



KJMC
ADVICE MATTERS

KJMC FINANCIAL SERVICES LIMITED

30th
Annual Report
2017 - 2018

BOARD OF DIRECTORS

Shri. Inderchand Jain	Chairman
Shri. Rajnesh Jain	Whole Time Director
Shri. Girish Jain	Director
Smt. Aditi Jain	Director
Shri. S. C. Aythora	Independent Director
Shri. Nitin Kulkarni	Independent Director

CHIEF FINANCIAL OFFICER

Shri. Kartik Konar

AUDITOR

M/s. K. S. Aiyar & Co.
Chartered Accountants,
F-7, Laxmi Mills,
Shakti Mills Lane,
Mahalaxmi, Mumbai - 400 011.

BANKERS

HDFC Bank Limited
Union Bank of India
ICICI Bank Ltd.

REGISTRAR & TRANSFER AGENT

Bigshare Services Pvt. Ltd.,
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East) Mumbai 400059
Tel. No. 022 62638200, Fax No. 022 62638299,
Mail id: investor@bigshareonline.com.
Counter Timings : 10.00 a.m. to 12.30 p.m. : 1.30 p.m. to 3.30 p.m.

REGISTERED OFFICE

162, 16th Floor, Atlanta,
Nariman Point, Mumbai – 400 021
Tel.No.: 022-4094 5500
Email : investor.finance@kjmc.com
CIN : L65100MH1988PLC047873

GROUP BRANCH OFFICE

New Delhi
G8 & 9, Hans Bhavan, Ground floor,
1, Bahadur Shah Zafar Marg,
Near ITO Office, New Delhi - 110 002.

30TH ANNUAL GENERAL MEETING		
Date	:	Saturday, September 22, 2018
Time	:	10.45 a.m.
Venue	:	Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point, Mumbai - 400021

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NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of KJMC Financial Services Limited (CIN:L65100MH1988PLC047873) will be held on Saturday, September 22, 2018, at 10:45 a.m. at Kamalnayan Bajaj Hall, Bajaj Bhavan, Jamnalal Bajaj Marg, Nariman Point Mumbai - 400021 to transact the following businesses :-

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2018, and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Aditi Jain (DIN: 00152373), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:-

3. To continue appointment of Shri. Inderchand Jain, Chairman and Non- Executive Director of the Company, attaining the age of Seventy- Eight years and in this regard, pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri. Inderchand Jain (DIN: 00178901), Chairman and Non- Executive Director of the Company, aged 78 years (Date of Birth 07th November, 1939) and whose continuation in office with effect from 1st April, 2019 requires approval of shareholders by way of special resolution being more than 75 years of age, approval of the Company be and is hereby accorded for the continuation of the appointment of Shri. Inderchand Jain (DIN: 00178901), as the Chairman and Non- Executive Director of the Company, whose terms of office shall be liable to termination by retirement by rotation.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution"

By Order of the Board of Directors
For KJMC Financial Services Limited

Inderchand Jain
Chairman

Place: Mumbai
Date: August 13, 2018

Registered Office:
162, Atlanta, 16th Floor,
Nariman Point, Mumbai-400021.
Email: investor.finance@kjmc.com
Website: www.kjmc.com
CIN: L65100MH1988PLC047873

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out at item 3 and 4 to be transacted at the meeting is annexed herewith and the same should be taken as part of this Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder

3. Members / proxies and authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
4. Corporate members intending to send their authorised representative to attend the Meeting are requested to ensure that the authorised representative carries a certified copy of the Board resolution, Power of Attorney or such other valid authorizations, authorising them to attend and vote on their behalf at the Meeting.
5. For the convenience of the members and for proper conduct of the meeting, entry to the place of the meeting will be regulated by the Attendance Slip, annexed to the Proxy Form. Members/Proxies are requested to bring the attendance slip duly filled in and to affix their signature at the place provided on the Attendance Slip and hand it over at the counters at the venue.
6. A proxy shall not have a right to speak at the meeting and shall not be entitled to vote except on a poll.
7. An instrument appointing proxy is valid only if it is properly stamped as per the applicable law. Blank or incomplete, unstamped or inadequately stamped, undated proxies or proxies upon which the stamps have not been cancelled will be considered as invalid. If the Company receives multiple proxies for the same holdings of a Member, the proxy which is dated last will be considered as valid. If such multiple proxies are not dated or they bear the same date without specific mention of time, all such multiple proxies shall be treated as invalid.
8. The proxy – holder shall prove his identity at the time of attending the Meeting.
9. Members and Proxies attending the meeting are requested to bring the annual report to the meeting as extra copies will not be distributed.
10. In case of joint holders attending the Annual General Meeting (AGM), only such joint holder who is higher in the order of names as per the Register of Members of the Company will be entitled to vote.
11. Members desirous of getting any information on the Annual Accounts, at the AGM, are requested to write to the Company at least 10 days in advance, so as to enable the Company to keep the information ready.
12. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
13. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
14. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General

Meeting is done away with vide notification dated 07th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of M/s. K. S. Aiyar & Co., Chartered Accountants, (Firm Registration No. 100186W).

15. The Register of Members and Share Transfer Books will remain closed from Wednesday, September 19, 2018 to Saturday, September 22, 2018 (both days inclusive) for the purpose of AGM.
16. Members whose shareholding is in the electronic mode are requested to direct change of correspondence address, e-mail id and updates of savings bank account details to their respective Depository Participant(s).
17. Members are requested to address all correspondence to the Registrar and Share Transfer Agents (RTA), Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400059, Tel. No.022- 62638200, Fax No. 022- 62638299, Mail id : investor@bigshareonline.com and bhagwan@bigshareonline.com.
18. Copies of the Annual Report 2017-2018, the notice of the 30th AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
19. To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with Bigshare Services Pvt. Ltd./ Depository participants.
20. Members may also note that the Notice of the 30th AGM, Attendance Slip, Proxy Form, Route Map, Ballot paper and the Annual Report, 2017-2018 will be available on the Company's website, www.kjmc.com. 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. Members, who require communication in physical form in addition to e-communication or have any other queries, may write to us at: investor.finance@kjmc.com.
21. Through Notification dated June 8, 2018, the Securities & Exchange Board of India (SEBI) has amended regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as per the amendment the transfer of shares shall now be processed by the company only when the shares are held in dematerialized form with the depository with effect from December 05, 2018. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form before December 05, 2018.
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company/ Registrar and Share Transfer Agents.
23. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.
24. The remote e-voting period commences from Monday, 17th September, 2018 at 9.00 a.m. and ends on Friday, 21st September, 2018 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form as on 15th September, 2018 (cut-off date)

may cast their vote electronically.

25. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/modify it subsequently or cast the vote again.
26. The voting rights of shareholders shall be in proportion to the share in the paid up equity share capital of the Company as on 15th September, 2018, the cut off date.
27. The Company has appointed M/s S. S. Rauthan & Associates., a firm of Company Secretaries in Practice, as a scrutinizer for conducting the e-voting and polling process at the ensuing AGM in a fair and transparent manner.
28. The scrutinizer shall, within a period not exceeding three (3) days from the conclusion of the meeting, unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
29. In the event of a poll at the meeting, please note that the members who have exercised their right to vote by electronic means shall not be eligible to vote by way of poll at the meeting. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with section 109 of the Companies Act, 2013 read with the relevant Rules.
30. Subject to the receipt of sufficient votes, the resolution shall be deemed to be passed at the 30th AGM of the Company scheduled to be held on Saturday, September 22, 2018. The results along with the scrutinizer's report shall be placed on the Company's website www.kjmc.com, within 48 hours from the conclusion of the 30th AGM of the Company and communicated to BSE Limited.
31. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment / re-appointment at the AGM are furnished below. The Directors have furnished the requisite consents / declarations for their appointment/re appointment.

