

KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED

ANNUAL REPORT FOR THE FINANCIAL YEAR 2019-20

THE BOARD OF DIRECTORS (As on August 22, 2020)

Mr. Satya Narayanan R
Mr. Gautam Puri
Mr. Nikhil Mahajan
Mr. Girish Shivani

Director
Director
Director
Non-Executive Independent Director

STATUTORY AUDITOR
(Financial Year 2019-20)

Haribhakti & Co. LLP,
Chartered Accountants

REGISTERED OFFICE

Plot No. 9A, Sector-27A, Mathura Road, Faridabad,
Haryana- 121003

CORPORATE OFFICE

Espire Building, A-41, 2nd Floor, Mohan
Cooperative Industrial Area, Main Mathura Road,
New Delhi – 110 044

KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED

CIN: U73100HR1997PTC076900

Registered Office: Plot No. 9A, Sector-27A, Mathura Road, Faridabad, Haryana- 121003
Corporate Office: Espire Building, A-41, 2nd Floor, Mohan Cooperative Industrial Area, Main Mathura Road,
New Delhi – 110 044, Tel.: 011– 40508888, Fax: 011-41079888,
Website: www.Kestone.in, E-mail: rachna.sharma@careerlauncher.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING OF THE MEMBERS OF KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED WILL BE HELD ON TUESDAY, SEPTEMBER 29, 2020 AT 11:30 A.M. AT PLOT NO. 9A, SECTOR-27A, MATHURA ROAD, FARIDABAD, HARYANA- 121003, TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. Adoption of Annual Financial Statements for the Financial Year ended March 31, 2020;

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2020, along with the reports of the Board of Directors and Statutory Auditor thereon.

2. Retirement by Rotation;

To appoint a Director in place of Mr. Satya Narayanan R (DIN: 00307326), Director of the Company, who retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass the following resolution, as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Satya Narayanan R (DIN: 00307326), Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.”

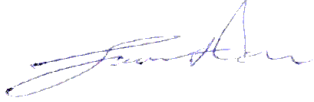
3. Appointment of the Statutory Auditor of the Company for a period of 2 (Two) years and to fix their remuneration in this regard;

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory amendment(s) or reenactment (s) thereof for the time being in force, read with the Companies (Audit and Auditors) Rules, 2014, and based on the recommendations of the Board of Directors of the Company, the approval of the Members be and is hereby accorded to the appointment of Walker Chandio & Co LLP, Chartered Accountants (Firm Registration No.: 001076N/N500013), as the Statutory Auditor of the Company in place of the outgoing Statutory Auditor of the Company, for an initial term of two (2) consecutive years, commencing from the Financial Year 2020-2021 and they shall hold office from the conclusion of the 24th

Annual General Meeting till the conclusion of the 26th Annual General Meeting of the Company to be held in the Financial Year 2022-23, at such terms and conditions, remuneration and reimbursement of out of pocket expenses as may be agreed upon between the Board of Directors of the Company and Walker Chandiook & Co LLP.”

By order of the Board
For Kestone Integrated Marketing Services Private Limited



Gautam Puri
Director
DIN: 00033548



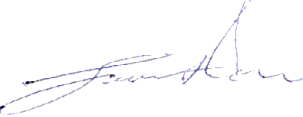

Date: August 22, 2020
Place: New Delhi

Address: R-90, Greater Kailash,
Part-1, New Delhi -110048

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. Proxy in order to be effective must be deposited at the company's Registered Office not less than 48 (Forty Eight) hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
2. In the case of Corporate Member, it is requested to send a certified copy of the Board Resolution authorizing the representative to attend and vote on its behalf at the meeting.
3. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days (except Saturdays, Sundays and public holidays) from 11:00 A.M. to 04:00 P.M. up to the date of the Annual General Meeting of the Company.

**By order of the Board
For Kestone Integrated Marketing Services Private Limited**



Gautam Puri
Director
DIN: 00033548

Date: August 22, 2020
Place: New Delhi

**Address: R-90, Greater Kailash,
Part-1, New Delhi -110048**

KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED

BOARD'S REPORT 2020

Your Directors are pleased to present their report on the business and operations of your Company for the Financial Year ended March 31, 2020.

1. FINANCIAL HIGHLIGHTS

Particulars	(Rs. in Lakhs)	
	March 31, 2020	March 31, 2019
Total revenue	10,915.74	12,125.80
Total expenditure	10,864.26	11,720.95
Profit / Loss before tax	51.48	404.85
Tax Expenses	14.41	124.22
Profit / Loss after tax	37.07	280.63
Other Comprehensive Income	27.48	10.63
Total Comprehensive Income	64.55	291.26
Profits brought forward from previous year	3,436.86	3,156.23
Surplus/ Deficit carried to Balance sheet	3,486.59	3,436.86

The total revenue of the Company was Rs. 10,915.74 Lakhs in Financial Year 2019-20 as against Rs. 12,125.80 Lakhs in Financial Year 2018-19, recording a decrease of 9.98 % over the previous Financial Year. The business was largely impacted by COVID 19 for complete Q4 FY2020 and the management estimates a total loss of revenue due to COVID 19 to be Rs. 10-12 Crores. The management was quick to respond to the new challenges and has successfully shifted its mode of business to online servicing by introducing Virtual Events Platform (VEP).

The expenditure of the Company decreased by 7.31% from a total expenditure of Rs. 11,720.95 Lakhs during Financial Year 2018-19 to Rs. 10,864.26 Lakhs during Financial Year 2019-20.

2. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The company offers following services to corporates:

1. Experiential Marketing and Event Management Solutions
2. Digital & MarComm. Services
3. Customized Engagement Programs (CEPs)
4. Manpower Management & Training Services
5. Strategic Business Solutions

The company has global reach with its offices established in India, Dubai, Singapore, USA & Mauritius.

Your Directors are optimistic about the future prospects, and they expect the business to continue its growth in the years to come.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the year under review.

4. SCHEME OF AMALGAMATION

Pursuant to the approval of the Audit Committee as well as of the Board of Directors dated November 27, 2018, an application under Regulation 37 of the SEBI (LODR) Regulations, 2015 was filed with the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") by CL Educate Limited, the 100% holding Company of the Company (CL Educate), for the proposed Amalgamation of five (5) of its wholly owned subsidiary Companies - Career Launcher Education Infrastructure and Services Limited (CLEIS), CL Media Private Limited (CLM), Accendere Knowledge Management Services Private Limited (AKMS), G.K. Publications Private Limited (GKP) and Kestone Integrated Marketing Services Private Limited (Kestone) (Amalgamating Companies) with CL Educate Limited (CL Educate) (Amalgamated Company). (The Amalgamating Companies and the Amalgamated Company shall collectively, hereinafter be referred to as 'the Petitioner Companies'). The scheme has been approved by the NSE & BSE.

The First Motion Petition with respect to the proposed Amalgamation was filed by the Petitioner Companies with the Hon'ble NCLT Chandigarh on August 28, 2019. NCLT Chandigarh heard the First Motion Application on November 14, 2019 and issued its 1st Motion Order dated December 11, 2019.

