



KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED ANNUAL REPORT 2017

THE BOARD OF DIRECTORS (As on August 24, 2017)

Mr. Satya Narayanan .R
Mr. Gautam Puri
Mr. Nikhil Mahajan
Mr. Safir Anand

: Director
: Director
: Director
: Non-Executive Independent Director

AUDITORS (2016-17)

: Haribhakti & Co. LLP,
Chartered Accountants

REGISTERED OFFICE

: R-90, First Floor, Greater Kailash Part-1,
New Delhi – 110048

CORPORATE OFFICE

: 3rd Floor, Balaji Estate, 8, Guru Ravi Dass Marg,
Kalkaji, New Delhi, 110019

KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED

CIN: U73100DL1997PTC186183

Registered Office: R-90, First Floor, Greater Kailash, Part-I, New Delhi – 11 00 48

Tel.: 011– 40508888, Fax : 011-41079888, Website: www.Kestone.in, E-mail: rachna@careerlauncher.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 21ST ANNUAL GENERAL MEETING OF THE MEMBERS OF KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED WILL BE HELD ON SATURDAY, SEPTEMBER 30, 2017 AT 11:00 A.M. AT A-41, ESPIRE BUILDING, LOWER GROUND FLOOR, MOHAN CO-OPERATIVE INDUSTRIAL AREA, MAIN MATHURA ROAD NEW DELHI 110044, TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Annual Accounts - To receive, consider and adopt, the Audited Financial Statements of the Company for the Financial Year ended March 31, 2017, and the reports of the Board of Directors and Auditors thereon;

Item No. 2 – Reappointment of Mr. Satya Narayanan .R - To appoint a Director in place of Mr. Satya Narayanan .R (DIN: 00307326), Director, who retires by rotation at the forthcoming Annual General Meeting and who, being eligible offers himself for re-appointment.

Item No. 3 – Ratification of the Appointment of Statutory Auditor

To ratify the appointment of statutory auditors of the Company, and to fix their remuneration and to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, and pursuant to the recommendation of the Board of Directors, and pursuant to the confirmation of the appointment of the Auditors for a period of 5 years by the members of the Company at the Annual General Meeting held on September 30, 2014, the members hereby ratify the appointment of M/s Haribhakti & Co, Chartered Accountants, LLP (Firm Registration No. – 103523W), as the Statutory Auditors of the Company for the Financial Year 2017-18 at such remuneration and reimbursement of out of pocket expenses as may be agreed upon between the Auditors and the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to the above resolution.”

SPECIAL BUSINESS:

Item No. 4 – Adoption of new set of Memorandum of Association of the Company


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

“RESOLVED THAT pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with the rules framed thereunder and schedules thereto (including any statutory modification(s) amendment(s) or re-enactment thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company for the deletion of all the clauses of the

existing Memorandum of Association of the Company and substitute the same with the new set of Memorandum of Association and the said new set of Memorandum of Association be and are hereby adopted as the Memorandum of Association of the Company in substitution for, and to exclusion of, the existing Memorandum of Association of the Company, in order to bring the existing clauses in consonance with the Act.

RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorized to do or cause to do all such acts, deeds, matters and things and to execute all such deeds, documents, instruments and writings as it may deem necessary in relation to the above resolutions, and to file all the necessary documents with Registrar of Companies, NCT of Delhi and Haryana, for the purpose of giving effect to this resolution."

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


Nikhil Mahajan
Director
DIN No. : 00033404

Date: August 24, 2017
Place: New Delhi

Address: H. No. 457, Sec. 30,
Faridabad – 121 003 Haryana

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 shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

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


Nikhil Mahajan
Director
DIN No. : 00033404



Date: August 24, 2017
Place: New Delhi

Address: H. No. 457, Sec. 30,
Faridabad – 121 003 Haryana

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING, PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 4

The existing Memorandum of Association ("existing MoA") of the Company, based on Companies Act, 1956 are no longer in conformity with the Companies Act, 2013 ("the Act"). With the enactment of the Act, several clauses of the existing MoA require alteration/deletion. Given this position, it is considered expedient to adopt the new set of Memorandum of Association (primarily based on Table A set out under Schedule I to the Act) in place of existing MoA.