I) Smt. Aditi Jain

Name & Designation		Smt. Aditi Jain, Non Executive Director	
Director Identification Number (DIN)		00152373	
Date of Birth		August 29, 1974	
Qualifications		B.E (Computers) & PGDBM (Finance)	
Expertise in specific functional area		She is having vast experience in corporate finance, financial services, capital market.	
Director of the Company since		March 25, 2015.	
Number of Shares held in the Company as on March 31, 2018		Nil	
Disclosure of relationships between directors inter-se		Sr. No.	Name & Designation of Director
		1.	Shri. Inderchand Jain, Director
		2.	Shri. Girish Jain, Director
		3.	Shri. Rajnesh Jain, Director
		Relationship	
		Father in law	
		Husband	
		Husband's brother	

Directorships / Committee Membership of Smt. Aditi Jain in other companies:

Name of the Company (Directorship)	Committee Chairmanship/ Membership
KJMC Capital Market Services Limited	-
KJMC Credit Marketing Limited	-
AKIP Venture Private Limited	-
KJ Golden real Estate Private Limited	-
KJ Diamond real Estate Private Limited	-
Puja Trades and Investments Pvt Ltd	-
KJMC Realty Private Limited	-
Prathamesh Enterprises Private Limited	-
KJMC e. Business Ventures Private Limited	-

II) Shri. Inderchand Jain

Name & Designation	Shri. Inderchand Jain, Non Executive Director		
Director Identification Number (DIN)	00178901		
Date of Birth	November 07, 1939		
Qualifications	FCA, B.Com		
Expertise in specific functional area	He is having over five decades of experience in Income Tax Counseling, Corporate Finance, Merchant Banking and Company Audit as a Practicing Chartered Accountant.		
Director of the Company since	June 30, 2000.		
Number of Shares held in the Company as on March 31, 2018	213000 (4.45%)		
Disclosure of relationships between directors inter-se	Sr. No.	Name & Designation of Director	Relationship
	1.	Shri. Rajnesh Jain, Director	Son of Shri. Inderchand Jain
	2.	Shri. Girish Jain, Director	Son of Shri. Inderchand Jain
	3.	Smt. Aditi Jain, Director	Son's Wife

Name of the Company (Directorship)	Committee Chairmanship/ Membership
KJMC Corporate Advisors (India) Limited (Listed Company)	1. Member – Audit Committee 2. Chairman – Share Transfer & Stakeholders Relationship Committee. 3. Chairman – Credit & Investment Committee.
KJMC Investment Trust Company Limited	-
KJMC Commodities Market India Limited	-
KJMC Trading & Agency Limited	-
KJMC Realty Private Limited	-
KJMC e. Business Ventures Private Limited	-
Prathamesh Enterprises Private Limited	-

32. The route map showing directions to reach the venue of the 30th AGM is annexed.
33. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rules 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the company is providing to its members the facility to cast their vote electronically from a place other than venue of the AGM ("remote e-voting") as an alternate to all the members of the company to enable them to cast their votes electronically instead of voting at the AGM, through e-voting services provided by CDSL. Shareholders who have already voted prior to the date of AGM would not be entitled to vote at the meeting venue.

The procedure and instructions for remote e-voting are as under:-

- The e-voting period begins from September 17, 2018 (09:00 a.m.) and ends on September 21, 2018 (05:00 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 September 15, 2018, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- Log on to the e-voting website www.evotingindia.com
- Now click on "Shareholders" tab.
- Now enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/mail) in the PAN field. 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. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<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"> 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).

(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 "KJMC Financial Services Limited" on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire 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 changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store

respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 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.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

- Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- The voting period begins on September 17, 2018 (09:00 a.m.) and ends on September 21, 2018 (05:00 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 September 15, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors
For KJMC Financial Services Limited

Inderchand Jain
Chairman

Place: Mumbai
Date: August 13, 2018
Registered Office:
162, Atlanta, 16th Floor, Nariman Point, Mumbai-400021.
Email: investor.finance@kjmc.com
Website: www.kjmc.com
CIN: L65100MH1988PLC047873

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

Pursuant to the Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, it has mandated to pass a special resolution to continue the directorship of any person as Non-Executive Director of the listed company, who has attained the age of seventy-five years (75 Years).

