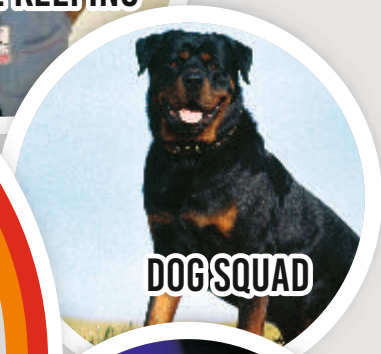


Together we grow in
Strength



ANNUAL REPORT
2017-18



ANNUAL REPORT 2017-18

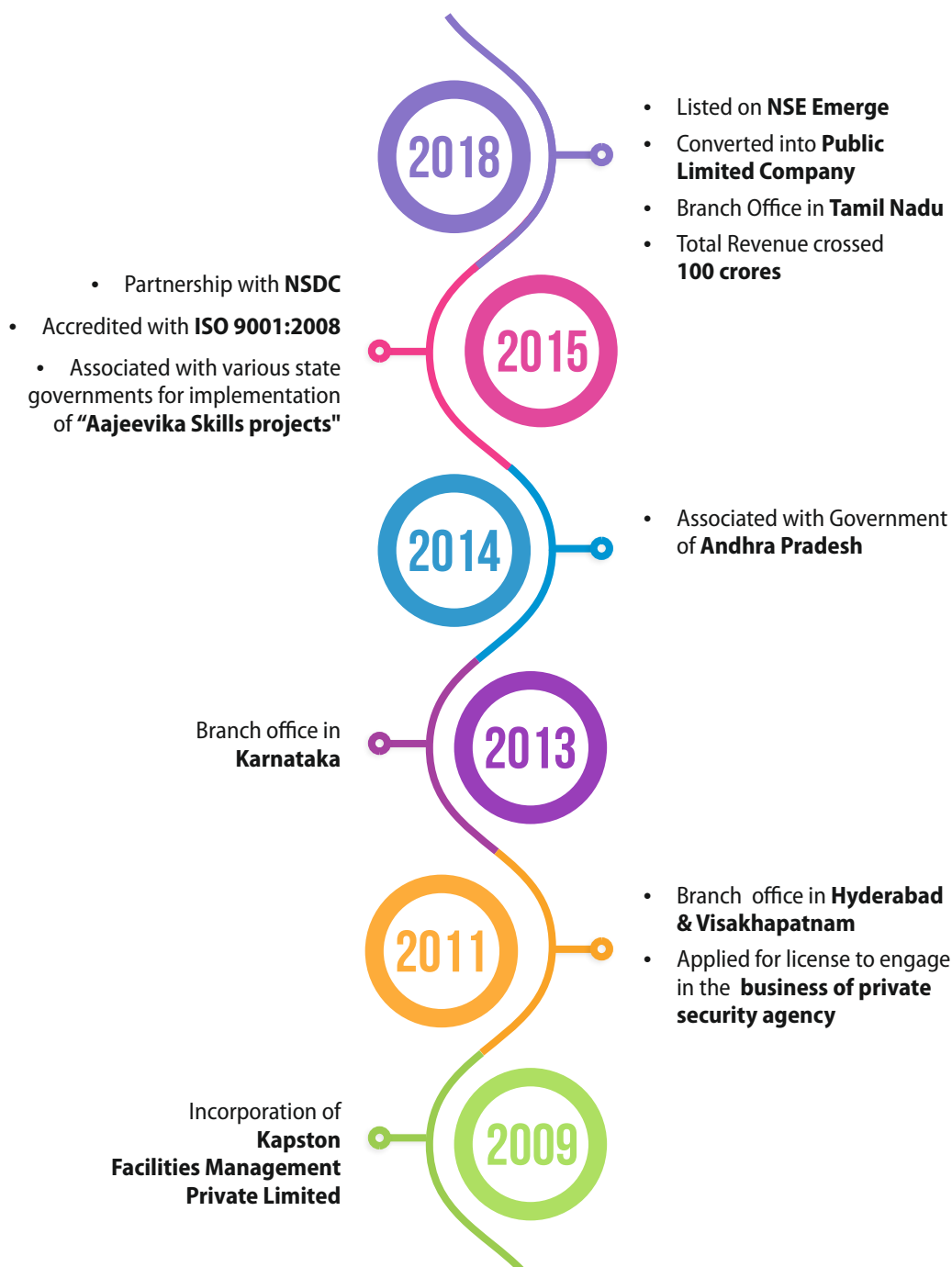
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Kapston Facilities Management Limited

Corporate Information

<p>Board of Directors</p> <p>Dr. Chereddi Ramachandra Naidu Chairman</p> <p>Mr. Srikanth Kodali Managing Director</p> <p>Mr. Radha Krishna Pinnamaneni Non-Executive Director</p> <p>Mr. Naveen Nandigam Independent Director</p> <p>Ms. Kanti Kiran Doddapaneni Non- Executive Director</p> <p>Ms. Vanitha Nagulavari Independent Director</p>	<p>Registered Office Plot No. 287, MIG-2, IX Phase KPHB, Kukatpally, Hyderabad, Telangana - 500072</p> <p>Corporate Office #1-98/9/3/23, Plot No. 12E, Jaihind Colony, Madhapur, Hyderabad, Telangana - 500081</p> <p>Statutory Auditors NSVR & Associates LLP, Chartered Accountants Firm Reg. No. 008801S/S200060</p>
<p>Chief Financial Officer Mr. Brendon Thomas Pereira</p>	<p>Registrar Bigshare Services Pvt. Ltd # 06, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Somajiguda Rajbhavan Road, Hyderabad - 500082</p>
<p>Company Secretary and Compliance Officer Ms. Amreen Gulnaaz</p>	<p>Investor cell contact details cfo@kapstonfm.com Contact : 9611800800 cs@kapstonfm.com Contact : 9100118844</p>



Company Overview

Incorporation



Corporate Office
Hyderabad

Presence in
Southern India

Site Locations 1000+

Clientele Base 500 +

Back Office Employee
Strength 300+

Partnered with NSDC



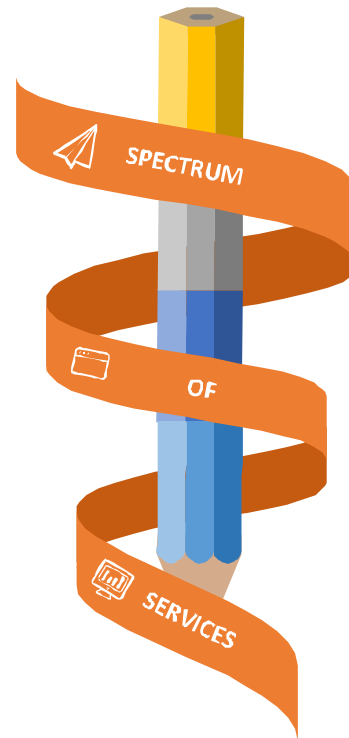
On site Employee
Strength 8000+

Training Academies - 6 States
Telangana, Maharashtra,
Karnataka, Kerala, Odisha,
Assam

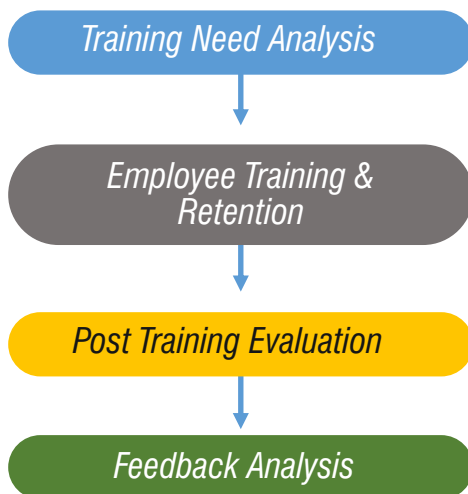
Listed with National Stock
Exchange (NSE- Emerge) in 2018.