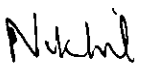
In terms of Section 13 of the Act, consent of Members by way of a Special Resolution is required for adoption of a new set of Memorandum of Association. The Board of Directors of your Company, therefore, recommend the Resolution, approving the adoption of new set of Memorandum of Association of the Company, to be passed as a Special Resolution by the Members.

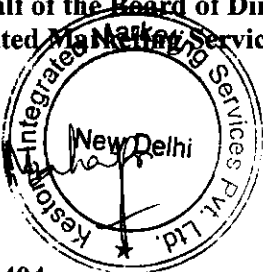
The draft of new set of Memorandum of Association along with the existing MOA shall be available for Inspection during the meeting and can be inspected by members during the normal business hours (09:00 a.m. to 05:00 p.m.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company at the registered office of the Company.

None of the Directors of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the Special Resolution set out at item No.4 of the Notice.

Copies of all the documents mentioned herein above are open for inspection at the Registered Office of the Company during normal business hours (09:00 a.m. to 05:00 p.m.) on all working days except Saturdays and Sundays, up to the date of the Annual General Meeting of the Company.

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


Nikhil Mahajan
Director
DIN No. : 00033404



Date: August 24, 2017
Place: New Delhi

Address: H. No. 457, Sec. 30,
Faridabad – 121 003 Haryana

KESTONE INTEGRATED MARKETING SERVICES PRIVATE LIMITED

DIRECTORS' REPORT 2017

Your Directors are pleased to present their report on the business and operations of your Company for the financial year ended March 31, 2017.

FINANCIAL HIGHLIGHTS

(Figures in Rs. Lakhs)		
Particulars	March 31, 2017	March 31, 2016
Total revenue	9,639.31	9,735.84
Total expenditure	9,091.00	8,592.85
Profit / Loss before tax	548.30	1,142.98
Tax Expenses	194.84	402.58
Profit / Loss after tax	353.46	740.41
Profits brought forward from previous year	2,536.55	1,796.15
Surplus/ Deficit carried to Balance sheet	2,890.01	2,536.55

During the year under review, your Company earned total revenue of Rs. 9,639.31 Lakhs in financial year 2016-17 as against Rs. 9,735.84 Lakhs earned during financial year 2015-16, registering a decrease of 0.99 %.

The expenditures of the Company increased by 5.80% from a total expenditure of Rs. 8,592.85 Lakhs during financial year 2015-16 to Rs. 9091.00 Lakhs during financial year 2016-17.

Your company earned a Net Profit after Tax (PAT) of Rs. 353.36 Lakhs as against Rs. 740.41 Lakhs during the previous year, registering a decrease in the Profits of the Company by 52.28%.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Your Company provides integrated business, marketing and sales services to our corporate customers, including event management, marketing support (including digital marketing support in the form of online marketing initiatives, to support offline marketing campaigns), customer engagement (including audience generation, lead generation, loyalty and reward programs and contest management), managed manpower and training services. The business has shown extremely robust growth not only in top line but also in its bottom line.

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

SUBSIDIARY & ASSOCIATES

Kestone Asia Hub Pte. Ltd. became a Subsidiary of Kestone Integrated Marketing Services Private Limited on 3rd December, 2013. It is currently engaged in providing integrated marketing solutions for products and services for and on behalf of inland and overseas clients and 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, 2017.

The statement containing salient features of the financial statements of the Company's Subsidiary (in Form AOC-1) is attached to the financial statements and this report as **Annexure-I**.

DIVIDEND

In order to strengthen the reserves of the Company, no dividend has been declared during the Financial Year 2016-17.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN MARCH 31, 2017 AND AUGUST 24, 2017 (DATE OF THE REPORT)

There have been no material changes and commitments affecting the financial position of the Company between the end of financial year (March 31, 2017) and the date of the Report (August 24, 2017).