As per the directions given by the NCLT Chandigarh in its 1st Motion Order, the meetings of the Equity Shareholders of CL Educate and of the Unsecured Creditors with value of INR 1 lakh or more of Kestone were held on February 01, 2020, at 10:00 AM and 12:00 Noon, respectively.

The proposed scheme of Amalgamation was duly approved by the Shareholders of CL Educate and Unsecured Creditors of Kestone.

The 2nd Motion Petition with respect to the proposed Amalgamation was filed by the Petitioner Companies with the Hon'ble NCLT Chandigarh on February 14, 2020, which was heard by the NCLT on March 05, 2020. While NCLT was satisfied with the Petition, it directed the Companies, CL Educate Limited and Kestone to file respective affidavits that no objections had been received from any stakeholder against the Scheme. These Affidavits were filed by the respective Companies on March 17, 2020.

However, on account of the nationwide lockdown, and limited functioning of the NCLT Benches, the hearing of the 2nd Motion Petition of the Petitioner Companies has been adjourned by the NCLT Chandigarh Bench from time to time. The NCLT Bench has provided September 11, 2020, as the next date of hearing.

5. SUBSIDIARY, JOINT VENTURES & ASSOCIATES

As on date, the Company has three (3) subsidiaries. A brief profile of the subsidiaries is given hereunder:

a) Kestone CL Asia Hub Pte. Ltd., Singapore (Kestone CL Asia)

Kestone CL Asia Hub Pte. Ltd. (Previously known as Kestone Asia Hub Pte. Ltd.), located in Singapore, became a Subsidiary of Kestone Integrated Marketing Services Private Limited on December 03, 2013. It is currently engaged in providing integrated marketing solutions for products and

services, to conduct educational & consulting programs, research related services etc. for and on behalf of inland and overseas clients and customers. Kestone CL Asia has a branch office in Dubai, inter alia, to provide integrated sales & marketing services to corporates and institutions in the Middle East.

The total income of Kestone CL Asia has increased by 116.2% to Rs. 1,385.93 Lakhs in FY 2020 from Rs. 641.10 Lakhs in FY 2019.

b) Kestone CL US Limited, USA

Kestone CL Asia has a wholly owned subsidiary in USA, incorporated on March 22, 2018, in the name of Kestone CL US Limited with an objective to provide integrated sales & marketing services to corporates & institutions in USA.

Total Income of Kestone CL US Limited increased by 233.9% from US\$ 28,416.15 recorded during the period April 18 to March 19 to US\$ 94,883.00 recorded during the period April 19 to March 20.

c) CL Educate (Africa) Limited, Mauritius

Kestone CL Asia has incorporated a 90% subsidiary in Mauritius on January 13, 2020, in the name of CL Educate (Africa) Limited with an objective to provide education and test preparation training programs, Content development for study material, publishing study material & books, provide sales & marketing services and research related services to Institutions and Universities and provide integrated business, marketing and sales services to corporate customers.

There are no associate companies or joint venture companies within the meaning of section 2(6) of the Companies Act, 2013 ("Act") as on March 31, 2020.

Change in the status of subsidiaries/associate companies/joint venture during the Financial Year:

There was no change in the status of subsidiaries/associate companies/joint ventures during the Financial Year 2019-20, except as mentioned below:

S. No.	Name of the Company	Date of becoming subsidiaries/ Associate	Subsidiaries/Associate
1.	CL Educate (Africa) Ltd.	January 13, 2020 (Date of incorporation)	Indirect Subsidiary

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the Financial Statements of the Company's Subsidiaries' and Associates Company in Form AOC-1 is attached to this report as **Annexure-I**.

6. DIVIDEND

Your Directors do not recommend any Dividend for the Financial Year 2019-20.

7. CAPITAL AND FINANCE

The paid up Equity Share Capital of the Company as on March 31, 2020 was Rs. 100 Lakhs. During the year under review, the Company has not issued any shares.

During the Financial Year 2019-20, the company has completely repaid its Loan availed from Northern Arc Capital Limited, Non-Banking Financial Corporation. The company has been servicing its other Loans from Banks and Financial Institutions on a regular basis.

8. MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company have occurred between the end of the Financial Year and the date of this report.

9. 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.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered by the Company with Related Parties during the Financial Year 2019-20 as defined under section 2 (76) of the Companies Act, 2013 were in the Ordinary Course of Business and at Arm's Length basis in accordance with the provisions of the Companies Act, 2013. The Board of Directors had reviewed and approved the transactions (which were all routine and repetitive in nature). A certificate has been issued by NKSC & Co., Chartered Accountants, certifying that all the Related Party Transactions laid before the Board for its omnibus approval at the beginning of the year, or for its approval/ ratification from time to time later on, were in the ordinary course of business and at an arm's length basis. Suitable disclosures as required under IndAS-24 have been made in the note no. 43 to the Financial Statements.

Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 the relevant details in respect of the particulars of contracts or arrangements with related parties under section 188, in prescribed form AOC-2, is annexed as **Annexure-II** to this report.

11. TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profits for Financial Year 2019-20 in the Profit and Loss Account.

12. EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in prescribed Form MGT-9 is attached as **Annexure - III** to this Report.

13. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Companies Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company, at the Board Meeting held on February 16, 2015 approved the policy on CSR and constituted the Corporate Social Responsibility (CSR) Committee comprising of the below mentioned members:

- Mr. Satya Narayanan R, Chairman
- Mr. Gautam Puri, Member,
- Mr. Nikhil Mahajan, Member

CSR Funds (Past & Present):

Particulars	(Amount Rs. in Lakhs)
Accumulated CSR amount pending to be spent (as on March 31, 2019)	56.45
Add: CSR amount required to be spent during Financial Year 2019-20*	-
Less: CSR amount spent in the Financial Year 2019-20	-
Accumulated CSR amount pending to be spent (as on March 31, 2020)	56.45

**Since the Financial Year 2016-17, the annual net profit of the Company has been less than Rs. 5 Crore for every Financial Year, hence, the provisions of sections 135 of the Companies Act, 2013 read with the the Companies (Corporate Social Responsibility Policy) Rules, 2014 have ceased to be applicable on the Company. However, the Company has followed the practice of carrying forward the CSR funds remaining unspent in any particular year.*

CSR Spend

As part of its CSR initiative, your Company has, in the last five years earmarked the funds to be spent on the CSR activities/ projects, amongst other activities, in the education space, promotion & protection of art & culture and in research & Innovation area. The Company has not been able to spend its CSR funds on the said activities / projects till date, since Projects were being evaluated by the Company in order to spend the accumulated funds in line with the policy approved by the CSR Committee. However, the Company has followed the practice of carrying forward the CSR funds remaining unspent in any particular year. On this basis, the cumulative amount that remained to be spent on CSR activities, as on March 31, 2020, was Rs. 56.45 Lakhs.

