



# **Ken Financial Services Limited**

**23<sup>rd</sup> Annual Report  
2016 - 2017**

**KEN FINANCIAL SERVICES LIMITED**

CIN - L65990MH1994PLC078898

**CORPORATE INFORMATION**

<b>BOARD OF DIRECTORS</b>	:	1. Mr. Manoj More 2. Mr. Akash Swami 3. Mr. Sumit Gupta 4. Mr. Mukesh Saini 5. Mr. Sunil Kumar Saini 6. Mrs. Gangaben Pagi
<b>REGISTERED OFFICE</b>	:	101, Shah Arcade, A Wing, Shah Arcade SRA CHS Ltd., Rani Sati Marg, Near W.E. Highway, Malad (East), Mumbai – 400 097.
<b>BANKERS</b>	:	Axis Bank Limited Mumbai
<b>AUDITORS</b>	:	Motilal & Associates Chartered Accountants
<b>SECRETARIAL AUDITORS</b>	:	Ramesh Chandra Bagdi & Associates Company Secretaries
<b>SHARE TRANSFER AGENTS</b>	:	Purva Sharegistry (India) Private Limited Unit no. 9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Bhoricha Marg, Lower Parel, Mumbai – 400 011.
<b>SHARES LISTED AT</b>	:	BSE Limited

## NOTICE

**NOTICE** is hereby given that the 23rd Annual General Meeting of the members of **KEN FINANCIAL SERVICES LIMITED** will be held on Saturday, 30th September, 2017 at 3:00 p.m. at Registered Office of the Company at 101, Shah Arcade, A Wing, Shah Arcade SRA CHS Ltd., Rani Sati Marg, Near W.E. Highway, Malad (East), Mumbai – 400 097. to transact the following business: -

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 including the Balance Sheet, Statement of Profit and Loss Account and the Cash Flow Statement for the year ended as on that date together with the report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Akash Swami (holding DIN 06938409) who retires by rotation and being eligible, offers him-self for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification, if any the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof), the reappointment of the statutory auditors, M/s. Motilal & Associates, Chartered Accountants, Mumbai (Registration No. 106584W), as the Statutory Auditors of the Company be and is hereby ratified by the members of the Company for the financial year 2017-18 at such remuneration as may be determined by the Board of Directors of the Company.”

### SPECIAL BUSINESS:

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

“**RESOLVED THAT** pursuant to provisions of Sections 2(94), 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded for re-appointment of Mr. Akash Swami (holding DIN 06938405) as a Whole-time Director of the Company at a monthly remuneration of Rs. 30,000/- (Rupees Forty Thousand Only) w.e.f. 20th June, 2017 for a period of three years whose period of office shall liable to determination by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolution.”

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

“**RESOLVED THAT** pursuant to provisions of Sections 2(94), 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, the consent of the members of the Company be and is hereby

accorded for re-appointment of Mr. Mukesh Saini (holding DIN 06938409) as a Whole-time Director of the Company without any remuneration w.e.f. 20th June, 2017 for a period of three years whose period of office shall liable to determination by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolution.”

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

“**RESOLVED THAT** pursuant to provisions of Sections 2(94), 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded for re-appointment of Mr. Sumit Gupta (holding DIN 06938413) as a Whole-time Director of the Company at a monthly remuneration of Rs. 25,000/- (Rupees Twenty Five Thousand Only) w.e.f. 20th June, 2017 for a period of three years whose period of office shall not be liable to determination by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolution.”

**Registered office:**

101, Shah Arcade, A Wing,  
Rani Sati Marg, Near W.E. Highway  
Malad (East),  
Mumbai – 400 097.

**For and on behalf of the Board**

**Sumit Gupta**  
**Chairman**  
**DIN: 06938413**

**Place : Mumbai**

**Date : 5th September, 2017**

**NOTES:**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the Company.
2. Proxies in order to be effective must be delivered at the registered office of the Company not later than forty eight hours before the meeting.
3. Pursuant to Regulations 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards - 2 (SS-2), the particulars of Directors proposed to be appointed / re-appointed at the Annual General Meeting is given in the Annexure to the notice.
4. Explanatory Statement under Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto and forms part of the Notice
5. Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend the Annual General Meeting.
6. Route-map to the venue of the Meeting is provided in the Annual Report for the convenience of the members.
7. The Register of Members and the Share Transfer Books of the Company will be closed from 28-09-2017 to 30-09-2017 (both days inclusive).

8. Member desirous of obtaining information with respect of the accounts of the Company are requested to send queries in writing to the Company at its registered office so as to reach at least seven days before the date of Meeting.
9. Members are requested to furnish their bank account details, change of address and all other required details to the Registrar & Share Transfer Agent in respect of shares if held in physical form. In case of shares held in electronic form, these details should be furnished to the respective Depository Participants (Dps).
10. The Securities and Exchange Board of India (“SEBI”) has mandated the submission of Permanent Account Number (“PAN”) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN card numbers / copies of PAN card to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent, M/s. Purva Sharegistry (India) Private Ltd.
11. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH 13 duly filled in to M/s. Purva Sharegistry (India) Private Ltd. at the Registered Office of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
12. As per the Companies Act, 2013 and rules made thereunder all documents to be sent to shareholders like General Meeting Notices (including AGM), Audited Financial Statements, Directors’ Report, Auditors’ Report, etc. henceforth will be sent to the shareholders in electronic form, to the e-mail address provided by them and made available to us by the Depositories. The physical copies of the annual report will also be available at our Registered Office for inspection during office hours. Members are also requested to register/update their email addresses, with the depository participant (in case of shares held in dematerialized form) or with Company/M/s. Purva Sharegistry (India) Private Ltd., Registrar and Share Transfer Agent of the Company (in case of Shares held in physical form).
13. For convenience of the members and for proper conduct of the meeting, entry to the place of the meeting will be regulated by way of attendance slip, which is annexed to this Notice. Members are requested to bring their Attendance Slip, sign the same at the place provided and hand it over at the entrance of the venue.
14. Electronic copy of the Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 23rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
15. Members may please note that the Notice of the 23rd Annual General Meeting and the Annual Report for 2017 will also be available on the Company’s website [www.ken-fin.com](http://www.ken-fin.com) for their download. The physical copies of the aforesaid documents will also be available at the Company’s Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company’s investor email id: [kenfsl@rediffmail.com](mailto:kenfsl@rediffmail.com)

## 16. Voting through electronic means

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN*</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 100 then enter RA00000100 in the PAN field.</li> </ul>
<b>Dividend Bank Detail OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

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

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant company <KEN FINANCIAL SERVICES LTD.> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on <September 27, 2017 (09.00 a.m.)> and ends on <September 29, 2017 (5.00 p.m.)>. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <September 22, 2017>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) M/s. Ramesh Chandra Bagdi & Associates, Practicing Company Secretaries, Indore, has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Explanatory Statement under Section 102 of the Companies Act, 2013 and the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.****Item No. 4**

Mr. Akash Swami (holding DIN 06938405) was appointed as Whole-Time Director of the Company by the Board for a period of three years with effect from 20th June, 2014. His term as Whole-Time Director of the Company expired on 19th June, 2017.

The Board of Directors as its meeting held on 30th May, 2017 on the recommendation made by the Nomination and Remuneration Committee and pursuant to provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, re-appointed Mr. Akash Swami as Whole-Time Director of the Company at a monthly remuneration of Rs. 30,000/- with effect from 20th June, 2017 for a period of three years whose period of office is liable to determination by rotation.

Every such re-appointment of the Whole-time Director requires approval of the members of the Company in general meeting.

The Board recommends the resolution at Item No. 4 to be passed by the members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in this resolution.

**Item No. 5**

Mr. Mukesh Saini (holding DIN 06938409) was appointed as Whole-Time Director of the Company by the Board for a period of three years with effect from 20th June, 2014. His term as Whole-Time Director of the Company expired on 19th June, 2017.

The Board of Directors as its meeting held on 30th May, 2017 on the recommendation made by the Nomination and Remuneration Committee and pursuant to provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, re-appointed Mr. Mukesh Saini as Whole-Time Director of the Company without any remuneration with effect from 20th June, 2017 for a period of three years whose period of office is liable to determination by rotation.

Every such re-appointment of the Whole-time Director requires approval of the members of the Company in general meeting.

The Board recommends the resolution at Item No. 5 to be passed by the members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in this resolution.

**Item No. 6**

Mr. Sumit Gupta (holding DIN 06938413) was appointed as Whole-Time Director of the Company by the Board for a period of three years with effect from 20th June, 2014. His term as Whole-Time Director of the Company expired on 19th June, 2017.



The Board of Directors as its meeting held on 30th May, 2017 on the recommendation made by the Nomination and Remuneration Committee and pursuant to provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013, re-appointed Mr. Sumit Gupta as Whole-Time Director of the Company at a monthly remuneration of Rs. 25,000/- with effect from 20th June, 2017 for a period of three years whose period of office shall not be liable to retire by rotation.

Every such re-appointment of the Whole-time Director requires approval of the members of the Company in general meeting.

The Board recommends the resolution at Item No. 6 to be passed by the members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in this resolution.

**Registered office:**

101, Shah Arcade, A Wing,  
Rani Sati Marg, Near W.E. Highway  
Malad (East),  
Mumbai – 400 097.