CHANGES IN CAPITAL STRUCTURE

During the financial year, there was no change in the capital structure of the company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 forms part to the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered by the Company with Related Parties were in the Ordinary Course of Business and at Arm's Length pricing basis. Suitable disclosures as required under AS-18 have been made in the Notes to the financial statement.

The particulars of contracts or arrangements with related parties in prescribed form AOC-II is annexed as **Annexure - II**.

AMOUNT PROPOSED TO BE CARRIED TO ANY RESERVES

Pursuant to section 134(3)(j), there is no amount which Company proposes to carry to any reserve in the Balance Sheet.

EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92 of the Companies Act, 2013 read with the 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**.

DISCLOSURE ON THE COMPANY'S CORPORATE SOCIAL RESPONSIBILITY POLICY:

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 Feb 16, 2015 approved the policy on CSR and Constitution of Corporate Social Responsibility (CSR) Committee comprised of below mentioned members:

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

CSR activities/projects contemplated to be taken up by the Company:

As part of CSR initiative, your Company, during the Financial Years 2015-16 & 2016-17 has, amongst other activities, earmarked the funds to be invested in the CSR activities/ projects. It intends to spend the said amount in the following areas:

- a) Driving research and innovation and funding technology incubators located within academic institutions which are approved by the Central Government, and/or
- 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 special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

These projects are as prescribed under the Schedule VII of the Companies Act, 2013.

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:

Particulars	For Financial Year 2015-16 (In Rs.)	Cumulative amount for Financial Year 2016-17 (In Rs.)
Kestone Integrated Marketing Services Private Limited	1,249,273	3,004,386

CSR Spend

Though the Company has earmarked the funds for specific CSR activities, and has determined target CSR activities/ projects, in the education space, and in research and Innovation area, to be undertaken, the Company has not been able to spend the mandated amounts on the said activities till date, as the capacities to spend the sanctioned amount were being built, and are now broadly in place and specific projects have been identified.

The implementation of the planned activities has thus spilled over to the next Financial Year, the execution of which is expected to be initiated in the Financial Year 2017-18 and should happen over the coming multiple years.

As a socially responsible Company, the Company is committed to increase its CSR impact and spend over the coming years with the aim of playing a larger role in India's sustainable development, and thereby fulfill its Corporate Social Responsibility.

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

DISCLOSURE OF PARTICULARS

Information as per the Rule 8 of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, Internal financial control systems etc.

Information to be included in Board's Report are provided hereunder:

a) Conservation of Energy –The planning and installation of equipment of the Company are done in a manner such that maximum energy is conserved. To the extent possible, energy efficient equipment and instruments are used.

b) Technology absorption – Since your Company does not carry out any manufacturing activity, the particulars regarding technology absorption and other particulars as required by the Companies Act, 2013 and rules made thereunder are not applicable.

c) The foreign exchange earnings and outflows:

Earnings in Foreign Currency	:	Rs. 1,870,670
Expenditure in Foreign currency	:	Rs. 27,336,250

d) Internal Financial Control Systems - The Company has a set of robust Internal Financial Control Systems in place, some of which are as under:

1. All accounting entries are passed through a fully integrated and robust ERP system, through which real time reports can be generated anytime;
2. There is an appropriate maker-checker system in place, whereby there is complete manpower segregation while making the accounting entries, and while posting the same into the ERP system.
3. All the bank accounts are maintained and operated under joint signatories.
4. Internal Audit is performed regularly.

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, 2017, along with the relevant information thereon is given in **Annexure V**.

Further, during the year 2016-17, 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 lakh 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.

DIRECTORS

There was no change in the Board of Directors of the Company during the year under review.

Retirement by Rotation at the ensuing AGM:

Mr. Satya Narayanan .R, Director, been longest in office retires by rotation at the forthcoming AGM, and being eligible offers himself for re-appointment.

