018.
- VII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 8<sup>th</sup> May, 2018, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [sandeeph@adroitcorporate.com](mailto:sandeeph@adroitcorporate.com) .

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- VIII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- IX. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
- X. Mr. V. Ramachandran Practising Company Secretary, Proprietor of M/s V.R. Associates, Company Secretaries, ACS 7731, CP No. 4731 has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XI. The Chairman shall, at the AGM, at the end of discussions on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of “Polling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XII. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting by polling papers and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty eight hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIII. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company viz. [www.lkpsec.com](http://www.lkpsec.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

**Brief Profile / Disclosure Relating to Directors Re-appointed pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings:**

Name	Mr. Mahendra V. Doshi
DIN	00123243
Date of Birth / Age	29/11/ 1949 68 Years
Date of First Appointment	5 <sup>th</sup> May 1984
Qualification	MBA – U. S. A.
Expertise in Specific Functional Areas	Mr. Mahendra V. Doshi is the promoter of the Company and is associated with Company since inception. He was appointed as Executive Chairman w.e.f. 26 <sup>th</sup> July, 2001 and re-appointed thereafter from time to time. He has over 40 years vast experience in the field of Finance, Capital Market and Business Administration.
Other Directorships	<ol style="list-style-type: none"> <li>1. Nilkamal Ltd.</li> <li>2. Graviss Hospitality Limited</li> <li>3. MKM Share and Stock Brokers Ltd.</li> <li>4. JK Helene Curtis Limited</li> <li>5. Bhavana Holdings Pvt. Ltd.</li> <li>6. LKP Wealth Advisory Pvt. Ltd.</li> <li>7. Peak Plastonics Pvt. Ltd.</li> <li>8. Sea Glimpse Investment Pvt. Ltd.</li> <li>9. SolarEx P V Solution Pvt. Ltd.</li> </ol>
*Chairman / Member of Committee of the Board of the Companies on which he is a Director	LKP Finance Ltd. <ol style="list-style-type: none"> <li>i. Share Transfer Committee-Chairman</li> <li>ii. CSR Committee -Chairman</li> <li>iii. Audit Committee-Member</li> </ol> Graviss Hospitality Limited <ol style="list-style-type: none"> <li>i. Audit Committee - Chairman</li> <li>ii. Shareholders &amp; Investors Grievance Committee – Member</li> </ol> Nilkamal Ltd. <ol style="list-style-type: none"> <li>i. Audit Committee – Member</li> <li>ii. Remuneration Committee - Member</li> </ol>
Shareholding in the Company	37,07,967 Equity Shares (29.85%)
Relationship with any Director(s) of the Company	Father of Mr. Pratik M. Doshi

## DIRECTORS' REPORT

The Directors present the Thirty Fourth Annual Report and Audited Accounts of the Company for the year ended March 31, 2018.

<b>FINANCIAL RESULTS</b>	<b>2017 – 2018</b>	2016 – 2017
	<b>(Rs. in lacs)</b>	(Rs. in lacs)
Profit before tax	<b>2103.62</b>	1235.41
Less: Tax expense for the year	<b>350.00</b>	310.00
Tax expenses for earlier year	---	-21.45
Deferred Tax	<b>-8.22</b>	-0.46
MAT credit entitlement	<b>209.64</b>	60.00
Profit after tax	<b>1971.48</b>	1007.32
Profit brought forward from previous year	<b>1309.31</b>	797.08
Amount available for appropriation	<b>3280.79</b>	1804.40
<b>APPROPRIATIONS:</b>		
Transfer to Special Reserve Fund	<b>394.30</b>	201.46
Proposed Dividend	--	243.96
Tax on proposed Dividend	--	49.67
Balance carried to Balance Sheet	<b>2886.49</b>	1309.31

### DIVIDEND

The Board of Directors are pleased to recommend a dividend @ Rs 2/- per equity share of the Company for the financial year ended 31<sup>st</sup> March 2018.

### PERFORMANCE REVIEW

The Company's revenue from operation increased to Rs. 7631.53 lacs from Rs.4172.19 lacs whereas profit after tax increased to Rs. 1971.48 lacs from Rs. 1007.32 lacs in the previous year due to buoyancy in Stock Market.

### EMPLOYEES STOCK OPTION SCHEME

Pursuant to Employees Stock Option Scheme 2010, the Company has allotted 2,23,500 equity shares during the year. The Scheme is administered by the Nomination and Remuneration Committee of the Board of Directors.

Disclosures under the Companies (Share Capital and Debentures) Rules, 2014 and Securities And Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 is annexed to this report herewith as "Annexure A".

### FIXED DEPOSITS

The Company has no public deposits as of date and will not accept any deposits without prior approval of the Statutory Authorities concerned.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Auditors' function is defined in their letter of engagement. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Executive Chairman .

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

### SUBSIDIARY

As per the Circular No. 51/12/2007-CL-III dated 8<sup>th</sup> February, 2011 issued by Government of India, Ministry of Corporate Affairs, the required financial information in the consolidated balance sheet is given in respect of Company's subsidiaries i.e. Gayatri Cement and Chemical Industries Private Limited, in Form AOC 1 annexed in Annual Report as "Annexure B".

The annual accounts of the aforesaid subsidiary and the related detailed information shall be made available to shareholders of the Company, seeking such information at any point of time. The annual accounts of the subsidiary company shall also be kept open for inspection by any shareholder at the Registered office at 203 Embassy Centre, Nariman Point, Mumbai 400 021.

### DIRECTORS

Mr. Mahendra V. Doshi retires by rotation and being eligible offers himself for re-appointment. Your Directors recommend his re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed in Section 149(6) of the Companies Act, 2013.

The information on the particulars of the Directors proposed for re-appointment has been given in the Notice of the Annual General Meeting.

#### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and provisions of Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

#### Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

#### Meetings

During the year five Board Meetings and Audit Committee Meetings were convened and held. The details of which are given in the

Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on March 31, 2018 and state that :

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis;
- v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. there is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **STATUTORY AUDITORS**

M/s. MGB & Co. LLP, Chartered Accountants Firm Reg. No. 101169W/W100035, Mumbai, retire at the conclusion of the forthcoming Annual General Meeting. The Company has received a letter from them to the effect that their appointment, if made, would be within the provision prescribed under Section 139 of the Companies Act, 2013. Your Directors recommend their re-appointment.

#### **SECRETARIAL AUDIT**

Pursuant provisions of section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s V. R. Associates, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure C".

Due to sudden urgent travelling of one independent Director at the meeting held on 26<sup>th</sup> April 2017 and 13<sup>th</sup> November, 2017 requisite quorum as required under Regulation 18(2)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 could not be complied with.

#### **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure D".

#### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The company has contributed funds for the promotion of education and medical and environmental sustainability etc. The contribution has been made to a registered trust which is mainly undertakes activities specified under Schedule VII of the Companies Act, 2013.

The report on CSR activities is annexed herewith as "Annexure E".

#### **RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large, except those related party transactions which were sanctioned by the shareholders vide Special Resolutions passed by postal ballot conducted during the year under review. The requisite details are given in Form AOC 2 is annexed herewith as "Annexure F".

#### **CODE OF CONDUCT**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website [www.lkpsec.com](http://www.lkpsec.com)

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

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has established a vigil mechanism to be known as the 'Whistle Blower Policy' for its Directors and employees, to report instances of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Accordingly, 'Whistle Blower Policy' has been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach the Chairman of the Audit Committee of the Company.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.



**PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

**INFORMATION PURSUANT TO SECTION 134(3) OF THE COMPANIES ACT, 2013**

The information required pursuant to rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms a part of this report. However, as per the first proviso to section 136(1) and second proviso of rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the report and the financial statements are being sent to the members of the Company excluding statement of particulars of employees under rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. If any member is interested in obtaining the copy of the said statement may write to the Company Secretary in advance.

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Annexed as "Annexure G".

The prescribed particulars of Conservation of Energy, Technology Absorption do not apply to your Company. There are no foreign exchange earnings & outgo during the year under report.

**CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements are furnished herewith and form part of this Report and Accounts. These statements have been prepared on the basis of audited financial statements received from the Subsidiary Company as approved by their Board of Directors.

**CORPORATE GOVERNANCE**

The Report on Corporate Governance along with a Certificate of compliance from the Practising Company Secretaries and Management Discussion and Analysis Report forms part of this Report.

**ACKNOWLEDGEMENT**

Your Directors would like to place on record their sincere appreciation to Shareholders, Bankers, Institutions and Employees for their co-operation and support.

**For and on behalf of the Board of Directors**

Mumbai  
Date: 16 April 2018

**(M. V. Doshi)**  
*Executive Chairman*

### Annexure A to the Directors' Report

**Disclosure regarding Employees Stock Option Plan pursuant to SEBI (Share Based Employees Benefits) Regulations, 2014 and Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2018**

(A) The Company has issued stock options to its permanent employees in accordance with the Company's Employee Stock Option Scheme 2010 and 2014. Both the Schemes are administered by the Compensation Committee / Nomination and Remuneration Committee (NRC) constituted pursuant to SEBI (Share based employee benefits) Regulations, 2014. All the permanent employees of the company and the subsidiaries, including Directors but excluding promoters of the Company are eligible to participate in the Schemes. The Committee grants stock options to the employees at its discretion depending upon criteria such as role/designation of the employee, length of service with the company, past performance record, future potential of the employee and/or such other criteria that may be determined by the Committee.

ESOP Scheme	Members approval	Number of options approved
ESOP Scheme-2010	March 17, 2010	9,05,000
ESOP Scheme-2014	January 02, 2015	7,75,000

The stock option vested / shall be vest proportionately as may be decided by NRC committee at the time of grant, over the period of 3 to 5 years after the first anniversary from the date of grant. Under ESOP Scheme 2010 3,90,000 options were granted to Identified Employee at the exercise price up to 5 % discount on the average of the closing price of the Company's shares, in the BSE during the last 15 days preceding the date of grant of options at Rs. 117.50 per option and 4,47,000 options were granted at Rs. 80/- per Option, higher than the market price. Under ESOP Scheme 2014 - 7,75,000 Options were granted at Rs. 80/- per Option, higher than the market price. The entire options granted under the Scheme 2014 were lapsed/ forfeited/ surrendered/ cancelled. The exercise price, in cash, is paid/ to be paid by the employee at the time of exercise of the stock option. No stock option is granted in lieu of cash. The option lapses if not exercised within a period of 5 years from the date of vesting of option. The lapsed option is available for being re-granted / re-issue at a future date. The maximum number of options that may be granted to any specific employee is upto 3,90,000 under Scheme 2010 and 4,10,000 under ESOP Scheme 2014. Every one stock option, if exercised, is allotted one equity shares of Rs. 10/- each.

The Company had been using intrinsic value method of accounting ESOP expenses as prescribed by SEBI (Share based employee benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, to account for stock options issued under the Company's stock option schemes. Under this method, compensation expenses are recorded on the basis of excess of the market price of share at the date of grant of option over exercise price of the option.

There would be no impact on the profit or earnings per share had the company used the fair value of the options as the method of accounting instead of intrinsic value as the fair value is less than the intrinsic value of the option.

**(B) Summary of stock options**

Options outstanding at the beginning of the year	5,01,800
Options granted during the year	Nil
Options forfeited / lapsed during the year	1,31,200
Options vested during the year	--
Options exercised during the year	2,23,500
Shares arising as a result of exercise of options	2,23,500
Source of shares	Primary
Money realized by exercise of options (Rs.)	1,78,80,000/-
Loan repaid by the trust during the year from exercise price received	N.A.
Options outstanding at the end of the year	1,47,100
Options exercisable at the end of the year	1,47,100
Variation in terms of options	Nil
Employee-wise details of options granted during the year to	
(i) KMP / Senior managerial personnel	Nil
(ii) Other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Nil
(iii) Employees who received the options during the year equal to or exceeding 1% of the issued capital of the Company at the time of grant	Nil
Diluted EPS	

- (C) Weighted average shares price on the date of exercise of the options is Rs. 110.20 (Previous year Rs. 70.93)
- (D) Weighted average fair value of options: The fair value of each option is estimated using the Black Scholes model after applying the following weighted average assumptions:-

	For the year ended March 31, 2018
Risk free interest rate	*
Expected life	*
Expected Volatility (%)	*
Expected Dividend (%)	*
Price of underlying shares in the market at the time of option grant	*

\*Not applicable since the Company has not granted stock options during the year.

**Form AOC-1**

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

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

**Part "A": Subsidiaries**

Amounts in Rs.

Sl. No.	Particulars	Details
1	Name of the subsidiary	Gayatri Cement & Chemical Industries Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2017 To 31/03/2018
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share Capital	21,00,000/-
5	Reserves & Surplus	(1,86,15,807/-)
6	Total Assets	10,20,126/-
7	Total Liabilities	10,20,126/-
8	Investments	3,61,037/-
9	Turnover	39,327/-
10	Profit before taxation	(4,81,797/-)
11	Provision for taxation	--
12	Profit after taxation	(4,81,797/-)
13	Proposed Dividend	--
14	% of shareholding	--

- Names of subsidiaries which are yet to commence operations – Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year. Not Applicable

**Part "B": Associates and Joint Ventures** Not Applicable  
**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of associates/Joint Ventures
1. Latest audited Balance Sheet Date
2. Shares of Associate/Joint Ventures held by the company on the year end
No.
Amount of Investment in Associates/Joint Venture
Extend of Holding%
3. Description of how there is significant influence
4. Reason why the associate/joint venture is not consolidated
5. Net worth attributable to shareholding as per latest audited Balance Sheet
6. Profit/Loss for the year
i. Considered in Consolidation
ii. Not Considered in Consolidation

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

As per our Report attached  
For MGB & Co. LLP,  
Chartered Accountants  
Firm Reg. No. 101169W/W100035

Sanjay Kothari  
Partner  
Membership No. 048215  
Mumbai, Dated: 16 April 2018

For and on behalf of the Board  
Executive Chairman M. V. Doshi  
Director V. N. Suchanti  
Director Sayanta Basu  
Head- Corporate Affairs S. S. Gulati  
G M (Legal) & Company Secretary G. B. Innani

Mumbai, Dated: 16 April 2018

## ANNEXURE - C

**Form No. MR-3****SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018

[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,  
LKP Finance Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by LKP Finance Limited, (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(not applicable to the Company during the financial year)**

- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the Company during the financial year)**
- (g) 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;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, **(not applicable to the Company during the financial year)** and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(not applicable to the Company during the financial year)**
- (vi) Other Applicable Acts;
  - (a) Prevention of Money Laundering Act, 2002;
  - (b) RBI Regulations on Non-Banking Financial (Non Deposits Accepting or Holding) Companies;
  - (c) The Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - (d) Employees State Insurance Act, 1948;
  - (e) Payment of Gratuity Act, 1972
  - (f) The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

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

- i) *lack of appropriate quorum of independent directors in the meeting of Audit Committee held on 26<sup>th</sup> April, 2017 and 13<sup>th</sup> November, 2017 as per Regulation 18 (2) (b) of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015.*

We further report that

Subject to our observations as stated above, 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.

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

We further report that during the audit period the Company has not incurred any specific event/ action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., except as follows:

- (a) *Special resolution passed at the annual general meeting held on 24<sup>th</sup> May, 2017 for re-appointment and payment of remuneration to Mr. M.V. Doshi, Executive Chairman of the company;*
- (b) *Special resolution passed vide postal ballot dated 20<sup>th</sup> March, 2018 for approval for sale of certain non-performing assets, certain overdue trade receivables (NPA), certain unlisted equity shares and units and the respective contribution agreements to subscribe further units.*
- (c) *Special resolution passed vide postal ballot dated 20<sup>th</sup> March, 2018 for approval for sale of 100% of the shares held in Gayatri Cement and Chemical Industries Private Limited and sale/ transfer of certain immovable properties.*

For V.R. Associates  
Company Secretaries

V. Ramachandran  
CP 4731

Place: Mumbai

Date: 16 April 2018.

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

## ANNEXURE "A" TO SECRETARIAL AUDIT REPORT

To,

The Members

LKP Finance Limited

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

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

For **V.R. Associates**  
Company Secretaries

**V. Ramachandran**  
CP 4731

Place: Mumbai

Date: 16 April 2018.



**Annexure D to the Directors' Report Form No. MGT 9**
**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2018

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

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN: L65990MH1984PLC032831
- ii) Registration Date: 5<sup>th</sup> May 1984
- iii) Name of the Company: LKP Finance Limited
- iv) Category / Sub-Category of the Company: Company Limited by shares
- v) Address of the Registered office and contact details :  
203, Embassy Centre, Nariman Point, Mumbai 400 021.
- vi) Whether listed Company: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent:  
M/s. Adroit Corporate Services Private Limited  
19, Jafarbhoy Industrial Estate, 1<sup>st</sup> Floor,  
Makawana Road, Marol Naka,  
Andheri ( East), Mumbai 400 059.  
Tel. No.022- 28590942

**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 and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Interest & Dividend Income	65990	10.14
2	Profit on sale of Shares and Securities	65990	89.86