**For and on behalf of the Board****Place : Mumbai****Date : 5th September, 2017****Sumit Gupta  
Chairman  
DIN: 06938413**

**ANNEXURE**

**PURSUANT TO REGULATION 36(3) THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE RE-APPOINTED IS FURNISHED BELOW:**

**(1)**

Name of Director	Mr. Akash Swami
Date of Birth	02-02-1980
No. of Equity Shares held	Nil
Qualification	M.Com
Relationship with other Directors	None
Nature of Expertise	Working experience in Trading in Stock Market
Name of Companies in which he / she holds Directorship	Nil
Names of Committees of the Companies of which he / she holds membership	Nil

**(2)**

Name of Director	Mr. Mukesh Saini
Date of Birth	26-12-1986
No. of Equity Shares held	Nil
Qualification	HSC
Relationship with other Directors	None
Nature of Expertise	Working experience in Trading in Stock Market
Name of Companies in which he / she holds Directorship	Nil
Names of Committees of the Companies of which he / she holds membership	Nil

**(3)**

Name of Director	Mr. Sumit Gupta
Date of Birth	05-11-1985
No. of Equity Shares held	Nil
Qualification	B.Com
Relationship with other Directors	None
Nature of Expertise	Working experience in Trading in Stock Market
Name of Companies in which he / she holds Directorship	Nil
Names of Committees of the Companies of which he / she holds membership	Nil

## DIRECTORS' REPORT

To,  
The Members,  
**Ken Financial Services Limited**

Your Directors have pleasure in presenting their **Twenty Third Annual Report** together with the Audited Accounts of the Company for the year ended on 31st March, 2017.

### 1. Financial Results

The financial results are summarized below:

(Amount in ₹)

	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
A	Total Revenue From Operation	31,15,964	15,74,919
B	Less: Expenses	31,06,878	11,78,640
C	Profit/(Loss) Before Tax	9,086	3,96,279
D	Less: Current Tax	62,147	1,06,673
	Deferred Tax	(85,931)	15,777
E	Profit/(Loss) after Tax	32,870	2,73,829

### 2. Financial Performance:

During the year under review, the Company has earned Total Revenue from operation is Rs. 31,15,964/- in comparison to Rs. 15,74,919/- during the previous year. The Net Profit after tax is Rs.32,870/- in comparison with Net Profit of Rs.2,73,829/- during the previous year. Your Directors are hopeful of better performance in the forthcoming year. There was no change in the nature of the business of the Company during the year.

### 3. Dividend & Reserves:

Your Directors abstain from declaring any dividend for the year and no amount of profit earned during the year was transferred to General Reserve.

### 4. Management Discussion & Analysis:

Management Discussion & Analysis report is being given under Corporate Governance Report. There are no material changes between the end of the financial year and the date of the report which may affect the financial position of the Company.

### 5. Listing With Stock Exchanges:

At Present, the Equity shares of the Company are listed at Bombay Stock Exchange Ltd. (BSE). The trading in the shares of the Company on BSE is suspended w.e.f. 21.12.2015 due to non-compliance.

### 6. Dematerialization of Shares:

99.40% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2017 and balances 0.60% is in physical form. The Company's Registrar and Transfer Agent is Purva Sharegistry (India) Private Limited. having their registered office at No.9, Shiv Shakti Industrial Estate, Ground Floor, J.R. Boricha Marg, Opp. Kasturba Hospital, Lower Parel, Mumbai – 400 011.

**7. Internal Financial Controls:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

**8. Finance & Accounts:**

The Company has not raised any finance by issue of any securities during the year. The Company has adequate financial resources at its disposal for carrying on its business. Details of transactions are given in the Notes to the Financial Statements.

Your Company prepares its financial statements in compliance with the requirements of Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to financial statements are made on prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs and profit for the year ended 31st March, 2017.

**9. Subsidiaries, Joint Ventures and Associates Companies:**

The Company does not have any Subsidiary/ Joint Ventures/ Associate Companies.

**10. Deposits:**

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

**11. Statutory Auditors**

- (a) Comments and notes by auditors in the opinion of the management are self-explanatory and do not require any further comments.
- (b) In the Annual General Meeting of F. Y. 2013-14 held on 30-09-2014, the Company has appointed M/s. Motilal & Associates, Chartered Accountant as Statutory Auditors for the period of five years subject to the ratification by the members in every Annual General Meeting. In compliance to the provisions of Section 139 of the Companies Act, 2013, the appointment of the statutory auditors is to be ratified by the members at the forthcoming Annual General Meeting. M/s. Motilal & Associates, Chartered Accountants have given their consent for re-appointment. The members will be required to ratify the appointment of Auditors for the current financial year and fix their remuneration.

**12. Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Ramesh Chandra Bagdi & Associates, Practicing Company Secretaries, Indore have been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor is annexed as "**Annexure A**" to this report.

The report is self-explanatory and do not call for any further comments.

**13. Internal Auditors:**

In terms of Section 138 of the Act and Rules made there under, M/s. V. P. Agarwal & Co. Chartered Accountants, Mumbai has been appointed as Internal Auditors of the Company.

**14. Extract of the Annual Return:**

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

**15. Particulars Regarding Conservation of Energy, Technology Absorption:**

Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 requires disclosure of the particulars regarding conservation of Energy and Technology absorption. The Company is not having manufacturing facilities of its own; therefore information required under this clause is not applicable to the Company.

**16. Foreign Exchange Earnings / Outgo:**

The Company has neither incurred any expenditure nor earned any income in foreign exchange.

**17. Corporate Social Responsibility (CSR):**

The Company does not fall under the prescribed class of companies' u/s 135(2) of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014. Hence CSR is not applicable to the Company.

**18. Human Resources:**

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

**19. Meetings of the Board:**

The Board of Directors duly met 5 times during the financial year, the details of the same are being given in the Corporate Governance Report.

**20. Directors and Key Managerial Personnel****(i) Changes in Directors and Key Managerial Personnel:****a) Reappointment of Whole-Time Directors:**

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee has re-appointed Mr. Akash Swami (Holding DIN 06938405), Mr. Sumit Gupta (holding DIN 06938413) and Mr. Mukesh Saini (holding DIN 06938409) as whole-Time Directors of the Company for a period of three years with effect from 20th June, 2017.

**b) Appointment of Directors retiring by rotation:**

Mr. Akash Swami (holding DIN 06938405), Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Brief profile of the Directors proposed to be re-appointed as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are part of the Notice convening the Annual General Meeting.

**(ii) Declaration by Independent Directors:**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**21. Vigil Mechanism:**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the company has adopted a vigil mechanism policy. This policy is posted on the website of Company.

**22. Nomination and Remuneration Policy:**

The Nomination & Remuneration Committee of the Board of Directors has adopted a policy which deals with the manner of selection and appointment of Directors, Senior Management and their remuneration. The policy is in compliance with the provisions of Section 178(3) of the Companies Act, 2013. The Remuneration Policy is stated in the Report on Corporate Governance.

**23. Particulars of Loans, Guarantees or Investments**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

**24. Related Party Transactions**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in Form AOC 2 is not required. Details of transactions with related parties are given in the Notes to the Financial Statements.

**25. Risk Management:**

The Company has adequate internal controls in place at various functional levels and does not foresee any major risk such as financial, credit, legal, regulatory and other risk keeping in view the nature and size of its business.

**26. Safety:**

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**27. Significant and Material Orders Passed by the Regulators or Courts:**

There are no significant and material orders passed by Regulators/Courts that would impact the going concern status of the Company and its future operations.

**28. Material changes and commitment:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates on the date of this report.

**29. Board Evaluation:-**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the Board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

**30. Audit Committee:**

The Audit Committee is comprised of three Independent Directors. The composition of the Audit Committee is as follows:-

Name	Designation	Category
Mr. Manoj More	Chairman	Non-Executive Independent Director
Mr. Sunil Saini	Member	Non-Executive Independent Director
Mrs. Gangaben Pagi	Member	Non-Executive Independent Director

All the recommendations made by the Audit Committee were accepted by the Board.

**31. Nomination & Remuneration Committee:**

The Nomination and Remuneration Committee is comprised of three directors. The composition of the Remuneration Committee is as follows:-

Name	Designation	Category
Mr. Sunil Saini	Chairman	Non-Executive Independent Director
Mr. Manoj More	Member	Non-Executive Independent Director
Mrs. Gangaben Pagi	Member	Non-Executive Independent Director

All the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

**32. Corporate Governance:**

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. It is imperative that our company affairs are managed in fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

A report on a Corporate Governance and a certificate from the statutory auditor of the Company regarding compliances of conditions of Corporate Governance as stipulated under SEBI (LODR) Regulations is appended as annexure to this report.

**33. Ratio of Remuneration:**

The information required pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is furnished hereunder:

Sr. No.	Name	Designation	Remuneration FY 2015-16	% increase from previous year	Ratio/Times per Median of Employee Remuneration
1.	Mr. Akash Swami	Whole Time Director	360000	N.A.	N. A.
2.	Mr. Sumit Gupta	Whole Time Director	300000	N. A.	N.A.

The particulars of the employees as required under Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as none of the employees of the Company was in receipt of remuneration as prescribed under the said Rules.

**34. Share Capital:****A) Buy Back of Securities**

The Company has not bought back any of its securities during the year under review.

**B) Sweat Equity**

The Company has not issued any Sweat Equity Shares during the year under review.

**C) Bonus Shares**

No Bonus Shares were issued during the year under review.

**D) Employees Stock Option Plan**

The Company has not provided any stock option plan during the year under review.