The Company intends to spend the unspent CSR funds on the following identified activities/ projects, over the coming years:

- a) Driving research and innovation and funding technology incubators located within academic institutions which are approved by the Central Government, and/or to fund research education in universities.
- b) Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic Sports; and/or
- c) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts. These projects are as prescribed under the Schedule VII of the Companies Act, 2013.

- d) Promoting education, including research education, special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

As a socially responsible person, the Company has been building its CSR capabilities on a sustainable basis, and is committed to gradually increasing its CSR spending in the coming years with the aim of playing a larger role in India's sustainable development, and thereby fulfilling its Corporate Social Responsibility.

The CSR Committee has confirmed that the implementation and monitoring of the CSR Policy has been in compliance with the CSR objectives and policy of the Company.

The Annual report on CSR Activities is attached as **Annexure-IV** to this Report.

14. DISCLOSURE OF ENERGY CONVERSATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO

The Company does not carry any manufacturing activity, thus, disclosure requirements under Section 134 (3) (m) of the Companies Act 2013 read with Rule 8 (3) of the Companies Accounts Rules, 2014 are not applicable to the Company. However, wherever possible and feasible, continuous efforts have been made for conservation of energy and to minimize energy cost and to upgrade the technology with a view to increase the efficiency and to reduce cost of operations.

During the financial year under review, the Foreign Exchange earnings and outgo were as follows:

The foreign exchange earnings (on Standalone basis):

	(Rs. in Lakhs)	
Particulars	FY 2020	FY 2019
Event Management Services	130.09	64.28
Managed Manpower Services	-	16.96
Digital Services	60.71	21.85
Other income	-	-
Total	190.80	103.09

The foreign exchange outgo (on accrual basis) (on a Standalone basis):

	(Rs. in Lakhs)	
Particulars	FY 2020	FY 2019
Travelling and conveyance expenses	22.29	14.02
Employee benefit expense	11.42	-
Banquet and event material	14.76	3.87
Equipment Hiring	50.53	144.53
Giveways	31.96	8.62
Professional Charges	128.77	147.30
Ad-Hoarding	31.13	9.10
Subscription	37.97	14.61
Passthrough	30.88	
Other expense	7.57	41.08
Total	367.28	383.13

15. SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)

Your Company complies with the mandatory Secretarial Standards issued by the ICSI.

16. INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has aligned its current systems of internal financial control with the requirement of the Companies Act 2013. The Internal Control systems are intended to increase transparency and accountability in an organisation's process of designing and implementing a system of internal control. The framework requires a company to identify and analyse risks and manage appropriate responses. The Company has successfully laid down the framework and ensured its effectiveness. The Company's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. The Company has a well defined delegation of power with authority limits for approving revenue as well as expenditure. Processes for formulating and reviewing annual and long term business plans have been laid down. The Company uses a state-of-the-art enterprise resource planning (ERP) system to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information. It has continued its efforts to align all its processes and controls with best practices.

Your management assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2020. The assessment involved management review, internal audit and statutory audit.

During the financial year 2019-20, Value Square Advisors Private Limited, Internal Auditor of CL Educate Limited (CL), the 100% holding company of the Company, carried out the internal audit of the Company as a part of the group internal audit, based on an internal audit plan, which is reviewed each year in consultation with the Statutory Auditor. The conduct of internal audit is oriented towards the review of internal controls and risks in its operations such as IT processes and general controls, accounting and finance, procurement, employee engagement. The management reviews audit reports submitted by internal auditors and statutory auditors. Suggestions for improvement are considered. The management also meets Statutory Auditor to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the Board of Directors informed of its major observations periodically.

Pursuant to Section 143 of the Act, the Statutory Auditor has issued an attestation report on our Internal Financial Controls over financial reporting.

Qualified opinion by Statutory Auditors on adequacy and operating effectiveness of Internal Financial Controls over Financial Reporting for Kestone:

Comprehensive procurement policies for purchase of goods and services have not been documented, which could potentially result in the aforesaid Company procuring unnecessary goods and services, or procuring goods of lower quality, or procure goods and services at higher prices.

Management Response:

A more comprehensive procurement policy has been documented and put into place for Kestone Integrated Management Services Private Limited, which where relevant, mirrors the policy being used by CL Educate, the parent entity. Quotations are taken from empaneled vendors before selection, and this is done by the relevant divisional head with the approval of the company President. With the merger of Kestone into the parent entity, the process will be further streamlined in the near future.

17. PARTICULARS OF EMPLOYEES

People are our most valuable asset and your Company places the engagement, development and retention of talent as its highest priority, to enable achievement of organizational vision.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, the names of the top ten employees in terms of remuneration drawn, as on March 31, 2020, along with the relevant information thereon is given in **Annexure-V**.

Further, during the financial year 2019-20, there was no employee who:

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakhs rupees;
- (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakhs and fifty thousand rupees per month;
- (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

18. DIRECTORS

a. Retirement by Rotation at the ensuing AGM

Mr. Satya Narayanan R (DIN: 00307326), Director, retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. A resolution seeking members' approval to the appointment of Mr. Satya Narayanan R has been incorporated in the notice convening the 24th AGM of the Company.

b. Disclosure of Interest in other concerns

The Company has received the Annual disclosure(s) from all the Directors, disclosing their Directorship/Interest in other concerns in the prescribed format, for the Financial Years 2019-20 and 2020-21.

The Company has received confirmation from all the Directors that as on March 31, 2020, none of the Directors were disqualified to act as Directors by virtue of the provisions of Section 164(2) of the Act.

19. AUDITORS AND AUDITOR'S REPORT

Appointment of Statutory Auditor

At the AGM held in the year 2019, M/s Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration No. – 103523W), was appointed as the Statutory Auditor of the Company for a second term of 1 (One) year i.e. for the Financial Year 2019-20, to hold office till the conclusion of the Annual General Meeting to be held in the Financial Year 2020-21.

In view of the above, the Company is required to appoint a Statutory Auditor at the ensuing Annual General Meeting to be held in the Financial Year 2020-21. Subject to the approval of the shareholders, the Board of Directors of the Company has approved the appointment of Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No.: 001076N/N500013) as the Statutory Auditor of the Company for a first term of two (2) consecutive years commencing from the Financial Year 2020-2021, i.e. to hold office from the conclusion of the 24th Annual General Meeting of the Company to be held in the Financial Year 2020-21 till the conclusion of the 26th Annual General Meeting to be held in the Financial Year 2022-23, in place of the outgoing Statutory Auditor, M/s. Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration No. 103523W) on August 22, 2020.

The Company has received written consent and a certificate from the Statutory Auditor stating that they satisfy the eligibility criteria provided under Section 141 of the Act read with the rules made thereunder and that the appointment, if approved by the members of the Company, shall be within the limits prescribed under the Companies Act 2013, and confirming that they are not disqualified for such appointment pursuant to the applicable provisions of the Act and the rules made thereunder.

Walker Chandiok & Co LLP, Chartered Accountants, has confirmed that it has been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and it holds a valid certificate issued by the Peer Review Board of the ICAI.