SPECTRUM OF SERVICES

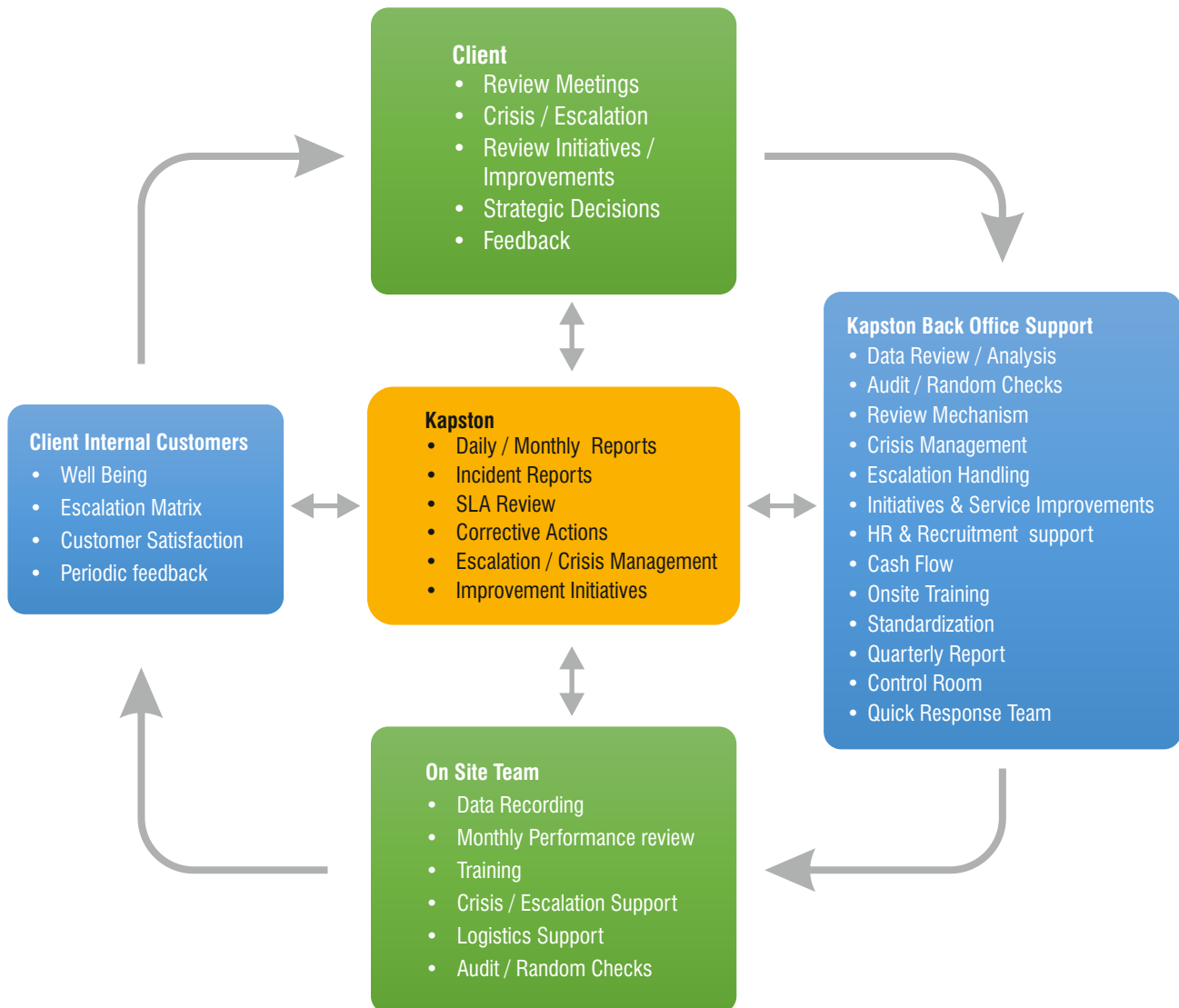
- ◆ Security
- ◆ House Keeping
- ◆ Engineering & Maintenance
- ◆ Office Support
- ◆ Front Office Management
- ◆ Pantry & Cafeteria Management
- ◆ Pest Control
- ◆ Façade Cleaning
- ◆ Landscaping & Gardening
- ◆ Parking Management
- ◆ E-Security
- ◆ Canine Brigade



TRAINING PROCESS



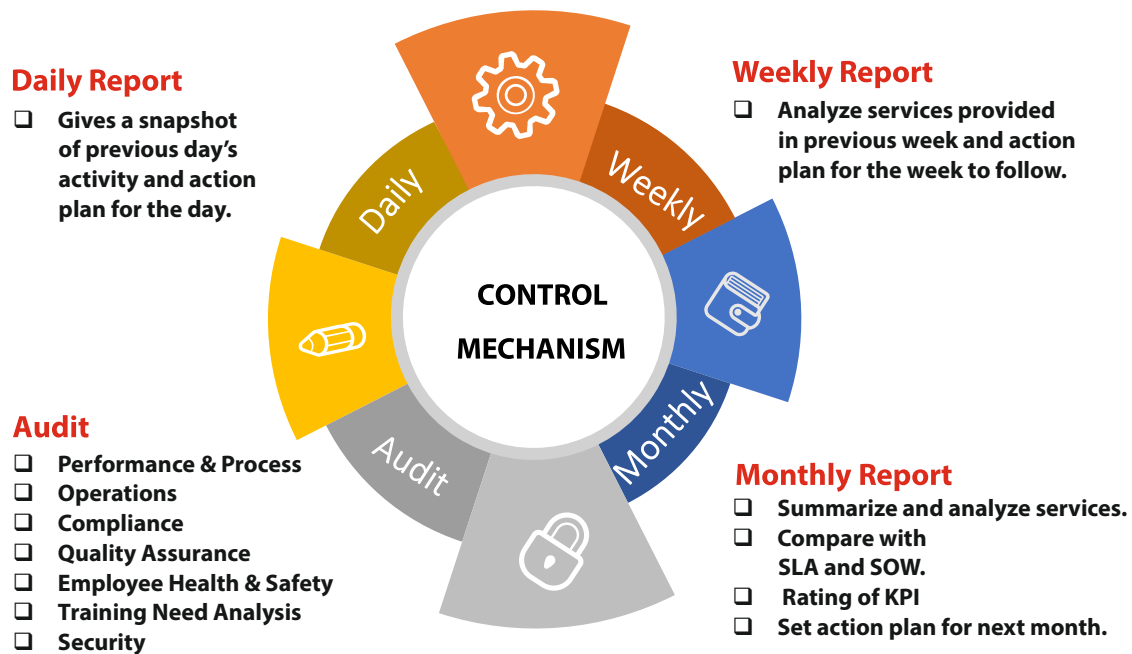
QUALITY REVIEW PROCESS



OPERATIONS EFFECTIVENESS



CONTROL MECHANISM



QUALITY MANAGEMENT SYSTEM



Dr. Chereddi Ramachandra Naidu- Executive Chairman: MA in Sociology and a Doctorate in Commerce & Management. He has authored a book on “Preventive Powers of Police”, which was published by AP Police Academy. He was Inspector General of Police in the combined state of Andhra Pradesh. He joined the Police Service as a Deputy Superintendent of Police in the year 1977 and retired in the year 2007 as Inspector General of Police. His expertise spans human resource management, Industrial relations, strategy and project management.

Mr. Srikanth Kodali- Promoter and Managing Director: He is the founder of Kapston and has been managing the company since incorporation as an executive director. He is a Commerce Graduate. Apart from rich experience of over a decade in Facilities Management and Security Services, he also has diverse experience in fields such as digital designing & printing, construction and expertise in marketing financial management and client retention. He is the guiding force behind the strategic decisions of our Company and has been instrumental in formulating the overall business strategy and developing business & client relations of the company.

Mr. Radha Krishna Pinnamaneni- Promoter and Non-Executive Director: He is associated with Kapston since 2010 and was involved in formulating business plans relating to expansion of organization. He is a Commerce Graduate and has 25 years of entrepreneurial experience across different businesses.

Mr. Naveen Nandigam- Independent Director and Chairman of Audit Committee: He is a fellow member of Institute of Chartered Accountants of India (ICAI) and he has been in professional practice since 1990 and has 25 years of experience in financial reporting and management. He is associated with the Company since February 2018.

Ms. Kanti Kiran Doddapaneni - Promoter and Non-Executive Director - She holds a Bachelors' Degree in Science from Osmania University and also a Master's degree in Arts from University of Hyderabad.

Ms. Vanitha Nagulavari - Independent Director: A Commerce graduate and an Associate member of the Institute of Company Secretaries of India. She has over 8 years of experience in the areas of legal, secretarial, capital markets and other corporate affairs. She is associated with the Company since August 2018.