**35. Directors Responsibility Statement:**

According to the provisions of section 134(3)(c) of the Companies Act, 2013, the directors confirm that:

- a) in the preparation of annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;



- b) the accounting policies as selected are consistently applied and made judgements and estimates that are reasonable and prudent manner so as to ensure true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for the year ended on that date;
- c) adequate accounting records are maintained in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) financial statements have been drawn up on a going concern basis;
- e) 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
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**36. Acknowledgment:**

Your directors take the opportunity to record their deep sense of gratitude for the valuable support and cooperation extended to the Company by its shareholders and bankers.

**Registered Office:**

101, Shah Arcade, A Wing,  
Shah Arcade SRA CHS Ltd.  
Rani Sati Marg, Near W.E. Highway  
Malad (East), Mumbai - 400 097.

**For and on behalf of the Board**

**Sumit Gupta**  
**DIN: 06938413**  
**Director**

**Dated: 30th May, 2017**

**Annexure A**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017.**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**Ken Financial Services Limited**  
**CIN: L65990MH1994PLC078898**  
101, Shah Arcade, A Wing,  
Shah Arcade SRA CHS Ltd.,  
Rani Sati Marg, Near W.E. Highway,  
Malad (East),  
Mumbai – 400 097.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ken Financial Services 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 **31st March, 2017** ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 **31st March, 2017** 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 (**Not applicable to the Company during the Audit Period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);

- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not applicable to the Company during the Audit Period**);
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period**);
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period**); and;
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period**);

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India in respect of Board Meetings and Annual General Meeting.
- (ii) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. Non-appointment of Company Secretary & CFO under Section 203 of the Companies Act, 2013 Read with Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **We further report that**

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

**We further report that** during the audit period there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company's affairs.

**Lastly we report that** the scrip of the company is presently suspended by BSE and being NBFC Company, following Laws, Regulations, Directions, Orders applicable specifically to the Company:

- a) The Reserve Bank of India Act, 1934.
- b) Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- c) Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008.
- d) Guidelines on Corporate Governance issued by Reserve Bank of India for NBFCs.

**For Ramesh Chandra Bagdi & Associates,  
Company Secretaries,**

**R. C. Bagdi  
Proprietor  
C. P. No. – 2871**

**Place: Indore  
Dated: 30th May 2017**

**Encl: Annexure "1" forming an integral part of this Report.**

## Annexure 1

To,  
The Members,  
**Ken Financial Services Limited**  
**CIN: L65990MH1994PLC078898**  
101, Shah Arcade, A Wing,  
Shah Arcade SRA CHS Ltd.,  
Rani Sati Marg, Near W.E. Highway,  
Malad (East),  
Mumbai – 400 097.

### **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 an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation with respect to compliance of laws, rules and regulations and of significant events during the year.
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 to the extent applicable to the Company.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Ramesh Chandra Bagdi & Associates,  
Company Secretaries,**

**R. C. Bagdi**  
**Proprietor**  
**C. P. No. – 2871**

**Place: Indore**  
**Dated: 30th May, 2017**

## Annexure B

FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2017

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

## I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L65990MH1994PLC078898
ii)	Registration Date	10-06-1994
iii)	Name of the Company	Ken Financial Services Limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares/Indian Non-Government Company
v)	Address of the Registered office and	101, Shah Arcade, A Wing, Shah Arcade SRA CHS Ltd., Rani Sati Marg, Near W.E. Highway, Malad (East), Mumbai - 400 097., Ph. No.022-28881720
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details	<b>Purva Share Registry (India) Pvt. Ltd.</b> , Unit No. 9, Shiv Shakti Industrial Estate, J R Borich Marg, Opp. Kasturba Hospital Lane, Lower Parel (East), Mumbai - 400011.

## 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	Other Financial intermediation n.e.c.	65999	100

## III. PARTICULARS OF HOLDING , SUBSIDIARY &amp; ASSOCIATE COMPANIES

SR. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%of shares held	Applicable Section
NONE					

## IV. SHAREHOLDING PATTERN (Equity Share capital Break up as percentage of Total Equity)

## i) Category-Wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	41,900	0	41,900	1.40	41,900	0	41,900	1.40	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A) (1) :-</b>	<b>41,900</b>	<b>0</b>	<b>41,900</b>	<b>1.40</b>	<b>41,900</b>	<b>0</b>	<b>41,900</b>	<b>1.40</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other...	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A) (2) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>41,900</b>	<b>0</b>	<b>41,900</b>	<b>1.40</b>	<b>41,900</b>	<b>0</b>	<b>41,900</b>	<b>1.40</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
C) Cenntal Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s).	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(1) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	732,752	0	732,752	24.42	608,151	0	608,151	20.27	(4.15)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) individual shareholders nominal share capital upto Rs. 2 lakhs	766,588	17,900	784,488	26.15	775,452	17,950	793,402	26.45	0.30
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	1,278,774	0	1,278,774	42.62	1,273,774	0	1,273,774	42.46	(0.17)
c) Others (specify)									
NRI (Repat & Non Repat)	57	0	57	0.0019	57	0	57	0.00	0.00
HUF	157,265	0	157,265	5.24	157,265	0	157,265	5.24	0.00
Clearing Members	4,864	0	4,864	0.16	125,551	0	125,551	4.18	4.02
<b>SUB TOTAL (B)(2) :-</b>	<b>2,940,300</b>	<b>17,900</b>	<b>2,958,200</b>	<b>98.60</b>	<b>2,940,250</b>	<b>17,950</b>	<b>2,958,200</b>	<b>98.60</b>	<b>0.00</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>2,940,300</b>	<b>17,900</b>	<b>2,958,200</b>	<b>98.60</b>	<b>2,940,250</b>	<b>17,950</b>	<b>2,958,200</b>	<b>98.60</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>2,982,200</b>	<b>17,900</b>	<b>3,000,100</b>	<b>100.00</b>	<b>2,982,150</b>	<b>17,950</b>	<b>3,000,100</b>	<b>100.00</b>	<b>0.00</b>

**(ii) SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Mr. Aashish Jajodia	41,900	1.40	0.00	41,900	1.40	0.00	0.00
	<b>Total</b>	<b>41,900</b>	<b>1.40</b>	<b>0.00</b>	<b>41,900</b>	<b>1.40</b>	<b>0.00</b>	<b>0.00</b>



**(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( PLEASE SPECIFY, IF THERE IS NO CHANGE )**

Sl. No.	For Each of the Directors & KMP	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	No changes in Promoters shareholding during the year			
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	No changes in Promoters shareholding during the year			
3	At the end of the year	No changes in Promoters shareholding during the year			

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

Sl. No.	For Each of the Top 10 Shareholders	Share holding at the beginning of the Year		Shareholding at the end of the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sangeeta Sharad Podar	145000	4.83	145000	4.83
2	Ramani Verma	141900	4.73	141900	4.73
3	Arcadia Share & Stock Brokers Pvt. Ltd.	123979	4.13	123979	4.13
4	Ishwar Lal Kalantri	110000	3.67	110000	3.67
5	Nandkishore Bhandari	90000	3.00	90000	3.00
6	Prakash Shankar Bhosale	80744	2.69	80744	2.69
7	Milestone Shares & Stock Broking	77037	2.57	77037	2.57
8	Vidyadhar Ramnaresh Dubey	73,191	2.44	73191	2.44
9	Yoke Securities Limited	70,993	2.37	70993	2.37
10	Bhawani Singh Shekhawat	65000	2.17	65000	2.17

**(v) Shareholding of Directors & Key Managerial Personnel**

Sl. No.	Particulars	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	None of the Directors or KMP hold shares in Company			
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	None of the Directors or KMP hold shares in Company			
3	At the end of the year	None of the Directors or KMP hold shares in Company			

**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>Indebtness at the beginning of the financial year</b>				
I Principal Amount	-	73,889,612	-	73,889,612
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>-</b>	<b>73,889,612</b>	<b>-</b>	<b>73,889,612</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	-	21,740,000	-	21,740,000
Reduction	-	339,612	-	339,612
<b>Net Change</b>	<b>-</b>	<b>21,400,388</b>	<b>-</b>	<b>21,400,388</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	95,290,000	-	95,290,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>-</b>	<b>95,290,000</b>	<b>-</b>	<b>95,290,000</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
		WTD	WTD	
1.	<b>Gross salary</b>	<b>Mr. Akash Swami</b>	<b>Mr. Sumit Gupta</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	360,000	300,000	660,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	-as % of profit	-	-	-
	-others, Specify....	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>360,000</b>	<b>300,000</b>	<b>660,000</b>

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors	NIL	NIL
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c ) Others, please specify		
	<b>Total (1)</b>		
2.	Other Non Executive Directors		
	(a) Fee for attending board committee meetings		
	(b) Commission		
	(c ) Others, please specify.		
	<b>Total (2)</b>		
	<b>Total (B)=(1+2)</b>		
	Total Managerial Remuneration		

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary	NIL	NIL	NIL	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.				
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961				
	(c ) Profits in lieu of salary under section 17(3) of the				
	Income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	-as % of profit				
	-others, specify				
5	Others, please specify				
	<b>Total</b>				

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

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

## **REPORT ON CORPORATE GOVERNANCE**

*(Pursuant to Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of maximizing stakeholder's value and discharge of social responsibility. The Corporate Governance structure in the Company assigns responsibilities and entrusts authority among different participants in the organization. The Company has adopted the requirement of Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosure requirements of which are given below:

### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your company's philosophy of Corporate Governance has evolved from its continued faith in fundamentals of fairness, accountability, disclosures and transparency. The Company believes that Corporate Governance is a pre-requisite for attaining sustainable growth in this competitive corporate world.

