

*Emkay*®

Your success is our success

ANNUAL  
REPORT  
2016-17



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

G. P. Gupta	Chairman - (DIN: 00017639)
Rajesh Sharma	Director - (DIN:01239871)
Saket Agrawal	Director - (DIN:06960186)

### STATUTORY AUDITORS

B. L. Sarda & Associates, Chartered Accountants  
61, Rajgir Chambers, 7<sup>th</sup> Floor, Opp. Old Custom House,  
12/14 Shahid Bhagat Singh Road, Mumbai-400023  
Tel. No. 022-22664618, 022-22662752

### BANKERS

HDFC Bank Limited

### REGISTERED OFFICE

The Ruby, 7<sup>th</sup> Floor, Senapati Bapat Marg,  
Dadar (West), Mumbai-400028

### ADMINISTRATIVE OFFICE

Paragon Centre, "C-06", Ground Floor,  
P. B. Marg, Opp. Century Mills,  
Worli, Mumbai -400 013

### CORPORATE IDENTITY NUMBER

U67190MH2010PLC203819



## AGM NOTICE

### NOTICE

**NOTICE** is hereby given that the Seventh Annual General Meeting of the Members of **EMKAY INVESTMENT MANAGERS LIMITED** will be held on Friday, the 11<sup>th</sup> August, 2017 at 11.00 a.m. at the Registered Office of the Company i.e. The Ruby, 7<sup>th</sup> Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028 to transact the following business:

#### ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2017 and the Profit & Loss for the year ended on that date and the report of the Directors and the Auditors thereon.
- 2) To appoint a Director in place of Mr. Saket Agrawal (DIN: 06960186) who retires by rotation and being eligible offers himself for re-appointment.
- 3) To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED** that pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. B. L. Sarda & Associates, Chartered Accountants, bearing Firm Registration Number 109266W with the Institute of Chartered Accountants of India (ICAI), be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting to be held for the financial year 2017-18 on such remuneration as may be determined by the Board of Directors.”

By order of the Board of Directors

#### Registered Office:

The Ruby, 7<sup>th</sup> Floor,  
Senapati Bapat Marg,  
Dadar (West), Mumbai 400028

**G. P. GUPTA**

Chairman

Place: Mumbai

Dated: 24<sup>th</sup> May, 2017

#### NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company.

The instrument appointing a proxy should however be deposited at the registered office of the Company not less than 48 hours before commencement of the meeting.

2. Members are requested to bring their attendance slip along with the copy of Annual Report to the Meeting.



## DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the Seventh Annual Report of your Company and the Audited Accounts for the year ended on 31<sup>st</sup> March, 2017.

### 1. FINANCIAL RESULTS

Overview of the financial performance of Company for the financial year ended on 31<sup>st</sup> March, 2017 is as under:

Particulars	(₹ in Lac)	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
Total Income	211.67	167.75
Profit / (Loss) Before Tax	76.59	60.00
Less: Provision for Taxation	21.29	17.48
Less: Deferred Tax Charge /(Benefit)	(0.95)	0.95
Profit /(Loss) After Tax	56.25	41.57
Add: Balance brought forward	237.85	196.28
Amount available for Appropriations	294.10	237.85
<b>Appropriations</b>		
Transfer to General Reserve	-	-
Balance carried forward	294.10	237.85

### 2. DIVIDEND

The Directors do not recommend any dividend for the year under review.

### 3. REVIEW OF OPERATIONS

The revenue of the Company for the financial year 2016-2017 increased by 26.18 % from ₹ 167.75 Lacs in the previous year to ₹ 211.67 Lacs. The Profit after Tax for the current year has increased to ₹ 56.25 Lacs from ₹ 41.57 Lacs in the previous year.

### 4. DEPOSITS

During the year under review, your company has not accepted/renewed any Deposits from the public and the shareholders.

### 5. INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has constituted an Internal Compliant Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said Committee.

### 6. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of energy/ technology absorption do not have much relevance to the activities of the company since it does not own any manufacturing facility and hence the disclosure of information to be made in terms of section 134 (3) (m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy, and Technology Absorption are not given.

There were no foreign exchange earnings during the year. An amount of ₹ 115,023 was spent in foreign currency during the year.

### 7. DIRECTORS

In accordance with Section 152 of the Companies Act, 2013 and Articles of Association of the Company,



## DIRECTORS' REPORT

Mr. Saket Agrawal (DIN: 06960186), Director of the Company retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting of the Company. The Board of Directors recommends his re-appointment.

### 8. PARTICULARS OF REMUNERATION TO NON EXECUTIVE DIRECTORS:

No remuneration by way of commission to non executive Director is paid during the year 2016-2017

### 9. PARTICULARS OF EMPLOYEES

In accordance with the provisions of Section 134 (3) (q) read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the particulars of employees are not annexed, as there are no employees whose remuneration falls within the prescribed limits as per Companies Act, 2013.

### 10. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company had appointed M/s. B. L. Sarda & Associates, Chartered Accountants, bearing Firm Registration Number 109266W with the Institute of Chartered Accountants of India (ICAI), as the Statutory Auditors of the Company to hold office from the conclusion of the 4<sup>th</sup> Annual General Meeting till the conclusion of the 7<sup>th</sup> Annual General Meeting to be held for the financial year 2016-17, subject to the ratification at every Annual General Meeting held after 4<sup>th</sup> Annual General Meeting.

Since, the term of the present Auditor is expiring in the ensuing annual general meeting, your Directors recommend to re-appoint M/s. B. L. Sarda & Associates, Chartered Accountants, Mumbai as the Statutory Auditors of the Company to hold office from the conclusion of 7<sup>th</sup> Annual General Meeting till the conclusion of 8<sup>th</sup> Annual General Meeting to be held for the financial year 2017-18.

A certificate has been received from them to the effect that their appointment as Statutory Auditors of the Company, if made, would be within the limits prescribed under Section 139(1) and 141 of the Companies Act, 2013.

There are no qualifications or observations or remarks made by the Auditors in their report.

### 11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 (3) (c) of the Companies Act, 2013, the Directors confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The directors have prepared the annual accounts on a going concern basis.
- e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and



## DIRECTORS' REPORT

- f) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### 12. EXTRACT OF ANNUAL RETURN

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

### 13. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2016-2017, 4 Meetings were held on 23<sup>rd</sup> May, 2016, 10<sup>th</sup> August, 2016, 9<sup>th</sup> November, 2016 and 30<sup>th</sup> January, 2017.

Name of the Director	Category	Board Meetings held during the Financial Year 2016-17	
		Held	Attended
Mr. G. P. Gupta	Director	4	2
Mr. Rajesh Sharma	Director	4	4
Mr. Saket Agrawal	Director	4	4

### 14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any Loan to any person or other body corporate or given any guarantee or provided security in connection with a loan to any other body corporate or person under the provisions of section 186 of the Companies Act, 2013. Details of Investments covered under Section 186 of the Companies Act, 2013, are given under notes to the Financial Statements.

### 15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

The details of the related party transactions, as per requirement of Accounting Standards-18 are disclosed in notes to the financial statements of the Company for the financial year 2016-17. All the Directors have disclosed their interest in Form MBP-1 pursuant to Section 184 of the Companies Act, 2013 and as and when any changes in their interest take place, such changes are placed before the Board at its meetings. None of the transactions with any of the related parties was in conflict with the interest of the Company. The particulars of contracts or arrangements with related parties referred to in Section 188(1), in prescribed Form AOC - 2 under Companies (Accounts) Rules, 2014 are appended as “Annexure “B”

### 16. ACKNOWLEDGEMENTS

The Board of Directors wishes to express its sincere appreciation for the support and co-operation extended by various Regulatory Authorities, Government Agencies, Bankers, Customers, Shareholders and the Employees of the Company.