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

S. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1	Gayatri Cement & Chemical Industries Private Limited 112-A, Embassy Centre Nariman Point Mumbai, Maharashtra India - 400021 400 021	U99999MH1983PTC115063	Subsidiary	100	2(87)(ii)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2017				No. Of Shares held at the end of the year 31/03/2018				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
a) Individual/HUF	--	--	--	--	--	--	--	--	--
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt. (s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	3957727	--	3957727	32.44	3957020	--	3957020	31.86	-0.58
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any Other...									
i. Directors	3786276	--	3786276	31.04	3808689	--	3808689	30.65	-0.37
ii. Directors relatives	116725	--	116725	0.96	216725	--	216725	1.75	0.79
<b>Sub-total (A) (1):-</b>	<b>7860728</b>	<b>--</b>	<b>7860728</b>	<b>64.44</b>	<b>7982434</b>	<b>--</b>	<b>7982434</b>	<b>64.26</b>	<b>-0.16</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	--	--	--	--	--	--	--	--	--
b) Other - Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other...	--	--	--	--	--	--	--	--	--
<b>Sub-total (A) (2):-</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>7860728</b>	<b>--</b>	<b>7860728</b>	<b>64.44</b>	<b>7982434</b>	<b>--</b>	<b>7982434</b>	<b>64.26</b>	<b>-0.16</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	--	1400	1400	0.01	--	1400	1400	0.01	--
b) Banks / FI	50	2500	2550	0.02	50	2500	2550	0.02	--
c) Central Govt.	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	234113	--	234113	1.92	210702	--	210702	1.70	-0.22
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (Specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (B) (1)</b>	<b>234163</b>	<b>3900</b>	<b>238063</b>	<b>1.95</b>	<b>210752</b>	<b>3900</b>	<b>214652</b>	<b>1.73</b>	<b>-0.22</b>
<b>(2) Non - Institutions</b>									
a) Bodies Corp.									
i) Indian	1140875	8101	1148976	9.42	1039259	8101	1047360	8.43	-0.99
ii) Overseas	727489	--	727489	5.96	727489	--	727489	5.86	-0.12
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	1224488	309784	1534272	12.58	1510111	300501	1810612	14.58	2.00
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakh	346202	--	346202	2.84	303127	--	303127	2.44	-0.40
c) Others (Specify)									
c-1) NON RESIDENT INDIANS(INDIVIDUALS)	85215	98225	183440	1.51	77456	97625	175081	1.41	-0.10
c-2) CLEARING MEMBER	5761	--	5761	0.05	6781	--	6781	0.05	--
c-3) TRUSTS	200	--	200	--	200	--	200	--	--
c-4) DIRECTORS	152892	--	152892	1.25	152892	--	152892	1.23	-0.02
c-5) CORPORATE BODY - BROKER	--	--	--	--	895	--	895	0.01	0.01
<b>Sub-total (B)(2)</b>	<b>3683122</b>	<b>416110</b>	<b>4099232</b>	<b>33.61</b>	<b>3818210</b>	<b>406227</b>	<b>4224237</b>	<b>34.01</b>	<b>0.40</b>
<b>Total Public Shareholding(B)= (B)(1)+(B)(2)</b>	<b>3917285</b>	<b>420010</b>	<b>4337295</b>	<b>35.56</b>	<b>4028962</b>	<b>410127</b>	<b>4439089</b>	<b>35.74</b>	<b>0.18</b>
C. Shares held by Custodian for GDRs & ADRs.									
Promoter and Promoter Group	--	--	--	--	--	--	--	--	--
Public -	--	--	--	--	--	--	--	--	--
Sub-total (C)	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	<b>11778013</b>	<b>420010</b>	<b>12198023</b>	<b>100</b>	<b>12011396</b>	<b>410127</b>	<b>12421523</b>	<b>100</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2017			Share holding at the end of the year 31/03/2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. M. V. Doshi	3685554	30.21		3707967	29.84	--	-0.36
2	Mr. Pratik M. Doshi	100722	0.83	--	100722	0.81	--	-0.02
3	Miss Ira P. Doshi	100000	0.82	--	100000	0.81	--	-0.01
4	Mrs. Shital A. Sonpal	16725	0.14	--	16725	0.13	--	-0.01
5	Bhavana Holdings Pvt. Ltd.	1409505	11.55	--	1409505	11.35	--	-0.20
6	Sea Glimpse Investments Pvt. Ltd.	2547515	20.88	--	2547515	20.51	--	-0.37
7	LKP Securities Ltd	707	0.01	--	--	--	--	-0.01
8	Miss Samaya Pratik Doshi	--	--	--	100000	0.81	--	0.82
	<b>Total</b>	<b>7860728</b>	<b>64.44</b>		<b>7982434</b>	<b>64.26</b>	<b>--</b>	<b>-0.16</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.		As on date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Mahendra V. Doshi	01/04/2017	3685554	30.21	3685554	30.21
	At the beginning of the year					
	Change during the year					
	Inter-se Transfer	19/05/2017			(100000)	(0.82)
	Acquired	05/01/2018			122413	1.003
	At the end of Year	31/03/2018			3707967	29.84
2	Mr. Pratik M. Doshi	01/04/2017	100722	0.83	100722	0.83
	At the beginning of the Year					
	Change during the Year	--	--	--	--	--
	At the end of Year	31/03/2018	--	--	100722	0.81
3	Miss. Ira Pratik Doshi	01/04/2017	100000	0.82	100000	0.82
	At the beginning of the year					
	Change during the year	--	--	--	--	--
	At the end of Year	31/03/2018	--	--	100000	0.81
4	Mrs. Shital A Sonpal	01/04/2017	16725	0.14	16725	0.14
	At the beginning of the year					
	Change during the year	--	--	--	--	--
	At the end of Year	31/03/2018	--	--	16725	0.13
5	Bhavna Holdings Pvt. Ltd.	01/04/2017	1409505	11.55	1409505	11.55
	At the beginning of the year					
	Change during the year	--	--	--	--	--
	At the end of Year	31/03/2018	--	--	1409505	11.35
6	LKP Securities Ltd.	01/04/2017	707	0.01	707	0.01
	At the beginning of the year					
	Change during the year	22/06/2017	--	--	(707)	(0.01)
	At the end of Year	31/03/2018	--	--	--	--
7	Sea Glimpse Investment Pvt. Ltd.	01/04/2017	2547515	20.88	2547515	20.88
	At the beginning of the year					
	Change during the year	--	--	--	--	--
	At the end of Year	31/03/2018	--	--	2547515	20.51
8	Miss. Samaya Pratik Doshi	01/04/2017	--	--	--	--
	At the beginning of the year					
	Change during the year	19/05/2017			100000	0.81
	At the end of Year	31/03/2018			100000	0.81

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

Sl. No.	For Each of the Top 10 Shareholders	As on date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Agrud Capital Pte. Ltd.	01/04/2017	727489	5.96	727489	5.86
		31/03/2018	0	0.00	727489	5.86
2	Grovsnor Investmen Fund Ltd.	01/04/2017	400000	3.28	400000	3.28
		12/01/2018	(94638)	(0.78)	(94638)	(0.78)
		31/03/2017	0	0.00	305362	2.46
3	Fineone Multitrade Private Limite	01/04/2017	--	--	--	--
		16/03/2018	231803	1.87	231803	1.87
		31/03/2018	0	0.00	231803	1.87
4	India Max Investment Fund Ltd.	01/04/2017	128113	1.05	128113	1.05
		26/05/2017	(33534)	(0.27)	94579	0.78
		02/06/2017	(8380)	(0.07)	86199	0.71
		29/09/2017	106000	0.87	192199	1.58
		31/03/2018	0	1.55	192199	1.55
5	Sadguru Express Pvt. Ltd.	01/04/2017	181203	1.49	181203	1.49
		16/03/2018	(181203)	(1.49)	0	0.00
		31/03/2018	0	0.00	0	0.00
6	Padmakshi Financial services Private Limited	01/04/2017	20342	0.17	20342	0.17
		21/04/2017	120000	0.98	140342	1.15
		05/05/2017	6280	0.05	146622	1.20
		02/06/2017	1000	0.01	147622	1.21
		09/06/2017	(1000)	(0.01)	146622	1.20
		16/06/2017	220	0.00	146842	1.20
		23/06/2017	2950	0.02	149792	1.23
		30/06/2017	5021	0.04	154813	1.27
		07/07/2017	(7073)	(0.06)	147740	1.21
		14/07/2017	(1118)	(0.01)	146622	1.20
		04/08/2017	4947	0.04	151569	1.24
		11/08/2017	(5947)	(0.05)	145622	1.19
		08/09/2017	(1000)	(0.01)	144622	1.19
		15/09/2017	(3000)	(0.02)	141622	1.16
		22/09/2017	(4143)	(0.03)	137479	1.13
		29/09/2017	(53515)	(0.44)	83964	0.69
		06/10/2017	(47342)	(0.39)	36622	0.30
		20/10/2017	(1917)	(0.02)	34705	0.28
		27/10/2017	(10249)	(0.08)	24456	0.20
		31/10/2017	(8040)	(0.07)	16416	0.13
		03/11/2017	(13565)	(0.11)	2851	0.02
		10/11/2017	(2836)	(0.02)	15	0.00
		16/02/2018	1000	0.01	1015	0.01
		23/02/2018	(367)	(0.00)	648	0.01
02/03/2018	10282	0.12	10930	0.13		
09/03/2018	11815	0.10	22745	0.18		
16/03/2018	(11495)	(0.09)	11250	0.09		
23/03/2018	(11235)	(0.09)	15	0.00		
31/03/2018	0	0.00	15	0.00		
7	Marytime Trimpex Pvt. Ltd.	01/04/2017	130799	1.07	130799	1.07
		31/03/2018	0	0.00	130799	1.05
8	FPI-Padmakshi Insurance Broker Pvt. Ltd.	01/04/2017	126280	1.04	126280	1.04
		21/04/2017	(120000)	(0.98)	6280	0.05
		05/05/2017	(6280)	(0.05)	0	0.00
		09/02/2018	5000	0.04	5000	0.04
		16/02/2018	(1000)	(0.01)	4000	0.03
		23/02/2018	(2000)	(0.02)	2000	0.02
		02/03/2018	8000	0.09	10000	0.12
		16/03/2018	5000	0.04	15000	0.12
		23/03/2018	11235	0.09	26235	0.21
31/03/2018	0	0.00	26235	0.21		

Sl. No.	For Each of the Top 10 Shareholders	As on date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
9	Prime India Investment Fund Ltd.	01/04/2017	106000	0.87	106000	0.87
		29/09/2017	(106000)	(0.87)	0	0.00
		31/03/2018	0	0.00	0	0.00
10	Kashmira Investment and Leasing Private Limited	01/04/2017	150	0.00	150	0.00
		28/04/2017	(50)	0.00	100	0.00
		08/09/2017	(100)	0.00	0	0.00
		15/09/2017	20000	0.16	20000	0.16
		22/09/2017	(15000)	0.12	5000	0.04
		29/09/2017	(5000)	0.04	0	0.00
		27/10/2017	25233	0.21	25233	0.21
		10/11/2017	10001	0.08	35234	0.29
		17/11/2017	10000	0.08	45234	0.37
		22/12/2017	(9300)	0.08	35934	0.29
		05/01/2018	(234)	0.00	35700	0.29
		12/01/2018	(35000)	0.29	700	0.01
		19/01/2018	(700)	0.01	0	0.00
		16/03/2018	26575	0.21	26575	0.21
		23/03/2018	2496	0.02	29071	0.23
30/03/2018	57483	0.46	86554	0.70		
31/03/2018	0	0.00	86554	0.70		

Note : Decreased by sale / transfer to other (-)

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

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	Mr. Mahendra V. Doshi Executive Chairman					
		01/04/2017	3685554	30.21	--	--
		19/05/2017			(100000)	(0.82)
		05/01/2018			122413	1.003
		31/03/2018			3707967	29.84
2	Mr. Pratik M Doshi Director					
		01/04/2017	100722	0.83	100722	0.81
		31/03/2018	--	--	100722	0.81
3	Mr. Sayanta Basu Nominee Director					
		01/04/2017	152892	1.25	152892	1.23
		31/03/2018	--	--	152892	1.23
4	Mr. S. S. Gulati Head Corporate Affairs					
		01/04/2017	6646	0.05	6646	0.05
		02/02/2018	--	--	55000	0.5
		31/03/2018			61646	0.50
5	Mr. Girish Kumar Innani GM(Legal) & Company Secretary					
		01/04/2017	--	--	--	--
		31/03/2018			--	--



**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	30,94,46,929	36,35,53,031	--	67,29,99,960
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>30,94,46,929</b>	<b>36,35,53,031</b>	<b>--</b>	<b>67,29,99,960</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	38,73,13,138	-	--	38,73,13,138
• Reduction	69,67,60,067	38,88,000	-	70,06,48,067
<b>Net Change</b>	<b>(30,94,46,929)</b>	<b>(38,88,000)</b>		<b>(31,33,34,929)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	35,96,65,031	--	35,96,65,031
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>--</b>	<b>35,96,65,031</b>	<b>--</b>	<b>35,96,65,031</b>

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount Rs.
		Mr. Mahendra V. Doshi Executive Chairman	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	55,50,000/-	55,50,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	4,50,000/-	4,50,000/-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--	--
2.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission - as % of profit - others, specify...	19,00,000/--	19,00,000/--
5.	Others, please specify – Bonus	3,00,000/-	3,00,000/-
	Total (A)	82,00,000/-	82,00,000/-
	Ceiling as per the Act	82,64,681/-	<b>82,64,681/-</b>

**B. Remuneration to other Directors**

Sl. no.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Pratik M. Doshi	Mr. Vineet Suchanti	Mr. Sajid Mohamed	Mrs. Anjali Suresh	Mr. Sayanta Basu	
1.	Independent Directors						
	• Fee for attending board committee meetings	--	40,000/-	1,00,000/-	80,000/-	--	2,20,000/-
	• Commission	--	--	--	--	--	--
	• Others, please specify	--	--	--	--	--	--
	Total (1)	--	40,000/-	1,00,000/-	80,000/-	--	2,20,000/-
2.	Other Non-Executive Directors						
	• Fee for attending board committee meetings	1,00,000/-	--	--	--	--	1,00,000/-
	• Commission	--	--	--	--	--	--
	Others, please specify	--	--	--	--	--	--
	Total (2)	1,00,000/-	--	--	--	--	1,00,000/-
	Total (B)=(1+2)	1,00,000/-	40,000/-	1,00,000/-	80,000/-	--	3,20,000/-
	Total Managerial Remuneration						3,20,000/-
	<b>Overall Ceiling as per the Act</b>						<b>50,55,096/-</b>

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	Head Corporate Affairs /CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	17,82,000/-	33,00,000/-	50,82,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	60,000/-	--	60,000/-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2.	Stock Option	--	--	15,37,250/-	15,37,250/-
3.	Sweat Equity	--	--	--	--
4.	Commission - as % of profit - others, specify...	--	--	--	--
5.	Others, please specify – 1) Bonus 2) Incentive	--	1,41,000/- --	2,65,000/- 10,00,000/-	4,06,000/- 10,00,000/-
	Total (C)	--	19,83,000/-	61,02,250/-	80,85,250/-

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

Type	Section of the Companies Act	Brief Description	Detail of Penalty/ Punishment/ Compounding fees imposed	Authority RD / NCLT / Court	Appeal Made if any (give detail)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment					
Compounding					
<b>C. Other Officers in Default</b>					
Penalty					
Punishment					
Compounding					

**Nil**

**ANNEXURE E TO THE DIRECTORS' REPORT**

**Annual Report on Corporate Social Responsibility (CSR) Activities**

1. A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

CSR policy is stated herein below:

CSR Policy

(Approved by the Board of Directors on 29.01.2015)

LKP Finance Limited, as a good corporate citizen, has adopted CSR as strategic tool for sustainable growth and has decided to contribute to the development of the communities as a whole. In doing so the Company aims at building a better, sustainable way of life for the weaker sections of society.

The focus areas in which LKP plans to work shall include Education, Health care and Environmental Sustainability. The objectives of the Company for the above activities shall be as follows:-

1. Education: Our endeavour is to spark the desire for learning and enlighten minds. We may undertake to fulfill this objective by way of providing quality education initiatives or by financial assistance to the poor and needy students, undertaking to impart vocational training, adult education programs, girl education, other related infrastructure etc.
2. Health care: Our goal is to render quality health care facilities which we may provide by way of undertaking preventive healthcare programs by way of including but not limited to setting various camps and related infrastructure

- c) Manner in which the amount was spent

Sr. No.	Projects/ Activities	Sector	Locations	Amount outlay (Budget) project or programme wise (Rs. Lakhs)	Amount spent on the project or programme (Rs. Lakhs)	Cumulative expenditure up to reporting period (Rs. Lakhs)	Amount spent: Direct or through implementing agency* (Rs. Lakhs)
1	Educational	Literacy	Maharashtra	120	79.42	114.37	114.37
2	Socio Economic	Social Project	Maharashtra	250	-	3.00	3.00

- d) Details of implementing agency : Smt. Jayalaxmi Vasantraai Doshi Charitable Trust, Mumbai, which is in the process of spending the amount.
- e) The implementing agency has identified rehabilitation project of Devghar village, Ambawane Panchayat in Pune District of Maharashtra State, for the purpose of Education, Health Care and Environmental Sustainability.
- f) The implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

services, providing of sanitation and making available safe drinking water, etc.

3. Environmental Sustainability: We aim at providing livelihood in an environmentally sustainable manner. For addressing this objective we may undertake afforestation, planting of trees, maintain public garden, playground cleanliness and such other like programs, activities towards maintaining ecological balance, quality of soil, air and water, conservation of natural resources, etc.

**Web Link:**

[http://www.lkpsec.com/Admin/InvestorInreport/635665217977345000\\_FINAL%20CSR%20POLICY.pdf](http://www.lkpsec.com/Admin/InvestorInreport/635665217977345000_FINAL%20CSR%20POLICY.pdf)

2. Composition of CSR committee

Name of the Member	Designation
Mr. Mahendra V. Doshi	Chairman
Mr. Vineet N. Suchanti	Member
Mr. Pratik M. Doshi	Member

3. Average net profit of the company for last three financial years:

Average net profit: Rs.14,78,59,300/-

4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above)

The company is required to contribute Rs.29,57,186/-

Contribution made by the Company Rs. 35,00,000/-

4. Details of CSR spent :

- a) Total amount spent for the Financial Year Rs. 35,00,000/-
- b) Amount unspent if any : NIL

**ANNEXURE F TO DIRECTORS' REPORT**

**Form No. AOC-2**

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis : **NIL**
  - (a) Name(s) of the related party and nature of relationship
  - (b) Nature of contracts/arrangements/transactions
  - (c) Duration of the contracts / arrangements/transactions
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
  - (e) Justification for entering into such contracts or arrangements or transactions
  - (f) date(s) of approval by the Board
  - (g) Amount paid as advances, if any:
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis

	Name(s) of the related party and nature of relationship (a)				
	LKP Securities Ltd. Directors Interested (Rs. In Lacs)	Gayatri Cement & Chemical Industries Pvt Ltd Subsidiary (Rs. In Lacs)	MKM Share and Stock Brokers Limited	Key Managerial Personnel	Total (Rs. In Lacs)
Nature of contracts / arrangements/ transactions (b)					
Interest Income	---	---	13.35	---	---
Interest Expense	50.90	---	---	---	50.90
Remuneration	---	---	---	Mr. M. V. Doshi Mr. S. S. Gulati Mr. G. B. Innani	82.00 61.02 19.83
Brokerage Paid	56.72	---	---	---	56.72
Investment Made	---	164.00	---	---	---
Balance due as on 31.03.2018	127.20	150.23	---	---	277.43

- (c) Duration of the contracts / arrangements/transactions: 01/04/2017 to 31/03/2018
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Regular and ordinary course of business
- (e) Date(s) of approval by the Board, if any: 16/04/2018
- (f) Amount paid as advances, if any: Nil

By Order of the Board of Directors

Mumbai  
Date: 16 April 2018

**(M. V. Doshi)**  
Executive Chairman

**ANNEXURE G TO THE BOARD'S REPORT**

**Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

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

Name of Director	Designation	Ratio to median remuneration of the employees*
Mr. M. V. Doshi	Executive Chairman	16.39:1

- ii. The % increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Designation	Name of Employee	% Increase in remuneration
Executive Chairman	Mr. M. V. Doshi	24.24
Head Corporate Affairs / CFO	Mr. S. S. Gulati	3.05
General Manger (Legal) & Company secretary	Mr. G. B. Innani	5.37

- iii. The % increase in the median remuneration of employees in the financial year : 16.31
- iv. The number of permanent employees on the rolls of the Company : 12
- v.
  1. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year. 11.80
  2. Average percentage increase in the managerial remuneration in the last financial year. 14.22

There are no exceptional circumstances for increase in the managerial remuneration.
- vi. It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

Date : 16 April 2018  
Place : Mumbai

**M. V. Doshi**  
Executive Chairman

## REPORT ON CORPORATE GOVERNANCE

### REPORT ON CORPORATE GOVERNANCE

#### 1. Company's philosophy on Corporate Governance

The Company provides detailed information on various issues concerning the Company's business / performance, to its shareholders. The fundamental philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for meeting its obligations to the shareholders. The Company believes that good Corporate Governance is a continuous process and strive to improve the same to meet shareholder's expectations. The Board of Directors of the Company has adopted the Code of Conduct for its members and senior management executives.

#### 2. Board of Directors

##### Composition

The composition and category of Directors as on 31<sup>st</sup> March 2018 are as follows:

Category	Name of Directors	Designation
Promoter	Mr. M. V. Doshi	Executive Chairman
Independent & Non-executive	Mr. Vineet N. Suchanti	Director
Independent & Non-executive	Mrs. Anjali Suresh	Director
Independent & Non-executive	Mr. Sajid Mohamed	Director
Promoter	Mr. Pratik M. Doshi	Director
Nominee	Mr. Sayanta Basu	Director

The composition of the Board of Directors is in accordance with the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Non-Executive Independent Directors of your Company have no pecuniary relationship or any transaction with your Company.