The governance practices followed by your company have played a vital role in its journey of continued success. All the procedures, policies and practices followed by your company are based on sound governance principles. Comprehensive disclosures, structured accountability in exercise of powers and commitment in compliance with regulations and statutes in latter as well as spirit have enabled your company to enhance shareholder value.

Your Company confirms the compliance of Corporate Governance as contained in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the details of which are given below:

### **2. BOARD OF DIRECTORS**

- (i) Composition of Board, Directorships and Committees position held in other Companies as at 31st March 2017.

Director	Executive / Non-Executive/ Independent	No. of outside Directorship Held	Outside Committees#	
			As Chairman	As member
Mr. Manoj More	*Non-Executive	7	2	2
Mr. Sunil Saini	*Non-Executive	0	None	None
Mr. Akash Swami	Executive	0	None	None
Mr. Mukesh Saini	Executive	0	None	None
Mr. Sumit Gupta	Executive	0	None	None
Mrs. Gangaben Pagi	*Non-Executive	1	None	None

\* Also Independent

# Only three Committees viz. Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration committee are considered for this purpose.

Independent Director is defined as one who apart from receiving sitting fee as a Director, does not have any other material pecuniary relationship or transactions in his personal capacity with the Company, its promoters & management.

**(ii) Board Meetings:**

In the financial year 2016-17, the Board of Directors met 5 times. The meetings were held on 30-05-2016, 13-08-2016, 03-09-2016, 14-11-2016 and on 14-02-2017.

Attendance of Directors in meetings held during the financial year 2016-2017.

Name of Directors	No. of Board Meeting attended in F.Y. 2016-2017	Attendance AGM (30-09-2016)
Mr. Manoj More	5	Yes
Mrs. Gangaben Pagi	5	Yes
Mr. Sunil Saini	5	Yes
Mr. Akash Swami	5	Yes
Mr. Mukesh Saini	3	Yes
Mr. Sumit Gupta	5	Yes

None of the Directors are nominee of any Institutions.

The Board of Directors meets atleast once in a quarter to review the quarterly financial results and operation of the company. In addition to the above, the Board also meets as and when necessary to address specific issue relating to the business.

**(iii) Disclosure of relationships between Director inter-se:**

Table given below shows the relationship between the Directors:

Name of the Directors	Category	Relationship between Directors Inter-se
Mr. Sumit Gupta	Professional Executive	None
Mr. Akash Swami	Professional Executive	None
Mr. Mukesh Saini	Professional Executive	None
Mr. Manoj Kumar More	Independent	None
Mr. Sunil Saini	Independent	None
Mrs. Gangaben Pagi	Independent	None

**(iv) Shareholding of Non- Executive Directors in the Company**

The Shareholding of the Non- Executive Directors in the Company as on 31.03.2017:

Name of Directors	Category	No. of Shares held
Mr. Manoj Kumar More	Non-Executive Independent	NIL
Mr. Sunil Saini	Non-Executive Independent	NIL
Mrs. Gangaben Pagi	Non-Executive Independent	NIL

**(v) Familiarization programmes for Independent Directors:**

Every Independent Director of the Company is provided with ongoing information about the industry and the Company so as to familiarize them with the latest developments. The questionnaires are prepared considering the business of the Company.

The details of the Policy for the familiarization programmes for the Independent Directors are hosted on the website of the Company which can be accessed at the website: [www.ken-fin.com](http://www.ken-fin.com)

### 3. AUDIT COMMITTEE

#### (i) Terms of Reference

The Audit Committee has been mandated with the terms of reference as specified in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 & enumerated in section 177 of the Companies Act, 2013 and covers all the aspects stipulated by the SEBI Guidelines.

#### (ii) Composition of the Committee:

The Audit Committee is comprised of three non-executive Independent Directors. During the financial year ended 31.03.2017, four Audit Committee Meetings were held on 30-05-2016, 13-08-2016, 14-11-2016 and 14-02-2017.

Name	Designation	Category	No. of Meetings attended during the year 2016-17
Mr. Manoj More	Chairman	Non-Executive Independent Director	4
Mr. Sunil Saini	Member	Non-Executive Independent Director	4
Mrs. Gangaben Pagi	Member	Non-Executive Independent Director	4

All the Members of Audit Committee have sound knowledge of finance, accounts and business management. The Chairman of the Committee, Mr. Manoj More, is a Chartered Accountant and has extensive accounting and finance related management expertise.

#### (iii) Invitee: (being entitled to attend as per relevant provisions of applicable laws/rules and/or as and when felt necessary)

(a) The Statutory Auditors viz. M/s. Motilal & Associates

(iv) The Chairman of the Audit Committee attended the Annual General Meeting held on 30th September, 2016 and provided clarifications to the members of the Company on the matters relating to Accounts and finance.

(v) An Audit Committee meeting was held on 30th May, 2016 where the Annual Financial Statements for the year ended 31st March, 2016 were reviewed and examined by the members of the Audit Committee before recommending the same to the Board of Directors for their perusal and adoption.

The Audit Committee reviewed the Quarterly / Half Yearly Un-Audited Financial Results on the following dates before recommending the same to the Board.

Financial Reporting	Date of Approval by Audit Committee
Quarter/Year ended 31st March, 2016	30th May, 2016
Quarter ended 30th June, 2016	13th August, 2016
Quarter/Half Year ended 30th Sept. 2016	14th November, 2016
Quarter ended 31st December, 2016	14th February, 2017

Mr. Manoj More, Chairman of the Audit Committee was present at the last AGM.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

In accordance with the provisions of Section 178 of the Companies Act, 2013 and requirements of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has proper constitution of Nomination and Remuneration Committee and the terms of reference before the Committee are as under:

##### (i) Terms of Reference

- (a) The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to remuneration of the Directors, Key Managerial Personnel and other employees.
- (b) The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

##### (ii) Remuneration Policy:

The Company's remuneration policy aims to attract and retain talent and is in accordance with the industries practices. The policy ensures equity, fairness and consistency in rewarding the employees on the basis of performance against earmarked objectives.

The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him.

##### (iii) Composition:

The Nomination and Remuneration Committee is comprised of Non-executive independent Directors. During the financial year ended 31.03.2017, Two Committee Meetings were held on 30-05-2016 and 14-02-2017.

The composition of the Nomination and Remuneration Committee and the attendance of each Director at their meetings are as follows:-

Name	Designation	Category	No. of Meetings attended during the year 2016-17
Mr. Sunil Saini	Chairman	Non-Executive Independent Director	2
Mr. Manoj More	Member	Non-Executive Independent Director	2
Mrs. Gangaben Pagi	Member	Non-Executive Independent Director	2

##### (iv) Performance Evaluation Criteria for Independent Directors:

Pursuant to the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has evaluated the performances of each Independent Director. The Evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:



- a) Attendance of Board and Committee Meetings;
- b) Quality of contribution to Board deliberations;
- c) Strategic perspectives or inputs regarding future growth of the Company and its performances;
- d) Providing perspectives and feedback going beyond information provided by the management.

#### 5. REMUNERATION OF DIRECTORS:

- a) Pecuniary relationship or transactions of the non-executive directors: The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the year 2016-17.
- b) Criteria of making payments to non-executive directors: None of the Non - Executive Directors is being paid any remuneration.
- c) Details of remuneration/sitting fees paid to Directors during the year ended 31st March, 2017 and shares held by them on that date are as follows:

Name	Remuneration	Share held
Mr. Akash Swami	3,60,000	None
Mr. Sumit Gupta	3,00,000	None

#### 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

In accordance with the provisions of Section 178(5) of the Companies Act, 2013 and requirements of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the terms of reference before the Stakeholders Relationship Committee of the Board are as under:

- (i) The Company has a 'Stakeholders Relationship Committee' to approve transfer and transmission of securities, issue of duplicate certificates, review of share dematerialization and rematerialization, monitoring the performance of company's Registrar and Transfer Agent and deals with other Shareholder related issues.
- (ii) The Committee shall consider and resolve the grievances of the share holders of the company including complaints related to transfer of shares, non receipt of annual report and non receipt of declared dividends.
- (iii) The Committee is chaired by Mr. Manoj More. The Committee met twice during the year 2016-17 on 30-05-2016 and 14-11-2016. The Committee comprises of Two Non-executive and Independent Directors and One Executive Director, Details of composition are as under:

Name	Designation	Category	No. of Meetings attended during the year 2016-17
Mr. Manoj More	Chairman	Non-Executive Independent Director	2
Mr. Sunil Saini	Member	Non-Executive Independent Director	2
Mr. Sumit Gupta	Member	Executive	2

Mr. Sumit Gupta has been designated by the Board as the 'Compliance Officer' of the Company for complying with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, Mumbai.

- (iii) Number of Shareholders' complaints received during the year : Nil  
 Number not solved to the satisfaction of the Shareholders : Nil  
 Number of pending share transfers : Nil

## 7. GENERAL BODY MEETINGS:

- (i) Details of the last three Annual General Meetings:

Financial Year	Date of the meetings	Venue	Time
20th	30-09-2014	Sai Darshan, Plot No. 97, Daulat Nagar Road No. 8, Borivali (E), Mumbai – 400066.	3.30 p.m.
21st	30-09-2015	302, 3rd Floor, Standard House, 83, M K Road, Mumbai – 400 002.	4.30 p.m.
22nd	30-09-2016	302, 3rd Floor, Standard House, 83, M K Road, Mumbai – 400 002.	3:00 p.m.