In this respect, the Members are requested to approve the appointment of Walker Chandiok & Co LLP, Chartered Accountants, as the Statutory Auditor of the Company for a first term of two (2) consecutive years commencing from the Financial Year 2020-2021 i.e. to hold office from the conclusion of the 24th Annual General Meeting to be held in the Financial Year 2020-21 till the conclusion of the 26th Annual General Meeting to be held in the Financial Year 2022-23 and to fix their remuneration in this regard.

In this connection, the attention of the members is invited to item number 3 of the Notice convening the 24th Annual General Meeting of the Company.

Statutory Auditor's Report 2020

The qualification contained in the Statutory Auditor's report/CARO Report and the management's response thereon, is given below:

(a) Clause No. (iii) of the Annexure 1 to Independent Auditors Report

The company has granted secured or unsecured loans to a company and other third party covered in register maintained under section 189 of the Act.

The terms and conditions of the loans granted by the company to two parties are covered in the register maintained under section 189 of the act, (total amount of loan granted during the year Rs. Nil and balance outstanding as at balance sheet date Rs. 40.70 Lakhs) are prejudicial to the Company's interest as company is not charging interest on such loan

Management Response

In view of there being no current operations of CLEF (one Party), the loan amount remained dormant during this Financial Year.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Directors have appointed M/s. Jain D & Co., Company Secretaries, (C.P No.: 11434) as the Secretarial Auditor of the Company for the Financial Year 2019-20. The Secretarial Audit Report for the Financial Year 2019-20 issued by the Secretarial Auditor does not contain any qualification, reservation or adverse remark. The same is annexed as **Annexure VI**.

There is no instance of fraud reported by any of the auditors under sub section (12) of section 143 of the Companies Act, 2013.

20. CORPORATE GOVERNANCE

Your company strives to ensure that best Corporate Governance practices are identified, adopted and consistently followed. Further, the Company has appointed an Independent Director on Board to bring more transparency and good governance on Board. Your Company believes that good governance is the basis for sustainable growth of the business and for enhancement of stakeholder value.

There is no Executive Director on Board of the Company. The Company has not paid any remuneration to any of its directors during the financial year. No commission has been paid to non-executive and/or Independent Directors on the Board.

- **Details of the Board Meetings held during the Financial Year 2019-20 are as under:**

S. No.	Date	Board Strength	No. of Directors Present
1.	May 29, 2019	4	3
2.	August 05, 2019	4	4
3.	September 13, 2019	4	4
4.	October 11, 2019	4	4
5.	November 13, 2019	4	4
6.	February 10, 2020	4	4

- **Attendance of the Directors/Members at the Board and Committee Meetings held during the Financial Year 2019-20:**

Board and Committees	Board	CSR Committee*
Meetings held	6	2
Directors' Attendance		
Mr. Satya Narayanan R	6	2

Mr. Gautam Puri	5	1
Mr. Nikhil Mahajan	6	2
Mr. Girish Shivani	6	Not Applicable

** During the Financial Year 2019-20, two meetings of the CSR Committee of the Company were held- on May 29, 2019 and August 05, 2019.*

21. RISK MANAGEMENT

The Company has an in-built mechanism in all its operations to mitigate risks inherent to the industry in which the Company is operating.

22. WHISTLE BLOWER/VIGIL MECHANISM

Section 177 of the Companies Act, 2013 is not applicable to your Company, however, there is a comprehensive policy on Whistle Blower / Vigil Mechanism adopted by CL Educate Limited, the 100% holding company of the Company, that is in line with the provisions of Section 177(9) and (10) of the Act, read with Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015 and Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations 2015, that covers the Directors and employees of CL Educate Limited and its subsidiaries, as well as to the retainers and franchisees of CL Educate Limited.

Your Company hereby affirms that no complaints were received during the Financial Year 2019-20.

23. DISCLOSURES

- a) No Bonus Shares were declared for the current financial year.
- b) There was no amount which was required to be transferred to the Investor Education and Protection Fund (IEPF).
- c) Your Company has not issued any Equity shares with Differential rights during the financial year under review.
- d) Your Company has not issued any Employees Stock options/ Sweat Equity Shares.
- e) Your Company has not redeemed any preference shares or Debentures during the financial year under review.
- f) Your Company has not accepted any Public Deposits.
- g) Your Company has not bought back any of its securities during the financial year under review.
- h) No significant and material orders have been passed by any regulators or courts or tribunals against the Company impacting the going concern status and Company's operations in future.

24. POLICY ON PREVENTION, PROHIBITION, REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company is committed to creating and maintaining a secure work environment where its employees, agents, vendors and partners can work and pursue business together in an atmosphere free of harassment, exploitation and intimidation. In order to empower women, and protect women against sexual harassment, there is a comprehensive policy on prevention, prohibition and redressal of sexual harassment of Women at workplace adopted by CL the 100% holding Company of the Company, that is in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder that covers the employees of your Company as well. The Internal Complaints Committee constituted under the CL policy acts as the Committee for the subsidiaries of CL as well.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. This policy allows employees to report instances of sexual harassment at the workplace. The Internal Complaints Committee is empowered to look into all complaints of sexual harassment and facilitate free and fair enquiry process with clear timelines. During the Financial Year 2019-20, the Company did not receive any complaint relating to sexual harassment at workplace. There is no complaint pending or outstanding for redressal as on March 31, 2020.

25. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

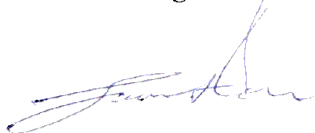
- a. in the preparation of the Annual Accounts for the Financial Year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the Financial Year ended March 31, 2020 and of the Profits of the Company for that period;
- c. the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d. the Directors have prepared the Annual Financial Statements/Annual Accounts 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 such systems are adequate and operating effectively.

26. ACKNOWLEDGEMENT

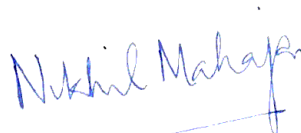
Your Directors take this opportunity to thank the Company's customers, shareholders, vendors and bankers for their support and look forward to their continued support in the future.

Your Directors also place on record their appreciation for the excellent contribution made by all employees who are committed to strong work ethics, excellence in performance and commendable teamwork and have thrived in a challenging environment.