Mr. Sayanta Basu represents Agrud Capital Pte Ltd., Singapore, a strategic investor in the Company.

##### Board Meetings

The Meeting of the Board of Directors are scheduled well in advance and generally held at the Company's office at Nariman Point, Mumbai. The notice confirming the meeting and the detailed agenda is sent well in advance to all the Directors.

There were five Board Meetings held during the financial year ended 31<sup>st</sup> March 2018, namely on 26<sup>th</sup> April 2017, 1<sup>st</sup> August 2017, 13<sup>th</sup> November 2017, 2<sup>nd</sup> February 2018 and 13<sup>th</sup> February 2018.

##### Attendance, Other Directorship & Membership

Membership and Attendance of each Director at the Board of Directors' Meetings held during the year and the last Annual General Meeting and the number of other Directorship/ Membership of Board Committees as on 31<sup>st</sup> March 2018:

S. No.	Name of the Director	Board Meeting Attended	Attendance at Last AGM	No. of Directorship in Boards (Excluding LKP Finance Ltd.)		No. of Chairmanship / Membership in other Board Committees (Excluding LKP Finance Ltd.)	
				Public	Private	Chairmanship	Membership
1	Mr. Mahendra V. Doshi	4	Yes	4	5	1	3
2	Mr. Vineet N. Suchanti	2	Yes	4	2	3	--
3	Mr. Sajid Mohamed	5	Yes	1	1	--	2
4	Mr. Sayanta Basu	4	No	--	10	--	--
5	Mr. Pratik M. Doshi	5	Yes	2	7	1	1
6	Mrs. Anjali Suresh	4	Yes	--	1	--	--

None of the present Directors are relative of each other except Mr. Pratik M. Doshi who is son of Mr. Mahendra V. Doshi.

##### Remuneration of Directors

During the year under review the Company has paid Rs. 82.00 lacs towards remuneration (details of which are provided in the extract of the annual return form MGT 9 'Annexure C' to the Directors' Report) to Mr. Mahendra V. Doshi, Executive Chairman of the Company pursuant to the special resolution passed by members on May 24, 2017. At present, Independent Directors are not paid any remuneration except sitting fees for attending Board Meetings.

##### Sitting Fees paid to Directors for attending Board Meetings

1. Mr. Sajid Mohamed Rs. 1,00,000/-
2. Mr. Vineet N. Suchanti Rs. 40,000/-
3. Mr. Pratik M. Doshi Rs. 1,00,000/-
4. Mr. Sayanta Basu Nil
5. Mr. M. V. Doshi Nil
6. Mrs. Anjali Suresh Rs. 80,000/-

#### 3. Audit Committee

The Board has set up the Audit Committee with two Independent Directors Mr. Vineet N. Suchanti, Mrs. Anjali Suresh and one Promoter Director Mr. M. V. Doshi. Mr. Vineet N. Suchanti is the Chairman of the Audit Committee and was present at the last Annual General Meeting.

Audit Committee meetings were held on 26<sup>th</sup> April 2017, 1<sup>st</sup> August 2017, 13<sup>th</sup> November 2017, 1<sup>st</sup> February 2018 and 8<sup>th</sup> February 2018. All the members have attended the aforesaid meetings except leave of absence were granted to Mrs. Anjali Suresh for meeting held on 26<sup>th</sup> April 2017 and Mr. Vineet Suchanti for meeting held on 13<sup>th</sup> November 2017. The Statutory Auditors were the invitees to the above meetings. The scope of activities and powers of Audit Committee includes the areas prescribed under the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, and section 177 of the Companies Act, 2013.

#### 4. Stakeholders Relationship Committee

Stakeholders Relationship Committee has been constituted pursuant to the section 178 of the Companies Act, 2013 and

Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, The said Committee is having two Independent Directors Mrs. Anjal Suresh and Mr. Vineet Suchanti. Mrs. Anjali Suresh is appointed as the Chairperson of the Committee. Mr. Girish Innani, General Manager (Legal) & Company Secretary of the Company is Compliance Officer. During the year under review, no complaints were received about non receipt of Dividend Warrant/s or for non receipt Share Certificate after transfer. . The Committee meetings were held on 3<sup>rd</sup> April 2017, 10<sup>th</sup> July 2017, 12<sup>th</sup> October 2017 and 8<sup>th</sup> January 2018. There is no complaint which has remained un-addressed. No transfer of shares is pending as on date.

M/s. V. R. Associates, Practicing Company Secretaries is conducting Reconciliation of Share Capital Audit, for the Company.

#### **5. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee has been constituted by the Company. Mr. Vineet N. Suchanti is the Chairman of the Committee and Mr. Sayanta Basu and Mrs. Anjali Suresh are the members of the Committee.

The terms of reference of the Nomination and Remuneration Committee cover all the areas mentioned under Part D Schedule II read with regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and section 178 of the Companies Act, 2013. The broad terms of reference of the Nomination and Remuneration Committee therefore include recommending a policy relating to remuneration and employment terms of Executive Chairman, directors and senior management personnel, adherence to the remuneration/employment policy, also to prepare, administrate and monitor Company's Employees Stock Options Plans /Scheme from time to time, as finally approved by the Board of Directors. Preparing the criteria and identify persons who may be appointed as directors or senior management of the Company, preliminary evaluation of every Director's performance, Board diversity, compliance of the Code for Independent Directors referred to in Schedule IV of the Companies Act, 2013, compliance with the Company's Code of Conduct by Directors and employees of the Company, reporting non-compliances, in case if any, to the Board of Directors, recommending draft of the report required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which will form part of the Directors Report to Shareholders, monitor loans to employees and any other matters which the Board of Directors may direct from time to time.

During the financial year ended March 31, 2018, two meetings of the Nomination and Remuneration Committee were held on 9<sup>th</sup> May 2017 and 26<sup>th</sup> March 2018. . All the members have attended the aforesaid meetings. At present, Directors are not paid any fees for attending any Committee Meetings.

##### **Criteria of selection of Non-executive Directors**

The Non-executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to

discharge its function and duties effectively.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

##### **Remuneration**

A Non-executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and reimbursement of expenses for participation in the Board meetings.

##### **CEO & Executive Chairman / Director – Criteria for selection / appointment**

For the purpose of selection of the CEO & Executive Chairman / Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

##### **Remuneration for the CEO & Executive Chairman / Director**

At the time of appointment or re-appointment, the CEO & Executive Chairman / Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Committee and the Board of Directors) and the CEO & Executive Chairman / Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the CEO & Executive Chairman / Director comprises of fixed and variable component as per the provisions of Companies Act, 2013. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

##### **Remuneration Policy for the Senior Management Employees**

In determining the remuneration of the Senior Management Employees the Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Executive Chairman will carry out the individual performance review based on the respective defined objectives, qualification, expertise, experience and other factors whilst



recommending the annual increment and performance incentive to the Committee for its review and approval.

#### 6. Corporate Social Responsibility (CSR) Committee:

As required under section 135 of the Companies Act, 2013 the company has formed a CSR committee consisting of the following members.

Name of the Member	Designation
Mr. Mahendra V. Doshi	Chairman
Mr. Vineet N. Suchanti	Member
Mr. Pratik M. Doshi	Member

The committee met 2 times during the financial year ended March 31, 2018. All the members have attended the aforesaid CSR Committee meetings.

#### 7. Performance Evaluation of the Board

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

#### 8. Independent Directors Meeting

During the year under review, the Independent Directors met on March 20, 2018, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Non-executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

#### 9. General Body Meetings

The particulars of last three years Annual General Meetings are as under:

Financial Year	Day	Date	Time
2016-2017	Wednesday	24 <sup>th</sup> May 2017	10.00 a. m.
2015-2016	Friday	10 <sup>th</sup> June 2016	10.30 a. m.
2014-2015	Thursday	11 <sup>th</sup> June 2015	11.00 a. m.

#### Location:

All the above Annual General Meetings of the Company were held at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai 400 001.

#### Business

Year	Special Resolution passed.
2016-17	Approval for re-appointment of Mr. M. V. Doshi as Executive Chairman of the Company and payment of Remuneration thereof.
2015-2016	Approval of Members authorising to the Board to exercise the powers to enter into Related Party Transactions as defined under Sub-Section (1) of Section 188 of the Act, in the Company or its subsidiaries or associate Companies or any other transaction of whatever nature with the Related Parties.
2014-2015	For adoption of new set of Articles of Association

During the year 2017- 2018 following business had been conducted through postal ballot the result of which was announced on March 20, 2018.

- Approval for sale of certain non-performing assets, certain overdue trade receivables (NPA), certain unlisted equity shares and units and the respective contribution agreements to subscribe further units.

Type of resolution : Special

Mode of Voting : Postal ballot and E-voting

Whether Promoter/Promoter Group are interested in the Resolution : Yes

Promoter / Public	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled	% of Votes against on votes polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter and Promoter Group	E-Voting	78,60,021	-	-	-	-	-	-
	Postal Ballot		-	-	-	-	-	-
	Total	78,60,021	-	-	-	-	-	-
Public - Institutions	E-Voting	1,96,149	-	-	-	-	-	-
	Postal Ballot		-	-	-	-	-	-
	Total	1,96,149	-	-	-	-	-	-
Public - Non Institutions	E-Voting	41,41,853	13,27,044	32.04	13,27,044	--	100.00	0.000
	Postal Ballot		11,693	0.28	11,390	303	97.41	2.59
	Total	41,41,853	13,38,737	32.32	13,38,434	303	99.98	0.02
Total		1,21,98,023	13,38,737	10.98	13,38,434	303	99.98	0.02

The resolution was passed with requisite majority.

#### Resolution 2:

Approval for sale of 100% of the shares held in Gayatri Cement and Chemical Industries Private Limited and sale/ transfer of certain immovable properties.

Type of resolution : Special

Mode of Voting : Postal ballot and E-voting

Whether Promoter/Promoter Group are interested in the Resolution : Yes

Promoter / Public	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour	No. of Votes - against	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
Promoter and Promoter Group	E-Voting	78,60,021	-	-	-	-	-	-
	Postal Ballot		-	-	-	-	-	-
	Total	78,60,021	-	-	-	-	-	-
Public - Institutions	E-Voting	1,96,149	-	-	-	-	-	-
	Postal Ballot		-	-	-	-	-	-
	Total	1,96,149	-	-	-	-	-	-
Public - Non Institutions	E-Voting	41,41,853	13,27,044	32.04	13,27,044	-	100.00	0.000
	Postal Ballot		3629	0.09	3601	28	99.23	0.77
	Total	41,41,853	13,30,673	32.13	13,30,645	28	99.99	0.01
Total		1,21,98,023	13,30,673	10.91	13,30,645	28	99.99	0.01

The resolution was passed with requisite majority.

#### 10. Disclosure

- The related party details are disclosed in the notes to financial statements. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its approval.
- During the last three years, there were no strictures or penalties imposed either by Securities and Exchange Board of India or the Stock Exchange or any regulatory authority for non-compliance of any matter related to the capital market.
- No personnel have been denied access to the Chairman or members of the Audit Committee. The mechanism of Whistle Blower Policy is in place.
- To the extent possible, the Company has complied with the mandatory requirement of this clause.
- The Company has complied with all applicable Accounting Standards in preparation of its financial statements pursuant to the amended Schedule III of Companies Act, 2013.

#### 11. Means of Communication

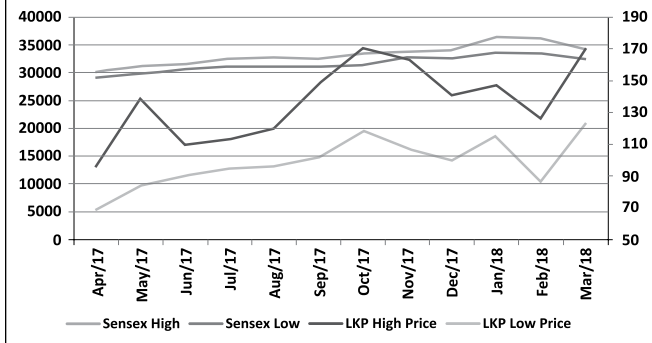
- The quarterly half-yearly and annual results are published in widely circulating national and local dailies i.e. in Business Standard and Aaple Mahanagar. These were not sent individually to the shareholders.
- The Company's results or official news are displayed on a web site www.lkpsec.com
- There were no presentations made to the institutional investors or to the analysts.
- The Management, Discussion and Analysis Report forms a part of this Annual Report.

#### 12. General Shareholder Information

AGM Date, Time and Venue	Tuesday, 15 <sup>th</sup> May 2018 at 10.00 a.m. M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai 400 001, Maharashtra, India.
Financial Calendar	April to March Announcement of Audited / Un-audited Results (tentative) 1 <sup>st</sup> Quarter - First week of August 2 <sup>nd</sup> Quarter - First week of November 3 <sup>rd</sup> Quarter - First week of February 4 <sup>th</sup> Quarter - First week of May
Book Closure	Wednesday, 09 <sup>th</sup> May, 2018 to Tuesday 15 <sup>th</sup> May 2018 (both days inclusive).
Dividend	Dividend which remains unpaid or unclaimed declared by the Company for the year ended on March 31, 2011 at the Annual General Meeting held on June 10, 2011 will be transferred to the Investor Education and Protection Fund of the Central Government around July 15, 2018 pursuant to the provisions of section 124 of the Companies Act, 2013. Thereafter no claim shall lie against the Company on these dividend from the shareholders. <b>Transfer to Investor Education and Protection Fund:</b> As required under Section 124 of the Act, the unclaimed dividend amount aggregating to Rs. 12,19,421/- lying with the Company for a period of seven years pertaining to the financial year ended on March 31, 2010 was transferred during the year 2017, to the Investor Education and Protection Fund established by the Central Government.
Listing on Stock Exchange	B S E Limited, Mumbai (Code-507912). The Company has paid the listing fees for the period from 1 <sup>st</sup> April 2018 to 31 <sup>st</sup> March 2019. The Company has received a letter dated 26 <sup>th</sup> March 2018 from the Stock Exchange, Ahmedabad confirming voluntary delisting of Company's shares with effect from 20 <sup>th</sup> October 1999 from the said Exchange.
Demat ISIN No. for Depositories	INE 724A01017

**Market Price Data and Performance in comparison to BSE Sensex**

Month	LKP High Rs.	LKP Low Rs.	No. of Shares	No. of Trades	BSE Sensex	
					High	Low
Apr-17	97.00	68.80	427879	2623	30184	29241
May-17	139.00	84.10	588349	4813	31255	29804
Jun-17	109.45	90.10	96289	659	31523	30681
Jul-17	113.45	94.50	90667	500	32673	31017
Aug-17	120.05	96.20	156639	1058	32686	31128
Sep-17	147.50	101.60	573163	3602	32524	31082
Oct-17	170.00	118.00	398460	3385	33340	31440
Nov-17	164.00	106.80	429520	4353	33866	32864
Dec-17	140.90	100.05	346604	5003	34138	32565
Jan-18	147.60	114.95	514324	5302	36444	33703
Feb-18	125.80	86.80	308054	3624	36257	33483
Mar-18	171.05	123.15	490622	2600	34279	32484


**Registrar & share Transfer Agent**

M/s. Adroit Corporate Services Private Limited  
 19, Jafarbhoy Industrial Estate, 1<sup>st</sup> Floor,  
 Makawana Road, Marol Naka,  
 Andheri ( East), Mumbai 400 059.  
 Tel/Direct: +91 (0)22 42270426 | Fax: +91 (0)22 28503748  
[sandeeph@adroitcorporate.com](mailto:sandeeph@adroitcorporate.com) | [www.adroitcorporate.com](http://www.adroitcorporate.com)

**Share Transfer System**

The Company's Shares are traded on BSE Limited compulsorily in the dematerialized form. However, all requests received for transfer of shares for off market transaction in physical form furnishing with a copy of PAN card of the transferee(s) in compliance with the SEBI circular in that behalf, are processed by the Registrar and Transfer Agents and are approved by Share Transfer Committee on weekly basis. The Share Transfers are registered and returned within period of 15 days from the date of lodgment, if documents are complete in all respects.

**Distribution of shareholding as on 31<sup>st</sup> March 2018**

Shares Slab	Share Holders	%	Total Shares	Amount (Rs.)	%
Upto - 100	3704	63.76	275973	2759730	2.22
101 - 500	1426	24.55	389348	3893480	3.13
501 - 1000	327	5.63	259025	2590250	2.09
1001 - 2000	162	2.79	259025	2590250	1.92
2001 - 3000	57	0.98	147171	1471710	1.18
3001 - 4000	23	0.40	85103	851030	0.69
4001 - 5000	21	0.36	100265	1002650	0.81
5001 - 10000	38	0.65	262630	2626300	2.11
10001 - 20000	22	0.38	318438	3184380	2.55
20001 - 50000	7	0.12	255768	2557680	2.06
50001 & Above	22	0.38	10089577	100895770	81.24
<b>Total :</b>	<b>5809</b>	<b>100.00</b>	<b>12421523</b>	<b>124215230</b>	<b>100.00</b>

**Dematerialization of equity Shares and liquidity**

As on 31<sup>st</sup> March 2018, 96.698 % of the Company's total shares represented by 1,20,11,396 shares were held in dematerialized form.

**Out-standing GDR/Warrants/Convertible Instruments**

The Company has no out-standing GDR/Warrants/Convertible Instruments.

**Address for correspondence**

LKP Finance Limited  
 203, Embassy Centre,  
 Nariman Point,  
 Mumbai 400 021

**For and on behalf of the Board of Directors**

Mumbai  
 Date: 16 April 2018

**(M. V. Doshi)**  
 Executive Chairman

**CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members,  
LKP Finance Limited

We have examined the compliance of conditions of corporate governance by LKP Finance Limited (“the company”) for the year ended on 31st March, 2018, as specified in Chapter IV of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

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 implementation 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 conditions of corporate governance as specified in Chapter IV of the Securities & Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations 2015, subject to the following:

1) lack of appropriate quorum of independent directors in the meeting of Audit Committee held on 26th April, 2017 and 13th November, 2017 as per Regulation 18 (2) (b) of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015.

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

**For V.R. Associates**  
*Company Secretaries*

*V. Ramachandran*  
*CP 4731*

Place: Mumbai  
Date: 16 April 2018.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Industry structure and developments

2017-18 continues to be in the pattern of what we have been seeing after the NDA Government took over. Bold Government decisions combined with solid economic performance. This has made India the only BRICS market to be loved by global investors.

Soft Global Commodity prices in 2017, Benign CPI, Controlled Fiscal deficit trending lower, Significant deposit growth, Stable INR and robust Foreign Exchange reserves all bode well last year, for a country which 3 years back had a 20% depreciation in its currency.

The NDA Government with its stunning win in most of North east regions (will also help the ongoing confidence in India stemming from political stability).

### Opportunities and Threats

Your Company being an investment Company seeks opportunities in the capital market. The volatility in the stock indices in the financial year under report represents both an opportunity and challenge for the Company.

Capital market activities in which most of our activities depend on is also influenced by global events and hence there is an amount of uncertainty in the near term outlook of the market.

### Risks and Concerns

The performance of the Company is dependent on the Indian Capital markets for its returns. Even though it is envisaged that stock market will continue to do well, but global concerns can result in sharp corrections.

### Segment-wise Performance

The Company is engaged in investment activities and other financial services during the year under review, hence the requirement of segment-wise reporting is considered irrelevant.

### Outlook

Prime Minister Narendra Modi, extolling India as a model of economic growth and political openness, told the World Economic Forum in Davos earlier this year that the country would be a \$5 trillion economy by 2025, more than double its current size. But back home, Modi is facing voter discontent over falling farm incomes and the lack of jobs for hundreds of thousands of youth entering the labour force each month.