- (ii) Special Resolution passed in previous three AGMs:

AGM Date	Special Resolutions passed
30-09-2014	No Special Resolution was passed
30-09-2015	No Special Resolution was passed
30-09-2016	No Special Resolution was passed

- (iii) Postal Ballot: During the year 2016-17, there was no special resolution passed through postal ballot process. None of the business is proposed to be transacted through Postal Ballot.

## 8. MEANS OF COMMUNICATION.

Quarterly Results	The quarterly results as approved and taken on record by the Board of Directors of the Company generally within one and half month of the close of the relevant quarters are sent forthwith to the Stock Exchange, Mumbai and published in the proforma as prescribed in the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Which newspaper normally published in	The Free Press Journal (English Newspaper) Lokshakti (Marathi newspaper)
Any website where displayed	www.ken-fin.com
Whether it also displays official news release	No
Whether presentations made to institutional investors or to analyst	No request as such was received

## 9. GENERAL SHAREHOLDERS INFORMATION

<b>(i) Next AGM:</b>		
Date	Time	Venue
30.09.2017	03.00 p.m.	101, Shah Arcade, A Wing, Shah Arcade SRA CHS Ltd., Rani Sati Marg, Near W.E. Highway, Malad (East), Mumbai – 400 097.
<b>(ii) Financial Year</b>		1st April to 31st March
<b>(iii) Dividend Payment Date</b>		: N.A.
<b>(iv) Listing on Stock Exchanges:</b>		The Shares of the Company are listed at Bombay Stock Exchange Limited, Mumbai – 400 001.
<b>(v) Listing Fees</b>		The Company is yet to pay the listing fees to the BSE Limited for the financial year 2016-17.
<b>(vi) Stock Code</b> BSE ISIN		530547 INE395E01018
<b>(vii) Depository Connectivity</b>		National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL)
<b>(viii) Stock Market Data:</b>		
No data is available since no trade has taken place during the financial year 2016-17.		
<b>(ix) Performance of the share price of the Company in comparison to the BSE Sensex:</b>		The trading in the shares of the Company on BSE is suspended w.e.f. 21.12.2015.
<b>(x) Registrar &amp; Transfer Agents:</b>		
The Company has appointed M/s. Purva Sharegistry (India) Private Limited as a common agency for share registry work (both physical & electronic) for all matters connected with transfers and transmission of shares and also dematerialization of shares and other related functions.		
<b>M/s. Purva Sharegistry (India) Private Limited</b> Unit no. 9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Bhoricha Marg, Lower Parel, Mumbai – 400 011.		
<b>(xi) Share Transfer System:</b>		
With a view to expedite the process of share transfers, the Board of Directors has delegated the power of share transfer to Stakeholders Relationship Committee of the Board. The shares for transfer received in physical mode by the Company, are transferred expeditiously and thereafter, option letter is sent to the transferee(s) for dematerialization, Confirmation in respect of the request for dematerialization of shares is sent to the respective depositories, i.e. National Security Depository Limited (NSDL) and Central Depository Services (India) Limited within 7 days.		

**(xiii) DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2017****(a) According to Category holdings**

Category	No. of Shareholders	% of Shareholders	No. of Shares	% of shares
Promoters	1	0.17	41900	1.40
Person Acting in concert	0	0	0	0.00
FI(s) Bank & Mutual Fund	0	0	0	0.00
Individual/Indian Public	502	86.70	2067176	68.90
Corporate Bodies	26	4.49	608151	20.27
NRI/OCB	1	0.17	57	0.00
Clearing Members	4	0.70	125551	4.18
Hindu Undivided Family	45	7.77	157265	5.24
<b>Total</b>	<b>579</b>	<b>100.00</b>	<b>3000100</b>	<b>100.00</b>

**(b) According to Number of Equity Shares**

Nominal Value of Equity Shares held	No. of shareholders	% of total shareholders	No. of shares	% of shareholding
Upto 5000	332	57.34	67034	2.23
5001 to 10000	55	9.50	47125	1.57
10001 to 20000	46	7.95	71948	2.40
20001 to 30000	22	3.80	56628	1.89
30001 to 40000	18	3.11	64421	2.15
40001 to 50000	20	3.45	96537	3.22
50001 to 100000	26	4.49	200804	6.69
Above - 100001	60	10.36	2395603	79.85
<b>Total</b>	<b>579</b>	<b>100.00</b>	<b>3000100</b>	<b>100.00</b>

(xiv) Dematerialization of Shareholding and liquidity	99.40% Company Equity Share's dematerialized as on 31-03-2017
(xv) Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity	Not Applicable
(xvi) Commodity Price risk or foreign exchange risk and hedging activities.	The Company did not engage in Commodity & hedging activities during the year.
(xvii) Plant Locations	The Company is not engaged in any manufacturing activities hence do not have any plant.
(xviii) Address for Correspondence	The shareholders may address their communications/ suggestions/ queries/ grievances to our share transfer agent: <b>Purva Sharegistry (India) Pvt. Ltd.</b> Unit no. 9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Bhoricha Marg, Lower Parel, Mumbai-400 011.

**10. DISCLOSURES:**

Disclosure on materially significant related party transactions i.e. transactions of the Company of Material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large	There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management or relatives etc. during the year, that may have potential conflict with the interests of the Company at large.
Details of Non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority or any matter related to Capital Market during last three years.	Due to non-compliance regarding filing reports, the trading in the shares of the Company on BSE is suspended w.e.f. 21.12.2015.
Details of establishment of vigil mechanism / whistle blower policy	The Company has established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy.
Details of compliance with mandatory requirements and adoption of non-mandatory requirements	The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement (upto 30th November, 2015) and Regulation 27 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (w.e.f. 1st December, 2015).  The Details of these compliances along with the non-mandatory requirements adopted by the Company have been given in the relevant section of this report.
Material Subsidiary	The Company has no material Subsidiary
Web link for policy on dealing with related party transactions	<a href="http://www.ken-fin.com/CMS/3/Investor%20Relation">http://www.ken-fin.com/CMS/3/Investor%20Relation</a>

**11. COMPLIANCE OF THE REQUIREMENTS OF CORPORATE GOVERNANCE REPORT:**

During the year 2016-17, the Company has complied with the requirements of Corporate Governance Report as mentioned in sub-paras (2) to (10) of Para C of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**12. DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

The Company has adopted following non-mandatory requirements of Regulation 27 and Part E of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

- a) Reporting of Internal Auditor – The Internal Auditor directly reports to the Audit Committee.

**13. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE:**

The Company has complied with the Regulations 17 to 27 and Clauses (b) to (i) sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the year 2016-17, wherever applicable.

**14. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:**

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/ bonus/ right issues as at 31st March, 2017. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

**DECLARATION – CODE OF CONDUCT**

I, Sumit Gupta, Director and Chief Executive Officer of the Company, do hereby declare that all the Board members and Senior management personnel of the Company have affirmed their compliance on an annual basis with the Code of Conduct as laid down by the Company pursuant to requirements of para D of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**For and Behalf of the Board**

**Place: Mumbai**  
**Dated: 30th May, 2017**

**Sumit Gupta**  
**DIN: 06938413**  
**Director**

**AUDITORS COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE****To the members of Ken Financial Services Limited**

We have reviewed the compliance of conditions of Corporate Governance by Ken Financial Services Limited for the year ended 31st March, 2017 as stipulated in para E of Schedule V the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange:

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance in all material respect as stipulated in the above mentioned Listing Agreement.

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

**For Motilal & Associates  
Chartered Accountants  
Firm Reg. No. 106584W**

**Place: Mumbai  
Date:30th May 2017**

**Motilal Jain  
Proprietor  
Membership No. 036811**



## **MANAGEMENT DISCUSSION AND ANALYSIS (MD&A):**

### **Overall Review**

The financial year 2016-2017 was not at all a good one for the financial market. The second advance estimates of national income forecast by the Central Statistics Office released on 28 February 2017 suggest a real GDP growth of 7.1% for FY2017; and a real gross value added (GVA) growth of 6.7%. Both estimates are significantly lower than what the economy achieved in the previous year. The Government's decision of demonetization has its effect on the economy in the second half of the FY2017. However the continuing positive action of the Government may bring the positives out and that could be seen in the financial market and the economy in the FY 2018.

### **Industry Structure and Development**

The NBFC sector has been steadily gaining systematic importance with increase in assets from less than 11% of banking assets in FY 2009 to over 14% now. NBFC have been growing at a faster rate due to a smaller base and also due to their ability to structure transactions to satisfy specific customers need. It could also control the assets quality because of availability of better collateral cover. NBFC continue to be an important source of capital for borrowers.

### **Opportunities and Threats**

We believe that despite the current headwinds, the long term India growth story is intact and the recent improvement in the economy augurs well for financial services firm like Ken. We believe the policy liberalization and forward looking regulatory changes will help market grow in size, thus making available wider opportunities for providers of financial service. Poor monsoon than expected and slower than expected push to reforms are perceived to be threats for growth of financial service Sector in India.