**By the order of the Board**

**G. P. GUPTA**

Chairman

Place: Mumbai

Date: 24<sup>th</sup> May, 2017



# ANNEXURE “A” - EXTRACT OF THE ANNUAL RETURN

## FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN AS ON 31<sup>ST</sup> MARCH, 2017

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

#### I. REGISTRATION AND OTHER DETAILS

	CIN	U67190MH2010PLC203819
i	Registration Date	8 <sup>th</sup> June, 2010
ii	Name of the Company	Emkay Investment Managers Limited
iii	Category/ Sub-Category of the Company	Public Limited Company
iv	Address of the Registered Office and contact details	The Ruby, 7 <sup>th</sup> Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028 Tel. No. 022-66121212
v	Whether Listed Company	No
vi	Name , Address and Contact details of Registrar and Transfer Agent, if any	N.A

#### 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:-

Sr. No.	Name and Description of Main Products/Service	NIC Code of the Products/Service	% to total turnover of the Company
1	Portfolio Management Services	67190	83.71%

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

Sr. No.	Name and Address of the Company	CIN Nos	Holding/Subsidiary/ Associates	% of shares held	Applicable Section
1	Emkay Global Financial Services Limited	L67120MH1995PLC084899	Holding	100	2(46)

#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category – wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a. Individuals/HUF	-	-	-	-	-	-	-	-	-
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt	-	-	-	-	-	-	-	-	-
d. Bodies Corp	-	24,99,400	24,99,400	99.9760	-	24,99,400	24,99,400	99.9760	No Change in Shareholding during the year
e. Bank/FI	-	-	-	-	-	-	-	-	
f. ANY OTHER - 6 Individuals Shareholder as a nominee of Promoter each holds 100 shares	-	600	600	0.0240	-	600	600	0.0240	
<b>Sub Total A-1</b>	-	<b>25,00,000</b>	<b>25,00,000</b>	<b>100</b>	-	<b>25,00,000</b>	<b>25,00,000</b>	<b>100</b>	
<b>2. Foreign</b>	-	-	-	-	-	-	-	-	
a. NRI-Individuals	-	-	-	-	-	-	-	-	
b. Others-Individuals	-	-	-	-	-	-	-	-	
c. Bodies Corp	-	-	-	-	-	-	-	-	
d. Bank/FI	-	-	-	-	-	-	-	-	
e. Any Others	-	-	-	-	-	-	-	-	
<b>Sub Total (A) (2)</b>	-	-	-	-	-	-	-	-	





## ANNEXURE "A" - EXTRACT OF THE ANNUAL RETURN

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>Total Shareholding of Promoters A= A1+A2</b>	-	25,00,000	25,00,000	100	-	25,00,000	25,00,000	100	-
<b>B. Public Shareholding</b>									
<b>2. Institution</b>	-	-	-	-	-	-	-	-	-
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Bank/FI	-	-	-	-	-	-	-	-	-
c. Cent. Govt	-	-	-	-	-	-	-	-	-
d. State Govt	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Comp	-	-	-	-	-	-	-	-	-
g. FIIS	-	-	-	-	-	-	-	-	-
h. Foreign Vanture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total-B-1</b>	-	-	-	-	-	-	-	-	-
<b>1. Non Institutions</b>									
a. Bodies Corp									
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b. Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
a. State Govt	-	-	-	-	-	-	-	-	-
b. Venture Capital Funds	-	-	-	-	-	-	-	-	-
c. Insurance Comp	-	-	-	-	-	-	-	-	-
d. FIIS	-	-	-	-	-	-	-	-	-
e. Foreign Vanture Capital Funds	-	-	-	-	-	-	-	-	-
f. Others (specify)									
g. Clearing member	-	-	-	-	-	-	-	-	-
h. Trust	-	-	-	-	-	-	-	-	-
i. NRIs	-	-	-	-	-	-	-	-	-
j. NRN	-	-	-	-	-	-	-	-	-
<b>Sub Total B-2</b>	-	-	-	-	-	-	-	-	-
<b>Total Public ShareholdingB=B1+B2</b>	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C )</b>	-	25,00,000	25,00,000	100	-	25,00,000	25,00,000	100	-







## ANNEXURE “A” - EXTRACT OF THE ANNUAL RETURN

### ii. Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the Beginning of the Year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of the total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of the total shares of the Company	% of Shares Pledged / Encumbered to total shares	
1	Emkay Global Financial Services Limited	24,99,400	99.9760	-	24,99,400	99.9760	-	No Change in Shareholding during the year
2	Krishna Kumar Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.0040	-	100	0.0040	-	
3	Prakash Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.0040	-	100	0.0040	-	
4	Priti Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.0040	-	100	0.0040	-	
5	Preeti Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.0040	-	100	0.0040	-	
6	Satyanarayan Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.0040	-	100	0.0040	-	
7	Krishna Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.0040	-	100	0.0040	-	
<b>Total</b>		<b>25,00,000</b>	<b>100.0000</b>	<b>-</b>	<b>25,00,000</b>	<b>100.0000</b>	<b>-</b>	

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>At the Beginning of the year</b>				
A	Emkay Global Financial Services Limited	24,99,400	99.9760	24,99,400	99.9760
B	Krishna Kumar Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.0040	100	0.0040
C	Prakash Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.0040	100	0.0040
D	Priti Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.0040	100	0.0040
E	Preeti Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.0040	100	0.0040
F	Satyanarayan Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.0040	100	0.0040
G	Krishna Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.0040	100	0.0040
<b>2.</b>	<b>Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
A	Emkay Global Financial Services Limited	-	-	-	-
B	Krishna Kumar Karwa as a nominee of Emkay Global Financial Services Ltd	-	-	-	-
C	Prakash Kacholia as a nominee of Emkay Global Financial Services Ltd	-	-	-	-
D	Priti Karwa as a nominee of Emkay Global Financial Services Ltd	-	-	-	-



## ANNEXURE “A” - EXTRACT OF THE ANNUAL RETURN

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
E	Preeti Kacholia as a nominee of Emkay Global Financial Services Ltd	-	-	-	-
F	Satyanarayan Karwa as a nominee of Emkay Global Financial Services Ltd	-	-	-	-
G	Krishna Kacholia as a nominee of Emkay Global Financial Services Ltd	-	-	-	-
<b>3. At the End of the year</b>					
A	Emkay Global Financial Services Limited	24,99,400	99.9760	24,99,400	99.9760
B	Krishna Kumar Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.0040	100	0.0040
C	Prakash Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.0040	100	0.0040
D	Priti Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.0040	100	0.0040
E	Preeti Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.0040	100	0.0040
F	Satyanarayan Karwa as a nominee of Emkay Global Financial Services Ltd	100	0.0040	100	0.0040
G	Krishna Kacholia as a nominee of Emkay Global Financial Services Ltd	100	0.0040	100	0.0040

### (iv) Shareholding pattern of top ten shareholders (other than Directors / Promoters and holders of GDRs and ADRs. NIL

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
	<b>For each of the Top Ten Shareholders</b>				
	At the beginning of the year				
	<b>Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):</b>	-	-	-	-
		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the End of the year (or on the date of separation, if separated during the year)	-	-	-	-

### v) Shareholding of Directors and Key Managerial Personnel. NIL

Sr. No.		Beginning of the year		During the Year	
		No. of shares	% of total shares of the Company	No. of shares	% of the total shares of the Company
	<b>For each of the Directors /KMP</b>				
	At the beginning of the year	-	-	-	-
	<b>Date wise Increase / Decrease inShare Holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):</b>	-	-	-	-
	At the End of the year	-	-	-	-



## ANNEXURE “A” - EXTRACT OF THE ANNUAL RETURN

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
Change in Indebtedness during the financial year				
- Addition	-	-	-	-
- Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

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

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable

Sr. No.	Particulars of Remuneration	Name of Managing Director		Total Amount (₹)
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify	-	-	-
	<b>Total (A)</b>	-	-	-
	Ceiling as per the Act			