CHAIRMAN'S MESSAGE

Dear Shareholders,

It gives me great pleasure to be part of the first Annual Report, since the listing of the Company on the National Stock Exchange (NSE Emerge). Our Company went public in March and got listed on 04 April, 2018. The new capital raised through IPO has considerably improved our financial strength and capacity.

Kapston was incorporated and launched in 2009 at Hyderabad. The company has grown from Rs. 4.61crs in 2009-10 to Rs. 118.51crs in 2017-18, with PAT of Rs. 6.01crs during the fiscal year.



We have the distinction of partnering with National Skill Development Corporation and training the 'Unemployed Youth' under the prestigious "Deen Dayal Upadhyaya Grameen Kaushalya Yojana", Govt. of India. Till date, we have 'trained and provided placement' for 33270 youth under the scheme. We are happy to state that we would take up more such projects in future.

We have a team of 257 Executive and Senior level Officers at the corporate level, and about 8500+ associates at the operations level, providing varied services.

The Facilities Management Industry is expected to grow in double digits over the next few years. I would like to assure you, that our company would grow 'qualitatively and quantitatively' and create 'wealth and happiness' for the Share Holders and the Associates, in the years to come.

I am pleased to inform you that we are conforming to this path of growth with 'renewed vigour and commitment' and will continue to build a strong and contemporary portfolio in Facility Management industry. We are indeed committed in our mission of generating sustainable value for all our stake holders through more innovation, greater efficiency and profitable growth.

We hope to serve the local community by taking up better projects as a part of our Corporate Social Responsibility.

We look forward to continuing this journey together in the current fiscal and beyond.

Sincerely



Chereddi Ramachandra Naidu

Chairman

Kapston Facilities Management Limited

NOTICE OF THE 10TH ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 10th Annual General Meeting (AGM) of the Members of Kapston Facilities Management Limited will be held on Friday the 28th day of September, 2018, at 11.30 A.M. at Dasapalla Hotel, Road No.37, CBI Colony, Jubilee Hills, Hyderabad, Telangana 500033, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended March 31, 2018 and the reports of the Board of Directors ("the Board") and Auditors thereon.
2. To appoint a director in place of Radha Krishna Pinnamaneni (DIN: 03324910), who retires by rotation and being eligible, seek 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 sections 139, 141 and 142 of the Companies Act, 2013, the appointment of **M/S NSVR and Associates LLP**, Chartered Accountants(Firm Registration No.0008801S/S200060), Hyderabad be and are hereby appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this meeting till the conclusion of 14th Annual General Meeting, on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the respective financial year."

Special Business:

4. Appointment and Re-designation of Dr Chereddi Ramachandra Naidu as an Executive Chairman

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary resolution:

"Resolved that Dr. Chereddi Ramachandra Naidu (DIN 02096757) who has been appointed as an Independent Director be and is hereby re-designated as a Director under the provisions of Section 152, of the Companies Act, 2013(Act), read with the rules made thereunder."

"Resolved further that pursuant to the provisions of section 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), consent of the members be and is hereby accorded for appointment of Dr. Chereddi Ramachandra Naidu (DIN 02096757) as an Executive Chairman for a period of three years with effect from 30th August, 2018 and a consolidated Honorary Remuneration of Rs.15 lakhs per annum will be paid to Dr. Chereddi Ramachandra Naidu during his tenure".

"Resolved further that the Board of Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

5. Appointment of Smt Vanitha Nagulvari as an Independent Director

To consider and if thought fit to pass with or without modification the following resolution as an Ordinary resolution:

"Resolved that pursuant to the provisions of sections 149, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof), Smt. Vanitha Nagulvari (DIN 07271674), who meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an independent director of the company for a period of five years with effect from 30th August, 2018."

"Resolved further that the Board of Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution."

By order of the Board
For **Kapston Facilities Management Limited**

Place: **Hyderabad**
Date : **30.08.2018**



Amreen Gulnaaz
Company Secretary
M. No. 47889

Notes:

1. A shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and the proxy need not be a member of the Company. The instrument of proxy in order to be effective, must be deposited at the Corporate Office of the Company, duly completed and signed, not less than 48 hours before the commencement of meeting. A person can act as proxy on behalf of shareholders not exceeding fifty (50) in number and holding in aggregate not more than 10% of the total share capital of the company.
2. Corporate shareholders intending to send their authorized representatives to attend the Annual General Meeting are requested to send to the Company's Corporate Office a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
5. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September 2018 to 28th September, 2018 (both days inclusive) and cutoff date for dispatch of Annual Reports to shareholders either in physical or in Demat mode is 31st August, 2018.
7. The annual report for the financial year 2017-18 has been sent through email to those members who have opted to receive electronic communication or who have registered their email addresses with the Company/depository participants. The annual report is also available on Company's website www.kapstonfm.com. The physical copy of the annual report has been sent to those members who have either opted for the same or have not registered their email addresses with the Company/depository participant. The members will be entitled to a physical copy of the annual report for the financial year 2017-18, free of cost, upon sending a request to the Compliance Officer/Company Secretary at the Corporate office of the Company # 1-98/9/3/23, Plot No 12 E, Jahind Colony, Madhapur, Hyderabad-500081.
8. Pursuant to Section 108 of the Companies Act, 2013, read with Rules 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to offer voting by electronic means to the members to cast their votes electronically on all resolutions set forth in this notice. The detailed instructions for e-voting are given separately.
9. Shareholders/proxies are requested to bring their copies of the Annual Report to the AGM and the attendance slip duly filled in for attending the AGM.
10. Shareholders are requested to intimate, immediately, any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts or to the Company's Registrar and Transfer Agent, Big Share Services Private Limited, if the shares are held by them in physical form.
11. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Registrar and Transfer Agent, Big Share Services Private Limited.
12. Pursuant to Section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH-13 to the Registrar and Transfer Agent of the Company. Further, members desirous of cancelling/varying nomination pursuant to the


Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH- 14, to the Registrar and Transfer Agent of the Company.

13. All documents referred to in the accompanying notice will be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of declaration of the result of the 10th AGM of the Company.
14. Shareholders holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members may contact the Registrar and Transfer Agent of the company for assistance in this regard.

15. In case of joint holders attending the AGM, the shareholder whose name appears as the first holder in the order of name appears as per the Register of Members of the Company will be entitled to vote.
16. Route map to the venue of the AGM is published elsewhere in the Annual Report.

By order of the Board
For **Kapston Facilities Management Limited**

Place: **Hyderabad**
Date : **30.08.2018**



Amreen Gulnaaz
Company Secretary
M. No. 47889

Electronic Voting

Pursuant to provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide e-voting facility to members to cast their vote on all resolutions set forth in the notice convening the 10th Annual General Meeting (AGM) to be held on Friday, 28th September 2018 at 11.30 A.M. The Company has engaged the services of Central Depository Service Limited (CDSL) to provide the e-voting facility.

The Members whose names appear in the Register of Members/List of Beneficial Owners as on 21st September, 2018 (cut-off date), are entitled to vote on the resolutions set forth in this Notice.

The e-voting period will commence on Tuesday, 25th day of September, 2018 at 9.00 A.M and will end on Thursday, 27th day of September, 2018 at 5.00 P.M. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cutoff date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date and time mentioned above.