**For and on behalf of the Board of Directors
Kestone Integrated Marketing Services Private Limited**



**Gautam Puri
Director
DIN: 00033548**



**Nikhil Mahajan
Director
DIN: 00033404**

**Address: R-90, Greater Kailash,
Part-I, New Delhi -110 048**

**Address: House No. 457, Sec. 30,
Faridabad - 121003, Haryana**

**Date: August 22, 2020
Place: New Delhi**

ANNEXURES TO BOARD'S REPORT 2020

Annexure-I

Form AOC- 1 - Features of Financial Statement of Subsidiaries

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

PART "A": Subsidiaries

(Rs. in Lakhs)

S. No.	Particulars	1		2	
1	Name of the Subsidiary	Kestone CL Asia Hub Pte. Ltd., Singapore		Kestone CL US Limited ¹ , USA	
2	Financial Period Ended	31.03. 2020		31.03. 2020	
3	Reporting Currency and Exchange Rate	SGD	INR	USD	INR
4	Share Capital (Nos. of Equity & Preference shares) (In No.)	514,001	514,001	1,000,000	1,000,000
5	Reserves & Surplus	(1.60)	(84.92)	0.11	8.24
6	Total Assets	18.45	978.07	0.90	67.59
7	Total Equity & Liabilities	10.59	561.19	0.78	58.60
8	Investments	0.01	0.73	-	-
9	Turnover	25.18	1,310.42	0.95	68.55
10	Profit / (Loss) Before Taxation (PBT)	1.16	60.44	0.28	20.23
11	Provisions for Taxation	-	-	-	-
15	Profit / (Loss) After Taxation (PAT)	1.16	60.44	0.28	20.23
16	Dividend	Nil		Nil	
17	% of share Holding	100%		100%	

¹ Subsidiary of Kestone CL Asia Hub Pte. Ltd.

Notes:

- Names of subsidiaries which are yet to commence operations: CL Educate (Africa) Ltd., Subsidiary of Kestone CL Asia Hub Pte. Ltd.
- Names of subsidiaries which have been liquidated or sold during the financial year: None

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

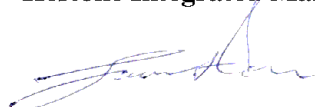
(Rs.in Lakhs)

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

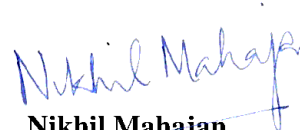
Notes:

- Names of associates or joint ventures which are yet to commence operations: None
- Names of associates or joint ventures which have been liquidated or sold during the year: None

**For and on behalf of the Board of Directors
Kestone Integrated Marketing Services Private Limited**



Gautam Puri
Director
DIN: 00033548



Nikhil Mahajan
Director
DIN: 00033404

**Address: R-90, Greater Kailash,
Part-I, New Delhi -110 048**

**Address: House No. 457, Sec. 30,
Faridabad - 121003, Haryana**

**Date: June 29, 2020
Place: New Delhi**

Annexure- II

Particulars of Contracts / arrangements made with related parties [Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014 - AOC-2

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

- 1. Details of contract or arrangements of transactions not at arm's length basis:** There were no contracts or arrangements or transactions entered into by the Company with any of its Related Parties during the financial year ended March 31, 2020, which were not at arm's length basis.
- 2. Details of Material contracts or arrangement or transactions at arm's length basis:** The details of all contracts or arrangements or transactions at arm's length basis for the Financial Year ended March 31, 2020 are as follows:-

(Rs. in Lakhs)

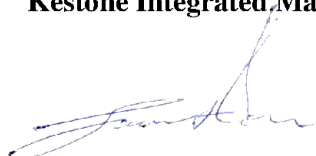
Name(s) of the related party and nature of relationship	Nature of Contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advance (if any)	Cumulative Amount of Transaction During the Financial Year ended 31.03.2020
CL Educate Limited, 100% holding company	Infrastructure servicing/ Leasing by Kestone for some of CL center's	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout the Financial Year 2019-20.	For All Government projects in which purchase of fixed assets is prohibited by the Government CL leases the same from Kestone. Before the start of the project CL had called for 3 quotations and Kestone was closed at the lowest quotation point including some manpower cost allocation.	29.05.2019	-	Nil
CL Educate Limited, 100% holding company	Allocation of Manpower Cost in relation to shared staff (Support)	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout the Financial Year 2019-20.	CL Educate and Kestone have entered into an arrangement whereby an appropriate portion of the salaries of certain support staff, based broadly on their respective contribution to Kestone is allocated / debited to Kestone.	29.05.2019	-	57.22
CL Educate	Payroll services	These are routine and	Quotations received from	29.05.2019	-	15.80

Name(s) of the related party and nature of relationship	Nature of Contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advance (if any)	Cumulative Amount of Transaction During the Financial Year ended 31.03.2020
Limited, 100% holding company		Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout the Financial Year 2019-20	some parties. Kestone, with the lowest amongst them, was assigned the project.			
CL Educate Limited, 100% holding company	Services for development of Intellectual Property and various other marketing services for MeltingPot 2020 Innovation Summit', an event, InQuizitive Minds', a country-wide Quiz contest and Website of WAIN (Worldwide Academia Industry Network), an online platform for research & Innovation executed and managed/developed by Kestone	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout the Financial Year 2019-20.	Quotations received from some parties. Kestone, with the lowest amongst them, was assigned the project.	29.05.2019	-	115.632
CL Educate Limited, 100%	Cost Sharing for shared infrastructure	These are routine and Regular Intra-Group Transactions, which	The infrastructure at the Registered office is co-shared with Kestone and	29.05.2020	-	1.20

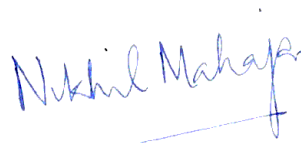
Name(s) of the related party and nature of relationship	Nature of Contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advance (if any)	Cumulative Amount of Transaction During the Financial Year ended 31.03.2020
holding company	and incidental expenses by Kestone	are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout the Financial Year 2019-20.	both the parties have agreed that Kestone will pay an amount proportionate to the usage by it. It includes the operating, running electricity costs etc.			
CL Media Private Limited (CLM), Fellow Subsidiary	Kestone has designed & developed the website of CLM and upgradation	This transaction is carried out on a continuing Basis and renewed accordingly.	Quotations received from some parties. Kestone, with the lowest amongst them, was assigned the project.	29.05.2019	-	Nil
CL Media Private Limited (CLM), Fellow Subsidiary	Kestone is tasked with some Media Ad work, of which the print media bookings to be handled by CLM.	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout the Financial Year 2019-20.	Quotations received from some parties. Kestone, with the lowest amongst them, was assigned the project.	29.05.2019	-	85.03
Kestone CL Asia Hub Pte Ltd., Wholly owned subsidiary	Kestone is asked to provide MMS services for Kestone CL Asia's client. Revenue from ultimate client is charged by Kestone CL Asia in Singapore. And Kestone IMS will charge from Kestone CL Asia.	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout the Financial Year 2019-20.	Kestone keep same terms and condition as it does with other parties.	29.06.2020	-	31.35

Name(s) of the related party and nature of relationship	Nature of Contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advance (if any)	Cumulative Amount of Transaction During the Financial Year ended 31.03.2020
Kestone CL Asia Hub Pte Ltd., Wholly owned subsidiary	Kestone IMS is asked to provide event & other support services for Kestone CL Asia's client. Revenue from ultimate client is charged by Kestone CL Asia in Singapore. And Kestone IMS will charge from Kestone CL Asia.	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout the Financial Year 2019-20.	Kestone keep same terms and condition as it does with other parties.	29.06.2020	-	350.24