### **Segment-wise/Product-wise Performance**

Your Company has only one reporting segment. The revenue for the year was Rs. 30.99 lakh and the profit after tax was Rs. 0.33 lakh.

### **Outlook**

The markets presently are subdued and how sooner it will revive is not easy to predict. However, with the industry's increasing preparedness, the evolving opportunities can be better harvested.

### **Risk and Concern**

In recent months inflation has shown an upward trend, which could pose a risk, should it not be tamed quickly. The Government should continue its initiative of Ease of Doing Business. During the year your Company under its well planned and defined risk management policy gave attention to all the risk areas. The Board of Directors is apprised of the development in risk management in periodical meetings where the quarterly results are approved.

### **Internal Control System**

Your Company has a planned internal control system through internal checks and reviews it periodically to strengthen it and safeguard Company's assets. Management Information System is given upmost importance.

**Financial Performance w.r.t. Operational Performance**

During the year under review, the Company has earned Total Revenue of Rs. 30.99 lakh as compared to Rs. 15.75 lakh earned during the previous year. The Company has earned net profit after tax of Rs. 0.33 lakh as to net profit of Rs. 2.74 lakh earned during the previous year. The profitability has declined mainly due to increase in expenditure during the year. The operational performance has shown some improving sign.

**Safety, Health and Environment**

Your Company as a matter of policy gives greater importance to safety, health and environment and also ensures compliance with applicable legislative requirements.

**Human Resources**

Your Company recognizes the importance of Human Resource in achieving its objectives and strategies as human resource plays an important role in the success and growth of Company. Your company gives priority in honing and utilizing their skills through in house training programs.

**Cautionary Statement**

The report contains forward looking statements describing expectations, estimates, plans or words with similar meaning. Your Company's actual result may differ from those projected depending on various factor. Your Company cannot guarantee that the assumptions and estimates in the forward looking statements are accurate or will be realized.

**CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER CERTIFICATE**

*[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.]*

I, Mr. Sumit Gupta, Chief Executive Officer and Director of the Company hereby certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of my knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the financial year ended 31st March, 2017 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) I have reviewed the internal controls and procedures, and to the best of my knowledge and information, I affirm that the Company has adequate internal controls and procedures.
- (d) I have indicated to the auditors and the Audit Committee that:
  - (i) There has not been any significant changes in internal control over financial reporting during the financial year ended 31st March, 2017;
  - (ii) There has not been significant changes in the accounting policies during the financial year ended 31st March, 2017
  - (iii) I have not become aware of any significant fraud or involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Place: Mumbai**  
**Dated: 30th May, 2017**

**Sumit Gupta**  
**DIN 06938413**  
**Chief Executive Officer**

## INDEPENDENT AUDITOR'S REPORT

### To the Members of KEN Financial Services Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of **KEN Financial Services Limited** ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

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

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

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.

#### Opinion

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

**Other matters**

The Company, being a listed company, has been mandatorily required under Section 203 of the Act, to have whole time Key Managerial Person which includes Company Secretary as defined under section 2(24) of the Act.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on basis of such checks of 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.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our Knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid 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 as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in specified banks notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

**For Motilal & Associates**  
**Chartered Accountants**  
**Firm's Registration Number: 106584W**

**Motilal Jain**  
**Partner**  
**Membership Number: 036811**

**Place : Mumbai**  
**Date : 30/05/2017**

**ANNEXURE A TO THE AUDITORS' REPORT**

Issued by the Central Government under sub section 11 of section 143 Of the Companies Act, 2013, (18 of 2013)

The auditor's report on the accounts of a company to which this Order applies shall include a statement on the following matters, namely:-

- (i) In respect of its Fixed Assets
  - a. The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b. Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
  - c. The company does not hold any immovable properties.
- (ii) The company is a Non Banking Finance Company and does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the company.
- (iii) Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to information and explanation given to us, the company has not entered in to any transactions that fall under the purview of the provisions of section 185 and 186 of the Companies Act, 2013.
- (v) The company has not accepted any deposits from the public. Accordingly paragraph 3(v) of the order is not applicable to the company.
- (vi) The maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, for any services rendered by the company is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March, 2017 for a period of more than six months from the date they became payable except the following:

Name of the Statute	Nature of Dues	Amount in (₹)	Period to which the amount relates
Professional Tax Act	Professional Tax	2,900/-	Prior to 2014
Income Tax Act 1961	Income Tax demand under section 143(1)(a)	97,150/-	2008-09
Income Tax Act 1961	220(2)	21,610/-	2010-11
Income Tax Act 1961	Late Filing Fees under section 234E	2,800/-	2014-15
Income Tax Act 1961	TDS Short Deduction	3,160/-	Prior to 2014
Income Tax Act 1961	Interest under section 201	35,515/-	Prior to 2014

- (b) According to the information and explanations given to us, there are no material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the company.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given by the management, Managerial remuneration has been paid during the year under review. All the required Approvals are in place mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Consequently, paragraph 3(xii) of the Order is not applicable to the company.
- (xiii) In our opinion and according to the information and explanation given to us, the company does not have any transactions with the related parties. Accordingly, paragraph 3(xiii) of the Order is not applicable to the company.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is a Non Banking Finance Company registered under section 45-IA of the Reserve Bank of India Act, 1934 vide Certificate No. 1300957 dated 05th Day of August, 1998.

**For Motilal & Associates**  
**Chartered Accountants**  
**Registration No.:106584W**

**(Motilal Jain)**  
**Partner**  
**M. No. 036811**

**Place : Mumbai**  
**Date : 30/05/2017**

## Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of KEN Financial Services Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### Auditors' Responsibility

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

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the



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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For Motilal & Associates**

#### **Chartered Accountants**

**Firm's registration number: 106584W**

#### **Motilal Jain**

#### **Partner**

**Membership number: 036811**

**Place : Mumbai**

**Date : 30/05/2017**

## BALANCE SHEET AS AT 31ST MARCH 2017

	Note No.	As at 31 <sup>st</sup> March 2017 (₹)	As at 31 <sup>st</sup> March 2016 (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share Capital	2	30,001,000	30,001,000
(b) Reserves and Surplus	3	5,678,931	5,646,061
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	4	95,290,000	73,550,000
(b) Deferred tax liabilities (Net)	5	0	21,161
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	6	0	339,612
(b) Trade payables		1,078,023	1,057,480
(c) Other Current liabilities	7	113,000	2,646,871
(d) Short-term provisions	8	317,061	0
<b>TOTAL</b>		<b><u>132,478,015</u></b>	<b><u>113,262,185</u></b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed Assets			
(i) Tangible assets	9	216,166	219,803
(b) Long-term loans and advances	10	127,902,397	104,419,095
(c) Deferred tax assets (Net)	5	64,770	0
<b>(2) Current assets</b>			
(a) Inventories	11	328,771	4,710,152
(b) Trade Receivables	12	1,840,852	3,867,854
(c) Cash and cash equivalents	13	2,120,099	44,280
(d) Short-term loans and advances	14	4,960	1,000
<b>TOTAL</b>		<b><u>132,478,015</u></b>	<b><u>113,262,185</u></b>

Notes referred above form an integral part of the Financial statements

1

As per our report attached

**For Motilal & Associates**  
Chartered Accountants  
Firm Regn. No. : 106584W

(Motilal Jain)  
Proprietor  
Membership No. : 036811

**For Ken Financial Services Limited**

(Akash Swami) (Sumit Gupta)  
(Din 06938405) (Din 06938413)  
Director Director

Place : Mumbai  
Dated : 30th May 2017

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

Sr. Particulars No.	Note No.	Year ended 31st March 2017 (₹)	Year ended 31st March 2016 (₹)
I Revenue from operations	15	3,099,332	1,574,919
II Other income	16	16,632	0
<b>III Total Revenue (I + II)</b>		<b>3,115,964</b>	<b>1,574,919</b>
<b>IV Expenses:</b>			
Employee benefits expense	17	660,000	657,710
Depreciation and amortization expense	18	3,637	3,637
Other Administrative expenses	19	2,443,241	517,293
Total expenses		3,106,878	1,178,640
<b>V Profit before tax (III-IV)</b>		<b>9,086</b>	<b>396,279</b>
<b>VI Tax expense:</b>			
Current Tax		62,147	106,673
Deferred Tax		(85,931)	15,777
<b>Total tax expenses</b>		<b>(23,784)</b>	<b>122,450</b>
<b>VII Profit (Loss) after Tax (V-VI)</b>		<b>32,870</b>	<b>273,829</b>
<b>VIII Earnings per equity share:</b>			
(1) Basic		0.01	0.09
(2) Diluted		0.01	0.09

Notes referred above form an integral part of the Financial statements

1

As per our report attached

**For Motilal & Associates**  
Chartered Accountants  
Firm Regn. No. : 106584W

**(Motilal Jain)**  
Proprietor  
Membership No. : 036811

Place : Mumbai  
Dated : 30th May 2017

**For Ken Financial Services Limited**

**(Akash Swami)**                      **(Sumit Gupta)**  
**(Din 06938405)**                      **(Din 06938413)**  
Director                                      Director