The Company has appointed Shri. D S Rao, Practicing Company Secretaries from P.S. Rao and Associates, Hyderabad, to act as the

Scrutinizer, to scrutinize the electronic voting process and poll at the Annual General Meeting (AGM) in fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

Procedure for e-voting :

Instructions for members for voting electronically are as under :

- A. In case of members receiving e-mail (for members whose e-mail addresses are registered with the Company/Registrars)
 - i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - ii) Click on Shareholders.
 - iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - iv) Next enter the Image Verification as displayed and Click on Login.
 - v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical

PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <p>* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and 8 digits of the folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Ramanathan with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details or Date of Birth	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login</p> <p>In case both the details are not recorded with the depository or Company, please enter the Member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).</p>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.
- (x) Click on the EVSN for the relevant company i.e. **"Kapston Facilities Management Limited"** on which you choose to vote.
- (xi) On the voting page, you will see **"Resolution Description"** and against the same the option **"Yes/No"** for voting. Select the option Yes or No as desired. The option Yes implies that you assent to the Resolution and option No implies that you dissent to the Resolution.
- (xii) Click on the **"Resolution file link"** if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "Submit". A confirmation box will be displayed. If you wish to confirm your vote, click on "Ok", else to change your vote, click on "Cancel" and accordingly modify your vote.
- (xiv) Once you "Confirm" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If demat account holder has forgotten the login password then enter the User ID, click on Forgot Password & enter the details as prompted by the system.
- (xvii) Members can also cast their vote using CDSL's mobile app "m-Voting" available for Android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- A. In case of members receiving the physical copy of notice of 10th Annual General Meeting by courier (for members whose e-mail id's are not registered with the Company/ Depositories)
- B. Please follow all the steps from S.No. (i) to S.No (xvii) to cast vote.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

1. Item No.4: Appointment and Re-designation of Dr Chereddi Ramachandra Naidu as an Executive Chairman

Dr Chereddi Ramachandra Naidu has been appointed as an Independent Director on 22nd February, 2018. The Board of

Directors with a view to utilise his vast experience and expertise, re-designated him as an Executive Chairman.

The Board considers that his services would be useful to the company and it is inevitable to avail his services as an Executive Chairman to strengthen the relations of the Company with the high-end customers in the long run.

The Board decided to pay a consolidated Honorary Remuneration of Rs.15 lakhs per annum during his tenure. The board commend your approval for the said appointment under section 152 and 196 of the Companies Act,2013.

Except the Director being appointed/re-designated in the said resolutions, none of the Director or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in above said resolution.

Brief profile of the Director being appointed or re-designated is annexed to this notice.

2. Item No.5: Appointment of Smt Vanitha Nagulvari as an Independent Director

The Board of Directors in their meeting held on 30th August,2018 considered appointment of Smt Vanitha Nagulvari as an Independent Director of the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Smt Vanitha Nagulvari is proposed to be appointed as an Independent Director for 5 consecutive years upto 30th August 2023. In the opinion of the Board, Smt Vanitha Nagulvari fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company.

Copy of the draft letter for appointment of Smt Vanitha Nagulvari as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Corporate Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Smt Vanitha Nagulvari as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Smt Vanitha Nagulvari as an Independent Director, for the approval by the shareholders of the Company.

Except the Director being appointed, none of the Director or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in above said resolution.

Brief profile of the Director being appointed is annexed to this notice.

Annexure to the Notice

Brief Profile of the Director seeking appointment / re-appointment at the Annual General Meeting scheduled to be held on 28.09.2018.

Item No.2, Item No.4 and Item No.5

A	Name	Shri Radha Krishna Pinnamaneni	Dr. Chereddi Ramachandra Naidu	Smt. Vanitha Nagulavari
B	Brief Resume			
	i) Age	57 Years	68 Years	30 Years
	ii) Qualification	Commerce Graduate	Retd. IPS Officer MA in Sociology and PHD in Commerce & Management.	Commerce graduate and an Associate member of the Institute of Company Secretaries of India
	iii) Experience in specific functional area	25 years' experience in founding and building unique enterprises and business.	He joined the Police Service as a Deputy Superintendent of Police in the year 1977 and retired in the year 2007 as Inspector General of Police.	She has an experience of over 8 years in the areas of legal, secretarial, capital markets and other corporate affairs.
	iv) Date of appointment on the Board of the Company (Kapston Facilities Management Limited)	27.11.2010	22.02.2018	30.08.2018
C	Nature of expertise in specific functional Areas	Expert in working out a Business plans from the expansion of organization	His expertise spans human resource management, Industrial relations, strategy and project management.	Expert in handling legal, secretarial, capital markets and other corporate affairs issues.
D	Names of other companies in which he is acting as Director	NIL.	1. Heritage Livelihoods Services Provider. 2. Cap Workforce Development Institute Private Limited.	1. Sai Silks (Kalamandir)Limited. 2. Medipure Life Sciences India Private Limited
E	Name(s) of companies in which committee Membership(s) held	NIL	NIL	NIL
F	No. of shares of Rs.10/- each held by the Director	3,56,755 Equity Shares	1,74,000 Equity Shares	14,400 Equity Shares
G	Relationship with other director	No relation with other Directors	No relation with other Directors	No relation with other Directors

DIRECTOR'S REPORT

Dear Shareholders,

Your directors have pleasure in presenting their 10th Annual Report on the business and operations of the company together with the audited financial statements for the year ended 31st March 2018

(₹ in Lakhs)

1. Financial Highlights

The Company's operations during the year ended March 31, 2018 are summarized in the table below

Particulars	Standalone	
	2017-18	2016-17
Revenue from Operation	11102.84	9063.08
EBIDTA	1117.40	718.28
Less: Financial Cost	259.23	156.57
Less: Depreciation	120.63	110.73
Profit before prior period items	737.53	450.96
Prior period items	10.28	--
Profit before tax	747.82	450.96
Less: Current Tax	181.82	175.37
Add: Deferred Tax Asset	35.49	13.04
Profit Available for appropriations/Loss	601.50	288.63
Basic Earnings per Share	7.96	3.83
Diluted Earnings per share	7.96	3.83
Paid up share capital (face value of INR 10 each)	869.49	139.68
Reserves and Surpluses	1749.35	908.72

2. State of Affairs/ Company's Performance

Your Directors wish to present the details of Business operations done during the year under review:

The Company's Revenue from operation for FY 2018 is ₹11102.84 lakhs was higher by ₹ 2039.76 lakhs over the last year. The Company has achieved EBIDTA (including other income) of ₹ 1117.40 Lakhs during the financial year 2018 as against that of EBIDTA of ₹ 718.28 lakhs for the previous financial year 2017. The profit before tax for the financial year under review ₹ 747.82 lakhs as against ₹ 450.96 lakhs for the previous financial year 2017. Profit after tax was positively impacted by the tax benefits availed under Section 80JJAA of the Income Tax Act, 1961 and deferred tax benefits.

Your Directors express their satisfaction on the overall financial performance and the progress made on different areas by the Company during the year under review.

3. Initial Public Offering and Utilization of IPO Proceeds

During the year under review, the Company has completed an Initial Public offering ("IPO") of its share consisting of a fresh offer of 11,52,000 equity shares of ₹ 10 each at a premium of ₹ 82 per share and an offer for sale of 11,52,000 equity shares of ₹ 10 at a premium of ₹ 82 per share by selling shareholders.

The equity shares of the Company were listed on National Stock Exchange (Emerge) platform for SME listing effective from April 4, 2018

The proceeds of the IPO have been utilized in the below manner:

(₹ in Lakhs)

NO	Particulars	Projected Utilization of funds as per prospectus	Actual Utilization of funds as on 12 th July, 2018
1	Part finance working capital requirements	660.75	660.75
2	Part Repayment of Unsecured Loans	200.00	200.00
3	Meet General Corporate Purposes	99.09	99.09
4	Meet issue Expenses	100.00	100.00
	Total	1059.84	1059.84

4. Dividend

Your Directors would like to use the profits earned for the purpose of enhancing business and hence do not propose any dividend for the financial year under review 2017-18.

5. Transfer to reserves

No amount has been transferred to reserves and the profit for the year has been retained in the profit and loss account.

6. Transfer of unclaimed dividend to investor education and protection fund

The provision of Section 125 of Companies Act, 2013 is not applicable as the Company did not declare any dividend.

7. Share Capital

As on March 31, 2018, the authorized share capital of the Company is 90,000,000 divided into 90,00,000 equity shares of ₹ 10 each

During the year under review, the Company has allotted :

- 2,79,367 Equity Shares of ₹10 each pursuant to bonus issue as on August 05, 2017.
- 58,66,707 Equity Shares of ₹10 each pursuant to bonus issue as on February 22, 2018.
- 11,52,000 Equity Shares of ₹10 each pursuant to an initial public offering of the Company as on March 28, 2018.

As on March 31, 2018, the paid-up share capital of the Company stood as ₹ 8,69,49,090 consisting of 86,94,909 equity shares of ₹10 each.

8. Particulars of loans, guarantees and investments

During the year under review, your Company has not made

any investment, given any loan or guarantee falling within the meaning of section 186 of the Companies Act, 2013 and the rules made thereunder.