2017-18 saw growth slow down because of a chaotic rollout of a nationwide goods and service tax (GST) last year and a shock move to ban high value currency notes in late 2016.

Modi's ruling alliance barely scraped through an election in his home state of Gujarat last month and is now faced with elections in eight states spread over 2018 and a general election that must be held by May next year.

But, the government has been betting on growth picking up in 2018. Its calculation of timing of demonetization and implementation of Goods and Service Tax (GST) was based on not rocking the boat in 2018 and allowing the economy to pick up the pace. Given the quarterly numbers in December and the policy statement in the recently concluded credit policy, signs of growth and pick-up in investment is showing.

Analysts feel that India's GDP growth will accelerate to 7.0% in 2018-19 from 6.5% in 2017-18, shaking off the disruptions from demonetization and GST rollout.

Analysts feel that India's growth story has a two-part narrative. The first is a slowdown and gradual recovery in the short run, likely over FY18 and FY19, as key sectors revive from disruptions related to the implementation of GST. The subsequent narrative is of brighter growth prospects in the medium term (FY20 and beyond), when growth is expected to reap the benefits of recently undertaken structural reforms, it added.

Analysts feel that the recovery in India's GDP growth will likely be relatively gradual, preventing price pressures from rebounding and allowing the Reserve Bank of India to keep rates on hold for the time being.

The impact of transient factors wanes, inflation will settle around RBI's 4% target. Inflation will average 3.4% over FY18 (ending the year in March at 4.3%) according to certain reports. The expectations are that RBI will keep the repo rate on hold, as the rate-cutting cycle of the central bank looks set to have ended, with most inflation risks tilted to the upside.

On the external front a number of factors are poised to pressure US Treasury yields higher. The factors are: the reversal of quantitative easing (QE) as the US Federal Reserve (Fed) unwinds its balance sheet, the exceptional strength in US labor markets, rising wage and inflation pressures, ongoing resiliency in the US economy, and a structural shift toward deregulation by both the Trump administration and potentially a Trade war.

Investors must be prepared for the shift from the recovery era of monetary accommodation to the expansionary post-QE era. The impact of Fed policy tightening on emerging markets should vary from country to country in the upcoming year. It's important to identify countries with idiosyncratic value that may be less correlated to broad-based beta (market) risks. India is one of the countries that are more domestically driven and less reliant on global trade and therefore has inherent resiliencies to global shocks.

LKP Finance invests its funds in the capital market. We continue to see a significant opportunity in the market and will use periods of interim weakness as investment opportunities for long term.

### Internal Control Systems and their adequacy

The Company has satisfactory internal control system. The Company including subsidiary has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines prescribed by the management. An extensive internal audit is carried out by independent firm of Chartered Accountants. Post audit reviews are also carried out to ensure follow up on the observations made.

### Financial Performance with respect to Operational Performance

#### Share Capital

The paid up equity share capital of the Company as on March 31, 2018 stands at Rs. 12,42,15,230 divided into 1,24,21,523 equity shares of Rs. 10/- each fully paid up.

#### Net Worth

The Net Worth of the Company increased from Rs. 12417.23 lacs to 14561.75 lacs.

#### Secured Loans

The secured loans decreased to Rs. 1988.18 lacs from Rs. 5894.59 lacs.

**Total Income**

During the year under consideration total income was Rs. 7869.62 lacs as against Rs. 4409.79 lacs in the previous year.

**Other Income**

During the year under consideration other income was Rs. 238.08 lacs as against Rs. 237.60 lacs in the previous year.

**Interest and Finance Charges**

During the year under consideration total interest and finance charges were Rs.509.95 lacs as against Rs. 1418.76 lacs in the previous year.

**Tax Expense**

During the year under consideration the Tax Expense were Rs. 132.14 lacs.

**Human Resources**

There has been no material development on the Human Resource/ Industrial Relations front during the year. The company has provided medical insurance for its employees and family members as a welfare measure.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2017-18

- Number of complaints received: Nil
- Number of complaints disposed off: Nil

**For and on behalf of the Board of Directors**

Mumbai  
Date: 16 April 2018

**(M. V. Doshi)**  
*Executive Chairman*

**COMPLIANCE WITH CODE OF CONDUCT**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2018.

For LKP Finance Limited

M. V. Doshi  
Executive Chairman

Mumbai  
16 April 2018

**COMPLIANCE CERTIFICATE****[Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]**

The Board of Directors  
LKP Finance Limited

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee that there is no :
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein; if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For LKP Finance Limited

For LKP Finance Limited

**M. V. Doshi**  
Executive Chairman  
Mumbai  
Date: 16 April 2018

**S. S. Gulati**  
Head Corporate Affairs



## Independent Auditor's Report

To  
The Members of  
**LKP Finance Limited**

### 1. Report on the Financial Statements

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

### 2. Management's Responsibility 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### 3. Auditor's Responsibility

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

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

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

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

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

4. The financial statements of the Company for the year ended 31 March, 2017 were audited and reported by another firm of Chartered Accountants Ford Rhodes Parks & Co LLP vide their report dated 26 April, 2017. The Balance Sheet as at 31 March, 2017 as per the audited financial statements, regrouped or restated where necessary, have been considered as opening balances for the purpose of these financial statements.

### 5. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018 and its profit and its cash flows for the year ended on that date.

### 6. Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act (hereinafter referred to as the "Order") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a Statement on the matters specified in paragraphs 3 and 4 of the Order.

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 statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, and the Companies (Accounting Standards) Amendment Rules, 2016 in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed pending litigations on its financial position in its standalone financial statements – Refer Note 22 to financial statements
- ii. The Company did not have any long-term contracts including derivative contracts having any material foreseeable losses to financial statements; and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder.
- vi. The Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by of the Company.
- vii. According to the records of the Company, examined by us and information and explanations given to us:
  - a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2018 for a period of more than six months from the date they became payable.
  - b) There are no dues of income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, and cess which have not been deposited on account of any dispute.

**For MGB & Co. LLP**  
Chartered Accountants

Firm Registration Number 101169W/W-100035

**Sanjay Kothari**  
Partner

Membership Number 048215

Mumbai, 16 April 2018

#### **Annexure - A to the Independent Auditor's Report**

Annexure referred to in Paragraph 5(I) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of **LKP Finance Limited** on the financial statements for the year ended 31 March 2018, 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 fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanations, given to us, 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 records, the title deeds of immovable properties are held in the name of the Company.
- ii. As explained to us, the inventories have been physically verified by the management at the reasonable intervals during the year on the basis of statements received from the custodians and depository participants and no discrepancies were noticed on verification as compared to book records.
- iii. The Company has granted unsecured loan to one Company covered in the register maintained under Section 189 of the Act.
  - a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the Company listed in the register maintained under Section 189 of Act were not, prima facie, prejudicial to the interest of the Company.
  - b) In the case of loans granted to the Company listed in the register maintained under Section 189 of the Act, the borrower has been regular in payment of the principal and interest as stipulated.
  - c) There are no overdue amounts in respect of the loan granted to the Company listed in the register maintained under Section 189 of the Act.
- iv. As the Company is a Non- Banking Finance Company being engaged in the business of financing of Companies, provisions of section 185 and Section 186 of the Act is not applicable to the Company.
- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions or banks. The Company does not have any loans from Government and has not issued any debentures during the year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and the Company has not taken any term loan during the year.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.
- xi. According to the records of the Company examined by us, and information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.

xvi. The Company is registered as Non-banking financial institution (NBFI) and is holding a Certificate of Registration (CoR) from Reserve Bank of India to carry on business of NBFI in terms of Section 45-IA of the RBI Act, 1934.

**For MGB & Co. LLP**  
Chartered Accountants  
Firm Registration Number 101169W/W-100035

**Sanjay Kothari**  
Partner  
Membership Number 048215

Mumbai, 16 April 2018

### **Annexure - B to the Independent Auditor's Report**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of LKP Finance Limited ("the Company") as of 31 March 2018 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 (the "Guidance Note") 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 Act.

#### **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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For MGB & Co. LLP**  
Chartered Accountants  
Firm Registration Number 101169W/W-100035

**Sanjay Kothari**  
Partner  
Membership Number 048215

Mumbai, 16 April 2018

**BALANCE SHEET AS AT 31 MARCH, 2018**

(Amount in Rupees)

	Note	2018	2017
<b>EQUITY AND LIABILITIES :</b>			
<b>Shareholders' funds</b>			
Share capital	3	124,215,230	121,980,230
Reserves and surplus	4	1,331,960,161	1,119,743,576
<b>Non-current liabilities</b>			
Long-term borrowings	5	-	1,851,795
<b>Current liabilities</b>			
Short-term borrowings	6	558,483,277	951,911,477
Short-term provisions	7	462,258	33,225,422
Trade Payables	8	-	61,551,085
Other current liabilities	8	19,706,717	88,646,423
<b>Total</b>		<b>2,034,827,642</b>	<b>2,378,910,008</b>
<b>ASSETS :</b>			
<b>Non-current assets</b>			
Property, Plant and Equipments	9	17,803,839	11,994,275
Non-current investments	10	513,739,016	673,186,576
Deferred tax assets (net)	11	1,028,599	206,031
Long-term loans and advances	12	104,244,819	55,723,568
Other non current assets	13	108,534,492	173,873,070
<b>Current assets</b>			
Inventories	14	269,025,633	425,900,222
Trade receivables	15	-	102,810,987
Cash and bank balances	16	878,094,357	138,879,066
Short-term loans and advances	12	115,137,520	795,991,652
Other current assets	13	27,219,366	344,560
<b>Total</b>		<b>2,034,827,642</b>	<b>2,378,910,008</b>
Notes forming part of the Accounts	1-38		

Notes forming part of the financial statements

As per our attached report of even date

**For and on behalf of the Board**
**For MGB & Co. LLP**

Chartered Accountants

Firm registration number 101169W/W-100035

**M.V.Doshi**  
 Executive Chairman

**V.N.Suchanti**  
 Director

**Sanjay Kothari**

Partner

Membership Number 048215

**Sayanta Basu**  
 Director

**S S Gulati**  
 Head-Corporate Affairs

**G B Innani**  
 GM (Legal) & Company Secretary

Place : Mumbai

Date : 16 April 2018

Place : Mumbai

Date : 16 April 2018

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

(Amount in Rupees)

	Note	2018	2017
<b>Income</b>			
Revenue from operations	17	763,152,798	417,218,525
Other income	18	23,808,993	23,760,442
<b>Total Revenue</b>		<b>786,961,791</b>	<b>440,978,967</b>
<b>Expenses</b>			
Employee benefits expense	19	56,100,845	90,496,055
Finance costs	20	50,995,319	141,876,442
Depreciation	9	2,265,029	1,433,742
Other expenses	21	470,638,687	83,631,694
Excess provision for standard assets written back		(3,400,083)	-
<b>Total Expenses</b>		<b>576,599,797</b>	<b>317,437,934</b>
<b>Profit before tax</b>		<b>210,361,995</b>	<b>123,541,033</b>
<b>Less: Tax expense</b>			
- Current tax- current year		35,000,000	31,000,000
- earlier years		-	2,144,763
- Deferred tax		(822,568)	(46,331)
MAT Credit Entitlement		20,963,597	6,000,000
<b>Net Profit after tax</b>		<b>197,148,160</b>	<b>100,732,127</b>
Earnings per equity share (face value Rs 10/- each)			
(1) Basic		16.12	8.26
(2) Diluted		16.05	7.93
Notes forming part of the financial statements	1-38		

As per our attached report of even date

**For and on behalf of the Board**
**For MGB & Co. LLP**

Chartered Accountants

Firm registration number 101169W/W-100035

**M.V.Doshi**  
 Executive Chairman

**V.N.Suchanti**  
 Director

**Sanjay Kothari**

Partner

Membership Number 048215

**Sayanta Basu**  
 Director

**S S Gulati**  
 Head-Corporate Affairs

**G B Innani**  
 GM (Legal) & Company Secretary

Place : Mumbai

Date : 16 April 2018

Place : Mumbai

Date : 16 April 2018



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2018**

	2018	2017
<b>A. Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>210,361,995</b>	123,541,033
Adjustments for:		
Depreciation and amortization expense	2,265,029	1,433,742
Interest expenses	42,408,997	133,151,836
Profit/ (loss) on sale/ discard of property, plant and equipments	(57,406)	33,750
ESOP compensation written back	(576,576)	(576,576)
Contingency provision for standard assets	(3,400,083)	-
Bad debts/ loans and advances written Off	431,142,550	-
Interest income	(18,186,976)	(22,939,360)
<b>Operating profit before working capital changes</b>	<b>663,957,530</b>	234,644,425
Adjustments for:		
Decrease / (increase) in inventories	156,874,589	-97,228,858
Decrease / (increase) in trade and other receivables	(53,939,868)	616,774
Increase / (decrease) in trade and other payables	(127,725,453)	-196,765,102
<b>Cash generated from operations</b>	<b>639,166,798</b>	-58,732,761
Direct tax paid (net of refunds)	(62,347,654)	(23,822,100)
<b>Net cash from/ (used in) operating activities (A)</b>	<b>576,819,144</b>	(82,554,861)
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipments	(9,517,187)	(8,406,355)
Sale of property, plant and equipments	1,500,000	-
Purchase/ sale of long-term investments (net)	159,447,560	(303,014,659)
Increase/ (decrease) in bank balances	(452,034,692)	134,438,313
Repayment received of loans given (net)	361,701,313	107,097,354
Interest received	16,701,872	22,939,360
<b>Net cash from/(used in) investing activities (B)</b>	<b>77,798,867</b>	(46,945,987)
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity share including securities premium	17,880,000	-
Increase/(decrease) in short-term borrowings (net)	(396,380,743)	309,789,062
Interest expenses	(44,108,278)	(133,151,836)
Dividend paid	(29,328,390)	(17,384,622)
<b>Net cash from/ (used in) financing activities (C)</b>	<b>(451,937,411)</b>	159,252,606
Net changes in cash and cash equivalents (A+B+C)	202,680,600	29,751,758
Cash and cash equivalents at the beginning of the year	43,455,649	13,703,891
Cash and cash equivalents at the end of the year	246,136,249	43,455,649
<b>Notes:</b>		
1. Previous year figures have been regrouped or recast wherever, considered necessary		
2. <b>Cash and cash equivalents consists of :</b>		
<b>Balances with banks:</b>		
in current accounts	246,136,005	43,442,399
Cash in hand	244	13,250
<b>Total</b>	<b>246,136,249</b>	43,455,649

As per our attached report of even date  
**For MGB & Co. LLP**  
 Chartered Accountants  
 Firm registration number 101169W/W-100035

**Sanjay Kothari**  
 Partner  
 Membership Number 048215

Place : Mumbai  
 Date : 16 April 2018

**For and on behalf of the Board**

**M.V.Doshi**  
 Executive Chairman

**V.N.Suchanti**  
 Director

**Sayanta Basu**  
 Director

**S S Gulati**  
 Head-Corporate Affairs

**G B Innani**  
 GM (Legal) & Company Secretary

Place : Mumbai  
 Date : 16 April 2018



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****1 Corporate Information**

**LKP Finance Limited**, incorporated in the State of Maharashtra is a Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India and is listed on Bombay Stock exchange (BSE) of India. The Company is engaged in the business of finance and trading in shares and securities, derivatives etc.

**2 Significant Accounting Policies****i Basis of preparation**

The financial statements are prepared on going concern basis in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) and comply in all material aspects with its accounting standards specified under Section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies (Accounting Standards) Amendment Rules, 2016, the provisions of the Act) and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements have been prepared on accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those of previous year

**ii Use of estimates**

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as of the date of the financial statements and the reported amount of revenue and expenses for the year. Actual results could differ from these estimates. Any revision to estimates is recognised in the period in which the results are known/materialized.

**iii Property, Plant and Equipments**

Property, Plant and Equipments are stated at cost less accumulated depreciation, and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

**iv Depreciation on Property, Plant and equipments**

- (a) Depreciation on Property, Plant and equipments is provided on straight line method based on the useful life specified in Schedule II of the Companies Act, 2013.
- (b) Leasehold improvements are amortised over the period of lease.

**v Impairment of Property, Plant and Equipments**

At each Balance Sheet date, the Company reviews the carrying amount of assets to determine whether there is an indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

**vi Borrowing costs**

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for its intended use or sale are capitalised as part of the cost of the assets. All other borrowing costs are expensed in the period they occur.

**vii Lease**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

**viii Investments**

- (a) Investments intended to be held for more than one year, from the date of acquisition, are classified as long term and are carried at cost. All other investments are considered as current investments. Provision for diminution in value of long term investments is made to recognize a decline other than temporary. Current investments are carried at cost or market value, whichever is lower.
- (b) Unquoted investments are valued at cost and provision for diminution in the value of investments is made based on the guidelines prescribed by the Reserve Bank of India or based on the judgement of the management, whichever is higher.

**ix Inventories**

Shares and Securities acquired with intention of trading are considered as stock-in-trade and are valued at cost or market value, whichever is lower. Cost is determined on weighted average cost basis.

**x Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (a) Interest income is recognised on a time proportion basis considering the amount outstanding and the applicable interest rate.
- (b) Dividend income is recognized when the Company's right to receive dividend is established.
- (c) Profit or loss on sale of investments/ inventories are recognised on sale net of cost determined on weighted average cost

**xi Non – Performing Assets**

The Company follows the directions of Reserve Bank of India on Prudential Norms for income recognition, provisioning for bad and doubtful debts, provision for contingencies, Accounting of investments etc.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****xii Foreign currency transactions**

- (a) Foreign currency transactions are recorded at the exchange rate prevailing on the date of such transaction. Foreign currency monetary assets and liabilities are translated using the exchange rate prevailing at the reporting date. Non-monetary foreign currency items are carried at cost.
- (b) Gains or losses arising on settlement/translation of foreign currency monetary assets and liabilities at the year-end rate are recognized in the Statement of Profit and Loss.

**xiii Derivative transactions**

- (a) Initial and additional margin paid over and above initial margin, for entering into contracts for Equity Index/ Stock Futures/ Commodity futures and Equity Index/ Stock Options/ Commodity Options which are released on final settlement/squaring-up of underlying contracts are disclosed under Other current assets/ Other current liabilities.
- (b) "Equity Index/Stock Option Premium/ Commodity Option Premium" represents premium paid or received for buying or selling the options, respectively.
- (c) On final settlement or squaring up of contracts for Equity Index / Stock Futures/ Commodity Futures, the realised profit or loss after adjusting the unrealised loss already accounted, if any, is recognised in the Statement of Profit and Loss.
- (d) On settlement or squaring up of Equity Index / Stock Options/ Commodity Options before expiry, the premium prevailing in "Equity Index/Stock Option/ Commodity Option Premium" on that date is recognised in the Statement of Profit and Loss.

**xiv Retirement and other employee benefits**

- (a) Short-term employee benefits are expensed at the undiscounted amount in the Statement of profit and loss, in the year the employee renders the service.
- (b) Post employment and other long term employee benefits are recognised as an expense in the Statement of profit and loss at the present value of the amount payable determined using actuarial valuation techniques in the year the employee renders the service. Actuarial gains and losses are charged to the Statement of profit and loss.

- (c) Payments to defined contribution retirement benefit schemes are expensed as and when they fall due.

**xv Accounting for taxes on income**

- (a) Current Tax is determined as the amount of tax payable in respect of taxable income for the year as per the provisions of the Income Tax Act, 1961.
- (b) Deferred tax is recognized, subject to consideration of prudence in respect of deferred tax asset, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates and laws .
- (c) Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

**xvi Earnings per share**

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except when the results would be anti-dilutive.