## CASH FLOW STATEMENT FOR THE FINANCIAL YEAR 2016-2017

Particulars	FY 2016-2017 ₹	FY 2015-2016 ₹
<b>A. Cash Flow from Operating Activities</b>		
Net Profit / (Loss) before Tax	9,086	396,279
Adjustment to reconcile profit and loss before tax to cash provided by operating activities		
Depreciation and amortisation expenses	3,637	3,637
Provision for standard assets	317,061	0
Interest Income	(6,980,317)	(6,555,187)
Operating profit before working capital changes	(6,650,533)	(6,155,271)
Decrease/(Increase) in Stock in Trade	4,381,381	98,122
Decrease/(Increase) in Sundry Debtors	2,027,002	(3,867,854)
Decrease/(Increase) in Loans & Advances and Other Assets	(23,549,409)	(42,307,137)
(Decrease)/Increase in Current Liabilities	(2,852,940)	2,685,964
<b>Cash Generated from Operation</b>	<b>(26,644,499)</b>	<b>(49,546,175)</b>
Tax paid	0	0
<b>Net Cash Flow from operating activities</b>	<b>(26,644,499)</b>	<b>(49,546,175)</b>
<b>B. Cash Flow from investing activities</b>		
Purchase of Fixed Assets	0	0
Sale of Investment / (Purchases of Investment)	0	0
Net Cash Flow from Investing activities	0	0
<b>C. Cash Flow from financing activities</b>		
(Decrease)/Increase in Long Term Borrowings	21,740,000	42,650,000
Interest Received	6,980,317	6,555,187
<b>Net Cash Flow from Financing activities</b>	<b>28,720,317</b>	<b>49,205,187</b>
<b>Net increase in cash and cash equivalents</b>	<b>2,075,818</b>	<b>(340,988)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>44,280</b>	<b>385,269</b>
<b>Cash and cash equivalents at end of year</b>	<b>2,120,099</b>	<b>44,280</b>

Notes referred above form an integral part of the Financial statements  
As per our report attached

For Motilal & Associates  
Chartered Accountants  
Firm Regn. No. : 106584W

(Motilal Jain)  
Proprietor  
Membership No. : 036811

For Ken Financial Services Limited

(Akash Swami) (Sumit Gupta)  
(Din 06938405) (Din 06938413)  
Director Director

Place : Mumbai  
Dated : 30th May 2017

**NOTE: 1****Significant Accounting policies forming part of the Accounts for the year ended on 31st March 2017.****1.1 Basis of preparation of financial statements**

The Financial Statements are prepared under in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis except those stated at revalued amount on the going concern basis. GAAP comprises mandatory accounting standards as prescribed by the Companies Rules, 2006; the provision of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hereto in use.

**1.2 Fixed Assets:**

Fixed assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for their intended use.

**1.3 Depreciation:**

Depreciation on tangible assets is provided to the extent of depreciable amount on straight line method over the useful life of such assets as specified in Schedule II to the Companies Act, 2013.

**1.4 Revenue Recognition**

Revenue is recognized only when it is reasonably certain that the ultimate collection will be made.

**1.5 Retirement Benefits**

The Company follows the policy of accounting for the same only on crystallization of the liability.

**1.6 Provision for Current and Deferred Tax**

Provision for Current tax is made after taking into consideration benefits admissible under the Income Tax Act, 1961. Deferred Tax is recognized, 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. The tax effect is calculated on the accumulated timing differences at the end of an accounting period based on enacted or substantially enacted regulations. Deferred tax asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

**1.7 Expenses**

Material known liabilities are provided for on the basis of available information / estimates. Material items of prior period expenses, non-recurring and extra ordinary expenses are disclosed separately.

**1.8 Earnings Per Share**

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

**1.9 Stock In Trade**

Stocks are valued at lower of cost or market value.

**1.10 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when there is present obligation as a result of a past event it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Contingent Liabilities are disclosed in the notes on accounts. Unless the possibility of any outflow in settlement is remote, contingent assets are neither recognized nor disclosed.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	As at 31 <sup>st</sup> March 2017 (₹)	As at 31 <sup>st</sup> March 2016 (₹)
<b>Note 2 : SHARE CAPITAL</b>		
<b>(a) Authorised Share Capital</b>		
32,50,000 Equity Shares of Rs.10 each (Previous year 32,50,000 Equity Shares of Rs.10 each)	32,500,000	32,500,000
	<b>32,500,000</b>	<b>32,500,000</b>
<b>(b) Issued and Subscribed</b>		
30,00,100 Equity shares of Rs.10 each fully paid up (Previous Year 30,00,100 Equity shares of Rs.10 each fully paid up)	30,001,000	30,001,000
	<b>30,001,000</b>	<b>30,001,000</b>
<b>(c) Reconciliation of number of shares</b>		
Shares at the beginning of the year	3,000,100	3,000,100
Add : Shares issued during the year	0	0
Outstanding shares at the year end	3,000,100	3,000,100
<b>(d) Shares held by each shareholder holding more than 5% of the shares</b>		
	NIL	NIL
<b>Note 3 : RESERVES &amp; SURPLUS</b>		
<b>(a) Surplus - Profit &amp; Loss account</b>		
Opening balance	5,646,061	5,372,232
Add : Net Profit/(Loss) for the current year	32,870	273,829
	<b>5,678,931</b>	<b>5,646,061</b>
<b>Note 4 : LONG TERM BORROWINGS</b>		
(a) Borrowings from Body Corporates	95,290,000	73,550,000
	<b>95,290,000</b>	<b>73,550,000</b>
<b>Note 5 : DEFERRED TAX (ASSETS)/LIABILITIES (NET)</b>		
Opening Deferred Tax (Assets)/Liabilities	21,161	5,384
Add: Deferred tax liabilities on account of difference in depreciation	12,041	15,777
Less: Deferred tax assets on account of provision for standard assets	(97,972)	0
	<b>(64,770)</b>	<b>21,161</b>

Particulars	As at 31 <sup>st</sup> March 2017 (₹)	As at 31 <sup>st</sup> March 2016 (₹)
<b>Note 6 : SHORT TERM BORROWINGS</b>		
(a) Borrowings from Body Corporates	0	339,612
	<b>0</b>	<b>339,612</b>
<b>Note 7 : OTHER CURRENT LIABILITES</b>		
(a) Other payables	113,000	15,213
(b) Bank Balance Temporary Overdrawn	0	2,631,658
	<b>113,000</b>	<b>2,646,871</b>
<b>Note 8 : SHORT TERM PROVISIONS</b>		
(a) For Standard Assets	317,061	0
	<b>317,061</b>	<b>0</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

**Note 9 : FIXED ASSETS - TANGIBLE ASSETS**

Particular	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount				
	As at 1st April 2016	Additions	Deductions	As at 31st March 2017	As at 1st April 2016	Retained Earning	For the year	Deduction	As at 31st March 2017	As at 31st March 2016	
Plant & Machinery	50,850	0	0	50,850	19,151	0	3,637	0	22,788	28,062	31,699
Electrical Installations	142,611	0	0	142,611	135,480	0	0	0	135,480	7,131	7,131
Furniture & Fixtures	1,738,225	0	0	1,738,225	1,670,009	0	0	0	1,670,009	68,216	68,216
Office Equipments	633,851	0	0	633,851	602,158	0	0	0	602,158	31,693	31,693
Computers	1,621,276	0	0	1,621,276	1,540,212	0	0	0	1,540,212	81,064	81,064
Total (Current Year)	<b>4,186,813</b>	<b>0</b>	<b>0</b>	<b>4,186,813</b>	<b>3,967,010</b>	<b>0</b>	<b>3,637</b>	<b>0</b>	<b>3,970,647</b>	<b>216,166</b>	<b>219,803</b>
Total (Previous Year)	<b>4,186,813</b>	<b>0</b>	<b>0</b>	<b>4,186,813</b>	<b>3,963,373</b>	<b>0</b>	<b>3,637</b>	<b>0</b>	<b>3,967,010</b>	<b>219,803</b>	<b>223,440</b>

Particulars	As at 31 <sup>st</sup> March 2017 (₹)	As at 31 <sup>st</sup> March 2016 (₹)
<b>Note 10 : LONG TERM LOANS AND ADVANCES (Secured or Unsecured, Considered Good or Doubtful)</b>		
(a) Other Loans and Advances (Advance recoverable in cash or kind or for value to be received)	126,824,533	103,778,144
(b) Advance Income Tax [Net]	1,077,864	640,951
	<b>127,902,397</b>	<b>104,419,095</b>
<b>Note 11 : INVENTORIES</b>		
(a) Stock of Shares	328,771	4,710,152
	<b>328,771</b>	<b>4,710,152</b>
<b>Note 12 : TRADE RECEIVABLES</b>		
(a) Receivables more than six months	0	0
(b) Others	1,840,852	3,867,854
	<b>1,840,852</b>	<b>3,867,854</b>
<b>Note 13 : CASH AND CASH EQUIVALENTS</b>		
(a) Cash and Cash Equivalent		
(i) Cash on hand	64,782	33,911
(ii) Balances with Banks	2,055,317	10,369
	<b>2,120,099</b>	<b>44,280</b>

**Details of Specified Bank Notes (SBN) held and transacted during demonetisation period from 08-11-2016 to 30-12-2016.**

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	0	71,477	71,477
(+) Permitted receipt	0	0	0
(-) Permitted payments	0	0	0
(-) Amount deposited in Banks	0	0	0
Closing cash in hand as on 30.12.2016	0	71,477	71,477
<b>Note 14 : SHORT-TERM LOANS AND ADVANCES</b>			
(a) Deposits		0	1,000
(b) Advance to Creditors		4,960	0
		4,960	1,000