9. Public deposits

During the financial year under review your company has not accepted any deposits falling within the meaning of Section 73 of Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

10. Particulars of contracts or arrangements with related party

During the financial year under review all transactions with the related parties are in compliance with the provisions of section 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

11. Risk Management

Risk management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events to maximize the realization of opportunities. The company has initiated a process of preparing a comprehensive risk assessment and minimization procedure. These procedures are meant to ensure that executive management controls risk through means of a properly defined framework. The major risks are being identified by the company and its mitigation process/measures being formulated in areas of operations, recruitment, financial processes and reporting, human resources and statutory compliance.

12. Management discussion and analysis

The Management Discussion and Analysis Report for the year

under review as stipulated in SEBI Listing Regulations is presented in a separate section forming part of this Annual Report.

13. Conservation of energy, technology absorption, foreign exchange earnings and outgo

The company being in the service industry does not have any power generation units and did not produce/generate any renewable or conventional power. The company does not have any foreign exchange earnings and outgo.

14. Material changes and commitment affecting financial position of the company from the end of the financial year till the date of the report

There is no material changes and commitment affecting financial position of the Company for the financial year 2017-18.

15. Disclosure under sexual harassment of women at workplace (prevention, prohibition, and redressal) Act, 2013

The company is committed to provide a safe and conducive work environment to its employees and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provision of the sexual harassment of women at workplace (prevention, prohibition and redressal) Act, 2013 and the rules made thereunder.

During the year under review, no complaints were reported as on date.

16. Committees of the board

The Board has three committees, the audit committee, the nomination and remuneration committee, the stakeholder's relationship committee which are constituted as per the provisions of the Companies Act, 2013, the details of the above-mentioned committees are as follows:

Audit Committee

S.No	Name of the Member	Position
1	Naveen Nandigam	Chairman
2	Vanitha Nagulavari	Member
3	Radha Krishna Pinnamaneni	Member

Nomination and Remuneration Committee

S.No	Name of the Member	Position
1	Vanitha Nagulavari	Chairman
2	Kanti Kiran Doddapaneni	Member
3	Naveen Nandigam	Member

Stakeholders' relationship committee

S.No	Name of the Member	Position
1	Radha Krishna Pinnamaneni	Chairman
2	Srikanth Kodali	Member

17. Meeting of the board of directors

During the financial year ended on 31st March 2018, total Eighteen (18) board meetings were held on 2nd June 2017, 20th July 2017, 05th August 2017, 26th August 2017, 27th October 2017, 11th November 2017, 25th November 2017, 18th December 2017, 27th December 2017, 11th January 2018, 12th January 2018, 29th January 2018, 8th February 2018, 21st February 2018, 22nd February 2018, 5th March, 2018, 14th March 2018, 28th March, 2018

18. Details of directors or key managerial personnel who were appointed or have resigned during the financial year 2017-18

On 29th January 2018, Srikanth Kodali was appointed as Managing Director and Kanti Kiran Doddapaneni was appointed as whole-time director.

The following directors and key managerial personnel were appointed during the year under review

Date of appointment	DIN /PAN	Name	Designation
11 th January 2018	07420023	Kanti Kiran Doddapaneni	Director
22 nd February 2018	02096757	Chereddi Ramachandra Naidu	Independent Director
22 nd February, 2018	02726620	Naveen Nandigam	Independent Director
22 nd February, 2018	AIOPP9761H	Brendon Thomas Pereira	CFO
12 th January, 2018	BIJPG6881R	Amreen Gulnaaz	Company Secretary

In the board meeting held on 22nd February, 2018, Radha Krishna Pinnamaneni was re-designated as non-executive director of the company.

In the board meeting held on 30th May, 2018, Kanti Kiran Doddapaneni was re-designated as non-executive director of the company.

Dr. Chereddi Ramachandra Naidu was appointed as an Independent Director is re-designated as a Director pursuant to Section 152 of the Companies Act, 2013 and was appointed as an Executive Chairman with effect from 30th August, 2018 subject to the approval of Shareholders in the ensuing AGM.

Mrs. N Vanitha who meets the criteria for independence as provided in section 149(6) of the Act was appointed by the Board of Directors subject to the approval of Shareholders in the ensuing AGM for a term of 5 years with effect from 30th August, 2018.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Associations of the Company Mr. Radha Krishna Pinnamaneni, Director, retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offer himself for reappointment.

A brief profile of the director seeking reappointment and appointment form part of the notice of the ensuing Annual General Meeting.

19. Declaration by the Independent Directors :

During the year under review, the independent directors of the company have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

20. Directors Responsibility Statement

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

- In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- 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.

- The directors have prepared the annual accounts on a going concern;
- The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the company, work performed by the statutory and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

21. Insider Trading Regulations

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, the code of conduct for prohibition of insider trading, as approved by the board is implemented by the company. The company also adopts the concept of trading window closure, to prevent its directors, officers, designated employees, their relatives and other employees from trading in the securities of the company at the time when there is unpublished price sensitive information. The board has appointed Ms. Amreen Gulnaaz, Company Secretary as the Compliance Officer under the code.

22. Extract of Annual Return

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return of the Company for the financial year ended March 31, 2018 is enclosed as Annexure I.

The extract of the annual return of the company is also hosted on the company's website at <https://www.kapstonfm.com/investors.html>.

23. Statutory auditors

As per the provisions of Section 139 of the Companies Act, 2013, the term of office of M/S NSVR and Associates LLP, Chartered Accountants, as Statutory Auditors (who was appointed at the extra ordinary general meeting held on 29th January, 2018) will conclude at the close of the forthcoming AGM of the company.

The board of directors places on records their appreciation for the services rendered by M/S NSVR and Associates LLP, Chartered Accountants, based on the recommendation of audit committee subject to the approval of shareholders the board approved the appointment of M/S NSVR and Associates LLP, Chartered Accountants, (Firm Registration No.0008801S/S200060), Hyderabad, as Statutory Auditor of the Company in their meeting held on 30th August, 2018 till the conclusion of 14th Annual General

Meeting, subject to approval of the shareholders.

Members' attention is drawn to a Resolution proposing the appointment of M/S NSVR and associates LLP, Chartered Accountants as Statutory Auditors of the Company which is included at Item No 3 of the Notice convening the Annual General Meeting. The Company has received a certificate from the Statutory Auditors to the effect that their appointment would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

24. Auditors' Report

The Auditors' Report for fiscal 2018 does not contain any qualifications, reservations or adverse remarks. The Auditors' Report is enclosed with the financial statements in this Annual Report.

25. Internal Financial Control

Your board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial disclosures. Your directors express their satisfaction and states that the company is having the adequate internal finance control system to the size of its operation.

26. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

27. Whistle blower policy

The company has established a vigil mechanism for reporting concerns through the whistle blower policy of the company. The policy provides for a framework and process, for the employees and directors to report genuine concerns or grievances about illegal and unethical behaviour. The whistle blower policy is

available on the website of the Company (www.kapstonfm.com)

28. Particulars of employees

The information required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is presented in a separate section forming part of this annual report.

29. Corporate Social Responsibility

The provisions of section 135 of the Companies Act, 2013 are not applicable to the Company during the Financial year under review (i.e FY 2017-18), however the Company has voluntarily participated in Swachh Bharat Abhiyan in association with various corporates in and around the city of Hyderabad and have also arranged various Blood donation camps for the benefit of society at large. We hope to serve the local communities by taking up good projects as a part of our Corporate Social Responsibility.

30. Green initiatives

The Company sends the Annual Report to its members in electronic form, whose email addresses are registered the company/depository participants(s). For members who have not registered email addresses, physical copies are sent in the permitted mode.

In case of any change in your email address, you are requested to please inform the same to your Depository (in case you hold the shares in dematerialized form) or to the Company/RTA (in case you hold the shares in physical form).

31. Acknowledgement

Your Directors place on record their gratitude to the Central Government, various State Governments and Company's Bankers and Advisors for the valuable advice, guidance, assistance, cooperation and encouragement they have extended to the Company from time to time. The Directors also take this opportunity to thank the company's customers, suppliers and shareholders for their consistent support to the Company.