**xvii Provisions, Contingent Liabilities and Contingent Assets**

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

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**
**3 Share Capital**

(Amount in Rupees)

	2018	2017
<b>Authorised</b>		
1,000,000 (1,000,000) Redeemable Cumulative Preference Shares of Rs 100/- each	100,000,000	100,000,000
20,000,000 (20,000,000) Equity Shares of Rs 10/- each	200,000,000	200,000,000
	<u>300,000,000</u>	<u>300,000,000</u>
<b>Issued, Subscribed and Paid up</b>		
12,421,523 (12,198,023) Equity Shares of Rs 10/- each	124,215,230	121,980,230
<b>Total</b>	<u>124,215,230</u>	<u>121,980,230</u>

**a) Reconciliation of number of equity shares and equity share capital (face value of Rs 10 each)**

	2018		2017	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	12,198,023	121,980,230	12,198,023	121,980,230
Shares allotted on ESOP	223,500	2,235,000	-	-
Shares outstanding at the end of the year	12,421,523	124,215,230	12,198,023	121,980,230

**b) Details of Shareholders holding more than 5% equity shares in the Company.**

Name of Shareholder	2018		2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr Mahendra V Doshi	3,707,967	29.67	3,682,886	30.19
Agrud Capital Pte Limited	727,489	5.86	727,489	5.96
Sea Glimpse Investments Private Limited	2,547,515	20.51	2,547,515	20.88
Bhavana Holdings Private Limited	1,409,505	11.35	1,409,505	11.56

**c) There are no bonus shares issued, shares issued for consideration other than cash except shares bought back during 5 years preceeding 31 March 2018.**

	2018	2017	2016	2015	2014
Equity shares bought back and cancelled	-	-	-	-	145,971

**d) Terms/ rights attached to Equity shares**

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution would be in proportion to the number of equity shares held by the shareholders.

**e) Employee Stock Option Scheme**
**(i) Employee Stock Option Scheme 2010**

The Company had instituted an Employee Stock Option Plan ("ESOP 2010 or "the Scheme") as approved by Board of Directors and Shareholders of the Company. Under the scheme, 599,500 Stock Options were granted at a pricing of 5% discount on the average closing price of the Company's shares on BSE during the last 15 days preceeding the date of grant of options to the employees of the Company and of its subsidiaries. The options vested would be exercisable at any time within a period of five years from the date of vesting and the equity shares arising on exercise of options shall not be subject to any lock in. The said Scheme is administered by the Nomination and Remuneration Committee of the Board.

**Summary of stock options outstanding is as follows :**

	2018	2017
Options at the beginning of the year	261,300	390,000
Granted during the year	-	-
Options lapsed during the year	128,700	128,700
Options at the end of the year	132,600	261,300

**(ii) Employee Stock Option Scheme 2010**

The Company had instituted a new Employee Stock Option Plan ("ESOP 2010 or "the Scheme") as approved by Board of Directors and

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH,2018**

Shareholders of the Company. Under the scheme, 447,000 Stock Options were granted at a price of Rs 80/- per option to the employees of the Company and of its subsidiaries. The options vested would be exercisable at any time within a period of five years from the date of vesting and the equity shares arising on exercise of options shall not be subject to any lock in. The said Scheme is administered by the Nomination and Remuneration Committee of the Board.

During the year ended 31 March 2018, the Company did not grant any stock option. Out of the options granted 223,500 stock options had been exercised.

**Summary of stock options outstanding is as follows :**

	<b>2018</b>	<b>2017</b>
Options at the beginning of the year	240,500	414,375
Options exercised during the year	223,500	-
Options lapsed during the year	2,500	173,875
Options at the end of the year	14,500	240,500

**(iii) Employee Stock Option Scheme 2014**

The Company has instituted an Employee Stock Option Plan ("ESOP 2014" or "the Scheme") as approved by Board of Directors and Shareholders of the Company, for issuance of 775,000 Stock Options Convertible in equivalent number of equity shares of Rs.10 each to the employees of the Company and of its subsidiaries. Out of 610,000, 610,000 options were granted and vested during 31 March 2015 at a price of Rs 80/- per option. The options vested would be exercisable at any time within a period of three years from the date of vesting and the equity shares arising on exercise of options shall not be subject to any lock in. The said Scheme is administered by the Nomination and Remuneration Committee of the Board. There are no option outstanding as at 31 March 2018

**4 Reserves and Surplus**

	(Amount in Rupees)	
	<b>2018</b>	<b>2017</b>
<b>Capital Reserves- Share Warrants moneys forfeited</b>		
As per last balance sheet	-	19,400,000
Less: Transfer pursuant to Scheme of Arrangement	-	19,400,000
	-	-
<b>Capital Redemption Reserve on account of buyback of Equity shares</b>		
As per last balance sheet	-	13,294,660
Less: Transfer pursuant to Scheme of Arrangement	-	13,294,660
	-	-
<b>Securities Premium Account</b>		
As per last balance sheet	-	229,870,249
Add: Received on account of allotment of Equity Shares (ESOP)	15,645,000	-
Less: Transfer pursuant to Scheme of Arrangement	-	229,870,249
	<b>15,645,000</b>	-
<b>Special Reserve Fund- As per RBI guidelines for NBFCs</b>		
As per last balance sheet	373,036,571	352,890,145
Add: Transfer from Statement of Profit and Loss	39,429,632	20,146,426
	<b>412,466,203</b>	<b>373,036,571</b>
<b>General Reserve</b>		
As per last balance sheet	614,605,640	614,605,640
	<b>614,605,640</b>	<b>614,605,640</b>
<b>Employees Stock Options (ESOPs)</b>		
As per last balance sheet	1,170,626	1,747,202
Less: Written back during the year	576,576	576,576
	<b>594,050</b>	<b>1,170,626</b>
<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>		

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**

	(Amount in Rupees)	
	<b>2018</b>	<b>2017</b>
As per last Balance Sheet	130,930,739	79,708,119
Add: Profit for the year	197,148,160	100,732,127
	<u><b>328,078,900</b></u>	<u><b>180,440,246</b></u>
<b>Less : Appropriations</b>		
Transfer to Special Reserve Fund	39,429,632	20,146,426
Proposed Dividend	-	24,396,046
Tax on Proposed Dividend	-	4,967,035
	<u><b>288,649,268</b></u>	<u><b>130,930,739</b></u>
<b>Total</b>	<u><u><b>1,331,960,161</b></u></u>	<u><u><b>1,119,743,576</b></u></u>

**5 Long-term borrowings**

	(Amount in Rupees)			
	Non- Current		Current	
	2018	2017	2018	2017
<b>Secured</b>				
Vehicle Loans from others	-	1,851,795	-	1,100,748
	-	1,851,795	-	1,100,748
Less: Amount disclosed under "Other current liabilities" (Refer note 8)	-	-	-	1,100,748
<b>Total</b>	-	1,851,795	-	-

Secured against hypothecation of vehicles. The aforesaid borrowings carry interest rates ranging from 9.50%- 9.86% p.a. and are repayable upto July 2020. The said loans have been repaid during the year

**6 Short Term Borrowings**

	2018	2017
<b>Secured</b>		
<b>From banks</b>		
Cash Credit/ overdraft (Refer note (a), (b), (c))	198,818,246	281,864,060
<b>From financial institution and others</b> (Refer note (d), e, (f))	-	306,494,386
<b>Unsecured</b>		
Intercompany deposits (Refer note (g))	359,665,031	363,553,031
<b>Total</b>	<u><b>558,483,277</b></u>	<u><b>951,911,477</b></u>

- (a) Cash Credit/ Overdraft from Bank of India of Rs 71,629,349 (Rs 281,864,060) are secured against pledge of approved debt securities rated 'A' and above with 15% margin, fixed deposit with the bank and personal guarantee of the Promoter. The loan is repayable on demand and carries interest of 11.20%p.a. (one year MLCR+ BSS+CRP)
- (b) Cash Credit from Federal Bank Limited of Rs 123,294,076 (Rs Nil ) are secured against pledge of bonds in CGSL account with Federal bank Limited. The loan is repayable on demand and carries interest of 12%
- (c) Overdraft from Federal Bank Limited of Rs 3,894,821 (Rs Nil) are secured against pledge of fixed deposit with banks. The loan is repayable on demand. It carries interest 7.25% - 7.80% at monthly rests
- (d) Credit facility from IL & FS of Rs Nil (149,860,854) are secured against pledge of shares in pool account and carries interest @ 11.5% p.a. The loan has been repaid during the year
- (e) Credit facility from Bajaj Finance Limited of Rs Nil (129,533,532) are secured against pledge of shares in pool account and carries interest @ 9.5% p.a. The loan has been repaid during the year
- (f) Credit facility from ECL Finance Limited of Rs Nil (27,100,000) are secured against pledge of Bonds and carries interest @ 11.5% p.a. The loan has been repaid during the year
- (g) Unsecured loan of Rs 359,665,031 (Rs 363,553,031) is repayable on demand.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**
**7 Short- term provisions**

	2018	2017
Proposed Dividend (including tax)	-	29,363,081
Contingency provisions on standard assets	<b>462,258</b>	3,862,341
<b>Total</b>	<b>462,258</b>	<b>33,225,422</b>

**8 Other liabilities**

	2018	2017
<b>Trade Payables</b>		
Trade Payables	-	61,551,085
	-	61,551,085
<b>Other current liabilities</b>		
Current maturities of long-term borrowings (Refer note 5)	-	1,100,748
Interest accrued but not due on borrowings	<b>771,711</b>	2,470,992
Provision for mark and market losses	<b>387,992</b>	-
Statutory Dues	<b>3,189,797</b>	4,781,490
Unclaimed dividends	<b>6,958,108</b>	6,923,417
Employee benefits payable	<b>4,297,261</b>	64,485,662
Other payables	<b>4,101,848</b>	8,884,114
<b>Total</b>	<b>19,706,717</b>	<b>88,646,423</b>
<b>Total</b>	<b>19,706,717</b>	<b>150,197,508</b>

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31 March, 2018.

**9 Property, Plant and Equipments**

(Amount in Rupees)

	Gross Block			Accumulated Depreciation				Net Block		
	As at 1 April 2017	Additions	Deduction	As at 31 March 2018	Upto 1 April 2017	Deprecia- tion	Deduction	Upto 31 March 2018	As at 31 March 2018	As at 31 March 2017
<b>Property, Plant and Equipments</b>										
Buildings	5,926,622	-	-	<b>5,926,622</b>	4,104,396	93,815	-	<b>4,198,211</b>	<b>1,728,411</b>	1,822,226
Furniture and Fixtures	2,675,000	-	-	<b>2,675,000</b>	225,218	242,250	-	<b>467,468</b>	<b>2,207,532</b>	2,449,782
Vehicles	12,260,026	9,517,187	4,767,000	<b>17,010,213</b>	4,979,208	1,671,286	3,324,406	<b>3,326,088</b>	<b>13,684,125</b>	7,280,818
Office Equipments	867,924	-	-	<b>867,924</b>	625,597	60,406	-	<b>686,003</b>	<b>181,921</b>	242,327
Computer	37,000	-	-	<b>37,000</b>	35,150	-	-	<b>35,150</b>	<b>1,850</b>	1,850
Lease Hold Improvement	852,750	-	852,750	-	655,478	197,272	852,750	-	-	197,272
<b>Total</b>	<b>22,619,322</b>	<b>9,517,187</b>	<b>5,619,750</b>	<b>26,516,759</b>	<b>10,625,047</b>	<b>2,265,029</b>	<b>4,177,156</b>	<b>8,712,920</b>	<b>17,803,839</b>	<b>11,994,275</b>
Previous Year	14,145,467	8,406,355	-	22,551,822	9,157,555	1,433,742	33,750	10,557,547	11,994,275	-

Note : Buildings include cost of shares of Rs 500/- the value of shares in co operative societies



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**
**10 Non current investments**

	(Amount in Rupees)	
	2018	2017
<b>Investment in Equity Instruments ( Quoted)</b>		
<b>Equity Shares of face value of Rs 10 each</b>		
100,000 (Nil) Aditya Birla Capital Limited	18,673,461	-
18,300 (Nil) CESC Limited	18,362,356	-
119,308 (259,308) Medowell Holdings Limited	3,990,853	8,673,853
51,000 (86,000) Nilkamal Limited	26,360,490	44,451,290
Nil (200,000) Indian Oil corporation Limited	-	64,562,599
Nil (189,972) ICICI Prudential Life Insurance Company Limited	-	69,347,860
Nil (52,000) ITI Limited	-	3,642,279
Nil (131,910) NHPC Limited	-	3,050,198
Nil (50,000) RBL Bank Limited	-	24,592,614
Nil (500) Shree Cement Limited	-	5,744,325
Nil (4,265) Indusind Bank Limited	-	4,492,670
Nil (10,810) Manpasand Beverages Limited	-	7,566,768
<b>Equity Shares of face value of Rs 5 each</b>		
Nil (59,525) Cox & Kings Limited	-	9,643,639
Nil (10,440) Kotak Mahindra Bank Limited	-	7,691,624
<b>Equity Shares of face value of Rs 2 each</b>		
6,385,000 ( Nil) Jaiprakash Associates Limited	142,758,307	-
Nil (10,000) Godfrey Phillips India Limited	-	13,376,488
Nil (1,500,000) Suzlon Energy Limited	-	28,038,355
Nil (40,890) Bajaj Finance Limited	-	5,645,240
Nil (30,000) ICICI Bank Limited	-	7,491,527
Nil (8,500) Yes Bank Limited	-	9,700,863
<b>Equity Shares of face value of Re 1 each</b>		
250,000 ( Nil) Ganesh Benzoplast Limited	24,526,469	-
100,000 (5,071,942) Mercator Limited	4,481,448	129,706,028
200,000 (Nil) Sintex Plastics Technology Limited	16,450,507	-
200,000 (Nil) Transformers and Rectifiers (India) Limited	8,728,626	-
Nil (300,000) Maharashtra Polybutenes Limited	-	666,189
Nil (501,352) Thomas Cook (India) Limited	-	35,565,925
Nil (300,000) Triveni Engineering & Industries Limited	-	24,366,681
Nil (50,000) Vakrangee Limited	-	16,749,661
Nil (17,190) Glenmark Pharmaceuticals Limited	-	5,113,177
Nil (27,411) Sun Pharmaceuticals Industries Limited	-	10,625,437
	<b>264,332,516</b>	<b>540,505,291</b>
<b>Investment in Equity Instruments ( Unquoted)</b>		
<b>Equity Shares of face value of Rs 10 each</b>		
500,000 (500,000) Business India Limited	15,000,000	15,000,000
5,600 (5,600) The Hindustan Times Limited	1,256,500	1,256,500
1,000,000 (Nil) Primary Cuisine Private Limited	10,000,000	-
Nil (1,005) The Saraswat Co-operative Bank Limited	-	10,050
	<b>26,256,500</b>	<b>16,266,550</b>
<b>Investment in wholly owned subsidiary company (face value of Rs 100 each)</b>		
21,000 (21,000) Gayatri Cement and Chemical Industries Private Limited	16,400,000	16,400,000
	<b>16,400,000</b>	<b>16,400,000</b>
<b>Investment in Non- Convertible Debentures</b>		
1,000 (1,000) 10.5% Edelweiss Asset Reconstruction Company Limited of face value of Rs 100,000	100,000,000	100,000,000
	<b>100,000,000</b>	<b>100,000,000</b>
<b>Investment in Mutual funds</b>		
39,749 (Nil) units of Essel Liquid fund- Regular Plan- Monthly dividend of Rs 1000 each	40,000,000	-
Nil (147) units of Benchmark Mutual Fund of face value of Rs 10 each	-	14,735
	<b>40,000,000</b>	<b>14,735</b>
<b>Investment - Others (Unquoted)</b>		
56,750 (Nil) units of Edelweiss Credit Opportunities Fund of Rs. 1000/- each	56,750,000	-
100 (Nil) units of Oysterrock Capital Fund 1 of face value of Rs 100,000	10,000,000	-
	<b>66,750,000</b>	<b>-</b>
(All the above securities are fully paid up)		
<b>Total</b>	<b>513,739,016</b>	<b>673,186,576</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**

	(Amount in Rupees)	
	2018	2017
Aggregate book value of unquoted investments	249,406,500	132,681,285
Aggregate book value of quoted investments	264,332,516	540,505,291
Aggregate market value of quoted investments	276,454,419	1,052,146,016

**11 Deferred Tax Assets/ (Liabilities)**

	(Amount in rupees)	
	2018	2017
<b>Deferred Tax Asset</b>		
Depreciation	1,028,599	206,031
<b>Total</b>	<u>1,028,599</u>	<u>206,031</u>

**12 Loans and Advances**

	Long Term		Short Term	
	2018	2017	2018	2017
<b>Loans- Others</b>				
- Secured	-	-	-	334,637,732
- Unsecured	-	-	98,948,074	454,343,218
<b>Advances (recoverable in cash or kind or for value to be received)</b>				
Deposits	16,616,434	16,406,434	-	-
Other Advances	-	-	16,189,447	7,010,702
<b>Balances with government authorities</b>				
Advance direct tax (net of provisions)	21,308,604	-	-	-
MAT Credit Entitlement	66,319,781	39,317,134	-	-
<b>Total</b>	<u>104,244,819</u>	<u>55,723,568</u>	<u>115,137,520</u>	<u>795,991,652</u>

**13 Other Assets**

	Non- Current		Current	
	2018	2017	2018	2017
Balances with bank in bank deposits (Refer note 16)	80,000,000	164,500,000	-	-
Interest receivable- on bank deposits	115,161	1,807,317	3,450,806	273,546
- on Investments and inventories	28,419,331	7,565,753	-	-
- on loans	-	-	2,417,796	71,014
Other receivables	-	-	258,524	-
Stock Futures margin	-	-	21,092,240	-
<b>Total</b>	<u>108,534,492</u>	<u>173,873,070</u>	<u>27,219,366</u>	<u>344,560</u>

**14 Inventories**

	2018	2017
<b>(valued at lower of cost or market value)</b>		
Equity Shares	43,505,948	107,236,635
Bonds*	225,519,685	318,663,587
<b>Total</b>	<u>269,025,633</u>	<u>425,900,222</u>

\* are marked as lien against secured loan from banks

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**
**15 Trade Receivables**

	2018	2017
<b>Trade receivables</b>		
(Unsecured, considered good)		
More than six months	-	102,810,987
Others	-	-
<b>Total</b>	<u>-</u>	<u>102,810,987</u>

**16 Cash and bank balances**

Particulars	2018	2017	2018	2017
<b>Cash and cash equivalents</b>				
Balances with bank in Current Accounts	-	-	246,136,005	43,442,399
Cash on hand	-	-	244	13,250
	<u>-</u>	<u>-</u>	<u>246,136,249</u>	<u>43,455,649</u>
<b>Other bank balances</b>				
Balances with bank in dividend accounts	-	-	6,958,108	6,923,417
in deposit accounts*	80,000,000	164,500,000	625,000,000	88,500,000
	<u>80,000,000</u>	<u>164,500,000</u>	<u>631,958,108</u>	<u>95,423,417</u>
Less: Amount disclosed under "Other assets" (Refer note 13)	80,000,000	164,500,000	-	-
	<u>-</u>	<u>-</u>	<u>631,958,108</u>	<u>95,423,417</u>
<b>Total</b>	<u>-</u>	<u>-</u>	<u>878,094,357</u>	<u>138,879,066</u>

\* Rs 157,000,000 lien marked against secured loans taken from bank and Rs 18,000,000 given as bank guarantee to Enforcement Directorate