**For and on behalf of the Board of Directors
Kestone Integrated Marketing Services Private Limited**



Gautam Puri
Director
DIN: 00033548

Nikhil Mahajan
Director
DIN: 00033404

**Address: R-90, Greater Kailash,
Part-I, New Delhi -110 048**

**Address: House No. 457, Sec. 30,
Faridabad - 121003, Haryana**

**Date: August 22, 2020
Place: New Delhi**

Annexure - III

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2020

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U73100HR1997PTC076900
2.	Registration Date	February 03, 1997
3.	Name of the Company	Kestone Integrated Marketing Services Private Limited
4.	Category/Sub-category of the Company	Unlisted Private Limited Company / Limited by Shares (Wholly owned subsidiary of a Listed Public Company)
5.	Address of the Registered office & contact details Address of the Corporate office & contact details	Plot No. 9A, Sector-27A, Mathura Road, Faridabad, Haryana- 121003, Tel. No.: +91 129-2273242 A-41, Espire Building, 2 nd Floor, Mohan Co-operative Ind. Area, Main Mathura Road, New Delhi - 110044 Tel: 011- 40508888, Fax : 011- 41079888,
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	KFin Technologies Private Limited (Formerly known as “Karvy Fintech Private Limited”) Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana, India, Tel. No.: +91 (40) 6716 2222, Email Id: kfinkart.support@kfintech.com , Website: www.kfintech.com

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service*	% (approx.) to total turnover of the company
1	Event Management Services	823	86.54%
2	Managed Manpower Services	783	13.46%

*As per National Industrial Classification 2008.

III. PARTICULARS OF HOLDING /SUBSIDIARY AND ASSOCIATE COMPANIES (as on March 31, 2020)

S. No.	Name and Address of the Company	CIN/GLN	Holding /Subsidiary/ Associate	% of shares held	Applicable Section
1	CL Educate Limited (CL)*	L74899HR1996PLC076897	Holding	100.00% (directly and through its nominee)*	2(46)
2	Kestone CL Asia Hub Pte. Ltd., Singapore	Reg. No. 200715067R	Subsidiary	100.00% (directly)	2(87)(ii)
3	Kestone CL US Limited, USA	File Number : 6810719	Indirect Subsidiary	100.00% by Kestone CL Asia	2(87)(ii)
4	CL Educate (Africa) Limited	Business Registration Number: C20169944	Indirect Subsidiary	90.00% by Kestone CL Asia	2(87)(ii)

* *Mr. Nikhil Mahajan holds 1 (one) equity share of the Company as a nominee, for and on behalf of CL Educate Limited (100% holding Company).*

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. (a) Category-wise Equity Share Holding

[illegible]

Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	-	1000000	1000000	100	-	1000000	1000000	100	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1000000	1000000	100	-	1000000	1000000	100	-

* Mr. Nikhil Mahajan holds 1 (one) equity share of the Company as a nominee, for and on behalf of CL Educate Limited (100% holding Company).

ii. Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the Financial Year			Shareholding at the end of the Financial Year			Change in share holding during the Financial 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	CL Educate Limited	999999	100	0.00	999999	100	0.00	-
2	Mr. Nikhil Mahajan*	1	0	-	1	0	-	-

* Mr. Nikhil Mahajan holds 1 (one) equity share of the Company as a nominee, for and on behalf of CL Educate Limited (100% holding Company).

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

**iv. Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable**

v. Shareholding of Directors and Key Managerial Personnel:

S No.	Name of the Director/ Key Managerial Personnel	Shareholding		Date	Increase/ Decrease In share holding	Reason	Cumulative Shareholding during the Financial Year	
		No. of shares at the beginning /End of the Financial Year	% of total shares of the Company				No. of shares at the beginning /End of the Financial Year	% of total shares of the Company
1	Mr. Nikhil Mahajan	1 / 1	0 / 0	N.A.	N.A.	N.A.	1 / 1	0 / 0

* Mr. Nikhil Mahajan holds 1 (one) equity share of the Company as a nominee, for and on behalf of CL Educate Limited.

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. in Lakhs)

S. No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
1	Indebtedness at the beginning of the financial year (April 01, 2019)				
	i) Principal Amount	759.67	142.14	-	901.81
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	0.78	-	-	0.78
	Total (i+ii+iii)	760.45	142.14	-	902.59
	Change in Indebtedness during the financial year				
	* Addition	-	-	-	-
	* Reduction	(225.23)	(142.14)	-	(367.37)
	Net Change	(225.23)	(142.14)	-	(367.37)
2	Indebtedness at the end of the financial year (March 31, 2020)				
	i) Principal Amount	529.84	-	-	529.84
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	5.38	-	-	5.38
	Total (i+ii+iii)	535.22	-	-	535.22

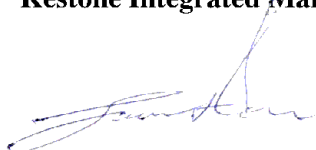
Note: The above secured loan amount does not include OD facility of Rs. 482.48 Lakhs availed by the Company as on March 31, 2020.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- NIL

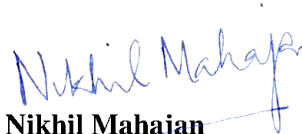
- A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **Not applicable**
- B. Remuneration to other directors (Independent Directors) - **NIL**
- C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD- **Not Applicable**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: None

**For and on behalf of the Board of Directors
Kestone Integrated Marketing Services Private Limited**



**Gautam Puri
Director
DIN: 00033548
Address: R-90, Greater Kailash,
Part-I, New Delhi -110 048**



**Nikhil Mahajan
Director
DIN: 00033404
Address: House No. 457, Sec. 30,
Faridabad - 121003, Haryana**

**Date: August 22, 2020
Place: New Delhi**

Annexure – IV

Annual Report on Corporate Social Responsibility (CSR) Activities For the Financial Year 2019-20

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

Corporate Social Responsibility (CSR) Policy:

With the advent of the Companies Act, 2013 constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy became a mandatory requirement. Therefore, the Company seeks to formulate a robust CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

A. CSR Vision:

To accomplish passionate commitment to the social obligation towards social, financial and educational upliftment of people belonging to economically weaker sections of the society.

B. Constitution of CSR Committee:

Pursuant to Section 135 (1) of the Companies Act, 2013, and the Companies (Corporate Social Responsibility Policy) Rules, 2014, both of which came into force on 1st day of April 2014, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

In compliance with the above provisions, the Corporate Social Responsibility (CSR) Committee of the Company was constituted on May 13 2015, to comprise of:

1. Mr. Satya Narayanan R, Chairman,
2. Mr. Gautam Puri, Member, and
3. Mr. Nikhil Mahajan, Member

C. Duties and responsibilities of the CSR Committee:

The Corporate Social Responsibility Committee shall:

- (i) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- (ii) recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (iii) monitor the Corporate Social Responsibility Policy of the company from time to time.
- (iv) The CSR Committee shall monitor the implementation of the CSR Policy and CSR Plan. For this purpose, the CSR Committee shall meet at such intervals, as it may deem necessary.

(v) In discharge of CSR functions of the Company, the CSR Committee shall be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.