We place on record our appreciation for the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

Place: **Hyderabad**
Date: **30.08.2018**


Kanti Kiran Doddapaneni
Director
(DIN 07420023)

For and on behalf of the Board


Srikanth Kodali
Managing Director
(DIN 02464623)

FORM MGT-9**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2018

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

I. Registration and other details:

1. CIN	L15400TG2009PLC062658
2. Registration Date	31/01/2009
3. Name of the Company	Kapston Facilities Management Limited.
4. Category/Sub-category of the Company	Company Limited by Shares/ Indian non-government company.
5. Address of the Registered office & contact details	Plot No.287, MIG-2, IX Phase KPHB, Kukatpally, Hyderabad, Telangana-500072.
6. Address other than R/O where all or any books of account and papers are maintained	1-98/9/3/23, Plot No. 12E, Jaihind Colony, Madhapur, Hyderabad.
6. Whether listed company	Yes. Listed at National Stock Exchange (Emerge).
7. Name, Address & contact details . of the Registrar & Transfer Agent, if any	Bigshare Services Private Limited CIN: U99999MH1994PTC076534 #306, Right Wing, Amrutha Ville, Opp. Yasodha Hospital, Somajiguda, Raj Bhavan Road, Hyderabad - 500 082. Contact details: 91-40-23374967/23370295, Fax: 91-04-2337 029 Email: bsshyd@bigshareonline.com

II. Principal business activities of the company

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main Product/service	NIC Code of the products / services	% to total turnover of the Company
1	Security Services	8010	61
2	House Keeping Services	8110	39

III. Particulars Of Holding, Subsidiary and Associate Companies -

Company is not having any Holding, Subsidiary and Associate Companies.

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

a. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
1) Indian									
a) Individual / HUF	0	13,96,835	13,96,835	100	63,35,739	0	63,35,739	72.87	49,38,904
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub Total (A) (1)	0	13,96,835	13,96,835	100	63,35,739	0	63,35,739	72.87	49,38,904
(2) Foreign									
(a) Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b) Bodies Corporate	0	0	0	0	0	0	0	0	0
(c) Institutions	0	0	0	0	0	0	0	0	0
(d) Qualified Foreign Investors	0	0	0	0	0	0	0	0	0
Sub Total (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	0	13,96,835	13,96,835	100	63,35,739	0	63,35,739	72.87	49,38,904
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0

i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0	261600	0	261600	3.01	3.01
i) Indian 0	0	0	0	0	0	0	0	0	
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	0	0	0	0	1308000	27765	1335765	15.36	1335765
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	0	0	0	0	732000	27405	759405	8.73	759405
c) Others (specify)									
i. Non Resident Indians	0	0	0	0	2400	0	2400	0.03	2400
ii. Clearing Members	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):- Shareholding (B) = (B)(1) + (B)(2)	0	0	0	0	2304000	55170	2359170	27.13	0
Total Public	0	0	0	0	2304000	55170	2359170	27.13	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	13,96,835	13,96,835	100	86,39,739	55170	86,94,909	100.00	0

b) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year 31.03.2017			Shareholding at the end of the year 31.03.2018			% change in shareholding 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	Srikanth Kodali	12,71,835	91.00	56%	58,17,839	66.91	76.22	0
2	Radha Krishna Pinnamaneni	1,25,000	9	0	3,56,755	4.10	0	0
3	Kanti Kiran Doddapaneni	0	0	0	1,61,145	1.85	0	0
	Total	13,96,835	100	51	63,35,739	72.86	71.82	0

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

S. No.	Name of the Promoter	Date	Reason	Shareholding at the beginning of the year 01.04.2017		Cumulative shareholding end of the year 31.03.2018	
				No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Srikanth Kodali	At the beginning		12,71,835	91.00	58,17,839	66.91
		05-08-2017	Bonus Issue	2,54,367	-		
		22-02-2018	Bonus Issue	53,71,074	-		
		28-03-2018	Offer for sale	(10,50,070)	-		
2	Radha Krishna Pinnamaneni	At the beginning		1,25,000	9%	3,56,755	4.10
		05-08-2017	Bonus Issue	25000	-		
		05-08-2017	Transfer	(48,070)	-		
		22-02-2018	Bonus Issue	3,56,755	-		
		28-03-2018	Offer for sale	(1,01,930)	-		
3	Kanti Kiran Doddapaneni	At the beginning		0	0	1,61,145	1.85
		05-08-2017	Acquired	35,810	-		
		22-02-2018	Bonus Issue	1,25,335	-		

d) Shareholding of directors and key managerial personnel:

(Other than Directors and Promoters and Holders of GDRs AND ADRs):

S. No.	Top 10 Shareholders	Shareholding at the beginning of the year 01.04.2017		Cumulative shareholding end of the year 31.03.2018	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Tanvi Foods (India) Limited	0	0	144000	1.65
2	Rikhav Securities Limited	0	0	117600	1.35
3	Hitesh Himmatlal Lakhan	0	0	108000	1.24
4	Rajendra Navalchand Shah	0	0	108000	1.24
5	Rajendra Navalchand Shah (HUF)	0	0	108000	1.24
6	Gayithri Kishor	0	0	108000	1.24
7	Siva Bhaskara Naren Paturi	0	0	71505	0.82
8	Sasikala.C.V.S	0	0	57900	0.66
9	Bipinchandra Harijivandas Khandhar	0	0	54000	0.62
10	Chadalawada Durga Venkata Vara Prasad Rao	0	0	54000	0.62

e) Shareholding of directors and key managerial personnel:

S. No.	Name of the Director/KMP	Date	Reason	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
1	Chereddi Ramachandra Naidu	01.04.2017	At the beginning of the year	0	0	12000	0.14
		31.03.2018	At the end of the year	12000	0.14		
2	Naveen Nandigam	01.04.2017	At the beginning of the year	0	0	0	0
		31.03.2018	At the end of the year	0	0		
3	Radha Krishna Pinnamaneni	01.04.2017	At the beginning of the year	1,25,000	9	3,56,755	4.10
		31.03.2018	At the end of the year	3,56,755	4.10		

Key Managerial Persons (KMP)

4	Srikanth Kodali	01.04.2017	At the beginning of the year	12,71,835	91.00	58,17,839	66.91
		31.03.2017	At the end of the year	58,17,839	66.91		
5	Kanti Kiran Doddapaneni	01.04.2016	At the beginning of the year	0	0	1,61,145	1.85
		31.03.2017	At the end of the year	1,61,145	1.85		
6	Brendon Thomas Pereira	01.04.2016	At the beginning of the year	0	0	12000	0.14
		31.03.2017	At the end of the year	12000	0.14		
7	Amreen Gulnaaz	01.04.2016	At the beginning of the year	0	0	2670	0.03
		31.03.2017	At the end of the year	2670	0.03		

V. Indebtedness -

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	1216.39	314.49	----	1530.88
i) Principal Amount	----	----	----	----
ii) Interest due but not paid	----	----	----	----
iii) Interest accrued but not due	----	----	----	----
Total (i + ii + iii)	1216.39	314.49	---	1530.88
Change in Indebtedness during the financial year				
* Addition	503.88	121.86	----	625.74
* Reduction	----	----	----	----
Net Change	503.88	121.86	----	625.74
Indebtedness at the end of the financial year				
i) Principal Amount	1720.27	436.35	----	2156.672
ii) Interest due but not paid	----	----	----	----
iii) Interest accrued but not due	----	----	----	----
Total Indebtedness at the end of the Financial year	1720.27	436.35	----	2156.672

VI. Remuneration of directors and key managerial personnel

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

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Managing Director	Executive Director	Total Amount
		Srikanth Kodali	Kanti Kiran Doddapaneni	
1	Gross salary	82	9	91
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit - others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total (A)	82	9	91

Note : The gross salary mentioned above is for Financial Year 2017-18,

- Kanti Kiran Doddapaneni was appointed as director on 11th January, 2018 and was re-designated as whole-time director on 29th January, 2018.
- Srikanth Kodali was appointed as Managing Director on 29th January, 2018.

b. Remuneration to other directors :

During the F.Y. 2017-18, the company has not paid any remuneration to other directors other than to the directors mentioned in point no (A) above

c. Remuneration to key managerial personnel other than MD/Manager/whole-time director

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Brendon Thomas Pereira Chief Financial Officer	Amreen Gulnaaz Whole Time Company Secretary	Total
1	Gross salary	1.00	1.05	2.05
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total	1.00	1.05	2.05

Note: The gross salary mentioned above is for the Financial Year 2017-18,

- Amreen Gulnaaz was appointed as Company Secretary of the company on 12th January, 2018.
- Brendon Thomas Pereira was appointed as Chief Financial Officer of the company on 22nd February, 2018.