#### B. Remuneration to other directors: Nil

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		G. P. Gupta	Rajesh Sharma	Saket Agrawal	
1.	Independent Directors				
	- Fee for attending board/ committee meetings	-	-	-	-
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	-	-	-
2.	Other Non-Executive Directors	-	-	-	-
	- Fee for attending board committee meetings	-	-	-	-
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				



## ANNEXURE “A” - EXTRACT OF THE ANNUAL RETURN

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/MTD: NIL

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

### VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE. NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment / Compounding fees imposed	Authority (RD/NCLT/COURT)	Appeal made if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment			----- NIL -----		
Compounding					
<b>B. DIRECTOR</b>					
Penalty					
Punishment			----- NIL -----		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			----- NIL -----		
Compounding					



## ANNEXURE “B” - EXTRACT OF THE ANNUAL RETURN

### ANNEXURE “B”

#### Form No. AOC-2

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

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

#### 1. Details of contracts or arrangements or transactions not at arm's length basis

Sr No	Particulars	Details of Transaction
a.	Name(s) of the related party and nature of relationship	Emkay Global Financial Services Limited – Holding Company
b.	Nature of contracts /arrangements /transactions	Reimbursement of Rent, Electricity, Water Charges, Telephone Expenses, Building Maintenance etc for the use of office premises of the Holding Company
c.	Duration of the contracts / arrangements /transactions	from 1st April, 2016 to 31st March, 2017
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	Reimbursement of certain common expenses such as Rent, Electricity, Water Charges, Telephone Expenses, Building Maintenance etc to the Holding Company on the basis of cost incurred by the Holding Company and dividing the same by the total number of employees sitting in the premises to arrive at cost per employee and paying this to the Holding Company on the basis of number of employees of the Company.
e.	Justification for entering into such contracts or arrangements or transactions	The Company is not having its own office premises. Hence, it is using office premises of its Holding Company.
f.	Date(s) of approval by the Board	29.01.2016
g.	Amount paid as advances, if any	N.A
h.	Date on which the resolution was passed in general meeting as required under first proviso to section 188 ##	N.A

#### Note:

- ## 1. As per 4<sup>th</sup> proviso to section 188(1) of the Companies Act, 2013 passing of shareholders resolution under 1st proviso is not applicable for transactions entered into between Holding Company and its wholly owned subsidiary company whose accounts are consolidated with such Holding Company and placed before the shareholders at the Annual General Meeting for approval.
2. Necessary omnibus approval of the Audit Committee in its meeting held on 29<sup>th</sup> January, 2016 has been obtained prior to entering into all the related party transactions.

There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large.

#### 2. Details of material contracts or arrangement or transactions at arm's length basis

- (a) Name(s) of the related party and nature of relationship – N.A
- (b) Nature of contracts/arrangements/transactions – N.A
- (c) Duration of the contracts / arrangements/transactions – N.A
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: – N.A
- (e) Date(s) of approval by the Board, if any: – N.A
- (f) Amount paid as advances, if any: – N.A



# INDEPENDENT AUDITOR'S REPORT

To the Members of **EMKAY INVESTMENT MANAGERS LIMITED,**

## Report on the Standalone Financial Statements

1. We have audited the accompanying Standalone Financial Statements of EMKAY INVESTMENT MANAGERS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

3. Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid



## INDEPENDENT AUDITOR'S REPORT

Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
9. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. (Refer Note 27 to the standalone financial statements).

**For B.L. Sarda & Associates**  
Chartered Accountants  
Firm Registration No.109266W

Place : Mumbai  
Date : 24<sup>th</sup> May, 2017

**(CA B.L. Sarda)**  
Partner  
Membership No.014568





## ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE)

### **ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT OF EVEN DATE TO THE MEMBERS OF EMKAY INVESTMENT MANAGERS LIMITED ON THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017**

- (i) (a) In our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, fixed assets of the Company have been physically verified by the management during the year which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property during the year. Accordingly, paragraph 3(i)(c) of the order is not applicable to the Company.
- (ii) The Company does not hold any inventory during the year. Accordingly paragraph 3(ii) of the order is not applicable to the Company.
- (iii) The Company has not granted any secured or unsecured loan to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly paragraph 3(iii) of the order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act, with respect to the investments made. There are no loans, guarantees and securities granted during the year in respect of which provisions of Section 185 and 186 of the Act are applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Rules framed there under to the extent notified. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the rules made by the Central Government under Section 148 (1) of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, service tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were in arrears, as on 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of provident fund, employees' state insurance, sales-tax, duty of customs, duty of excise and value added tax,.
- (b) As at 31<sup>st</sup> March, 2017, according to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax and service tax which have not been deposited on account of any dispute.







## ANNEXURE “A” TO INDEPENDENT AUDITOR’S REPORT

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE)

- (viii) The Company has not obtained any loan or borrowings from any financial institution, bank or government. Further, the Company does not have any debentures issued/outstanding any time during the year. Accordingly paragraph 3(viii) of the order is not applicable to the Company.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable to the Company.
- (x) Based on the audit procedures performed and according to the information and explanations given by the management, we report that no fraud by the company or on the Company by its officers or employees has been noticed or reported during the year ended 31st March, 2017 nor have we been informed of such case by the management during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/ provided for managerial remuneration during the year. Accordingly paragraph 3(xi) of the order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us the Company is not a nidhi company. Accordingly paragraph 3(xii) of the order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transaction have been disclosed in note 25 of the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly paragraph 3(xiv) of the order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as prescribed under section 192 of the Act. Accordingly paragraph 3(xv) of the order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly paragraph 3(xvi) of the order is not applicable to the Company.

**For B.L. Sarda & Associates**

Chartered Accountants

Firm Registration No.109266W

**(CA B.L. Sarda)**

Partner

Membership No.014568

Place : Mumbai

Date : 24<sup>th</sup> May, 2017



## ANNEXURE “B” TO INDEPENDENT AUDITOR’S REPORT

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE)

### **ANNEXURE “B” TO INDEPENDENT AUDITOR’S REPORT OF EVEN DATE TO THE MEMBERS OF EMKAY INVESTMENT MANAGERS LIMITED ON THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017**

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

1. We have audited the internal financial controls over financial reporting of **EMKAY INVESTMENT MANAGERS LIMITED** (“the Company”) as of March 31, 2017 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

3. Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

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



## ANNEXURE “B” TO INDEPENDENT AUDITOR’S REPORT

REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE)

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

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

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

### Opinion

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

**For B.L. Sarda & Associates**

Chartered Accountants

Firm Registration No.109266W

**(CA B.L. Sarda)**

Partner

Membership No.014568

Place : Mumbai

Date : 24<sup>th</sup> May, 2017



**BALANCE SHEET** AS AT 31<sup>ST</sup> MARCH, 2017

Particulars	Note No.	As at	
		31 <sup>st</sup> March, 2017 (₹)	31 <sup>st</sup> March, 2016 (₹)
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUND</b>			
Share Capital	3	25,000,000	25,000,000
Reserves and Surplus	4	29,410,216	23,785,001
		<b>54,410,216</b>	<b>48,785,001</b>
<b>NON- CURRENT LIABILITIES</b>			
Long- Term Provisions	5	355,373	187,770
		<b>355,373</b>	<b>187,770</b>
<b>CURRENT LIABILITIES</b>			
Trade Payables			
- Micro, Small and Medium Enterprises	6	-	-
- Others	6	154,567	122,393
Other Current Liabilities	7	2,001,863	1,032,839
Short- Term Provisions	5	382,410	94,874
		<b>2,538,840</b>	<b>1,250,106</b>
<b>TOTAL</b>		<b>57,304,429</b>	<b>50,222,877</b>
<b>ASSETS</b>			
<b>NON- CURRENT ASSETS</b>			
Fixed Assets			
- Tangible Assets	8 (a)	1,262,231	1,496,762
- Intangible Assets	8 (b)	-	-
Non-Current Investments	9	12,090,690	10,882,314
Deferred Tax Assets (Net)	10	176,200	81,100
Long- Term Loans and Advances	11	14,015	159,215
		<b>13,543,136</b>	<b>12,619,391</b>
<b>CURRENT ASSETS</b>			
Current Investments	12	35,365,118	32,446,413
Trade Receivables	13	7,293,963	3,764,231
Cash and Cash Equivalents	14	676,282	1,085,257
Short- Term Loans and Advances	15	425,930	303,393
Other Current Assets	16	-	4,192
		<b>43,761,293</b>	<b>37,603,486</b>
<b>TOTAL</b>		<b>57,304,429</b>	<b>50,222,877</b>
<b>Significant Accounting Policies</b>	<b>2</b>		