**17 Revenue from Operations**

(Amount in Rs)

	2018	2017
Interest Income		
on loans	46,309,664	110,447,558
on debt securities	17,240,232	7,565,753
Income on trading in shares and securities(net)	305,235,646	244,498,166
Profit on sale on investments	380,510,551	45,615,976
Interest income on non current investments	10,500,000	2,547,500
Dividend income	3,356,706	6,543,572
<b>Total</b>	<u>763,152,798</u>	<u>417,218,525</u>

**18 Other Income**

	2018	2017
Bad debts recovered	2,298,961	-
Interest - on fixed deposits	18,186,976	21,583,035
- on income tax refund	-	1,356,325
Miscellaneous Income	3,323,056	821,082
<b>Total</b>	<u>23,808,993</u>	<u>23,760,442</u>

**19 Employee Benefits Expenses**

(Amount in Rupees)

	2018	2017
Salaries and allowances	53,719,134	88,048,323
Contribution to provident funds and others	(673,913)	1,635,086
ESOP compensation written back	(576,576)	(576,576)
Staff welfare expenses	3,632,200	1,389,222
<b>Total</b>	<u>56,100,845</u>	<u>90,496,055</u>

**20 Finance Cost**

	2018	2017
Interest - borrowings	42,383,214	133,142,522
- others	25,783	9,314
Bank and financial charges	8,586,321	8,724,606
<b>Total</b>	<u>50,995,319</u>	<u>141,876,442</u>

**21 Other Expenses**

	2018	2017
Rent	3,134,612	1,527,964
Repairs - others	2,251,428	4,771,400
Directors fees	322,000	320,000
Travelling and conveyance expenses	1,146,491	2,381,872
Communication expenses	785,750	649,387
Legal and professional charges	14,106,801	8,651,250
Printing and stationery	229,233	181,542
Auditors remuneration :		
Audit fees	1,000,000	473,137
Tax audit fees	-	35,000
Other Matters	79,356	-
Commission expenses	8,612,000	15,363,550
CSR expenses	3,500,000	2,760,000
Loans and advances / Bad debts written off (net)	431,142,550	40,000,000
Advertisement expenses	61,135	74,534
Miscellaneous expenses	4,267,330	6,442,059
<b>Total</b>	<u>470,638,687</u>	<u>83,631,694</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**
**22 Litigation Matters**

- (a) Claim against the Company not acknowledged as debt Rs. 227,500/- (Rs3,399,000 /-), against which the company has deposited full amount in the Honorable High Court of Mumbai.
- (b) Against a penalty order for Rs 18,000,000/- received from the Enforcement Directorate in respect of a matter which arose in 1996 pertaining to the erstwhile money changing division of the Company, the Company has preferred an appeal in the Honorable Madras High Court. The Company has provided a bank guarantee to cover the demand. The matter is pending. The Management is of the opinion that a cash outflow is unlikely and therefore no provision is considered necessary.
- (c) A winding up petition filed by the Company against a borrower has been admitted by the Honourable High court of Mumbai. The recovery if any will be accounted for when the money is received from official Liquidator.
- (d) The Company has filed an arbitration case Rs. 9,27000/- against a borrower for which it has received a favourable award from the arbitrator. The opposing party has filed an appeal in the Honourable High court of Mumbai for which the matter is pending.
- (e) The Company has filed recovery suits in the Mumbai High Court against three parties for an amount of Rs 33,38,00,635/- to whom loans/advances were given. The Company has received an order in its favour. The Defendants have moved the court opposing the Order. The matter is pending. Any recoveries will be accounted for in the year of recovery.

- 23** As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

The Employees' Gratuity Fund Scheme managed by LIC of India is a defined benefit plan. The present value of obligation is based on actuarial valuation using the projected unit credit method. The obligation for leave benefits (non-funded) is also recognized using the projected unit credit method.

Disclosure of Gratuity (funded) in terms of AS 15 is as under:

<b>I Expenses recognized in the Statement of Profit and Loss</b>	<b>2018</b>	<b>2017</b>
Current Service cost	<b>174,464</b>	191,369
Interest Cost	<b>274,816</b>	557,201
Expected return on plan assets	<b>-608,746</b>	(608,957)
Actuarial (gain) / loss	<b>-106,573</b>	(1,783,907)
Expenses recognized in the Statement of Profit and Loss	<b><u>-266,039</u></b>	<u>(1,644,294)</u>

**II Net Asset / (Liability) recognized in the Balance Sheet as at 31 March 2017**

	<b>2018</b>	<b>2017</b>
Present value of obligation as at 31 March 2018	<b>6,022,131</b>	4,418,525
Fair value of plan assets as at 31 March 2018	<b>9,461,493</b>	7,300,466

Net Assets/(Liability) recognized in the Balance Sheet and disclosed under Short- Term Advances / (Provisions) **3,439,362** 2,881,941

**III Change in the Present value of obligation**

	<b>2018</b>	<b>2017</b>
Present value of Obligation as at beginning of the year	<b>4,418,525</b>	9,484,493
Current service cost	<b>174,464</b>	191,369
Interest cost	<b>274,816</b>	557,201
Benefit paid	<b>-830,769</b>	(4,030,632)
Actuarial (gain) / loss on obligation	<b>-106,573</b>	(1,783,906)
Present value of Obligation as at the end of the year	<b><u>3,930,463</u></b>	<u>4,418,525</u>

**IV Change in Fair Value of Plan Assets**

	<b>2018</b>	<b>2017</b>
Fair value of plan assets at beginning of the year	<b>7,300,466</b>	9,484,493
Adjustment to opening balance	<b>25,628</b>	-
Contributions	<b>2,304,310</b>	1,192,955
Benefit paid	<b>-830,769</b>	(4,030,632)
Fair value of plan assets at year end	<b>8,799,634</b>	6,646,815
Actual return on plan assets	<b>661,858</b>	653,650

**V Investment details**

	<b>2018</b>	<b>2017</b>
Insurer Managed Funds	<b>8,799,634</b>	6,646,815

**VI Actuarial assumptions**

	<b>2018</b>	<b>2017</b>
Mortality Table (IALM)	<b>2006-08</b>	2006-08
	<b>(Ultimate)</b>	(Ultimate)
Discount rate(per annum)	<b>7.55%</b>	7.55%
Expected rate of return on plan assets (per annum)	<b>7.00%</b>	7.00%
Rate of escalation in salary (per annum)	<b>5.00%</b>	5.00%

**Notes**

- i) Amounts recognized as an expense and included in Note 19 "Employee benefits expense" are Gratuity written back Rs. 1,135,052/-
- ii) The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- iii) "Contribution to provident and other funds" is recognized as an expense in Note 19 "Employee benefits expense" of the Statement of Profit and Loss.

**24 Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Company. The Company is required to spend Rs.2,957,186/- against which Rs 3,500,000/- has been spent on activities specified in Schedule VII of the Companies Act, 2013.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**

<b>25</b>	Prior Period items Included in respective heads are as under:		(Amount in Rupees)	
	2018	2017	2018	2017
	<b>Interest Income</b>			
-	On loans	7,920,000	-	
-	On debt Securities	6,584,712	-	
	<b>Expenses</b>			
	Gratuity written back	2,881,941	-	
<b>26</b>	<b>Managerial Remuneration.</b>			
a)	Remuneration to Executive Chairman Mr M V Doshi			
	(Amount in Rs)			
	2018	2017		
	Salary and Allowances	6,038,400	5,438,400	
	Provident fund contribution	261,600	261,600	
	Commission	1,900,000	900,000	
	<b>Total</b>	<u>8,200,000</u>	<u>6,600,000</u>	
b)	Sitting Fees to Directors: Rs			
	322,000 (Previous year: Rs			
	320,000)			
<b>27</b>	<b>Particulars with respect to Earnings Per Share is calculated as follows:</b>			
	Current	Previous		
	Year	Year		
	Profit after Tax	197,148,160	100,732,127	
	Weighted Average Number of Shares Outstanding	12,282,762	12,198,023	
		Rs. Ps.	Rs. Ps.	
	Earnings per share (Basic)	16.12	8.26	
	Earnings per share (Diluted)	16.05	7.93	
	Face Value per Share	10.00	10.00	
<b>28</b>	<b>Other Commitments</b>			
	Uncalled amount on investments is Rs 43,250,000/- (Rs Nil)			
<b>29</b>	<b>Related Party Transactions:</b>			
	<b>Subsidiary Company:</b> Gayatri Cement & Chemical Industries Private Limited (100% Shareholding)			
	<b>Key Management Personnel:</b>	1. Mr.M V Doshi		
		2. Mr. G B Innani		
		3. Mr. S S Gulati		
	<b>Other related parties with whom transactions have taken place during the year</b>			
	LKP Wealth Adviosry Private Limited, Peak Plastonics Private Limited, MKM Share and Stock Brokers Limites, Sea Glimpse Investments Private Limited, Bhavna Holdings Private Limited, M/s L K Pandey, LKP Securities Limited			
	<b>Transactions with Related Parties:</b>			
	(Amount in Rupees)			
	2018	2017		
<b>A) Transactions</b>				
	<b>Interest Expenses</b>			
	Other related parties	5,090,192	35,511,312	
	<b>Interest Income</b>			
	Other related parties	1,335,205	-	
	<b>Brokerage paid</b>			
	Other related parties	5,671,782	2,679,187	
	<b>Remuneration to Key Management Personnel</b>			
	Key management personnel	16,285,250	12,912,000	
	<b>Loans given</b>			
	Other related parties	70,000,000	-	
	<b>Short term borrowings</b>			
	Other related parties	10,000,000	60,000,000	
	<b>Repayment received of loans given</b>			
	Other related parties	70,000,000	-	
	<b>Repayment of Short term borrowings</b>			
	Other related parties	70,000,000	-	
	<b>B) Balances as at 31 March, 2018</b>			
	<b>Short term borrowings</b>			
	Other related parties	-	60,000,000	
	<b>Trade payables and Other Current Liabilities</b>			
	Other related parties	-	439,208	
	<b>Loans and Advances</b>			
	Subsidiary company	15,023,434	15,023,434	
	Other related parties	12,720,043	-	
	<b>Investments made</b>			
	Subsidiary company	16,400,000	16,400,000	
<b>30</b>	a)	Provision for current tax has been made as per the provisions of the Income Tax Act, 1961.		
	b)	In accordance with AS – 22 on “Accounting for Taxes on Income” issued by the ICAI, deferred tax assets and liability is recognized for all timing differences, in accordance with the said standard. However, deffered tax asset has not been created on brought forward loss of Rs 648,704,606/- including current year income tax loss on estimate basis.		
	c)	Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to furture economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Company and the assets can be measured reliably. Accordingly , the Company has recognised MAT credit entitlement as on 31 March 2018 of Rs 66,319,781/- and unrecognized MAT credit entitlement as on 31 March 2018 of Rs160,319,410/-		
<b>31</b>	The Company does not have any amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at 31 March,2018			
<b>32</b>	Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the guidance note on Employee Share-based Payments, issued by ICAI. The Company measures the compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortised over the vesting period of the option on a straight line basis 147,100 ESOPs are outstanding as on 31 March, 2018. 223,500 options have been excersised during the year			

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH,2018**

**33 Details of open interest (short) in Securities:**

Name of Script	Qty (Numbers)	Provision for Mark to Market (Profit)/Loss carried forward as at year-end (in Rupees)
In equity shares	2,210,000	387,992

: Unsecured (other than falling within the meaning of public deposits)	-	-
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowing	359,665,031	-
(e) Commercial Paper	-	-
(f) Public Deposits	-	-
(g) Other Loans (Refer note 6 and 8)- Working Capital	199,589,957	-

**34 Segment reporting**

The Company has only one business, i.e. engaged in investment and financing activities and hence "Segment Reporting" as defined in Accounting Standard 17 is not applicable.

**35 Scheme of Arrangement in the nature of demerger**

During the previous year, a Scheme of Arrangement ("the Scheme") under Sections 391 to 394 read with Section 78 and Sections 100 to 104 and other applicable provisions of the Companies Act 1956 / Companies Act 2013, between LKP Finance Limited ("Transferor" or "the Demerged Company") and LKP Securities Limited ("Transferee Company" or "the Resulting Company") and their respective shareholders and creditors, was sanctioned by the Hon'ble High Court of Judicature at Mumbai on 8 July 2016. Pursuant to the Scheme, the subsidiary business is demerged and vested with the Resulting company on appointed date i.e. 1 April 2015 on going concern basis. The share exchange ratio of 6 equity shares of the face value of Rs 2/- each of the Transferee Company for every 1 equity share of the face value of Rs 10 each was issued.

2. Break-up of (1) (f) above  
(Outstanding public deposits  
inclusive of interest accrued  
thereon but not paid ) :
  - (a) In the form of Unsecured  
debenture
  - (b) In the form of partly secured  
debenture i.e. debentures  
where there is a shortfall in  
the value of security
  - (c) Other public deposits

**36 Change in Accounting Policy**

As per the requirements of pre-revised AS-4, the company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4, the Company cannot create provision for the dividend proposed / declared after the balance sheet date unless a statute requires otherwise. Rather, company will need to disclose the same in notes to the financial statements

Accordingly, the company has disclosed dividend proposed by the board of directors after the balance sheet date in the notes.

Had the Company continued with creation of provision for proposed dividend, (declared @ Rs. 2 per share) its surplus in the statement of profit and loss account would have been lower by Rs 24,843,046/- and current provision would have been higher by Rs5,058,044/- being dividend distribution tax.

**37 Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Group. The Group is required to spend Rs.2,957,186/- against which Rs 3,500,000/- has been spent on activities specified in Schedule VII of the Companies Act, 2013.

**38 Balance Sheet of a non deposit taking non-banking Financial company(As required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms {Reserve Bank} Directions, 2007)**

**Liabilities Side:**

**Liabilities :**

1. Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount overdue
(a) Debentures : Secured	-	-

<b>Assets :</b>	<b>Amount outstanding</b>	
<b>3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below]</b>		
(a) Secured	-	
(b) Unsecured		275,136,197
<b>4. 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	-	
(b) Operating lease	-	
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	
(b) Repossessed Assets	-	
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	
(b) Loans other than (a) above	-	
<b>5. Break-up of Investments :</b>		
<b>Current Investments :</b>		
<b>Quoted :</b>		
(i) Shares : (a) Equity *	43,505,948	
(b) Preference	-	
(ii) Debentures and Bonds*		225,519,685
(iii) Units of mutual funds	-	
(iv) Government Securities	-	
(v) Others - Certificate of Deposits	-	



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH,2018**

**Unquoted :**

(i) Shares :	(a) Equity	-
	(b) Preference	-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		-

**Long Term Investments :**

**Quoted :**

(i) Shares :	(a) Equity	264,332,516
	(b) Preference	-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		-

**Unquoted :**

(i) Shares :	(a) Equity	42,656,500
	(b) Preference	-
(ii) Debentures and Bonds		100,000,000
(iii) Units of mutual funds		40,000,000
(iv) Government Securities		-
(v) Others		66,750,000

\*Current Investments- equity and bonds shown above are held as Stock in Trade

**6. Borrower group-wise classification of assets financed as in (3) and (4) above :**

Category	Amount net of provisions		
	Secured	Unsecured	Total
<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
<b>Other than related parties</b>	Nil	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

**7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

Category	Amount (Rs.)	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
<b>1. Related Parties **</b>		
(a) Subsidiaries	16,400,000	16,400,000
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
<b>2. Other than related parties</b>	<u>838,138,704</u>	<u>782,764,650</u>
	<u><b>854,538,704</b></u>	<u><b>799,164,650</b></u>

\*\* As per Accounting Standard of ICAI

**8. Other Information**

	Amount (Rs.)
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(iii) Assets acquired in satisfaction of debt	-

38 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures. Figures in brackets pertain to previous year.

As per our attached report of even date

**For MGB & Co. LLP**

Chartered Accountants  
Firm registration number 101169W/W-100035

**Sanjay Kothari**

Partner  
Membership Number 048215

Place : Mumbai  
Date : 16 April 2018

**For and on behalf of the Board**

**M.V.Doshi**  
Executive Chairman

**Sayanta Basu**  
Director

**G B Innani**  
GM (Legal) & Company Secretary

Place : Mumbai  
Date : 16 April 2018

**V.N.Suchanti**  
Director

**S S Gulati**  
Head-Corporate Affairs

## INDEPENDENT AUDITOR'S REPORT

**TO, THE MEMBERS OF LKP FINANCE LIMITED**

**Report on the Consolidated Financial Statements**

1. We have audited the accompanying consolidated financial statements of **LKP Finance Limited** ("the Holding Company") and its subsidiary (collectively referred to as "the Group") comprising of the consolidated balance sheet as at 31 March 2018, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

2. The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 5 of the Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and

give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2018, and their consolidated profit and their consolidated cash flows for the year ended on that date.

**Other Matter**

5. We did not audit the financial statements of one subsidiary company of the Group, whose financial statements reflect total assets of Rs. 1,020,126 as at 31 March 2018, total revenues of Rs. 39,327 and net cash outflows of Rs. 86,973 for the year then ended, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with regard to our reliance on the work done and the report of the other auditor.

**Report on Other Legal and Regulatory Requirements**

6. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor;
- c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements- Refer Note 22 to the consolidated financial statements;
  - ii. The Group did not have any long-term contracts including derivative contracts having any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

**For MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035

**Sanjay Kothari**

Partner

Membership Number 048215

Mumbai, 16 April 2018

**Annexure - A to the Independent Auditor's Report**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 6(f) of the Independent Auditor's Report of even date to the members of the LKP Finance Limited on the consolidated financial statements for the year ended 31 March, 2018.**

We have audited the internal financial controls over financial reporting of **LKP Finance Limited** ("the Holding Company") and its subsidiary company incorporated in India as of 31 March, 2018 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 respective Board of Directors of the Holding company and its subsidiary company which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of his report referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Holding Company and its subsidiary company which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal control stated in the Guidance Note issued by the ICAI.

**Other Matters**

Our aforesaid reports under Section 143(3)(I) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to a subsidiary company incorporated in India, is based on corresponding report of the auditor of such company incorporated in India. Our opinion is not qualified in respect of this matter.