VII. Penalties/Punishment/Compounding of offence

Type	Section Of Companies Act	Brief Description	Details Of Penalty/ Punishment / Compounding Fees Imposed	Authority (RD/NCLT/court)	Appeal Made, If Any (Give Details)
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Place: Hyderabad
Date: 30.08.2018


Kanti Kiran Doddapaneni
Director
(DIN 07420023)


Srikanth Kodali
Managing Director
(DIN 02464623)

For and on behalf of the Board
Kapston Facilities Management Limited

Annexure II
Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18.
- ii) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of Director/ KMP and Designation	The ratio of the remuneration of each Director to the median remuneration of the employees for the financial year	The Percentage increase in remuneration of each Director, CFO, CS, CEO in the financial year	The percentage increase in the median of remuneration the employees in financial year
1.	Srikanth Kodali	32.76 times	32%	13%
2.	Kanti Kiran Doddapaneni*	14.39 times	-	-
3.	Brendon Thomas Pereira *	-	-	-
4.	Amreen Gulnaaz*	-	-	-

*Kanti Kiran Doddapaneni -Director w.e.f 11.01.2018

* Brendon Thomas Pereira -CFO appointed w.e.f. 22.02.2018.

*Amreen Gulnaaz-CS appointed w.e.f. 12.01.2018.

- iii) The company has not paid any remuneration to the non-executive directors of the company during the financial year under review (i.e FY 2017-18)
- iv) The median remuneration of employees of the Company during the financial year was Rs. 2.50 lakhs.
- v) In the financial year, there was an increase/decrease of 9% in the median remuneration of employees;
- vi) There were 252 permanent employees (Core Employee) on the rolls of Company as on March 31, 2018;
- vii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 is 13% whereas the increase in the managerial remuneration for the same financial year is 32%.
- In view of the IPO during the Financial Year under review the Company has revised the Remuneration of Directors in line with the Industry and comparable companies.
- viii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- ix) No employee of the Company is drawing remuneration as prescribed in Rule 5(2) of Companies (Appointment and Remuneration) Rules, 2014.

Management Discussion and Analysis

The year 2017-18 was a significant year in the evolution of Kapston Facilities Management Limited (Kapston) as the company went public and are now amongst the few Security and Facilities Management companies which are listed on Stock Exchange. Amidst the winds of change, we at Kapston, are committed to our core values of customer centricity, business ethics and social responsibility. It is matter of great satisfaction for us that our Initial Public Offering (IPO) received satisfactory response from investors. We are grateful to investors for their trust in our vision and initiatives. Our journey is powered by the trust of all our stakeholders and we are committed to deepen this precious bond of trust.

Financials of the Company

During the year under review, your Company registered a good progress in total revenue and profit after tax over 26% and 108% respectively over the previous financial year. Brief details of financials are given below:

(₹ in Lakhs)

Particulars	Financial Year	
	March 31, 2018	March 31, 2017
Total Revenue	11850.75	9374.88
EBITA	1117.40	718.28
Profit before tax	747.82	450.96
Profit After tax	601.50	288.63
Basic Earnings per share	7.96	3.83
Diluted Earnings per share	7.96	3.83
Reserves and Surpluses	1749.35	908.72
Paid up share capital	869.49	139.68
Net worth	2618.84	1048.40

Economic scenario

The Indian economy is poised to grow at about 7% inspite of the challenges faced due to demonetization and initial problems in implementation of Goods and Services Tax (GST). However, various economic surveys predict Indian GDP to register a 7 – 7.5% growth in 2018-19, thereby positioning India as the world's fastest growing major economy. Growth in economy directly impacts the economic activities such as production as well as the service sector which automatically benefits the industry where your Company operates.

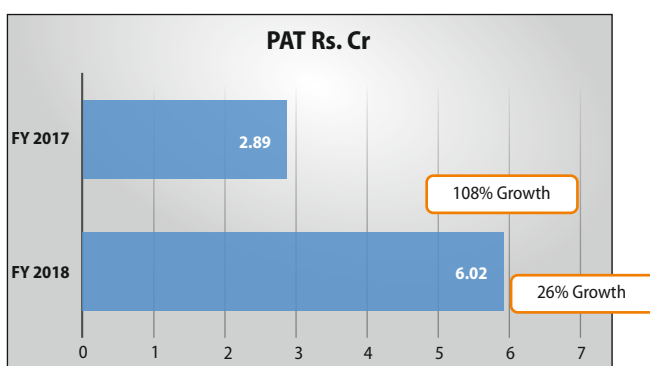
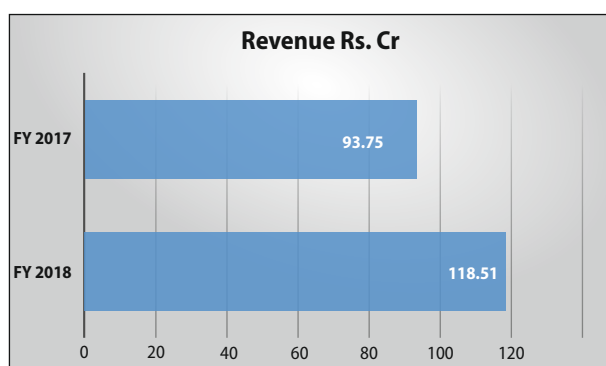
Industry Review

Expected growth in economic activity, growing high net-worth individuals as well as increase in the aspirations of the people to live in gated communities with 24 hours security and facilities is creating increasing demand for security and other related personnel to service the facilities. The private security industry, both globally and in India, has moved from its conventional services and diversified into newer fields. Demand for security services across the country has grown enormously over the past 10–15 years. Going forward, by 2020, it is expected to become a 990 billion INR industry. While the global private security services industry is expected to grow at a compound annual growth rate (CAGR) of 7 per cent, the Indian private security services industry is expected to grow much faster at 20 per cent. Massive expansion in the sector is expected to create millions of jobs for the masses over the next few years. It is estimated that the private security industry in the country will generate around 3 million additional jobs by 2020.

Opportunities and threats

Opportunities

Increase in economic activities related to production and service industry directly rake-up demand for the services of your Company. Further, rise in the high-income group of our population and their need for personal security as well as security for gated communities is augmenting demand for professional security personnel.



Further, for proper system and accountability the clientele are looking for firms from the organized sector rather than unorganized sources which will greatly benefit migration of business from the unorganized to organized players.

Your Company has nine excellent training academies with full-fledged infrastructure which can give training to thousands of personnel every year. This has helped Kapston to partner with National Skill Development Corporation (NSDC), various State Governments across the country and also NGO's to create employment to unemployed youth through skill development programs. During the financial year 2017-18 Kapston has imparted skill development training to 10,332 personnel. This creates an opportunity to Kapston to directly absorb these trained people to meet its requirement as and when needed.

The change in the scenario of facility management due to demand created by the corporate sector, manufacturing, hospitality, health care, IT/ITES, Infra development projects etc that require various technical services, more vertical specialization and integrated services is further increasing the opportunity for facility management services. Newer models of facilities management are more output oriented and we are constantly modifying our operations to be in sync to ensure that we are able to optimize our service delivery.

Threats

The recent tendency of predatory pricing with an intention to eliminate weak players by the established big players is a potential threat.

Rapid adoption of technology to reduce dependence on manpower by the clients works against the rate of growth of the industry. Increase in

the minimum wages by the Government is a risk to the Financial performance of the company..

Our Strengths

Over the past 10 years we have developed a lot of expertise in hiring, training, evaluation and control to ensure that we provide the best service to the customers.

At Kapston we take preventive steps to mitigate the risk of attrition, by having dedicated recruitment teams and training centers which focus on matching employment preferences for various groups of individuals from different states, which indirectly benefits both the employee and the Company at large.

Our Company has in place adequate systems for internal controls and delivery of services. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies.

Future

The company follows best practices to attract, train and retain the resource pool. With utmost respect for human values, the company has served its human resources, through a variety of welfare measures. We hope to grow as a great manpower company in the Country and create value to our associate employees, customers and shareholders.