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date  
**For B. L. Sarda & Associates**  
**Chartered Accountants**

**(CA B. L. Sarda)**  
 Partner  
 Membership No. 014568

Place: Mumbai  
 Dated: 24<sup>th</sup> May, 2017

For and on behalf of the Board of Directors of  
**EMKAY INVESTMENT MANAGERS LIMITED**

**Rajesh Sharma**  
 Director

**Saket Agrawal**  
 Director

Place: Mumbai  
 Dated: 24<sup>th</sup> May, 2017



# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

Particulars	Note No.	For the Year Ended 31 <sup>st</sup> March, 2017	For the Year Ended 31 <sup>st</sup> March, 2016
		(₹)	(₹)
Revenue from Operations	17	17,776,667	13,990,532
Other Income	18	3,389,897	2,784,421
<b>Total Revenue</b>		<b>21,166,564</b>	<b>16,774,953</b>
<b>Expenses</b>			
Employee Benefits Expense	19	7,870,050	5,329,798
Depreciation and Amortization Expense	20	482,581	7,689
Other Expenses	21	5,155,098	5,437,860
<b>Total Expenses</b>		<b>13,507,729</b>	<b>10,775,347</b>
<b>Profit Before Tax</b>		<b>7,658,835</b>	<b>5,999,606</b>
<b>Tax Expense:</b>			
- Current Tax		2,200,000	1,750,000
- Deferred Tax		(95,100)	94,700
- Excess Provision for Income Tax for Earlier Years		(71,280)	(1,807)
<b>Profit for the Year</b>		<b>5,625,215</b>	<b>4,156,713</b>
<b>Earnings per Equity Share of Nominal value of ₹ 10 each</b>			
- Basic		2.25	1.66
- Diluted		2.25	1.66
<b>Significant Accounting Policies</b>	<b>2</b>		

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date  
**For B. L. Sarda & Associates**  
**Chartered Accountants**

**(CA B. L. Sarda)**  
 Partner  
 Membership No. 014568

Place: Mumbai  
 Dated: 24<sup>th</sup> May, 2017

For and on behalf of the Board of Directors of  
**EMKAY INVESTMENT MANAGERS LIMITED**

**Rajesh Sharma**  
 Director

**Saket Agrawal**  
 Director

Place: Mumbai  
 Dated: 24<sup>th</sup> May, 2017





# CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

	For the Year Ended 31 <sup>st</sup> March, 2017		For the Year Ended 31 <sup>st</sup> March, 2016	
	(₹)	(₹)	(₹)	(₹)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax, exceptional / extraordinary items		7,658,835		5,999,606
Adjustment for :				
Depreciation & Amortization Expense	482,581		7,689	
Unrealised Foreign Exchange Loss (Net)	20,969			
Interest Received	(2,153)		-	
Dividend Received	(278,067)		(323,707)	
Net (Gain) on Sale of Current/Non Current Investments	(2,963,750)		(2,460,714)	
Reduction in Carrying amount of Current Investments Written Back	(145,927)	(2,886,347)	-	(2,776,732)
<b>Operating Profit before Working Capital Changes</b>		4,772,488		3,222,874
Adjustment for :				
Trade and other Receivables	(3,496,422)		2,916,469	
Trade and other Payables	1,256,095	(2,240,327)	362,317	3,278,786
<b>Cash Generated from Operations</b>		2,532,161		6,501,660
Direct taxes (Paid)/Refund		(1,934,933)		(1,860,406)
<b>Cash Flow before Extraordinary Items</b>		597,228		4,641,254
Extraordinary Items		-		-
<b>Net Cash from/(used in) Operating Activities</b>		597,228		4,641,254
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Current Investments (Purchased)/Redeemed	(2,918,705)		(3,772,653)	
Non Current Investment (Purchased)/Disposed Off	(1,208,376)		(2,072,025)	
Net Gain on Sale of Current/Non Current Investments	2,963,750		2,460,714	
Reduction in Carrying amount of Current Investments Written Back	145,927			
Dividend Received	278,067		323,707	
Purchase of Fixed Assets	(248,050)		(1,501,951)	
Interest Received	2,153	(985,234)	-	(4,562,208)
<b>Net Cash from/(used in) Investing Activities</b>		(985,234)		(4,562,208)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Net Cash from/(used in) Financing Activities		-		-
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		(388,006)		79,046
<b>Cash and Cash Equivalents at the beginning of the year</b>		1,085,257		1,006,211
<b>Cash and Cash Equivalents at the close of the year</b>		697,251		1,085,257





## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

		For the Year Ended 31 <sup>st</sup> March, 2017		For the Year Ended 31 <sup>st</sup> March, 2016	
		(₹)	(₹)	(₹)	(₹)
<b>Note:</b>					
1	Cash and Cash Equivalents comprise of :				
	Balance with a Scheduled Banks				
	- In Current Accounts		376,342		1,056,097
	Cheques in hand		770		-
	Cash on hand		299,170		29,160
			<b>676,282</b>		<b>1,085,257</b>
	Add : Exchange difference on translation of foreign currency cash and cash equivalents		20,969		-
			<b>697,251</b>		<b>1,085,257</b>
2	Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard - 3 (AS-3) "Cash Flow Statement".				
3	Previous year's figure are re-grouped/ recasted/ re-arranged wherever considered necessary.				

As per our Report of even date  
**For B. L. Sarda & Associates**  
**Chartered Accountants**

**(CA B. L. Sarda)**  
 Partner  
 Membership No. 014568

Place: Mumbai  
 Dated: 24<sup>th</sup> May, 2017

For and on behalf of the Board of Directors of  
**EMKAY INVESTMENT MANAGERS LIMITED**

**Rajesh Sharma**  
 Director

**Saket Agrawal**  
 Director

Place: Mumbai  
 Dated: 24<sup>th</sup> May, 2017



# NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## 1. Corporate Information

Emkay Investment Managers Limited (the Company) was incorporated as a Public Limited Company on 8<sup>th</sup> June 2010 as a Wholly Owned Subsidiary of Emkay Global Financial Services Limited (Holding Company) and is engaged in the business of Portfolio Management Services. The Company is registered as a Portfolio Manager with the Securities and Exchange Board of India.

## 2. Significant Accounting Policies:

### 2.1 Basis of Preparation of Financial Statements

- a) The accompanying financial statements have been prepared on going concern basis in accordance with Generally Accepted Accounting Principles in India to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared under the historical cost convention on the accrual basis of accounting. The accounting policies have been consistently applied by the Company unless otherwise stated.
- b) In view of criteria set out in the Schedule III to the Companies Act, 2013, the Company has considered 12 months period as its operating cycle for classifying its assets and liabilities as Current or Non-Current.

### 2.2 Use of Estimates

The preparation of Financial Statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities on the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and the differences between actual results and estimates are recognised in the periods in which the results are known / materialize.

### 2.3 Revenue Recognition

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

#### **Portfolio Management Fees is accounted on accrual basis as follows:-**

- In case of fees based on fixed percentage of Assets Under Management, income is accrued at fixed interval as agreed with clients or closure of portfolio account, whichever is earlier.
- In case of fees based on returns on Portfolio, income is accounted at the end of completion of one year from the date of joining the Portfolio Management Scheme or closure of Portfolio Account, whichever is earlier.