D. Duties and responsibilities of the Board of Directors:

The Board of Directors of the Company shall:

(i) after taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company and disclose the contents of such policy in its Board Report and also place it on the Company's website.

(ii) ensure that the activities as are included in CSR Policy of the Company are undertaken by the Company.

(iii) ensure that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years in pursuance of its CSR Policy.

The Board shall include in its Report the annual report on CSR Projects as per the format prescribed from time to time.

E. Key Areas of Corporate Social Responsibility:

The Company is eligible to undertake any of the following suitable/rightful activity as specified in Schedule VII to the Act and also amended from time to time:

(i) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;

(v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;

(vi) measures for the benefit of armed forces veterans, war widows and their dependents;

(vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;

(viii) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

(ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government

(x) rural development projects.

(xi) slum area development."

F. Identification of CSR Projects:

(i). CSR Projects need to be identified and planned for approval of the CSR Committee, with estimated expenditure and phase wise implementation schedules.

(ii). The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company (including its Units) operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.

(iii). As a cardinal principle, the CSR Projects shall be identified on the basis of a detailed assessment survey.

(iv). The CSR Committee may engage external professionals/firms/agencies if required for the purpose of identification of CSR Projects.

G. Implementation of CSR Projects

(i). The Company may itself undertake the CSR activities, as per its CSR Policy, as projects, or programs, or activities (either new or outgoing);

(ii). The Board of the Company may decide to undertake its CSR activities, approved by the CSR Committee, through a Registered Trust, or a Registered Society, or a Company established by the Company, or its Holding or subsidiary or associate company under Section 8 of the Act, or otherwise;

(iii). The Company may also collaborate with other companies, including its Group Companies, for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective Companies are in a position to report separately on such projects or programs in accordance with the CSR Rules.

(iv). The CSR Committee may engage external professionals/firms/agencies if required, for the purpose of implementation of its CSR Projects.

(v). The Company may implement the identified CSR Projects through Agencies, subject to the condition that:

(a) The activities pursued by the Agency are covered within the scope and ambit of Schedule VII to the Act;

(b) The Agency has an established track record of at least three years in undertaking similar programs or projects;

Provided that such expenditure shall not exceed 5% of the total CSR expenditure of the Company in one Financial Year, and the Company shall specify the Project to be undertaken through the Agency, the modalities of utilization of funds on such Projects and the monitoring and reporting mechanism.

(vi). The Company may collaborate with other companies, including its holding and subsidiary Companies and Group Companies if required, for fulfilling its CSR objects through the Implementing Agency, provided that the CSR Committees of respective companies are in a position to monitor separately such Projects.

H. Monitoring Mechanism:

The CSR Committee will review and monitor the progress of CSR Project periodically and report to the Board at regular interval.

I. Fund allocation and Others:

CSR Funds

The corpus for the purpose of carrying on the aforesaid activities would include the following:

- (i) 2% of the average Net Profits of the Company made during the three immediately preceding Financial Years (calculated in accordance with the provisions of Section 198, excluding any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise)
- (ii) any income arising there from.
- (iii) surplus arising out of CSR activities carried out by the company and such surplus shall not form a part of business profit of the company.

CSR Expenditure

CSR Expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but will not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

Others

- (i) The CSR Committee shall ensure that major portion of the CSR expenditure in the Annual Plan shall be for the Projects as per CSR objectives. However, there shall not be any preference given to any particular projects for budgetary allocation and it shall be made purely as per the identified CSR Projects on need basis.
- (ii) The Chairman of the Company is authorized to decide the Projects to be implemented as approved by the CSR Committee.

J. Review Periodicity and amendment:

- (i) CSR Policy may be revised/modified/amended by the CSR Committee as it may deem fit.
- (ii) The CSR Committee shall review the Policy every two years unless such revision is necessitated earlier.

2. The Composition of the CSR Committee:

Members of the committee are:

- Mr. Satya Narayanan R, Chairman,
- Mr. Gautam Puri, Member, and
- Mr. Nikhil Mahajan, Member

CSR Funds (Past & Present):

A table showing accumulated CSR Funds till date, to be spent on CSR activities by the Company is set out below:

Since the Financial Year 2016-17, the net profit of the Company is less than Rs. 5 Crore, hence, the provision of sections 135 of the Companies Act, 2013 read with the CSR Rules are not applicable on the Company. However, the Company has followed the practice of carrying forward the CSR funds remaining unspent in any particular year.

3. Average net profit of the company for last three financial years: Not applicable

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Not applicable

5. Details of CSR spent during the financial year:

- a) Total Amount to be spent for the financial year: Nil
- b) Amount unspent: Nil
- c) Manner in which the amount spent during the financial year is detailed below: No amount has been spent during the financial year, hence this is not applicable.

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent. Direct or through implementing agency
-	-	-	-	-	-	-	-

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.

As part of its CSR initiative, your Company has, in the last five years earmarked the funds to be spent in the CSR activities/ projects, amongst other activities, in the education space, promotion & protection of art & culture and in research & Innovation area. The Company has not been able to spend its CSR funds on the said activities / projects till date. However, the Company has followed the practice of carrying forward the CSR funds remaining unspent in any particular year. On this basis, the cumulative amount that remained to be spent on CSR activities, as on March 31, 2020, was Rs. 56.45 Lakhs.

The Company intends to spend the unspent CSR funds on the following identified activities/ projects, over the coming years:

- e) Driving research and innovation and funding technology incubators located within academic institutions which are approved by the Central Government, and/or to fund research education in universities.
- f) Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic Sports; and/or
- g) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts. These projects are as prescribed under the Schedule VII of the Companies Act, 2013.
- h) Promoting education, including research education, special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

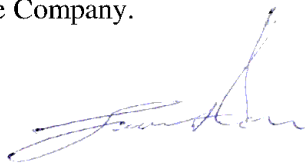
As a socially responsible person, the Company has been building its CSR capabilities on a sustainable basis, and is committed to gradually increasing its CSR spending in the coming years with the aim of playing a larger role in India's sustainable development, and thereby fulfilling its Corporate Social Responsibility.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

CSR Committee of the Company certifies that all the CSR activities/ projects earmarked by the Company are in line with the objectives set in the CSR policy of the Company.