Shri Inderchand Jain, aged 78 years is the Chairman and Non-Executive Director of the Company. He is the first Director and Promoter of the Company and his office is subject to retire by rotation. Shri Inderchand Jain (DIN: 00178901) is more than 75 years of age and accordingly his continuation as Non-Executive Director with effect from 1st April, 2019 shall require approval of shareholders by way of special resolution.

A brief justification for his continuation as Non-Executive Director on the Board of the Company with effect from 1st April, 2019 is as under:

Shri Inderchand Jain is a Promoter Director of the Company and has been serving as a Non- Executive Director of the Company since incorporation of the Company. He is a qualified Chartered Accountant. He is having over 5 decades of rich and varied experience. He has guided the Company through decades of diversification and growth. It would be in the interest of the Company to continue Shri. Inderchand Jain as Non- Executive Director of the Company. He was a Director on Local Board of RBI from 1994-2002. He was also on the Board of prominent companies such as Asian Paints, Mahindra & Mahindra Ltd, Raymond India Ltd. He is an eminent personality and his professional profile and proven experience in business domain is a valuable asset to the Company which adds diversity and enriched points of view in the Board's discussions, under his guidance the Company has delivered good payoffs to all stakeholders in the form of improved valuations, sound governance practices. He has all round of experience in various functions of managing large business enterprises. Further, his association supports a good balance in the composition of the Board.

Brief profile of Shri. Inderchand Jain is mentioned in the notes to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Shri Inderchand Jain himself and his relatives Shri. Rajnesh Jain, Shri Girish Jain and Smt. Shraddha Jain are interested in this resolution.

Save and except above, none of the other Directors, Key Managerial Personnel and their relatives are concerned or interested, in any way, in this resolution.

The Board recommends the Special Resolution as set out at Item No. 3 for approval by the members.

By Order of the Board of Directors
For KJMC Financial Services Limited

Inderchand Jain
Chairman

Place: Mumbai
Date: August 13, 2018
Registered Office:
162, Atlanta, 16th Floor,
Nariman Point, Mumbai-400021.
Email: investor.finance@kjmc.com
Website: www.kjmc.com
CIN: L65100MH1988PLC047873

DIRECTORS REPORT

To,

The Members of

KJMC Financial Services Limited

Your Directors' have pleasure in presenting the 30th Annual Report of the KJMC Financial Services Limited (KFSL), together with the Audited Financial Statements of the Company for the financial year ended March 31, 2018. The consolidated performances of the Company and its subsidiaries have been referred to wherever required.

FINANCIAL RESULTS

The performance of the Company for the financial year ended March 31, 2018 is summarized below: (₹ in "000")

Particulars	Standalone		Consolidated	
	Year Ended March 31, 2018	Year Ended March 31, 2017	Year Ended March 31, 2018	Year Ended March 31, 2017
FINANCIAL RESULTS				
Revenue from Operation	69,242	28,067	69,444	29,324
Other Income	652	221	840	614
Total Revenue	69,894	28,288	70,284	29,938
Total Expenses	63,871	25,249	64,166	26,472
Profit before Tax	6,023	3,039	6,118	3,466
Less: Provision for Tax				
- Current Tax	967	93	973	116
- Deferred Tax	1049	(137)	1,049	(137)
- MAT Credit	(967)	(93)	(964)	(82)
- Prior period taxes	-	(1049)	2	(1049)
Profit/(loss) after tax	4974	4225	5,058	4,618
Share in Associates' profit/(Loss)	NA	NA	1,350	104
Profit/(loss) for the year	4,974	4,225	6,408	4,722
APPROPRIATIONS				
Profit/(loss) for the year	4,974	4,225	6,408	4,722
Add: Balance brought forward from previous year	28,116	24,842	26,988	23,216
Amount available for appropriations	33,091	29,067	33,396	27,938
Less: Appropriations				
Special Reserve	995	845	995	845
General Reserve	124	106	124	106
Balance carried to Balance Sheet	31,972	28,116	32,277	26,987
EPS				
-Basic	1.04	0.90	1.34	1.01
-Diluted	1.04	0.88	1.34	0.99

OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

On standalone basis, your Company earned the gross income of Rs 698.94 Lakhs as against Rs 282.88 Lakhs in the previous year. The total expenditure during the year under review was Rs 638.71 Lakhs as against Rs 252.49 Lakhs in the previous year. The Net Profit after tax was Rs 49.74 Lakhs as against Rs 42.25 Lakhs in the previous year.

On consolidated basis, your Company earned the gross income of Rs 702.84 Lakhs as against Rs 299.38 Lakhs in the previous year. The total expenditure during the year under review was Rs 641.66 Lakhs as against Rs 264.72 Lakhs in the previous year. The Net Profit after tax was Rs 64.08 Lakhs as against Rs 47.22 Lakhs in the previous year.

PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARIES AND ASSOCIATES

Subsidiary Companies :

Pursuant to Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014, the report on performance and financial position of subsidiaries included in the Consolidated Financial Statements in the Company.

Pursuant to the provisions of Section 129(3) of Companies Act, 2013 a separate statement containing the silent features of the subsidiary companies in prescribed form AOC-1 is part of the consolidated financial statements. The Financial statements of the Company along with the accounts of the subsidiaries will be available at the websites of the Company, www.kjmc.com and kept open for inspection at the registered office of the Company.

Brief Financial and Operation of subsidiary companies are given hereunder:

- (i) KJMC Asset Management Company Limited: It earned gross income of Rs 10.62 Lakhs as against Rs 17.34 Lakhs in the previous year. The total expenditure during the year under review was Rs 10.58 Lakhs as against Rs 17.02 Lakhs in the previous year. The Net Profit after tax was Rs 0.04 Lakhs as against Rs 0.23 Lakhs in the previous year.
- (ii) KJMC Investment Trust Company Limited: It earned gross income of Rs 0.96 Lakhs as against Rs 1.07 Lakhs in the previous year. The total expenditure during the year under review was Rs 0.68 Lakhs as against Rs 0.73 Lakhs in the previous year. The Net Profit after tax was Rs 0.20 Lakhs as against Rs 0.16 Lakhs in the previous year.
- (iii) KJMC Trading & Agency Limited: It earned gross income of Rs 1.62 Lakhs as against Rs 4.70 Lakhs in the previous year. The total expenditure during the year under review was Rs 0.99 Lakhs as against Rs 1.09 Lakhs in the previous year. The Net Profit after tax was Rs 0.61 Lakhs as against Rs 3.54 Lakhs in the previous year.

Associates

- (i) KJMC Platinum Builders Private Limited: It earned gross income of Rs 10.69 Lakhs as against Rs 10.49 Lakhs in the previous year. The total expenditure during the year under review was Rs 5.68 Lakhs as against Rs 6.81 Lakhs in the previous year. The Net Profit after tax was Rs 4.49 Lakhs as against Rs 2.52 Lakhs in the previous year.
- (ii) KJMC Realty Private Limited: It earned gross income of Rs 52.78 Lakhs as against Rs 0.00 Lakhs in the previous year. The total expenditure during the year under review was Rs 0.20 Lakhs as against Rs 0.16 Lakhs in the previous year. The Net Profit after tax was Rs 52.47 Lakhs as against loss of Rs 0.16 Lakhs in the previous year.

DIVIDEND

In order to conserve the resources for operations of the Company, your Directors regret their inability to recommend any dividend for the year under review.

TRANSFER TO RESERVES

The Company proposes to transfer Rs 1.24 Lakhs to the general reserve and Rs. 9.95 Lakhs to Special Reserves out of the amount available for appropriation and an amount of Rs 319.72 Lakhs is proposed to be retained in the profit and loss account.