As per the disclosures filed by the Directors of the Company, none of the Directors have attracted any of the Disqualifications as mentioned in Section 164 of Companies Act 2013.

AUDITORS

At the meeting held on July 29, 2014, the Board of Directors of the Company had approved of the appointment of M/s. Haribhakti & Co., LLP, Chartered Accountants., for an initial term of 5 years. At the Annual General Meeting of the Company held on September 30, 2014, the members of the Company confirmed the Board's recommendation by appointing M/s. Haribhakti & Co., LLP, Chartered Accountants., for an initial term of 5 years.

In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors has to be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. Haribhakti & Co., LLP, Chartered Accountants, as the statutory auditors of the Company, is placed for ratification by the shareholders.

The Company has received confirmation from the firm regarding its consent for such appointment, and eligibility under Sections 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 for appointment as the Auditor of the Company.

The Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The members are requested to ratify the appointment of the Auditors as well as to authorize the Board to fix the Auditor's remuneration.

In this connection, the attention of the members is invited to item no. 3 of the Notice convening the Annual General Meeting 2017.

AUDITOR'S REPORT 2017

There are no reservations/ views/qualifications etc. of the auditors expressed in the Clauses of the Auditors/CARO Report 2017 and no instance of fraud has been reported by auditors under sub section (12) of section 143 of the Companies Act, 2013.

CORPORATE GOVERNANCE

Your company strives to ensure that best Corporate Governance practices are identified, adopted and consistently followed. Further, the Company has appointed one 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 its directors during the year. Further, there has no commission paid to non-executive and independent Directors on the Board.

(A) Number of Board Meetings held during the Financial Year 2016-17 with dates:

S. No.	Date	Board Strength	No. of Directors Present
1	13 Apr 2016	4	4
2	29 Apr 2016	4	4
3	25 Jun 2016	4	3
4	28 Jul 2016	4	4
5	11 Aug 2016	4	3
6	27 Oct 2016	4	4
7	14 Dec 2016	4	3
8	09 Feb 2017	4	4

(B) Attendance at Board Meetings held during the financial year 2016-17:

Board and Board Committees	Board	CSR Committee*
Meetings held	8	1
Directors' Attendance		
Mr. Satya Narayanan .R	7	1
Mr. Gautam Puri	8	1
Mr. Nikhil Mahajan	8	1
Mr. Safir Anand	6	Not Applicable

* During Financial Year 2016-17, one meeting of the CSR Committee of the Company was held on July 28, 2016.

RISK MANAGEMENT

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

WHISTLE BLOWER/VIGILANCE POLICY

Section 177 of the Companies Act, 2013 is not applicable to your Company and hence Vigil mechanism is not required to be established.

DISCLOSURES

- No Bonus Shares were declared for the current financial year.
- There was no amount which was required to be transferred to the Investor Education and Protection Fund (IEPF).
- Your Company has not issued any Equity shares with Differential rights during the Year under review.
- Your Company has not issued any Employees Stock options/ Sweat Equity Shares.
- Your Company has not redeemed any preference shares or Debentures during the Year under review.

- f) Your Company has not accepted any Public Deposits.
- g) The Company has not bought back any of its securities during the 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.

Your company did not come across any complaint by any employee during the year under review relating to the sexual harassment.

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, the applicable Accounting Standards have been followed and no material departures have been made from the same;
- b) appropriate Accounting Policies have been selected and applied consistently and they have 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 on 31st March, 2017 and of the Profit and Loss of the Company for the year ended on that date;
- c) proper and sufficient care has been taken 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 Annual Accounts have been prepared on a going concern basis.
- e) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

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 No. : 000335488

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

Date: August 24, 2017


Nikhil Mahajan
Director
DIN No. : 00033404

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

Place: New Delhi

Annexure-I

Form AOC- 1

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

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

PART "A": Subsidiaries

(Amount in Rs. Lakhs)