**For MGB & Co LLP**  
Chartered Accountants

Firm Registration Number 101169W/W-100035

**Sanjay Kothari**

Partner

Membership Number 048215

Mumbai, 16 April 2018

**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2018**

(Amount in Rupees)

Particulars	Note	2018	2017
<b>EQUITY AND LIABILITIES:</b>			
<b>Shareholders' funds</b>			
Share capital	3	124,215,230	121,980,230
Reserves and surplus	4	1,313,344,354	1,101,609,565
<b>Non-current liabilities</b>			
Long term Borrowings	5	1,650,000	3,501,795
<b>Current liabilities</b>			
Short-term borrowings	6	558,483,277	951,911,477
Short-term provisions	7	462,258	33,225,422
Trade Payables	8	862,500	62,087,448
Other current liabilities	8	19,706,717	88,646,423
<b>Total</b>		<b>2,018,724,336</b>	<b>2,362,962,360</b>
<b>ASSETS :</b>			
<b>Non-current assets</b>			
Property, Plant and Equipments	9	18,422,022	12,681,145
Goodwill on Consolidation		14,300,000	14,300,000
Non-current investments	10	497,700,056	657,147,613
Deferred tax assets (net)	11	1,028,599	206,031
Long-term loans and advances	12	89,221,385	40,700,135
Other non current assets	13	108,534,492	173,873,070
<b>Current assets</b>			
Inventories	14	269,025,633	425,900,222
Trade receivables	15	-	102,810,987
Cash and bank balances	16	878,135,263	139,006,945
Short-term loans and advances	12	115,137,520	795,991,652
Other current assets	13	27,219,366	344,560
<b>Total</b>		<b>2,018,724,336</b>	<b>2,362,962,360</b>

Notes forming part of the Accounts 1-35

Notes forming part of the financial statements

As per our attached report of even date  
**For and on behalf of the Board**  
**For MGB & Co. LLP**  
 Chartered Accountants  
 Firm registration number  
 101169W/W-100035

**M.V.Doshi**      **V.N.Suchanti**  
 Executive Chairman      Director

**Sanjay Kothari**  
 Partner  
 Membership Number 048215

**Sayanta Basu**      **S S Gulati**  
 Director      Head-Corporate  
    Affairs

**G B Innani**  
 GM (Legal) & Company Secretary

Place : Mumbai  
 Date : 16 April 2018

Place : Mumbai  
 Date : 16 April 2018

**STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2018**

Particulars	Note	2018	2017
<b>Income</b>			
Revenue from operations	17	763,192,125	417,227,626
Other income	18	23,808,993	23,760,442
<b>Total Revenue</b>		<b>787,001,118</b>	<b>440,988,068</b>
<b>Expenses</b>			
Employee benefits expense	19	56,100,845	90,496,055
Finance costs	20	51,391,841	142,272,489
Depreciation	9	2,333,716	1,510,061
Other expenses	21	470,694,601	83,724,394
Excess provision on standard assets written back		(3,400,083)	-
<b>Total Expenses</b>		<b>577,120,920</b>	<b>318,002,999</b>
<b>Profit before tax</b>		<b>209,880,198</b>	<b>122,985,069</b>
<b>Less: Tax expense</b>			
- Current tax- current year		35,000,000	31,000,000
- earlier years		-	2,109,763
- Deferred tax		(822,568)	-46,331
MAT Credit Entitlement		20,963,597	6,000,000
<b>Net Profit after tax</b>		<b>196,666,363</b>	<b>100,141,163</b>
<b>Earnings per equity share (face value Rs 10/- each)</b>			
(1) Basic		16.08	8.21
(2) Diluted		16.01	7.89

Notes forming part of the Accounts 1-35

Notes forming part of the financial statements

As per our attached report of even date  
**For and on behalf of the Board**  
**For MGB & Co. LLP**  
 Chartered Accountants  
 Firm registration number  
 101169W/W-100035

**M.V.Doshi**      **V.N.Suchanti**  
 Executive Chairman      Director

**Sanjay Kothari**  
 Partner  
 Membership Number 048215

**Sayanta Basu**      **S S Gulati**  
 Director      Head-Corporate  
    Affairs

**G B Innani**  
 GM (Legal) & Company Secretary

Place : Mumbai  
 Date : 16 April 2018

Place : Mumbai  
 Date : 16 April 2018





(b) Leasehold improvements are amortised over the period of lease.

**iv. Impairment of Property, Plant and Equipments**

At each Balance Sheet date, the Group reviews the carrying amount of assets to determine whether there is an indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

**v. Borrowing costs**

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for its intended use or sale are capitalised as part of the cost of the assets. All other borrowing costs are expensed in the period they occur.

**vi. Lease**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

**vii. Investments**

(a) Investments intended to be held for more than one year, from the date of acquisition, are classified as long term and are carried at cost. All other investments are considered as current investments. Provision for diminution in value of long term investments is made to recognize a decline other than temporary. Current investments are carried at cost or market value, whichever is lower.

(b) Unquoted investments are valued at cost and provision for diminution in the value of investments is made based on the guidelines prescribed by the Reserve Bank of India or based on the judgement of the management, whichever is higher.

**viii. Inventories**

Shares and Securities acquired with intention of trading are considered as stock-in-trade and are valued at cost or market value, whichever is lower. Cost is determined on weighted average cost basis.

**ix. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

(a) Interest income is recognised on a time proportion basis considering the amount outstanding and the applicable interest rate.

(b) Dividend income is recognized when the Group's right to receive dividend is established.

(c) Profit or loss on sale of investments/ inventories are recognised on sale of investments/ inventories net of cost determined on weighted average cost

**x. Non – Performing Assets**

The Group follows the directions of Reserve Bank of India on Prudential Norms for income recognition, provisioning for bad and doubtful debts, provision for contingencies, Accounting of investments etc.

**xi. Foreign currency transactions**

(a) Foreign currency transactions are recorded at the exchange rate prevailing on the date of such transaction. Foreign currency monetary assets and liabilities are translated using the exchange rate prevailing at the reporting date. Non-monetary foreign currency items are carried at cost.

(b) Gains or losses arising on settlement/translation of foreign currency monetary assets and liabilities at the year-end rate are recognized in the Statement of Profit and Loss.

**xii. Derivative transactions**

(a) Initial and additional margin paid over and above initial margin, for entering into contracts for Equity Index/Stock Futures/ Commodity futures and Equity Index/Stock Options/ Commodity Options which are released on final settlement/ squaring-up of underlying contracts are disclosed under Other current assets/ Other current liabilities.

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

(c) On final settlement or squaring up of contracts for Equity Index / Stock Futures/ Commodity Futures, the realised profit or loss after adjusting the unrealised loss already accounted, if any, is recognised in the Statement of Profit and Loss.

(d) On settlement or squaring up of Equity Index / Stock Options/ Commodity Options before expiry, the premium prevailing in "Equity Index/Stock Option/ Commodity Option Premium" on that date is recognised in the Statement of Profit and Loss.

**xiii. Retirement and other employee benefits**

(a) Short-term employee benefits are expensed at the undiscounted amount in the Statement of profit and loss, in the year the employee renders the service.

(b) Post employment and other long term employee benefits are recognised as an expense in the Statement of profit and loss at the present value of the amount payable determined using actuarial valuation techniques in the year the employee renders the service. Actuarial gains and losses are charged to the Statement of profit and loss.

(c) Payments to defined contribution retirement benefit schemes are expensed as and when they fall due.

**xiv. Accounting for taxes on income**

(a) Current Tax is determined as the amount of tax payable in respect of taxable income for the year as per the provisions of the Income Tax Act, 1961.

(b) Deferred tax is recognized, subject to consideration of prudence in respect of deferred tax asset, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates and laws .

(c) Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Group and the assets can be measured reliably.

**xv. Earnings per share**

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except when the results would be anti-dilutive.

**xvi. Provisions, Contingent Liabilities and Contingent Assets**

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



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**
**3 Share Capital**

	(Amount in Rupees)	
	2018	2017
<b>Authorised</b>		
1,000,000 (1,000,000) Redeemable Cumulative Preference Shares of Rs 100/- each	<b>100,000,000</b>	100,000,000
20,000,000 (20,000,000) Equity Shares of Rs 10/- each	<b>200,000,000</b>	200,000,000
	<u><b>300,000,000</b></u>	<u>300,000,000</u>
<b>Issued, Subscribed and Paid up</b>		
12,421,523 (12,198,023) Equity Shares of Rs 10/- each	<b>124,215,230</b>	121,980,230
	<u><b>124,215,230</b></u>	<u>121,980,230</u>

**a) Reconciliation of number of equity shares and equity share capital (face value of Rs 10 each)**

	2018		2017	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	12,198,023	121,980,230	12,198,023	121,980,230
Shares allotted on ESOP	223,500	2,235,000	-	-
Shares outstanding at the end of the year	12,421,523	124,215,230	12,198,023	121,980,230

**b) Details of Shareholders holding more than 5% equity shares in the Company.**

Name of Shareholder	2018		2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr Mahendra V Doshi	3,707,967	29.84	3,682,886	30.19
Agrud Capital Pte Limited	727,489	5.86	727,489	5.96
Sea Glimpse Investments Private Limited	2,547,515	20.51	2,547,515	20.88
Bhavana Holdings Private Limited	1,409,505	11.35	1,409,505	11.56

**c) There are no bonus shares issued, shares issued for consideration other than cash except shares bought back during 5 years preceeding 31 March 2018.**

	2018	2017	2016	2015	2014
Equity shares bought back and cancelled	-	-	-	-	145,971

**d) Terms/ rights attached to Equity shares**

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in the ensuring Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution would be in proportion to the number of equity shares held by the shareholders.

**e) Employee Stock Option Scheme**
**(i) Employee Stock Option Scheme 2010**

The Group had instituted an Employee Stock Option Plan ("ESOP 2010 or "the Scheme") as approved by Board of Directors and Shareholders of the Company. Under the scheme, 599,500 Stock Options were granted at a pricing of 5% discount on the average closing price of the Company's shares on BSE during the last 15 days preceeding the date of grant of options to the employees of the Group. 528,270 stock options were vested till 31 March 2017. The options vested would be exercisable at any time within a period of five years from the date of vesting and the equity shares arising on exercise of options shall not be subject to any lock in. The said Scheme is administered by the Nomination and Remuneration Committee of the Board.

**Summary of stock options outstanding is as follows :**

	2018	2017
Options at the beginning of the year	261,300	390,000
Granted during the year	-	-
Options lapsed during the year	128,700	128,700
Options at the end of the year	132,600	261,300

**(ii) Employee Stock Option Scheme 2010**

The Group had instituted a new Employee Stock Option Plan ("ESOP 2010 or "the Scheme") as approved by Board of Directors and Shareholders of the Company. Under the scheme, 447,000 Stock Options were granted at a price of Rs 80/- per option to the employees of the Company and of its subsidiaries. 414,375 stock options had been granted till 31 March 2017. The options vested would be exercisable at any time within a period of five years from the date of vesting and the equity shares arising on exercise of options shall not be subject to any lock in. The said Scheme is administered by the Nomination and Remuneration Committee of the Board.

During the year ended 31 March 2018, the Group did not grant any stock option. Out of the options granted 223,500 stock options had been exercised.

**Summary of stock options outstanding is as follows :**

	2018	2017
Options at the beginning of the year	240,500	414,375
Options exercised during the year	223,500	-
Options lapsed during the year	2,500	173,875
Options at the end of the year	14,500	240,500

**(iii) Employee Stock Option Scheme 2014**

The Group has instituted an Employee Stock Option Plan ("ESOP 2014" or "the Scheme") as approved by Board of Directors and Shareholders of the Company, for issuance of 775,000 Stock Options Convertible in equivalent number of equity shares of Rs.10 each to the employees of the Company and of its subsidiaries. Out of 610,000, 610,000 options were granted and vested during 31 March 2015 at a price of Rs 80/- per option. The options vested would be exercisable at any time within a period of three years from the date of vesting and the equity shares arising on exercise of options shall not be subject to any lock in. The said Scheme is administered by the Nomination and Remuneration Committee of the Board. There are no option outstanding as at 31 March 2018

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**
**4 Reserves and Surplus**

	(Amount in Rupees)	
	2018	2017
<b>Capital Reserves- Share Warrants moneys forfeited</b>		
As per last balance sheet	-	19,400,000
Less: Transfer pursuant to Scheme of Arrangement	-	19,400,000
	<u>-</u>	<u>-</u>
<b>Capital Redemption Reserve on account of buyback of Equity shares</b>		
As per last balance sheet	-	13,294,660
Less: Transfer pursuant to Scheme of Arrangement	-	13,294,660
	<u>-</u>	<u>-</u>
<b>Securities Premium Account</b>		
As per last balance sheet	-	229,870,249
Add: Received on account of issue of ESOP	15,645,000	-
Less: Transfer pursuant to Scheme of Arrangement	-	229,870,249
	<u>15,645,000</u>	<u>-</u>
<b>Special Reserve Fund- As per RBI guidelines for NBFCs</b>		
As per last balance sheet	373,036,571	352,890,145
Add: Transfer from Statement of Profit and Loss	39,429,632	20,146,426
	<u>412,466,203</u>	<u>373,036,571</u>
<b>General Reserve</b>		
As per last balance sheet	614,910,457	614,910,457
	<u>614,910,457</u>	<u>614,910,457</u>
<b>Employees Stock Options (ESOPs)</b>		
As per last balance sheet	1,170,626	1,747,202
Less: Written back during the year	576,576	576,576
	<u>594,050</u>	<u>1,170,626</u>
<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>		
As per last Balance Sheet	112,491,911	13,755,091
Add: Profit for the year	196,666,363	100,141,209
	<u>309,158,275</u>	<u>113,896,300</u>
<b>Add:</b>		
Adjusted on Demerger of LKP Securities Limited	-	48,105,118
<b>Less : Appropriations</b>		
Transfer to Special Reserve Fund	39,429,632	20,146,426
Proposed Dividend	-	24,396,046
Tax on Proposed Dividend	-	4,967,035
Balance as per Balance Sheet	<u>269,728,643</u>	<u>112,491,911</u>
<b>Total</b>	<u><u>1,313,344,353</u></u>	<u><u>1,101,609,565</u></u>

**5 Long-term borrowings**

	(Amount in Rupees)			
	Non- Current		Current	
	2018	2017	2018	2017
<b>Secured</b>				
Vehicle loan from others		1,851,795	-	1,100,748
		-	1,851,795	-
Less: Amount disclosed under "Other current liabilities" (Refer note 8)		-	-	1,100,748
<b>Unsecured</b>				
Loan- related party*		1,650,000	1,650,000	-
<b>Total</b>	<u>1,650,000</u>	<u>3,501,795</u>	<u>-</u>	<u>-</u>

Secured against hypothecation of vehicles. The aforesaid borrowings carry interest rates ranging from 9.50%- 9.86% p.a. and are repayable upto July 2020. The said loans have been repaid during the year \*Loan carries interest rate of 18%

**6 Short Term Borrowings**

	2018	2017
<b>Secured</b>		
<b>From banks</b>		
Cash Credit/ overdraft (Refer note (a), (b), (c))	198,818,246	281,864,060
<b>From financial institution and others</b> (Refer note (d), e, (f))	-	306,494,386
<b>Unsecured</b>		
Intercompany deposits (Refer note (g))	359,665,031	363,553,031
<b>Total</b>	<u>558,483,277</u>	<u>951,911,477</u>

- (a) Cash Credit/ Overdraft from Bank of India of Rs 71,629,349 (Rs 281,864,060) are secured against pledge of approved debt securities rated 'A' and above with 15% margin, fixed deposit with the bank and personal guarantee of the Promoter. The loan is repayable on demand and carries interest of 11.20% p.a. (one year MLCR+ BSS+CRP)
- (b) Cash Credit from Federal Bank Limited of Rs 123,294,076 (Rs Nil) are secured against pledge of bonds in CGSL account with Federal bank Limited. The loan is repayable on demand and carries interest of 12%
- (c) Overdraft from Federal Bank Limited of Rs 3,894,821 (Rs Nil) are secured against pledge of fixed deposit with banks. The loan is repayable on demand. It carries interest 7.25% - 7.80% at monthly rests
- (d) Credit facility from IL & FS of Rs Nil (149,860,854) are secured against pledge of shares in pool account and carries interest @ 11.5% p.a. The loan has been repaid during the year
- (e) Credit facility from Bajaj Finance Limited of Rs Nil (129,533,532) are secured against pledge of shares in pool account and carries interest @ 9.5% p.a. The loan has been repaid during the year
- (f) Credit facility from ECL Finance Limited of Rs Nil (271,000,000) are secured against pledge of shares in pool account and carries interest @ 11.5% p.a. The loan has been repaid during the year
- (g) Unsecured loan of Rs 359,665,031 (Rs 388,924,283) is repayable on demand.

**7 Short-term provisions**

	(Amount in Rupees)	
	2018	2017
Proposed Dividend (including tax)	-	29,363,081
Contingency provisions on standard assets	462,258	3,862,341
<b>Total</b>	<u>462,258</u>	<u>33,225,422</u>

**8 Other liabilities**

	2018	2017
<b>Trade Payables</b>		
Trade Payables	862,500	62,087,448
	<u>862,500</u>	<u>62,087,448</u>
<b>Other current liabilities</b>		
Current maturities of long-term borrowings (Refer note 5)	-	1,100,748
Interest accrued but not due on borrowings	771,711	2,470,992
Provision for mark and market losses	387,992	-
Statutory Dues	3,189,797	4,781,490
Unclaimed dividends	6,958,108	6,923,417
Employee benefits payable	4,297,261	64,485,662
Other payables	4,101,848	8,884,114
	<u>19,706,717</u>	<u>88,646,423</u>
<b>Total</b>	<u>20,569,217</u>	<u>150,197,508</u>

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31 March, 2018.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**
**9 Property, Plant and Equipments**

(Amount in Rupees)

	Gross Block			Accumulated Depreciation				Net Block		
	As at 1 April 2017	Additions	Deduction	As at 31 March 2018	Upto 1 April 2017	Depreciation	Deduction	Upto 31 March 2018	As at 31 March 2018	As at 31 March 2017
<b>Property, Plant and Equipments</b>										
Buildings	11,696,678	-	-	<b>11,696,678</b>	9,191,630	162,097	-	<b>9,353,727</b>	<b>2,342,951</b>	2,505,048
Furniture and Fixtures	2,774,955	-	-	<b>2,774,955</b>	321,125	242,655	-	<b>563,780</b>	<b>2,211,175</b>	2,453,830
Vehicles	12,260,026	9,517,187	4,767,000	<b>17,010,213</b>	4,979,208	1,671,286	3,324,406	<b>3,326,088</b>	<b>13,684,125</b>	7,280,818
Office Equipments	867,924	-	-	<b>867,924</b>	625,597	60,406	-	<b>686,003</b>	<b>181,921</b>	242,327
Computer	37,000	-	-	<b>37,000</b>	35,150	-	-	<b>35,150</b>	<b>1,850</b>	1,850
Lease Hold Improvement	852,750	-	852,750	-	655,478	197,272	852,750	-	-	197,272
<b>Total</b>	<b>28,489,333</b>	<b>9,517,187</b>	<b>5,619,750</b>	<b>32,386,770</b>	<b>15,808,188</b>	<b>2,333,716</b>	<b>4,177,156</b>	<b>13,964,748</b>	<b>18,422,022</b>	<b>12,681,145</b>
Previous Year	14,212,967	8,406,355	-	<b>22,619,322</b>	14,339,509	1,502,429	33,750	<b>15,808,188</b>	<b>6,811,134</b>	-

Note : Buildings include cost of shares of Rs 500/- the value of shares in co operative societies

**10 Non current investments**

(Amount in Rupees)