#### **Portfolio Management Fees is net of service tax**

- The Profit/(Loss) earned on Sale of Investments are recognized on trade date basis. Profit or Loss on Sale of Investments is determined on the basis of the weighted average cost method. On disposal of an Investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.
- Dividend including interim are accounted when the right to receive payment is established.





## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### 2.4 Fixed Assets and Depreciation

- Fixed Assets are stated at cost of acquisition including incidental expenses related to such acquisition and installation less accumulated depreciation.
- Depreciation on Fixed Assets has been provided on written down value method and computed with reference to the useful life of respective assets specified and in the manner prescribed in Schedule II of the Companies Act, 2013 including pro rate depreciation on additions/deletions made during the year.

### 2.5 Intangible Assets and Amortization

Items of expenditure that meet the recognition criteria as mentioned in Accounting Standard – 26 on “Intangible Assets” are classified as intangible assets and are amortized over the period of economic benefits.

Softwares are stated at cost of acquisition and are amortized on straight line basis over a period of 3 years irrespective of the date of acquisition.

Goodwill acquired by the Company is amortized over a period of 3 years on straight line method irrespective of the date of acquisition.

### 2.6 Investments

Investments that are readily realizable and intended to be held for not more than twelve months are classified as Current Investments. All other investments are classified as Non-Current Investments.

Non-Current Investments are stated at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the Long Term Investments.

Current Investments are stated at lower of cost and fair value and determined on an individual investment basis.

### 2.7 Employee Benefits

#### (i) Short Term Benefits

All employee benefits including short term compensated absences and statutory bonus/ performance bonus/ incentives payable wholly within twelve months of rendering the service are classified as short term employee benefits and are charged to the Statement of Profit and Loss of the period.

#### (ii) Long Term Benefits

##### Post Employment Benefits

- **Defined Benefit :-** Retirement benefits in the form of gratuity is considered as defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made as at the date of the Balance Sheet. The same is not funded. Actuarial gain/loss, if any are immediately recognized in the Statement of Profit and Loss.

### III. Other Long Term Benefits

As per the present policy of the company, there are no other long term benefits to which its employees are entitled.





## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### 2.8 Share Issue/ Preliminary Expenses

Share Issue /Preliminary Expenses are recognized as an expense in the year in which it is incurred in accordance with 'Accounting Standard - 26 on "Intangible Assets"'.

### 2.9 Taxation

Provision for Taxation has been made in accordance with the Income Tax Laws prevailing for the relevant assessment years.

### 2.10 Deferred Taxation

Deferred tax assets and liabilities are recognized for timing differences between the accounting and taxable income measured based on the tax rates and the tax laws enacted at the balance sheet date or substantively enacted. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each Balance Sheet date, the carrying amount of the deferred tax assets is reviewed to assess its realization.

### 2.11 Contingencies and Events Occurring after the Balance Sheet Date

Events occurring after the date of the Balance Sheet, which provide further evidence of conditions that existed at the Balance Sheet date or that arose subsequently, are considered upto the date of approval of accounts by the Board of Directors, where material.

### 2.12 Impairment

Where the recoverable amount of the fixed asset is lower than its carrying amount, a provision is made for the impairment loss. Post impairment, depreciation is provided for on the revised carrying value of the asset over its remaining useful life.

### 2.13 Provisions, Contingent Liabilities & Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation. Contingent liabilities, if material, are disclosed by way of notes, contingent assets are not recognized or disclosed in the financial statements.

### 2.14 Foreign Currency Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are reported using the closing rate. Gains and Losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Profit and Loss.





## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### 2.15 Assets on Operating Leases

Lease payments under operating lease are recognized as expenses on accrual basis in accordance with the respective leave and license agreements.

### 2.16 Cash and Cash Equivalents

Cash and Cash Equivalents includes cash on hand, balances with bank in current accounts (other than earmarked) and cheques on hand.

### 2.17 Segment

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue, Expenses, Assets and Liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis, are included under "Unallocated".

### 2.18 Earnings Per Share

The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 on "Earnings Per Share". Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

## 3. Share Capital

Particulars	As at	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Authorised</b>		
5,000,000 (P.Y. 5,000,000) Equity Shares of ₹ 10/- each	50,000,000	50,000,000
<b>Issued, Subscribed and Paid Up</b>		
2,500,000 (P.Y. 2,500,000) Equity Shares of ₹ 10/- each fully paid up	25,000,000	25,000,000
	<b>25,000,000</b>	<b>25,000,000</b>

#### a. Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	No of Shares	Amount	No of Shares	Amount
		(₹)		(₹)
Outstanding at the beginning of the reporting period	2,500,000	25,000,000	2,500,000	25,000,000
Add: Shares issued during the reporting period	-	-	-	-
Outstanding at the end of the reporting period	2,500,000	25,000,000	2,500,000	25,000,000



## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### b. Terms/Rights attached to Equity Shares

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

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

### c. Shares held by holding company

The entire 25,00,000 (previous year 25,00,000) Equity Shares of ₹ 10/- each fully paid up are held by Holding Company, Emkay Global Financial Services Limited.

### d. Details of Shareholders holding more than 5% shares in the company:

Name of the shareholder	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	No of Shares	% held	No of Shares	% held
Equity Shares of ₹ 10/- each fully paid				
Emkay Global Financial Services Limited (Holding Company) and its Nominees.	25,00,000	100%	25,00,000	100%

## 4. Reserves and Surplus

Particulars	As at	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per Last Financial Statements	23,785,001	19,628,288
Add: Profit for the year	5,625,215	4,156,713
Amount Available for Appropriation	29,410,216	23,785,001
Less: Appropriations	-	-
<b>Net Surplus in the Statement of Profit and Loss</b>	<b>29,410,216</b>	<b>23,785,001</b>

## 5. Provisions

Particulars	Long Term		Short Term	
	As at		As at	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)	(₹)	(₹)
<b>Provision for Employee Benefits</b>				
Provision for Gratuity (Refer Note No. 22)	355,373	187,770	145,438	58,144
<b>Others</b>				
Provision for Tax (Net of Taxes Paid)	-	-	236,972	36,730
	<b>355,373</b>	<b>187,770</b>	<b>382,410</b>	<b>94,874</b>



# NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## 6. Trade Payables

Particulars	As at	
	31 <sup>st</sup> March, 2017 (₹)	31 <sup>st</sup> March, 2016 (₹)
Micro, Small and Medium Enterprises	-	-
	-	-
<b>The details of amount outstanding to Micro, Small and Medium Enterprises as identified based on information available with the Company and relied upon by the Auditors is as under -</b>		
- Principal amount due and remaining unpaid	-	-
- Interest due on above and the unpaid interest	-	-
- Interest paid	-	-
- Payment made beyond the appointed day during the year	-	-
- Interest due and payable for the period of delay	-	-
- Interest accrued and remaining unpaid	-	-
- Amount of further interest remaining due and payable in succeeding years	-	-
Others	154,567	122,393
	<b>154,567</b>	<b>122,393</b>

## 7. Other Current Liabilities

Particulars	As at	
	31 <sup>st</sup> March, 2017 (₹)	31 <sup>st</sup> March, 2016 (₹)
Others		
Statutory Liabilities	165,252	149,178
Payable for Expenses		
-to Holding Company	12,056	1,539
-to Others	1,824,555	882,122
	<b>2,001,863</b>	<b>1,032,839</b>