S No.	Name of the Subsidiary	Financial Period Ended	Reporting Currency and Exchange Rate	Share Capital (Nos. of Equity shares)	Reserves & Surpluses	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) Before Taxation (PBT)	Provisions for Taxation	Profit / (Loss) After Taxation (PAT)	% of share Holding
1	Kestone Asia Hub Pte Ltd., Singapore	31.03.2017	SGD	14001	-3.80	1.31	-3.66	-	3.43	-0.53	0.00	-0.53	99.99 %
			INR	14001	-181.72	63.03	-175.03	-	164.2	-25.18	0.00	-25.18	99.99 %

Notes:

- Names of subsidiaries which are yet to commence operations : None
- Names of subsidiaries which have been liquidated or sold during the 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


(Amount in Rs. Lakhs)

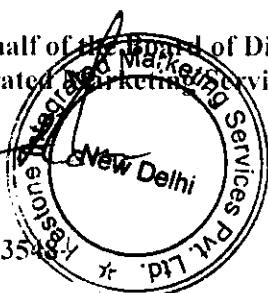
Name of the Associates/Joint Ventures	NA
1. Latest audited Balance Sheet Date	NA
2. Shares of Associate / Joint Ventures held by the Company on the year end	NA
No.	
Amount of Investment in Associate/Joint Venture	
Extend of Holding %	
3. Description of how there is significant influence	NA
4. Reason 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 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 No. : 00033543



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

Date: August 24, 2017

Place: New Delhi


Nikhil Mahajan
Director
DIN No. : 00033404

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

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.

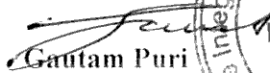
1. Details of contract or arrangements of transactions not at arm's length basis: There were no contracts or arrangements or transactions entered into by the Company with any of its Related Parties during the year ended March 31, 2017, which were not at arm's length basis.

2. Details of Material contracts or arrangement or transactions at arm's length basis: The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2017 are as follows:-

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 of CL Educate Ltd.	Amount paid as advance (if any)	Cumulative Amount of Transaction During the Financial Year ended 31.03.2017
Kestone Integrated Marketing Services Pvt. Ltd. (Kestone), Wholly Owned Subsidiary Company of CL & CL	Infrastructure servicing/ Leasing by Kestone for some of CL centers	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 2016-17.	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.	29.04.2016	NIL	Rs.79.26 Lakhs
Kestone Integrated Marketing Services Pvt. Ltd. (Kestone)	Security extended to GKP	These are routine and Regular Intra-Group Transactions, which are	Security extended to GKP for loan from IndusInd Bank as the loan taken is used to repay kestone	29.04.2016	NIL	Rs.200 Lakhs

and G K Publicatio ns Pvt. (GKP) Ltd, both Wholly Owned Subsidiar y Companie s of CL-		carried out on a continuing Basis. The contracts are also renewed accordingly.				
Kestone Integrated Marketing Services Pvt. Ltd. (Kestone) ,Wholly Owned Subsidiar y Company of CL & CL	Allocation of Manpower Cost in relation to shared staff (Support)		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	25.06.2016	Nil	Rs.116.18 Lakhs
Kestone Integrated Marketing Services Pvt. Ltd. (Kestone) ,Wholly Owned Subsidiar y Company of CL & CL	Infrastructure servicing/ Leasing by Kestone for some of CL centers	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 2016-17.	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.	29.04.2016	NIL	Rs.79.26 Lakhs

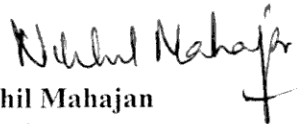
For and on behalf of the Board of Directors
Kestone Integrated Marketing Services Private Limited


Gautam Puri
Director
DIN No. : 00033548



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

Date: August 24, 2017
Place: New Delhi


Nikhil Mahajan
Director
DIN No. : 00033404

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

Annexure III

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017

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	U73100DL1997PTC186183
2.	Registration Date	03.02.1997
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 Co.)
5.	Address of the Registered office & contact details	R-90, First Floor, Greater Kailash, Part - I, New Delhi – 110 048 Tel: 011– 40508888, Fax : 41079888, Website: www.Kestone.in
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

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	82.27%
2	Managed Manpower Services	783	13.99%

*As per National Industrial Classification 2008.