RBI PRUDENTIAL NORMS

Since the Company does not accept and hold any public deposits, the Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 are not applicable to the Company as regard to capital adequacy requirement.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return as provided under sub-section (3) of Section 92 of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014 in the Form MGT 9 for the financial year under review is annexed and forms part of this report.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors held Four (4) meeting during the year. The maximum time gap between any two meetings was less than 120 days as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of the Board Meetings and the attendance of the Directors are provided in the Report on Corporate Governance forming part of this report.

COMMITTEES OF THE BOARD

The Company has constituted/reconstituted various level committees in accordance with the requirements of Companies Act, 2013 The Board has the following committees:

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Share Transfer and Stakeholders Relationship Committee
- iv. Credit and Investment Committee

Audit Committee

The Audit Committee comprises of Shri S C Aythora (Chairman and Independent Director), Shri Inderchand Jain (Non-Executive Non-independent Director) and Nitin Kulkarni (Independent Director). During the year all the recommendations made by the Audit Committee were accepted by the Board. Four (4) Audit Committee Meetings were convened and held during the financial year. The details pertaining to composition of Audit Committee and the attendance of the Audit Committee members are provided in the Corporate Governance Report, which forms part of the annual report.

Nomination and Remuneration Committee

During the year, One (1) Nomination and Remuneration Committee Meeting was convened and held. The details pertaining to composition of Nomination and Remuneration Committee and the attendance of the Nomination and Remuneration Committee members are provided in the Corporate Governance Report, which forms part of the annual report.

Share Transfer and Stakeholders Relationship Committee

During the year, Seven (7) Share Transfer and Stakeholders Relationship Committee Meetings were convened and held. The details pertaining to composition of Share Transfer and Stakeholders Relationship Committee and the attendance of the Share Transfer and Stakeholders Relationship Committee members are provided in the Corporate Governance Report, which forms part of the annual report.

Credit and Investment Committee

During the year, Eleven (11) Credit and Investment Committee Meetings were convened and held. The details pertaining to composition of Credit and Investment Committee and the attendance of the Credit and Investment Committee members are provided in the Corporate Governance Report, which forms part of the annual report.

DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 134 OF THE COMPANIES ACT, 2013

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b. the Directors' have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for that period;

- c. the Directors' have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors' have prepared the annual accounts for the financial year ended March 31, 2018 on a going concern basis;
- e. the Directors' have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f. the Directors' have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the reporting period, no frauds were reported by Auditors under sub section (12) of section 143, as such no offence involving fraud was committed against the Company by officers or employees of the Company.

FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS

The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments are made at the separate meetings of the Independent Directors from time to time.

CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct ('the code') applicable to the Directors and employees. The Code is applicable to Non-executive Directors including Independent Directors to such an extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the core values of the Company.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the Corporate Governance report, which forms part of the annual report.

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

The particulars of loans, guarantees and investments have been disclosed in the financial statements, which forms part of the annual report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on arm's length basis and do not have potential conflict with interest of the Company at large.

All contracts / arrangements / transactions with related party which are required to be reported in Form No. AOC- 2 in terms of Section 134(3)(h) read with Section 188 of the Act, and Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed and forms part of this report .

Member may refer to Note 31 to the standalone financial statement which sets out related party disclosure pursuant to Indian Accounting Standard 18 (IndAS 18)

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE SE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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 relate and on the date of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the Company is a Financial Services Company, the details required under Section 134 of the Companies Act, 2013 are not applicable to the Company. However Company believes in conserving the natural resources and uses CFL and LED Lighting in the office premises which has low energy consumption.

During the reporting period there was no foreign exchange earning but incurred an expenditure of Rs 11.22 lakhs as against Rs 3.63 Lakhs in the previous year.

RISK MANAGEMENT

The details in respect of risks and concerns are included in the Management Discussion & Analysis, which forms part of this report.

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

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

ANNUAL 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 Companies Act, 2013 and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under the 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 degree of fulfilment of key responsibilities, 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, skills, board dynamics, domain knowledge, understanding of Company's operations, inter-personal skills 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.