	(Amount in Rupees)			2018	2017
	2018	2017			
<b>Investment in Equity Instruments (Quoted)</b>			6,385,000 ( Nil) Jaiprakash Associates Limited	<b>142,758,307</b>	-
<b>Equity Shares of face value of Rs 10 each</b>			Nil (10,000) Godfrey Phillips India Limited	-	13,376,488
100,000 (Nil) Aditya Birla Capital Limited	<b>18,673,461</b>	-	Nil (1,500,000) Suzlon Energy Limited	-	28,038,355
18,300 (Nil) CESC Limited	<b>18,362,356</b>	-	Nil (40,890) Bajaj Finance Limited	-	5,645,240
119,308 (259,308) Medowell Holdings Limited	<b>3,990,853</b>	8,673,853	Nil (30,000) ICICI Bank Limited	-	7,491,527
51,000 (86,000) Nilkamal Limited	<b>26,360,490</b>	44,451,290	700 (9,200) Yes Bank Limited	<b>199,915</b>	9,900,775
Nil (200,000) Indian Oil corporation Limited	-	64,562,599	<b>Equity Shares of face value of Re 1 each</b>	-	-
Nil (189,972) ICICI Prudential Life Insurance Company Limited	-	69,347,860	250,000( Nil) Ganesh Benzoplast Limited	<b>24,526,469</b>	-
Nil (52,000) ITI Limited	-	3,642,279	100,000 (5,071,942) Mercator Limited	<b>4,481,448</b>	129,706,028
Nil (131,910) NHPC Limited	-	3,050,198	200,000 (Nil) Sintex Plastics Technology Limited	<b>16,450,507</b>	-
Nil (50,000) RBL Bank Limited	-	24,592,614	200,000 (Nil) Transformers and Rectifiers (India) Limited	<b>8,728,626</b>	-
Nil (500) Shree Cement Limited	-	5,744,325	Nil (300,000) Maharashtra Polybutenes Limited	-	666,189
Nil (4,265) Indusind Bank Limited	-	4,492,670	Nil (501,352) Thomas Cook (India) Limited	-	35,565,925
Nil (10,810) Manpasand Beverages Limited	-	7,566,768	Nil (300,000) Triveni Engineering & Industries Limited	-	24,366,681
(11,531) 11,531 Everlon Synthetics Limited	<b>135,877</b>	135,877	Nil (50,000) Vakrangee Limited	-	16,749,661
(1,500) 1,500 IDBI Bank Limited	<b>244,005</b>	244,005	Nil (17,190) Glenmark Pharmaceuticals Limited	-	5,113,177
(2,300) 2,300 Indus Networks Limited	<b>59,320</b>	59,320	Nil (27,411) Sun Pharmaceuticals Industries Limited	-	10,625,437
(7,000) 7,000 Manglore Refinery and Petrochemicals Limited	<b>385,199</b>	385,199		<b>265,622,732</b>	<b>541,795,504</b>
<b>Equity Shares of face value of Rs 5 each</b>			<b>Investment in Equity Instruments (Unquoted)</b>		
Nil (59,525) Cox & Kings Limited	-	9,643,639	<b>Equity Shares of face value of Rs 10 each</b>		
Nil (10,440) Kotak Mahindra Bank Limited	-	7,691,624	500,000 (500,000) Business India Limited	<b>15,000,000</b>	15,000,000
(10,000) 10,000 Asian Electronics	<b>265,900</b>	265,900	5,600 (5,600) The Hindustan Times Limited	<b>1,256,500</b>	1,256,500

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**

	(Amount in Rupees)					
	2018	2017				
1,000,000 (Nil) Primary Cuisine Private Limited	10,000,000	-				
(1,000) 1,000 Credit Capital Venture Limited	49,043	49,043				
(10,000) 10,000 Sanghi Polyester Limited	124,484	124,484				
2000(2000) MKM Shares & stock Brokers Limited	6,200	6,200				
<b>Equity Shares of face value of Rs 100 each</b>						
490 (490) Peak Plastonics Private Limited	49,000	49,000				
1,470 (1,470) Seaglimpse Investments Private Limited	147,000	147,000				
Nil (1,005) The Saraswat Co-operative Bank Limited	-	10,050				
	<u>26,632,227</u>	<u>16,642,277</u>				
<b>Investment in Non- Convertible Debentures</b>						
1,000 (1,000) 10.5% Edelweiss Asset Reconstruction Company Limited of face value of Rs 100,000	100,000,000	100,000,000				
	<u>100,000,000</u>	<u>100,000,000</u>				
<b>Investment in Mutual funds</b>						
39,749 (Nil) units of Essel Liquid fund-Regular Plan- Monthly dividend of Rs 1000 each	40,000,000					
147 (Nil) units of Benchmark Mutual Fund of face value of Rs 10 each	-	14,735				
	<u>40,000,000</u>	<u>14,735</u>				
<b>Investment - Others (Unquoted)</b>						
56,750 (Nil) units of Edelweiss Credit Opportunities Fund of Rs. 1000/- each	56,750,000	-				
100 (Nil) units of Oysterrock Capital Fund 1 of face value of Rs 100,000	10,000,000	-				
	<u>66,750,000</u>	<u>-</u>				
(All the above securities are fully paid up)	<u>499,004,959</u>	658,452,516				
Less: Diminution in value of investments	1,304,903	1,304,903				
<b>Total</b>	<u>497,700,056</u>	<u>657,147,613</u>				
Aggregate book value of unquoted investments	233,382,227	116,657,012				
Aggregate book value of quoted investments	265,622,732	541,969,031				
Aggregate market value of quoted investments	278,541,158	1,054,108,958				
Provision for diminution in value of investments	1,304,903	1,304,903				
<b>11 Deferred Tax Assets/ (Liabilities)</b>						
			(Amount in rupees)			
	Particulars		2018	2017		
<b>Deferred Tax Asset</b>						
Depreciation			1,028,599	206,031		
			<u>1,028,599</u>	<u>206,031</u>		
			<u>1,028,599</u>	<u>206,031</u>		
<b>12 Loans and Advances</b>						
			Long Term		Short Term	
	Particulars		2018	2017	2018	2017
<b>Loans- Others</b>						
- Secured			-	-	-	334,637,732
- Unsecured			-	-	98,948,074	454,343,218
<b>Advances (recoverable in cash or kind or for value to be received)</b>						
Deposits			1,593,000	1,383,001	-	-
Other Advances			-	-	16,189,447	7,010,702
<b>Balances with government authorities</b>						
Advance direct tax (net of provisions)			21,308,604	-	-	-
MAT Credit Entitlement			66,319,781	39,317,134	-	-
<b>Total</b>			<u>89,221,385</u>	<u>40,700,135</u>	<u>115,137,520</u>	<u>795,991,652</u>
<b>13 Other Assets</b>						
			Non- Current		Current	
	Particulars		2018	2017	2018	2017
Balances with bank in bank deposits (Refer note 16)			80,000,000	164,500,000	-	-
Interest receivable- on bank deposits			115,161	1,807,317	3,450,806	273,546
- on Investments and inventories			28,419,331	7,565,753	-	-
- on loans			-	-	2,417,796	71,014
Other receivables			-	-	258,524	-
Stock Futures margin			-	-	21,092,240	-
<b>Total</b>			<u>108,534,492</u>	<u>173,873,070</u>	<u>27,219,366</u>	<u>344,560</u>
<b>14 Inventories (valued at lower of cost and market value)</b>						
			Particulars		2018	2017
Equity Shares					43,505,948	107,236,635
Bonds*					225,519,685	318,663,587
					<u>Total</u>	<u>269,025,633</u>
					<u>425,900,222</u>	<u>425,900,222</u>
* are marked as lien against secured loan from banks						
<b>15 Trade Receivables</b>						
			Particulars		2018	2017
<b>Trade receivables</b>						
(Unsecured, considered good)						
More than six months					-	102,810,987
Others					-	-
					<u>Total</u>	<u>102,810,987</u>
<b>16 Cash and bank balances</b>						
			Particulars		2018	2017
<b>Cash and cash equivalents</b>						
Balances with bank						
in Current Accounts			-	-	246,176,911	43,570,278
Cash on hand			-	-	244	13,250
			<u>-</u>	<u>-</u>	<u>246,177,155</u>	<u>43,583,528</u>
<b>Other bank balances</b>						
Balances with bank						
in dividend accounts			-	-	6,958,108	6,923,417
in deposit accounts*			80,000,000	164,500,000	625,000,000	88,500,000
			<u>80,000,000</u>	<u>164,500,000</u>	<u>631,958,108</u>	<u>95,423,417</u>
Less: Amount disclosed under "Other assets" (Refer note 13)			80,000,000	164,500,000	-	-
			<u>-</u>	<u>-</u>	<u>631,958,108</u>	<u>95,423,417</u>
<b>Total</b>			<u>-</u>	<u>-</u>	<u>878,135,263</u>	<u>139,006,945</u>
* Rs 157,000,000 lien marked against secured loans taken from bank and Rs 18,000,000 given as bank guarantee to Enforcement Directorate						

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**
**17 Revenue from Operations**

	(Amount in Rs)	
	2018	2017
Interest Income		
on loans	46,309,664	110,447,558
on debt securities	17,240,232	7,565,753
Income on trading in shares and securities(net)	305,235,646	244,498,166
Profit on sale on investments	380,510,551	45,615,976
Interest income on non current investments	10,500,000	2,547,500
Dividend income	3,396,032	6,552,673
<b>Total</b>	<b>763,192,125</b>	<b>417,227,626</b>

**18 Other Income**

	2018	2017
Bad debts recovered	2,298,961	-
Interest - on fixed deposits	18,186,976	21,583,035
- on income tax refund	-	1,356,325
Miscellaneous Income	3,323,056	821,082
<b>Total</b>	<b>23,808,993</b>	<b>23,760,442</b>

**19 Employee Benefits Expenses**

	2018	2017
Salaries and allowances	53,719,134	88,048,323
Contribution and funds and others	(673,913)	1,635,086
ESOP compensation written back	(576,576)	(576,576)
Staff welfare expenses	3,632,200	1,389,222
<b>Total</b>	<b>56,100,845</b>	<b>90,496,055</b>

**20 Finance Cost**

	2018	2017
Interest - borrowings	42,779,265	133,538,523
- others	25,783	9,314
Bank and financial charges	8,586,792	8,724,652
<b>Total</b>	<b>51,391,841</b>	<b>142,272,489</b>

**21 Other Expenses**

	2018	2017
Rent	3,134,612	1,527,964
Repairs - Others	2,251,428	4,771,400
Directors Fees	322,000	320,000
Travelling and Conveyance expenses	1,146,491	2,381,872
Communication expenses	785,750	649,387
Legal and Professional charges	14,128,041	8,675,573
Printing and Stationery	229,233	181,542
Auditors Remuneration :		
Audit fees	1,029,500	488,137
Tax audit fees	-	35,000
Other matters	79,356	-
Commission expenses	8,612,000	15,363,550
CSR Expenses	3,500,000	2,760,000
Bad debts and advances written off (net)	431,142,550	40,000,000
Advertisement expenses	61,135	74,534
Miscellaneous expenses	4,272,504	6,495,388
<b>Total</b>	<b>470,694,601</b>	<b>83,724,346</b>

**22 Litigation Matters**

- (a) Claim against the Group not acknowledged as debt Rs. 227,500/- (Rs3,39,900/-) , against which the group has deposited full amount in the Honorable High Court of Mumbai.

- (b) Against a penalty order for Rs 18,000,000/- received from the Enforcement Directorate in respect of a matter which arose in 1996 pertaining to the erstwhile money changing division of the Group , the Group has preferred an appeal in the Honorable Madras High . The Group has provided a bank guarantee to cover the demand. The matter is pending The Management is of the opinion that a cash outflow is unlikely and therefore no provision is considered necessary .
- (c) A winding up petition filed by the Group against a borrower has been admitted by the Honourable High court of Mumbai. The recovery if any will be accounted for when the money is received from official Liquidator.
- (d) The Group has filed an arbitration case Rs. 9,27000/- against a borrower for which it has received a favourable award from the arbitrator. The opposing party has filed an appeal in the Honourable High court of Mumbai for which the matter is pending.
- (e) The Group has filed recovery suits in the Mumbai High Court against three parties for an amount of Rs 33,38,00,635/- to whom loans/advances were given.. The Company has received an order in its favour. The Defendants have moved the court opposing the Order. The matter is pending. Any recoveries will be accounted for in the year of recovery.

**23 Particulars with respect to Earnings Per Share is calculated as follows:**

	Current Year	Previous Year
Profit after Tax	196,666,363	100,141,210
Weighted Average Number of Shares Outstanding	12,233,538	12,198,023
	<b>Rs. per share</b>	<b>Rs. per share</b>
Earnings per share (Basic)	16.08	8.21
Earnings per share (Diluted)	16.01	7.89
Face Value per Share	10.00	10.00

**24 Other Commitments**

Uncalled amount on investments is Rs 43,250,000/- (Rs Nil)

**25 Related Party Transactions:**

**Key Management Personnel:** 1. Mr.M V Doshi  
2. Mr. G B Innani  
3. Mr. S S Gulati

**Other related parties with whom transactions have taken place during the year**

LKP Wealth Adviosry Private Limited, Peak Plastonics Private Limited, MKM Share and Stock Brokers Limites, Sea Glimpse Investments Private Limited, Bhavna Holdings Private Limited, M/s L K Pandey, LKP Securities Limited, Mrs Bhamini Doshi

Transactions with Related Parties:	(Amount in Rupees)	
	2018	2,017
<b>A) Transactions</b>		
<b>Interest Expenses</b>		
Other related parties	5,486,243	35,511,312
<b>Interest Income</b>		
Other related parties	1,335,205	-
<b>Brokerage paid</b>		
Other related parties	5,671,782	2,679,187
<b>Remuneration to Key Management Personnel</b>		
Key management personnel	16,285,250	12,912,000
<b>Loans given</b>		
Other related parties	70,000,000	-
<b>Short term borrowings</b>		
Other related parties	10,000,000	60,000,000
<b>Repayment received of loans given</b>		
Other related parties	70,000,000	-
<b>Repayment of Short term borrowings</b>		
Other related parties	70,000,000	-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2018**

Transactions with Related Parties:	(Amount in Rupees)	
	2018	2,017
<b>B) Balances as at 31 March, 2018</b>		
<b>Long term borrowings</b>		
Other related parties	1,650,000	1,650,000
<b>Short term borrowings</b>		
Other related parties	-	60,000,000
<b>Trade payables and Other Current Liabilities</b>		
Other related parties	-	439,208
<b>Loans and Advances</b>		
Other related parties	12,720,043	-

**26 Segment Reporting**

The Group has only one business, i.e. engaged in investment and financing activities and hence "Segment Reporting" as defined in Accounting Standard 17 is not applicable.

27 The Group does not have any amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at 31 March, 2018

**28 Scheme of Arrangement in the nature of demerger**

During the previous year, a Scheme of Arrangement ("the Scheme") under Sections 391 to 394 read with Section 78 and Sections 100 to 104 and other applicable provisions of the Companies Act 1956 / Companies Act 2013, between LKP Finance Limited ("Transferor" or "the Demerged Company") and LKP Securities Limited ("Transferee Company" or "the Resulting Company") and their respective shareholders and creditors, was sanctioned by the Hon'ble High Court of Judicature at Mumbai on 8 July 2016. Pursuant to the Scheme, the subsidiary business is demerged and vested with the Resulting company on appointed date i.e. 1 April 2015 on going concern basis. The share exchange ratio of 6 equity shares of the face value of Rs 2/- each of the Transferee Company for every 1 equity share of the face value of Rs 10 each was issued.

29

- a) Provision for current tax has been made as per the provisions of the Income Tax Act, 1961.
- b) In accordance with AS – 22 on "Accounting for Taxes on Income" issued by the ICAI, deferred tax assets and liability is recognized for all timing differences, in accordance with the said standard. However, deferred tax asset has not been created on brought forward loss of Rs 648,704,606/- including current year loss on estimate basis.
- c) Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Group and the assets can be measured reliably. Accordingly, the Group has recognised MAT credit entitlement of Rs. 66,319,781/- and unrecognized MAT credit entitlement as on 31 March 2018 of Rs160,319,410/-

**30 Details of open interest (short) in Securities:**

Name of Script	Qty (Numbers)	Provision for Mark to Market (Profit)/Loss carried forward as at year-end (in Rupees)
In equity shares	2,210,000	387,992

**31 Prior Period items Included in respective heads are as under:**

	2018	2017
<b>Interest Income</b>		
- On loans	7,920,000	-
- On debt Securities	6,584,712	-
<b>Expenses</b>		

Grautity written back	2,881,941	-
-----------------------	-----------	---

**32 Statement of Net assets and profit or loss attributable as required under Schedule III to the Companies Act 2013**

Name of the Enterprises	Net Assets i.e. total assets minus total liabilities		Shares in profit & loss	
	As % of consolidated net assets	Amt (in Rs.)	As % of consolidated profit or loss	Amt (in Rs.)
<b>Parent</b>				
LKP Finance Limited	101.29%	1,456,175,391	100.24%	197,148,160
<b>Subsidiary</b>				
Gayatri Cement & Chemical Industries Private Limited	-1.15%	(16,515,807)	-0.24%	(481,797)
Intercompany eliminations	-0.15%	(2,100,000)		
<b>Total</b>	<b>100.00%</b>	<b>1,437,559,584</b>	<b>100.00%</b>	<b>196,666,363</b>

**33 Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Group. The Group is required to spend Rs.2,957,186/- against which Rs 3,500,000/- has been spent on activities specified in Schedule VII of the Companies Act, 2013.

**34 Change in Accounting Policy**

As per the requirements of pre-revised AS-4, the company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4, the Company cannot create provision for the dividend proposed / declared after the balance sheet date unless a statute requires otherwise. Rather, Group will need to disclose the same in notes to the financial statements

Had the Company continued with creation of provision for proposed dividend (declared @ Rs. per share), its surplus in the statement of profit and loss account would have been lower by Rs 24,843,046/- and current provision would have been higher by Rs 5,058,044/- being dividend distribution tax.

Accordingly, the company has disclosed dividend proposed by the board of directors after the balance sheet date in the notes.

**35 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures. Figures in brackets pertain to previous year.**











*If undelivered, please return to :*

**LKP Finance Limited**  
203, Embassy Centre,  
Nariman Point,  
Mumbai - 400 021.

**LKP FINANCE LIMITED**

(CIN:L65990MH1984PLC032831)

Regd. Office : 203, Embassy Centre, Nariman Point, Mumbai – 400021.

Email: lkpfininvestor.relations@lkpsec.com, Website : www.lkpsec.com;

Phone: 022-40024785, Fax: 022-22874787

**ATTENDANCE SLIP****Attendance by**

(Please tick the appropriate box)

- Member  
 Proxy  
 Authorised Representative

Folio No. / DP/ID NO.....

No. of Shares held:.....

Mr./Mrs./Miss.....

I hereby record my presence at the 34<sup>th</sup> Annual General Meeting of the Company held at M. C. Ghia Hall, Hargovindas Building, 18/20, Kaikhuskru Dubash Marg, Mumbai - 400 001, at 10.00 a.m. on Tuesday, 15<sup>th</sup> May, 2018......  
Member's/Proxy's Signature**ELECTRONIC VOTING PARTICULARS**

EVEN (E-voting Event Number)	User ID	Password
108331		

**FORM NO. MGT-11**

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

**PROXY FORM****CIN:L65990MH1984PLC032831**Name of the company : **LKP FINANCE LIMITED**

Regd. Office : 203, Embassy Centre, Nariman Point, Mumbai – 400021.

Name of the member (s): Registered address: E-mail Id: Folio / DP ID-Client ID No.
---

I/We being the member(s) of \_\_\_\_\_ shares of the above named Company hereby appoint:

- (1) Name \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him
- (2) Name \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature \_\_\_\_\_ or failing him
- (3) Name \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Tuesday, 15<sup>th</sup> May, 2018 at 10.00 a.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Mumbai – 400001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS	Optional *	
		For	Against
1.	Adoption of Financial Statements for the year ended 31 <sup>st</sup> March 2018		
2.	Approval of dividend for the year ended 31 <sup>st</sup> March 2018		
3.	Re-appointment of Mr. Mahendra V. Doshi who retires by rotation.		
4.	Appointment of Statutory Auditors and fixing their remuneration.		

Signed this..... Day of..... 2018

Affix 1 Re.  
Revenue  
Stamp

Signature of shareholder.....

Signature of Proxy holder(s)

Note:

- 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 hours before the commencement of the Meeting.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 34<sup>th</sup> Annual General Meeting.
- It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Please complete all details including details of member(s) in above box before submission.

# Annual General Meeting

M. C. Ghia Hall, Hargovindas Building, 18/20, Kaikhuskru Dubash Marg, Mumbai - 400 001