III. PARTICULARS OF HOLDING /SUBSIDIARY AND ASSOCIATE COMPANIES (as on March 31, 2017)

S.No	Name and Address of the Company	CIN/GLN	Holding /Subsidiary / Associate	% of shares held	Applicable Section
1	CL Educate Limited (CL)	U74899DL1996PLC078481	Holding	100.00 (through its nominee)*	2(46)
2	Kestone Asia Hub Pte. Ltd., Singapore	Reg. No. 200715067R	Subsidiary	99.99	2(87)(ii)

* Mr. Nikhil Mahajan holds one share as a nominee, for and on behalf of CL Educate Limited (and not in his individual capacity).

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

I. (a) Category-wise Equity Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on March 31, 2016]				No. of Shares held at the end of the year [As on March 31, 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual* / HUF	-	1	1	0	-	1	1	0	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	999999	999999	99.99	-	999999	999999	99.99	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub- Total (A) (1)	-	1000000	1000000	100	-	1000000	1000000	100	-
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	-	1000000	1000000	100	-	1000000	1000000	100	-

Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts/HUF/Society	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1000000	1000000	100	-	1000000	1000000	100	-

* Mr. Nikhil Mahajan holds one share as a nominee, for and on behalf of CL Educate Limited (and not in his individual capacity).

II. Shareholding of Promoter-

S.No	Shareholder's Name	Shareholding at the beginning of the year (March 31, 2016)			Shareholding at the end of the year (March 31, 2017)			Change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	CL Educate Limited	999999	100	0.00	999999	100	0.00	-
2	Mr. Nikhil Mahajan*	1	0	-	1	0	-	-

* Mr. Nikhil Mahajan holds one share as a nominee, for and on behalf of CL Educate Limited (and not in his individual capacity).

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 year (March 31, 2016 to March 31, 2017)	
		No. of shares at the beginning March 31, 2016/End of the year March 31, 2017	% of total shares of the Company				No. of Shares	% of total Shares
1	Mr. Nikhil Mahajan	1 / 1	0 / 0	N.A.	N.A.	N.A.	N.A.	N.A.

** Mr. Nikhil Mahajan holds one share as a nominee, for and on behalf of CL Educare Limited (and not in his individual capacity).*

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

(Amount in Rs Lakhs)

S. No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
1	Indebtedness at the beginning of the financial year (01.04.2016)				
	i) Principal Amount	33.10	0	0	33.10
	ii) Interest due but not paid	0	0	0	0
	iii) Interest accrued but not due	0.45	0	0	0.45
	Total (i+ii+iii)	33.55	0	0	33.55
	Change in Indebtedness during the financial year				
	* Addition	8.04	0	0	8.04
	* Reduction	(15.85)	0	0	(15.85)
	Net Change	(7.81)	0	0	(7.81)
2	Indebtedness at the end of the financial year (31.03.2017)				
	i) Principal Amount	25.47	0	0	25.47
	ii) Interest due but not paid	0	0	0	0
	iii) Interest accrued but not due	0.28	0	0	0.28
	Total (i+ii+iii)	25.75	0	0	25.75


Note: The above secured loan amount does not include OD facility of Rs. 756.84 Lakhs availed by the Company.


VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

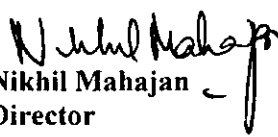
- A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **Not applicable**
- B. Remuneration to other directors (Independent Directors) - **NIL**
- C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTM- **Not Applicable**

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 No. : 00033548
Address: R-90, Greater Kailash,
Part-I, New Delhi -110 048




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

Date: August 24, 2017
Place: New Delhi

Annexure IV

ANNUAL REPORT ON CSR ACTIVITIES

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, and
2. Mr. Gautam Puri, Member
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 (i); 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 followings:

- (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,
- 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:

3. Average net profit of the company for last three financial years: 877.56 Lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): 17.55 Lakhs

5. Details of CSR spent during the financial year:

- a) Total Amount to be spent for the financial year: **17.55 Lakhs**
- b) Amount unspent: **17.55 Lakhs**
- c) Manner in which the amount spent during the financial year is detailed below: No amount has been spent during the 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 project 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.