## 8. Fixed Assets

	a) Tangible Assets			b) Intangible Assets		
	Vehicle	Computers	Total	Goodwill	Software	Total
<b>Gross Block (At Cost)</b>						
At 1 <sup>st</sup> April, 2015	-	50,000	50,000	500,000	619,430	1,119,430
Additions	1,501,951	-	1,501,951	-	-	-
Deductions	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2016	1,501,951	50,000	1,551,951	500,000	619,430	1,119,430
Additions	-	248,050	248,050	-	-	-
Deductions	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2017	1,501,951	298,050	1,800,001	500,000	619,430	1,119,430
<b>Depreciation / Amortization</b>						
At 1 <sup>st</sup> April, 2015	-	47,500	47,500	500,000	619,430	1,119,430
Charge for the year	7,689	-	7,689	-	-	-
Deductions	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2016	7,689	47,500	55,189	500,000	619,430	1,119,430
Charge for the Period	466,658	15,923	482,581	-	-	-
Deductions	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2017	474,347	63,423	537,770	500,000	619,430	1,119,430
<b>Net Block</b>						
At 31 <sup>st</sup> March, 2016	1,494,262	2,500	1,496,762	-	-	-
At 31 <sup>st</sup> March, 2017	1,027,604	234,627	1,262,231	-	-	-



# NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## 9. Non-Current Investments

Particulars	Face Value Per Share (₹)	No. of Shares		Amount	
		As At		As At	
		31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)			(₹)	(₹)
<b>AT COST</b>					
<b>Investments in Equity Instruments</b>					
<b>Non Trade (Other) Investments</b>					
<b>Quoted, Fully Paid-up</b>					
- Aditya Birla Nuvo Ltd.	10	-	185	-	311,065
- Aditya Birla Fashion & Retail Ltd.	10	962	962	2,730	2,730
- Bajaj Finance Ltd.	2	-	50	-	72,682
- Bajaj Corp. Ltd.	1	1705	1,705	489,966	489,966
- Bayer Cropscience Ltd.	10	185	185	364,290	364,290
- Centum Electronics Ltd.	10	1,131	1,131	603,445	603,445
- Cipla Ltd.	2	700	700	281,902	281,902
- Divi's Laboratories Ltd.	2	1,035	390	706,245	205,891
- Gujarat Pipavav Port Ltd.	10	4,025	4,025	205,397	205,397
- HDFC Bank Ltd.	2	1,098	1,098	785,474	785,474
- Hero Motocorp Ltd.	2	75	75	114,724	114,724
- Housing Development Finance Corporation Ltd.	2	150	150	123,370	123,370
- ICICI Bank Ltd.	2	3,630	3,620	617,267	614,400
- IDFC Ltd.	10	-	4,802	-	340,505
- IDFC Bank Ltd.	10	-	4,802	-	221,570
- Infosys Ltd.	5	571	571	500,333	500,333
- Karur Vysya Bank Ltd.	10	-	975	-	416,155
- Lakshmi Machine Works Ltd.	10	-	100	-	240,437
- LIC Housing Finance Ltd.	2	2,318	2,318	862,051	862,051
- L&T Finance Holdings Ltd.	10	8,134	-	606,357	-
- Mahindra & Mahindra Ltd.	5	513	465	416,513	356,401
- Mahindra Holidays & Resorts India Ltd.	10	2,267	1,363	762,953	375,845
- NESCO Ltd.	10	494	-	836,738	-
- Pidilite Industries Ltd.	1	1,250	1,250	282,444	282,444
- Power Grid Corporation of India Ltd.	10	6,350	6,350	805,783	805,783
- Praj Industries Ltd.	10	-	5,211	-	377,173
- PTC India Ltd.	2	8,743	8,743	634,755	634,755
- SKS Microfinance Ltd.	10	-	875	-	365,291
- Sundram Fasteners Ltd.	1	2,945	-	485,461	-
- TD Power Systems Ltd.	10	1,600	1,600	568,846	568,846
- Tech Mahindra Ltd.	5	900	900	224,646	224,646
- TV18 Broadcast Ltd.	2	5,000	5,000	134,743	134,743
- VRL Logistics Ltd.	10	2,380	-	674,257	-
<b>Total</b>				<b>12,090,690</b>	<b>10,882,314</b>
<b>Note :</b>					
<b>Aggregate Amount of Quoted Investments</b>					
- Cost				12,090,690	10,882,314
- Market Value				18,596,184	14,639,034



# NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## 10. Deferred Tax Assets (Net)

Particulars	As at	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Deferred Tax Assets</b>		
Provisions	129,000	76,000
Difference Between Tax and Book Depreciation	47,200	5,100
	<b>176,200</b>	<b>81,100</b>
<b>Deferred Tax Liability</b>	-	-
	-	-
<b>Deferred Tax Assets (Net)</b>	<b>176,200</b>	<b>81,100</b>

## 11. Long Term Loans and Advances

Particulars	As at	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Other Loans &amp; Advances</b>		
Prepaid Expenses	7,560	159,215
Income Tax Paid (Net of Provisions)	6,455	-
<b>Total</b>	<b>14,015</b>	<b>159,215</b>

## 12. Current Investments

Particulars	Face Value Per Unit (₹)	No. of Units		Amount	
		As At		As At	
		31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)			(₹)	(₹)
<b>(Valued at lower of Cost and Fair Value)</b>					
<b>Investments in Units of Mutual Funds</b>					
<b>Quoted, Fully Paid-up</b>					
- Goldman Sachs Liquid Exchange Traded Scheme (Liquid Bees)*	1000	-	1,848.505	-	1,848,513
- Reliance ETF Liquid Bees*	1000	1,621.284	-	1,621,291	-
- Goldman Sachs MF - CPSE ETF*	10	-	30,091.000	-	743,827
- Reliance MF - CPSE ETF*	10	30,091.000		743,827	
<b>(A)</b>				<b>2,365,118</b>	<b>2,592,340</b>
<b>Unquoted, Fully Paid-up</b>					
- IDFC Cash Fund - Growth	1000	8,373.796	8,171.005	16,500,000	15,000,000
- Reliance Liquid Fund - Treasury Plan - Growth	1000	-	4,075.722	-	15,000,000
- HDFC Liquid Fund - Growth	1000	5,158.405	-	16,500,000	-
<b>(B)</b>				<b>33,000,000</b>	<b>30,000,000</b>
<b>(A+B)</b>				<b>35,365,118</b>	<b>32,592,340</b>
<b>Less: Reduction in Carrying Amount of Current Investments</b>				-	145,927
<b>Total</b>				<b>35,365,118</b>	<b>32,446,413</b>



# NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

Particulars	Face Value Per Unit (₹)	No. of Units		Amount	
		As At		As At	
		31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)			(₹)	(₹)
<b>Notes:</b>					
<b>Aggregate Amount of Quoted Investments</b>					
-Cost				2,365,118	2,592,340
-Market Value				2,470,468	2,446,413
<b>Aggregate Amount of Unquoted Investments</b>					
-Cost				33,000,000	30,000,000
-Net Asset Value				33,009,191	30,046,138

\* On Merger/Acquisition of the Schemes of Goldman Sachs Mutual Fund by Reliance Mutual Fund

## 13. Trade Receivables

Particulars	As at	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>(Unsecured, Considered Good)</b>		
- Outstanding for a period exceeding six months from the date they became due for payment	-	-
- Others	7,293,963	3,764,231
<b>Total</b>	<b>7,293,963</b>	<b>3,764,231</b>

## 14. Cash and Cash Equivalents

Particulars	As at	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Cash and Cash Equivalents</b>		
Balances with Banks :		
- In Current Account	376,342	1,056,097
Cheques in Hand	770	-
Cash on Hand	299,170	29,160
	<b>676,282</b>	<b>1,085,257</b>

## 15. Short Term Loans and Advances

Particulars	As at	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>(Unsecured, considered good)</b>		
Advances recoverable in cash or kind or for value to be received	3,828	12,046
Other loans and advances		
- Prepaid Expenses	345,919	225,344
- Loan to Staff	6,600	-
- Service Tax Input Credit Available/Receivable	69,583	66,003
	<b>425,930</b>	<b>303,393</b>





# NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## 16. Other Current Assets

Particulars	As at	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
Dividend Receivable	-	4,192
	-	4,192