Particulars	Year ended 31st March 2017 (₹)	Year ended 31st March 2016 (₹)
<b>Note 15 : REVENUE FROM OPERATIONS</b>		
(a) Income from Operations	3,099,332	1,574,919
	<b>3,099,332</b>	<b>1,574,919</b>
<b>Note 16 : OTHER INCOME</b>		
(a) Other Income	16,632	0
	<b>16,632</b>	<b>0</b>
<b>Note 17 : EMPLOYEE BENEFIT EXPENSES</b>		
(a) Salaries and Wages	660,000	657,710
	<b>660,000</b>	<b>657,710</b>
<b>Note 18 : DEPRECIATION AND AMORTISATION EXPENSES</b>		
(a) Depreciation Expenses	3,637	3,637
	<b>3,637</b>	<b>3,637</b>
<b>Note 19 : OTHER ADMINISTRATIVE EXPENSES</b>		
(a) Annual Listing Fees	249,610	256,648
(b) Office Expenses	17,657	75,808
(c) Payment to Auditors	40,000	25,000
(d) Professional Fees Paid	780,375	0
(e) Rent, Rates and Taxes	55,000	0
(f) Share Registrar Fees	40,000	47,136
(g) Share Transaction Charges	805,572	0
(h) Demat Charges	1,562	1,050
(i) Interest on Late Payment of TDS	0	4,340
(j) ROC Fees	20,135	107,311
(k) Provision for Standard Assets	317,061	0
(l) Sundry Balances Written Back/Written off	116,269	0
	<b>2,443,241</b>	<b>517,293</b>
<b>Note 20 : PAYMENT TO AUDITOR</b>		
(a) Statutory Audit Fees	40,000	25,000
	<b>40,000</b>	<b>25,000</b>
<b>Note 21 : EARNING PER SHARE</b>		
(a) Net Profit after Tax	32,870	273,829
(b) Weighted No. of Equity Shares outstanding during the year of Rs. 10 each	3,000,100	3,000,100
(c) Basic and diluted Earning per Eq. Share (₹)	0.01	0.09

**Note 22 : SEGMENT REPORTING**

As more than 90% of Company's operations are only in one Segment, therefore separate disclosure is not required.

**Note 23 : PROVISIONS FOR STANDARD ASSETS**

The Company has created provision for standard assets in compliance with relevant RBI notification.

**Note 24 : TRADE PAYABLES**

The Company has called for complete intimation from all the vendors regarding their status as small-scale/micro industrial undertaking. Based on information received regarding the status of the vendors there are no amounts outstanding for more than Rs. 1,00,000/- for more than 30 days.

**Note 25 : RELATED PARTY DISCLOSURE**

List of Related Parties with whom transactions have taken place and Relationship:

- (a) Key Management Personnel and Their Relatives
- Akash Swami
  - Sumit Gupta
  - Mukesh Saini

**Related Party Transactions**

Particulars	Referred in I (a) above
Salary/Remuneration	
Current Year	660,000
Previous Year	657,710

**Note 26 : CONTINGENT LIABILITIES AND COMMITMENTS**

There was no Contingent Liability as at 31st March, 2017 (Previous year Rs. Nil).

**Note 27 : PREVIOUS YEAR'S FIGURE**

The Previous year figures are regrouped and rearranged wherever found necessary.

**KEN FINANCIAL SERVICES LIMITED****CIN: L65990MH1994PLC078898**

101, Shah Arcade, A Wing, Shah Arcade SRA CHS Ltd., Rani Sati Marg,  
Near W.E. Highway, Malad (East), Mumbai – 400 097.

**ATTENDANCE SLIP**

Member's Folio No: \_\_\_\_\_

Client ID No: \_\_\_\_\_

DP ID No: \_\_\_\_\_

Name of Member: \_\_\_\_\_

Name of Proxy Holder: \_\_\_\_\_

No of Shares Held: \_\_\_\_\_

**I hereby record my presence at the 23rd Annual General Meeting** of the Company held on **Saturday, 30th September, 2017** at 03:00 p.m. at 101, Shah Arcade, A Wing, Rani Sati Marg, Near W.E. Highway, Malad (East), Mumbai – 400 097.

\_\_\_\_\_  
Signature of member/proxy**Notes:**

1. Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the meeting hall.
2. Members are requested to bring their copy of Annual Report.

**Form No. MGT-11  
Proxy form**

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

**KEN FINANCIAL SERVICES LIMITED  
CIN: L65990MH1994PLC078898**

101, Shah Arcade, A Wing, Shah Arcade SRA CHS Ltd, Rani Sati Marg, Near W.E. Highway, Malad (East), Mumbai – 400 097.

Name of the member(s) : \_\_\_\_\_  
 Registered address : \_\_\_\_\_  
 Email Id : \_\_\_\_\_  
 Folio No./Client Id : \_\_\_\_\_  
 DP ID : \_\_\_\_\_

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: \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on Saturday, 30th September, 2017 at 3:00 p.m. at 101, Shah Arcade, A Wing, Shah Arcade SRACHS Ltd., Rani Sati Marg, Near W.E. Highway, Malad (East), Mumbai – 400 097. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution Proposed
1.	To receive, consider and adopt the audited Financial Statements for the year ended 31st March, 2017 including the Balance Sheet and the Statement of Profit and Loss Account for the year ended on that date together with the report of Directors' and Auditors' thereon.
2.	Re-appointment of Akash Swami (holding DIN 06938409) as Director who retires by rotation
3.	Ratification of Appointment of Statutory Auditors of the Company,
4	Re-appointment of Mr. Akash Swami (holding DIN 06938405) as a Whole-time Director for a period of three year with effect from 20th June, 2017.
5	Re-appointment of Mr. Mukesh Saini (holding DIN 06938409) as a Whole-time Director for a period of three year with effect from 20th June, 2017.
6	Re-appointment of Mr. Sumit Gupta (holding DIN 06938413) as a Whole-time Director for a period of three year with effect from 20th June, 2017.

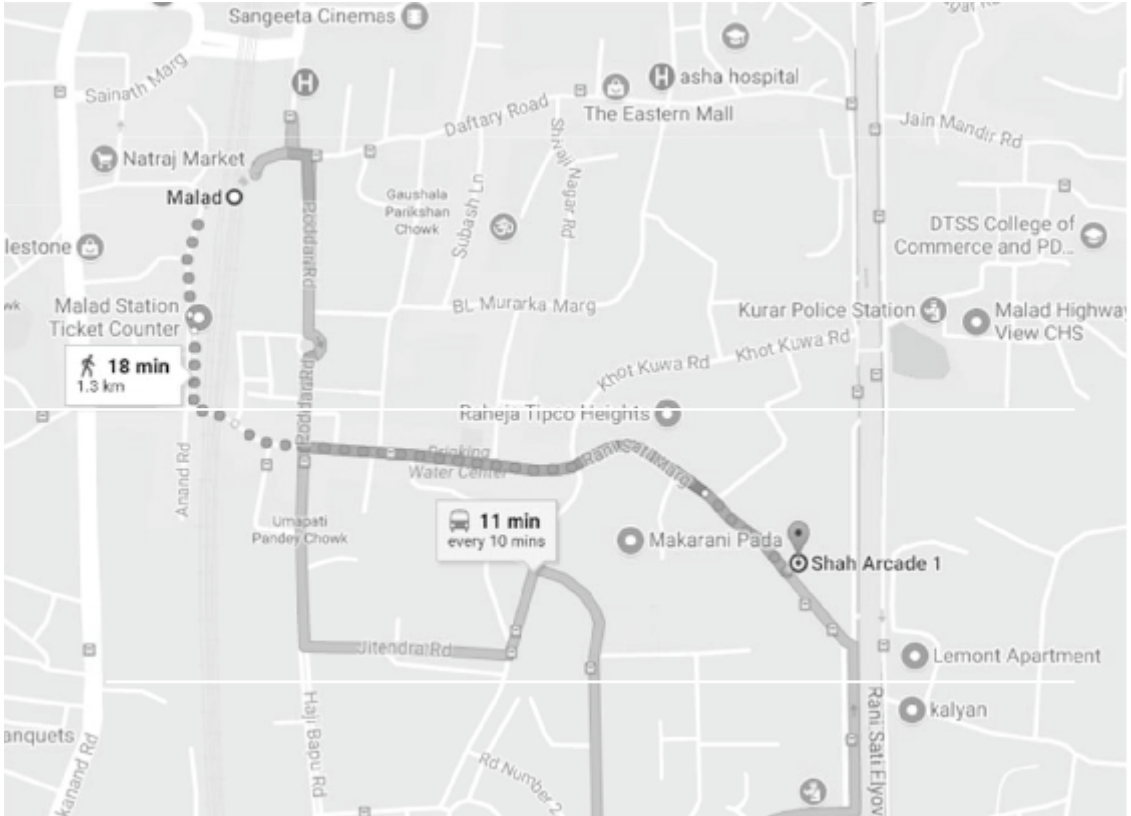
Signed this ..... day of ..... 20....

Signature of shareholder: \_\_\_\_\_ Signature of Proxy holder(s): \_\_\_\_\_

Affix  
Revenue  
Stamp

**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.**

### Route Map AGM Venue



# BOOK-POST

*If undelivered, Please return to :*

**KEN FINANCIAL SERVICES LIMITED**  
101, Shah Arcade, A Wing,  
Shah Arcade SRA CHS Ltd,  
Rani Sati Marg, Near W. E. Highway,  
Malad (East), Mumbai – 400 097.