Though the Company has earmarked the funds for specific CSR activities, and has determined target CSR activities/ projects, in the education space, and in research and Innovation area, to be undertaken, the Company has not been able to spend the mandated amounts on the said activities till date, as the capacities to spend the sanctioned amount were being built, and are now broadly in place and specific projects have been identified. The implementation of the planned activities has thus spilled over to the next Financial Year, the execution of which is expected to be initiated in the Financial Year 2017-18 and should happen over the coming multiple years.

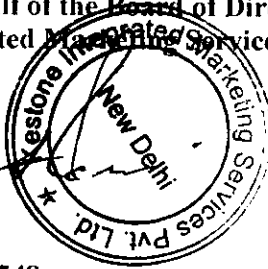
As a socially responsible Company, the Company is committed to increase its CSR impact and spend over the coming years with the aim of playing a larger role in India's sustainable development, and thereby fulfill its Corporate Social Responsibility.

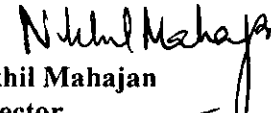
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

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.

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

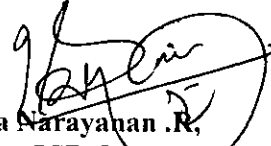

Gautam Puri
Director
DIN No. : 00033548




Nikhil Mahajan
Director
DIN No. : 00033404

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

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


Mr. Satya Narayanan .R.,
Chairman, CSR Committee

Date: August 24, 2017
Place: New Delhi

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

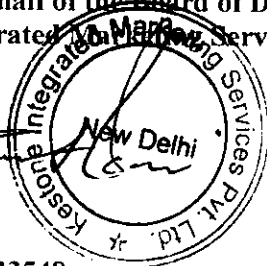
Figures (Rs. In Lakhs)

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	35.96	President	MBA	12.08	01/02//2005	36	NA	Nil	None
2	Priya Garg	Regional Head - Key Accounts	18.63	Regional Head - Key Accounts	Graduate	8.42	15/10/2008	34	NA	Nil	None
3	Sunil Kumar Jagga	Head - Finance & Accounts	19.90	Head - Finance & Accounts	CA	5.33	01/11/2011	37	NA	Nil	None
4	Mrugesh Soni	Manager- Accounts & BD	16.96	Manager - KAM & BD	Graduate	4.50	10/09/2012	31	NA	Nil	None
5	Meenakshi Mehta	Head - Marcom	16.61	Head - Marcom	Graduate	2.83	01/05/2014	40	NA	Nil	None
6	Sandip Pattanaik	Head - Events PM & NBD	22.26	Head - Events PM & NBD	Graduate	1.75	01/06/2015	35	NA	Nil	None
7	Pooja Chhabra	Sr. Client Servicing &	17.18	Sr. Manage	Graduate	1.75	01/06/2015	32	NA	Nil	None

		Delivery Manager		r - Client Servicing & Delivery							
8	Rajinikanth M	Senior Manager-Cep	17.06	Sr. Manager-CEP	Graduate	1.58	12/08/2015	37	NA	Nil	None
9	Saurabh Mishra	Head - Digital Marketing	26.76	Head - Digital Marketing	Graduate	1.17	18/01/2016	34	NA	Nil	None
10	Pradeep Ailawadi	Head - MMS Business & NBD	25.85	Head - MMS Business & NBD	Graduate	0.92	05/04/2016	52	NA	Nil	None

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

Gautam Puri
Director
DIN No. : 00033548



Nikhil Mahajan
Nikhil Mahajan
Director
DIN No. : 00033404

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

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

Date: August 24, 2017
Place: New Delhi