## 17. Revenue from Operations

Particulars	For the year ended	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Sale of Services</b>		
- Portfolio Management Fees	17,718,967	13,990,532
<b>Other Operating Revenue</b>		
- Miscellaneous Income	57,700	-
<b>Revenue from Operations</b>	<b>17,776,667</b>	<b>13,990,532</b>

## 18. Other Income

Particulars	For the year ended	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Interest on</b>		
- Others	2,153	-
<b>Dividend on</b>		
- Current Investments	77,037	130,326
- Non Current Investments	201,030	193,381
<b>Net Gain on</b>		
- Sale of Current Investments	2,293,506	2,243,436
- Sale of Non-Current Investments	670,244	217,278
Reduction in Carrying Amount of Current Investments Written Back	145,927	-
	<b>3,389,897</b>	<b>2,784,421</b>

## 19. Employee Benefits Expense

Particulars	For the year ended	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
Salaries and Other Benefits	7,613,413	5,258,268
Gratuity (Refer Note No. 22)	254,897	71,310
Staff Welfare Expenses	1,740	220
	<b>7,870,050</b>	<b>5,329,798</b>



# NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## 20. Depreciation and Amortization Expense

Particulars	For the year ended	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
Depreciation of Tangible assets	482,581	7,689
	<b>482,581</b>	<b>7,689</b>

## 21. Other Expenses

Particulars	For the year ended	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
Commission	648,399	547,916
Communication, Postage and Courier Charges	129,286	154,032
Fees and Stamps	65,880	38,824
Registration Fees	166,515	166,971
Membership and Subscription	91,827	84,200
Depository Charges	61,156	38,986
Electricity Charges	301,500	340,500
Insurance	56,270	1,552
Repairs & Maintenance - Others	646,482	704,544
Advertisement and Business Promotion Expenses	230,799	203,802
Printing and Stationery	184,427	143,288
Travelling, Conveyance and Vehicle Expenses	858,999	961,286
Legal and Professional Fees	499,249	586,027
Bad Debts Written Off	-	4,449
Payment to Auditors (Refer Note No. 31)		
- As Auditors		
Audit fee	82,913	75,375
Tax audit fee	25,125	25,125
- In Other Capacity		
Taxation Matters	24,120	22,100
Other Matters	30,151	22,525
	<b>162,309</b>	<b>145,125</b>
Rent	954,752	1,105,620
Reduction in Carrying Amount of Current Investments	-	145,927
Miscellaneous Expenses	71,632	64,811
Foreign Exchange Rate Fluctuations Loss (Net)	25,616	-
<b>Total</b>	<b>5,155,098</b>	<b>5,437,860</b>

22. Disclosure on retirement benefits as required in Accounting Standard 15 (AS –15) on “Employee Benefits” are given below:-

### Defined Benefit

The details of the Company's post retirement benefit being gratuity for its employees in conformity with the principles set out in AS – 15 which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors are given below :



# NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

Sr. No.	Particulars	For the year ended	
		31 <sup>st</sup> March, 2017 (Unfunded)	31 <sup>st</sup> March, 2016 (Unfunded)
<b>I</b>	<b>Changes in Present Value of Obligations</b>		
	Present Value of Obligations at beginning of the period	245,914	174,604
	Interest cost	18,922	13,658
	Current Service Cost	104,196	77,821
	Benefits Paid	-	-
	Actuarial (Gain)/Loss on Obligations	131,779	(20,169)
	Present Value of Obligations at end of the period	500,811	245,914
<b>II</b>	<b>Changes in Fair Value of Plan Assets</b>		
	Fair Value of Plan Assets at beginning of the period	-	-
	Adjustment to Opening Fair Value of Plan Assets	-	-
	Expected Return on Plan Assets	-	-
	Contributions	-	-
	Benefits Paid	-	-
	Actuarial Gain/(Loss) on Plan Assets	-	-
	Fair Value of Plan Assets at end of the period	-	-
<b>III</b>	<b>Fair Value of Plan Assets</b>		
	Fair Value of Plan Assets at beginning of the period	-	-
	Adjustment to Opening Fair Value of Plan Assets	-	-
	Actual Return on Plan Asset	-	-
	Contributions	-	-
	Benefits Paid	-	-
	Fair Value of Plan Assets at end of the period	-	-
	Funded Status	(500,811)	(245,914)
	Excess of actual over estimated return on Plan Assets	-	-
<b>IV</b>	<b>Actuarial Gain/(Loss) Recognized</b>		
	Actuarial Gain/(Loss) for the period (Obligation)	(131,779)	20,169
	Actuarial Gain/(Loss) for the period (Plan Assets)	-	-
	Total Gain/(Loss) for the period	(131,779)	20,169
	Actuarial Gain/(Loss) recognized for the period	(131,779)	20,169
	Unrecognized Actuarial Gain/(Loss) at end of the period	-	-
<b>V</b>	<b>Amounts recognized in the Balance Sheet</b>		
	Present Value of Obligations at end of the period	500,811	245,914
	Fair Value of Plan Assets at end of the period	-	-
	Funded Status	(500,811)	(245,914)
	Unrecognized Actuarial Gain/(Loss)	-	-
	Net Asset/(Liability) recognized in the balance sheet under "Provisions – Gratuity"	(500,811)	(245,914)
<b>VI</b>	<b>Expense recognized in the Statement of Profit and Loss</b>		
	Current Service Cost	104,196	77,821
	Interest cost	18,922	13,658
	Expected Return on Plan Assets	-	-
	Net Actuarial (Gain)/Loss recognized for the period	131,779	(20,169)
	Expense recognized in the Statement of Profit and Loss Account under "Employee Benefits Expense"	254,897	71,310



NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

Sr. No.	Particulars	For the year ended	
		31 <sup>st</sup> March, 2017 (Unfunded)	31 <sup>st</sup> March, 2016 (Unfunded)
<b>VII</b>	<b>Movements in the Liability recognized in Balance Sheet</b>		
	Opening Net Liability	245,914	174,604
	Adjustment to opening Fair Value of Plan Assets	-	-
	Expenses as above	254,897	71,310
	Contribution paid	-	-
	Closing Net Liability	500,811	245,914
<b>VIII</b>	<b>Experience Analysis - Liabilities</b>		
	Actuarial (Gain)/Loss due to change in bases	50,979	875
	Experience (Gain)/Loss due to Change in Experience	80,800	(21,044)
	Total	131,779	(20,169)
	Experience Analysis – Plan Assets		
	Experience (Gain)/Loss due to Change in Plan Assets	-	-
<b>IX</b>	<b>Investment pattern</b>	<b>Not Funded</b>	<b>Not Funded</b>
<b>X</b>	<b>Principal Assumptions</b>		
	Mortality	IALM(2006-08)Ult	IALM(2006-08)Ult
	Discount Rate	6.80%	7.70%
	Rate of increase in Compensation	7.00%	5.00%

- 23.** In the opinion of the Board of Directors, the assets other than Fixed Assets and Non-Current Investments have value on realization in ordinary course of business at least equal to the amount at which they are stated except as otherwise stated. Provision for all known and determined liabilities is adequate and not in excess of the amount reasonably required.

**24. Segment information**

**(a) Primary Segment :**

The Company's operations relating to "Portfolio Management Services" falls under one reportable business segment namely "Advisory and Transactional Services" therefore primary business segment reporting as required by Accounting Standard 17 "Segment Reporting" is not applicable.

**(b) Secondary Segment:**

The Company operates in India and hence there are no reportable Geographical Segments.