Satya Narayanan R
Director
Chairman – CSR Committee
DIN: 00307326



Gautam Puri
Director
Member – CSR Committee
DIN: 00033548

Place: New Delhi
Date: August 22, 2020

Annexure - V

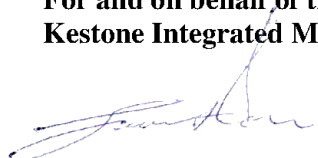
Particulars of Employees and Related disclosure

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No.	Name of the Employee	Designation	Gross Remuneration paid (Rs.in Lakhs)	Nature of Employment	Educational Qualification	Experience (in years)	Date of Joining	Age	Previous employment	Equity holding in the Company	Name of director or manager who is the relative of Employee
1	Piyush Gupta	President	82.82	President	MBA (Marketing)	16	01-Feb-2005	39	Cease Fire Industries Limited	Nil	NA
2	Pradeep Ailawadi	Head – Business Development	44.04	Business Development	PGDBA (Marketing)	29	05-Apr-2016	55	Channel Play Limited	Nil	NA
3	Sandip Pattanaik	Head – Events	38.68	Events	MBA (Marketing)	16	01-Jun-2015	37	George P Johnson	Nil	NA
4	Saurabh Mishra	Head – Digital Marketing	37.89	Digital	MBA (Marketing)	12	18-Jan-2016	36	Channel Play Limited	Nil	NA
5	G Parimala	Associate Director - Intellectual property	31.77	Intellectual Property	PGDM (Event Management)	17	06-Dec-2017	44	Wipro Limited	Nil	NA
6	Meenakshi Mehta	Director - Marcom & Business Initiatives	31.77	Marcom	M.A (English)	19	01-May-2014	43	Contentment Pvt. Ltd.	Nil	NA

7	Rajinikanth M	Head – Customized Engaged Program	30.20	CEP	MBA (Marketing)	16	12-Aug-2015	40	George P Johnson	Nil	NA
8	Priya Garg	Regional Head – Key Accounts	26.30	KAM & BD	Post Graduate Diploma in Media & Mass Communication	16	15-Oct-2008	38	Euro RSCG 4D	Nil	NA
9	Pooja Chhabra	Head – Presales Customized Engagement Program	24.71	CEP	B.Com	18	01-June-2015	36	IDG Media (CIO Magazine)	Nil	NA
10	Priyanka Mitra	Regional Key Account Manager – South	21.84	KAM & BD	PGDBA	16	16-July-2018	40	Careers360.com	Nil	NA

**For and on behalf of the Board of Directors
Kestone Integrated Marketing Services Private Limited**

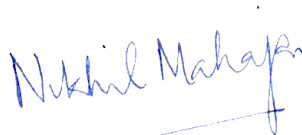


**Gautam Puri
Director
DIN: 00033548**



**Address: R-90, Greater Kailash,
Part-I, New Delhi -110 048**

**Date: August 22, 2020
Place: New Delhi**



**Nikhil Mahajan
Director
DIN: 00033404**

**Address: House No. 457, Sec. 30,
Faridabad - 121003, Haryana**

Annexure - VI

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,

The Members,

KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED

REG OFFICE:- PLOT NO. 9A, SECTOR-27A, MATHURA ROAD

FARIDABAD HARYANA 121003

I have conducted the Secretarial Audit of the compliance of all applicable statutory provisions and the adherence to good corporate practices by **KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED** (hereinafter called 'the Company'). The Company is Material unlisted subsidiary of Listed Company (CL Educate Limited).

Based on my verification of the books, papers, minute books, forms and returns etc of **KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED** filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives and going through them during the conduct of Secretarial Audit covering the financial year ended on **31ST March, 2020**, We hereby report that in our opinion, the Company has, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place, to the extent and in the manner and subject to the reporting made hereinafter. Other material Compliances are listed in Annexure A attached to this report.

I have examined the books, papers, minute books, registers, forms and returns filed and other records maintained by **KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED** for the financial year ended on 31st March, 2020, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; *To the extent applicable;*

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; *To the extent applicable*
- (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:- The Company is filing FLA timely and also all other applicable forms
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') which may be complied to the extent applicable to the material subsidiary of listed Co. Most of the SEBI guidelines are not applicable to the Company under review. However, those are applicable to the Company, may be complied by the Company.
 - 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, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - 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; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, to the extent applicable to the Company;

I further report that;

1. 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. The Changes made in the composition of the Board of Directors of the Company are as follows:
 - a. Appointment of Mr. Girish Shivani as the Non-executive Independent Director of the Company in the Annual General Meeting of the Company dated 28th September 2019 (who was appointed as Additional Non-executive Independent Director in the Board Meeting of the Company dated 6th October 2018)
 - b. Re-Appointment of Mr. Nikhil Mahajan as Directors liable to retire by rotation in the Annual General Meeting dated 28th September 2019.
2. 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.
3. Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.
4. The Auditors of the Company has submitted financial statement with statutory Auditor's report for the FY 2019-20. The Auditors has submitted their statements accordingly.
5. I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. I further report that during the audit period:

Pursuant to the recommendations/approval of the Audit Committee and the Board of Directors of the Company, both dated November 27, 2018, an application under Regulation 37 of the SEBI (LODR) Regulations, 2015 was filed with the National Stock Exchange of India Limited ("NSE") and BSE

Limited ("BSE") for the proposed Amalgamation of 5 wholly owned subsidiary Companies of CL Educate Limited - Career Launcher Education Infrastructure and Services Limited, CL Media Private Limited, Accendere Knowledge Management Services Private Limited, G.K. Publications Private Limited and Kestone Integrated Marketing Services Private Limited with CL Educate Limited. The scheme has been approved by the NSE & BSE.

The First Motion Petition with respect to the proposed Amalgamation was filed by the Company with the Hon'ble NCLT Chandigarh on August 28, 2019. NCLT Chandigarh heard the First Motion Application filed by the Company on November 14, 2019 and issued its 1st Motion Order dated December 11, 2019.

As per the directions given by the NCLT Chandigarh in its 1st Motion Order, the meetings of Equity Shareholders of CL Educate and of the Unsecured Creditors with value of INR 1 lakh or more of Kestone were held on February 01, 2020, at 10:00 AM and 12:00 Noon, respectively.

The proposed scheme of Amalgamation was duly approved by the Shareholders of CL Educate Limited and Unsecured Creditors of Kestone Integrated Marketing Services Private Limited.

The 2nd Motion Petition with respect to the proposed Amalgamation was filed by the Company with the Hon'ble NCLT Chandigarh on February 14, 2020, which was heard by the NCLT on March 05, 2020. While NCLT was satisfied with the Petition, it had directed the Companies, CL Educate Limited and Kestone to file respective Affidavits that no objections had been received from any stakeholder against the Scheme. These Affidavits were filed by the respective Companies on March 17, 2020.

However, on account of the nationwide lockdown, and limited functioning of the NCLT Benches, the hearing of the 2nd Motion Petition of CL Educate Limited had been adjourned by the NCLT Chandigarh Bench from time to time. The NCLT Bench has provided September 11, 2020, as the next date of hearing.

For Jain D & Co.
Company Secretaries

Sd/-
Deepak Jain
Proprietor
ACS – 24308; CP No: 11434
UDIN:-A024308B000567171

Place: New Delhi
Date: 10.08.2020

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

Annexure A

To,
The Members,

KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED

REG OFFICE:- PLOT NO. 9A, SECTOR-27A, MATHURA ROAD

FARIDABAD HARYANA 121003

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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, Regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Jain D & Co.
Company Secretaries

Sd/-
Deepak Jain
Proprietor
ACS – 24308; CP No: 11434
UDIN:-A024308B000567171

Place: New Delhi
Date: 10.08.2020