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 directors expressed satisfaction with the evaluation process.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and the Articles of Association of the Company, Smt. Aditi Jain (Din: 00152373) non-executive Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible has offered herself for re-appointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee and based on report of performance evaluation, has recommended re-appointment of Smt. Aditi Jain as Director of the Company liable to retire by rotation

Ms. Sankari Muthuraj has ceased to be the Company Secretary (KMP) of the Company w.e.f. 30th March, 2018.

It is proposed to continue appointment of Shri Inderchand Jain (DIN: 00178901) as the Non- executive Director of the Company on attaining age of 78 years by way of special resolution by members pursuant to Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The Company has received declarations from all Independent Directors of the Company including the proposed Independent Directors confirming that they meet the criteria of independence prescribed under the Act, and the Listing Regulations.

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactment (s) thereof for the time being in force) and as per section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PUBLIC DEPOSITS

The Company being a Non-Deposit Accepting Non-Banking Finance Company has not accepted any deposits from the public during the year under review and shall not accept any deposits from the public without obtaining prior approval of the Reserve Bank of India (RBI).

THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant or material orders which were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.

ADEQUACY OF INTERNAL CONTROL

The Company has in place adequate financial controls commensurate with its size, scale and complexity of its operations. The company has in place policies and procedures required and efficiently conduct its business, safeguard its assets, detect frauds and errors, maintain accuracy and completeness of accounting records in a timely and reliable manner.

The Company continues to have periodical internal audits conducted of all its functions and activities to ensure that system and processes are followed across all areas.

SECRETARIAL STANDARDS:

The Company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- i. **The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2017-18;**

Non-executive Directors	Ratio to median remuneration
Shri. Inderchand Jain	0.04
Shri. S.C. Aythora	0.05
Shri. Nitin Kulkarni	0.05
Smt. Aditi Jain	0.03
Shri. Girish Jain	0.03
Executive Directors	
Shri. Rajnesh Jain	8.63

The median remuneration is calculated based on the salary paid during the financial year to employees on payroll as on March 31, 2018.

- ii. **The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary, if any, in the financial year;**

Name	Designation	% increase in remuneration in the financial year i.e. 2017-18
Shri. Inderchand Jain	Non Executive Director	-
Shri. S.C. Aythora	Independent Director	-
Shri. Nitin Kulkarni	Independent Director	-
Shri. Girish Jain	Non Executive Director	-
Smt. Aditi Jain	Non Executive Director	-
Shri. Rajnesh Jain	Whole Time Director	(41%)
Ms. Sankari Muthuraj (resigned)	Company Secretary	10%
Shri. Kartik Konar	Chief Financial Officer	30%

- iii. **The percentage increase in the median remuneration of employees in the financial year: 21%**

- iv. **The number of permanent employees on the rolls of Company as on March 31, 2018: 4 (Four)**

- v. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average percentile increase in the salaries of the employees other than the managerial personal in the financial year 2017-18 was 21%. The perquisites paid to the director was less compared to the previous year due to which the managerial remuneration was decreased by 41%.

Note :- The average percentile increase in the salaries of the employees other than the managerial personal is calculated based on the employees on payroll as on March 31, 2018.

The Increments given to employees are based on their potential, performance and contribution, which is also, benchmarked against applicable industry norms

- vi. **Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms remuneration is as per the remuneration policy of the Company.

- vii. **There are no employees falling within the purview of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no such details, are required to be given.**

AUDITORS

STATUTORY AUDITOR

In accordance with Section 139 of the Companies Act, 2013 and the rules made there under, M/s. K. S. Aiyar & Co., Mumbai, the Statutory Auditors of your Company has been appointed as the Statutory Auditors of the Company in the Annual General Meeting held on September 23, 2014 for a consecutive term of five years (subject to ratification of their appointment at every AGM). They have confirmed their eligibility and qualification required under Sections 139, 141 and other applicable