**25. Related Party Disclosures:**

**(A) List of Related Parties (Where transactions have taken place)**

Sr. No.	Name of Related Party	Nature of Relationship
(i)	Key Management Personnel/Individuals having control or significant influence	
	a) Krishna Kumar Karwa	Individual having significant influence
	b) Prakash Kacholia	Individual having significant influence
(ii)	Emkay Global Financial Services Limited	Holding Company
(iii)	Emkay Insurance Brokers Limited	Fellow Subsidiary Company



# NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## (B) Transaction with Related Party

Sr. No.	Particulars	Individual having control or significant influence		Holding Company		Fellow Subsidiary Company	
		(₹)	(₹)	(₹)	(₹)	(₹)	(₹)
		2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
I	<b>Expenditure</b>						
	<b>Depository Charges</b>						
	- Emkay Global Financial Services Ltd.	-	-	61,156	38,986	-	-
						-	-
II	<b>Income</b>						
	Portfolio Management Fees						
	- Prakash Kacholia	2,62,339	1,97,818	-	-	-	-
						-	-
III	<b>Others</b>						
	<b>(a) Expenses Reimbursed</b>						
	- Emkay Global Financial Services Ltd.	-	-	14,78,232	17,02,470	-	-
	<b>(b) Payment on behalf of us</b>						
	- Emkay Insurance Brokers Ltd.	-	-	-	-	-	538
	<b>(c) Payment on behalf of Fellow Subsidiary</b>						
	- Emkay Insurance Brokers Ltd.	-	-	-	-	-	2,500
	<b>(d) Brokerage on Investments</b>						
	- Emkay Global Financial Services Ltd.	-	-	9,853	5,124	-	-
	<b>(e) Meal Coupon Transferred</b>						
	- Emkay Global Financial Services Ltd.	-	-	-	3,680	-	-
IV	<b>Outstandings</b>						
	<b>(a) Other Current Liabilities</b>						
	- Emkay Global Financial Services Ltd.	-	-	12,056	1,539	-	-
	<b>(b) Trade Receivables</b>						
	- Prakash Kacholia	84,454	67,146	-	-	-	-
	<b>(c) Equity Share Capital</b>						
	- Emkay Global Financial Services Ltd.	-	-	2,50,00,000	2,50,00,000	-	-

(C) Related Parties are identified by Management and relied upon by the auditor

(D) No balances in respect of Related Parties have been written off.

## 26. Earnings per Share

	For the Year ended	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
Profit available for Equity Shareholders (₹)	56,25,215	41,56,713
Weighted average number of Shares used in Computing Basic earnings per share	25,00,000	25,00,000
Weighted average number of Shares used in Computing Diluted earnings per share	25,00,000	25,00,000
Nominal Value of Equity Shares (₹)	10	10
Basic Earnings Per Share (₹)	2.25	1.66
Diluted Earnings Per Share (₹)	2.25	1.66



## NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

27. Details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 :

Particulars	SBNs	Other Denomination Notes	Total
	(₹)	(₹)	(₹)
<b>Closing Cash on Hand as on 08.11.2016</b>	2,500	17,063	19,563
Add: Permitted Receipts	-	30,000	30,000
Less: Permitted Payments	-	13,360	13,360
Less: Amount Deposited in Banks	2,500	-	2,500
<b>Closing Cash on Hand as on 30.12.2016</b>	-	33,703	33,703

28. There are no Operating Lease arrangements entered into by the Company. It is occupying part of a premises taken on operating lease by its holding company to whom rent aggregating to ₹ 954,752/- (P.Y. ₹ 1,105,620/-) has been paid for the same.
29. The provisions of section 135 of the Companies Act, 2013 pertaining to expenditure on Corporate Social Responsibility are not applicable to the Company.
30. Disclosure pursuant to section 186(4) of the Companies Act, 2013:  
Investments made – Refer Note No. 9 and 12
31. Payment to auditors includes ₹ 413/- (P.Y. ₹ 375/-) in audit fees, ₹ 125/- (P.Y. ₹ 125/-) in tax audit fees, ₹ 120/- (P.Y. ₹ 100/-) in fees for taxation matters and ₹ 151/- (P.Y. ₹ 25/-) in other matters towards Swachh Bharat Cess.
32. a) Additional information required pursuant to Part II of Schedule III to the Companies Act, 2013:

Particulars	For the Year ended	
	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
	(₹)	(₹)
<b>Expenditure in Foreign Currency</b>		
- Travelling Expenses	105,991	-
- Advertisement and Business Promotion	1,799	-
- Others	7,233	-

- b) Other additional information required pursuant to Part II of Schedule III of the Companies Act, 2013 are not applicable to the Company.
33. Figures of the previous year have been regrouped, recasted and rearranged wherever necessary to make them comparable with the figures of the current year.
34. Figures in brackets represents for previous year.
35. Figures have been rounded off to the nearest rupees.

As per our Report of even date  
**For B. L. Sarda & Associates**  
**Chartered Accountants**

(CA B. L. Sarda)  
Partner  
Membership No. 014568

Place: Mumbai  
Dated: 24<sup>th</sup> May, 2017

For and on behalf of the Board of Directors of  
**EMKAY INVESTMENT MANAGERS LIMITED**

**Rajesh Sharma**  
Director

**Saket Agrawal**  
Director

Place: Mumbai  
Dated: 24<sup>th</sup> May, 2017



## EMKAY INVESTMENT MANAGERS LIMITED

CIN- U67190MH2010PLC203819

Registered Office: The Ruby, 7<sup>th</sup> Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028

### ATTENDANCE SLIP

I hereby record my presence at the 7<sup>th</sup> Annual General Meeting of the Company held on Friday, the 11<sup>th</sup> August, 2017 at 11.00 a.m. at the Registered office of the Company i.e. The Ruby, 7<sup>th</sup> Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028.

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

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

Name of Proxyholder: \_\_\_\_\_

No. of Share(s) Held: \_\_\_\_\_

\_\_\_\_\_  
Signature of Member/Proxy

#### Notes:

- (1) Members/Proxyholders are requested to produce the attendance slip duly signed for admission to the Meeting hall.
- (2) Members are requested to bring their copy of Annual Report for reference at the Meeting.



**EMKAY INVESTMENT MANAGERS LIMITED**

CIN: U67190MH2010PLC203819

Registered office: The Ruby, 7<sup>th</sup> Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028

Website: www.emkayglobal.com T: 022-66299299 Email: compliance@emkayglobal.com

**PROXY FORM**

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

Name of the Member (s):	
Registered Address:	
E-mail ID:	
Folio No./ Client ID:	DP ID:

I/We, being the member (s) of Emkay Investment Managers Limited holding \_\_\_\_\_ Equity Shares of the above named company, hereby appoint.

- Name :  
 Address :  
 E-mail ID :  
 Signature : \_\_\_\_\_ or failing him
- Name :  
 Address :  
 E-mail ID :  
 Signature : \_\_\_\_\_ or failing him
- Name :  
 Address :  
 E-mail ID :  
 Signature : \_\_\_\_\_ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7<sup>th</sup> Annual General Meeting of the Company, to be held on Friday the 11<sup>th</sup> day of August, 2017 at 11.00 a.m. at the Registered office of the Company i.e. The Ruby, 7<sup>th</sup> Floor, Senapati Bapat Marg, Dadar (West), Mumbai-400028 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions
1	To receive, consider and adopt the audited Balance Sheet of the Company as at 31 <sup>st</sup> March, 2017 and the Profit & Loss for the year ended on that date and the report of the Directors and the Auditors thereon.
2	To appoint a Director in place of Mr. Saket Agrawal (DIN: 06960186), who retires by rotation and being eligible offers himself for re-appointment.
3	To re- appoint Statutory Auditors M/s. B. L. Sarda & Associates, Chartered Accountants.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

Signature of the Shareholder: \_\_\_\_\_

Signature of the Proxy Holder(s): \_\_\_\_\_

Affix  
Revenue  
Stamp of  
₹ 1

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**



**EMKAY INVESTMENT MANAGERS LIMITED**

**CIN: U67190MH2010PLC203819**

**Registered Office: The Ruby, 7th Floor, Senapati Bapat Marg,  
Dadar (West), Mumbai - 400028. Tel: +9122 6612 1212**