Place: **Hyderabad**
 Date: **30.08.2018**



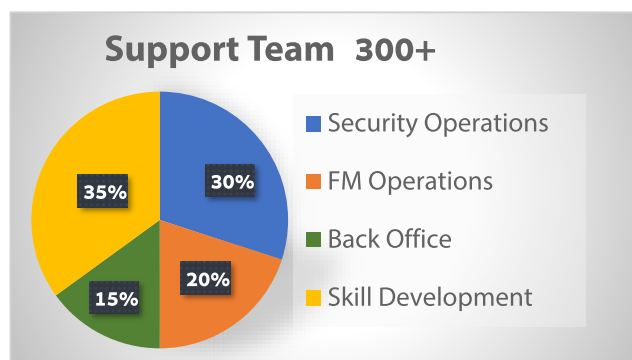
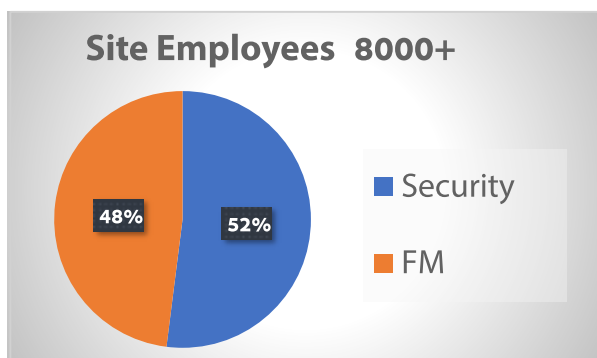
Kanti Kiran
 Director
 (DIN 07420023)

For and on behalf of the board
Kapston Facilities Management Limited

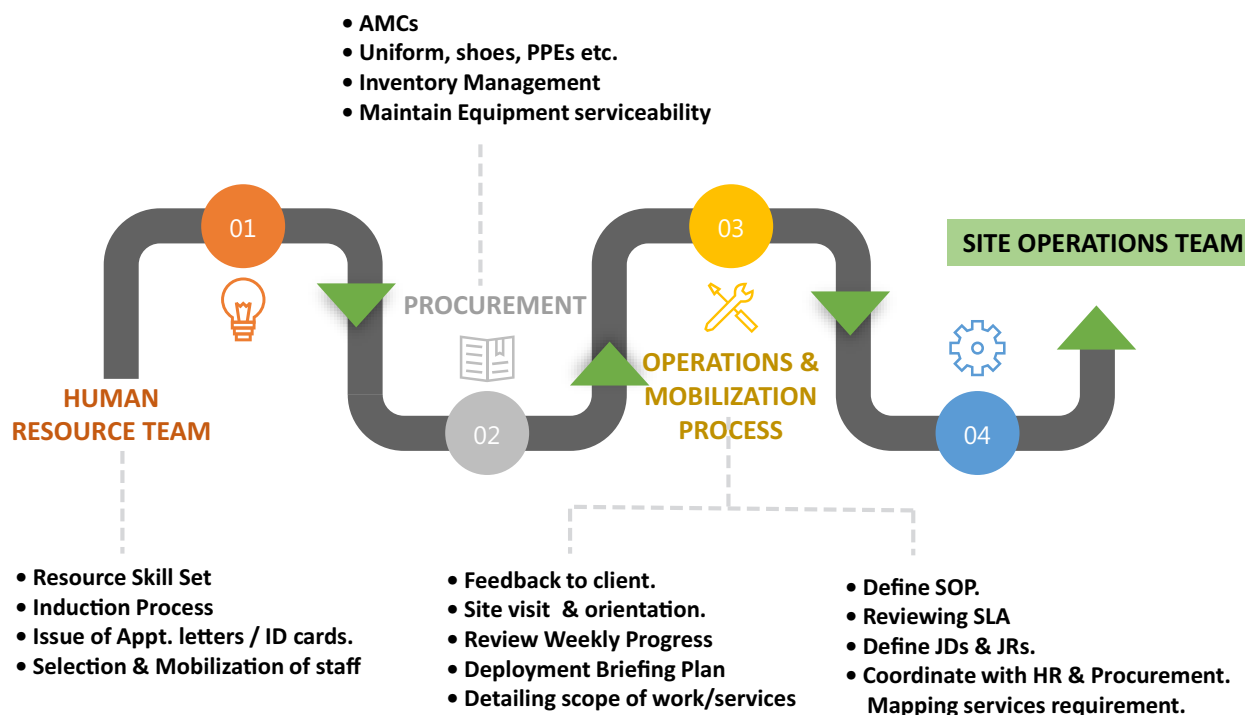


Srikanth Kodali
 Managing Director
 (DIN 02464623)

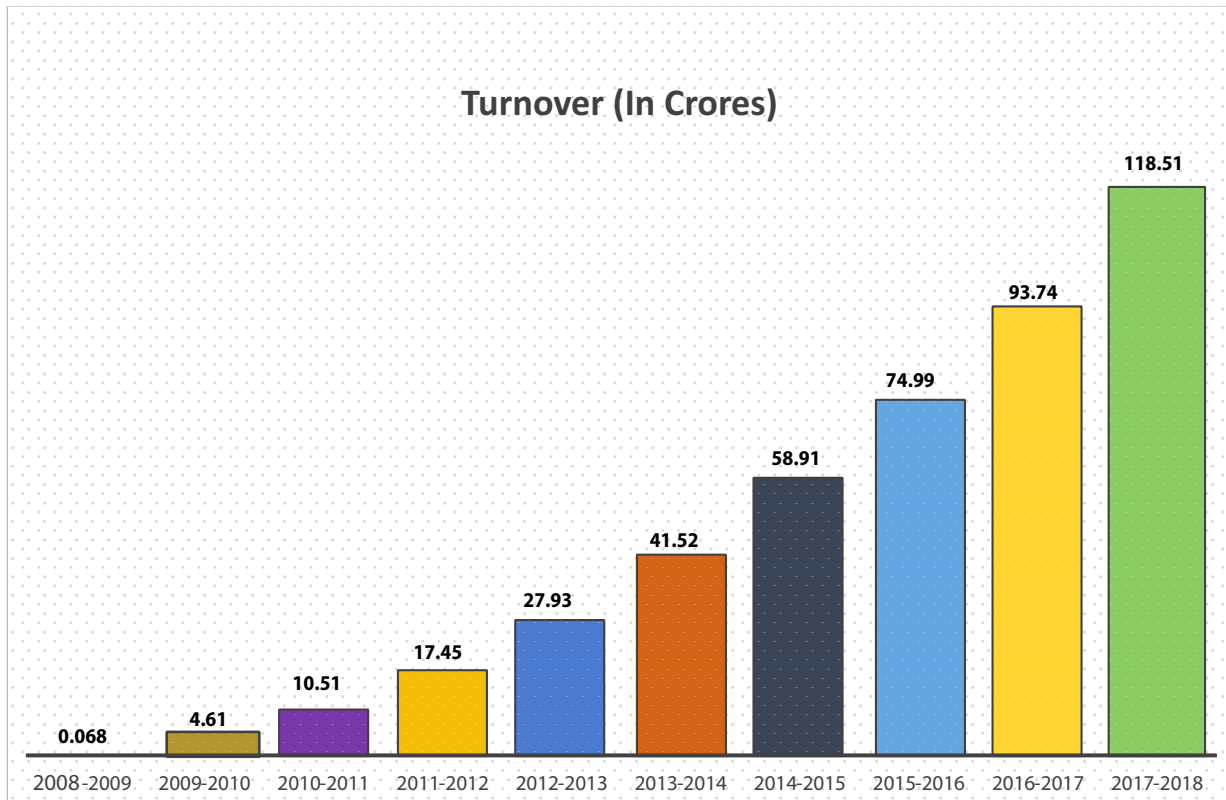
Human Resource Management



BACKEND ACTIVITIES



Business Growth Indicator



Independent Auditor's Report

To
 The Members of
 M/s. Kapston Facilities Management Limited

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Kapston Facilities Management Limited ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant

to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;
- (b) in the case of the Profit and Loss, the Profit for the period ended on that date; and
- (c) in the case of the cash flow statement of the Company as at March 31, 2018

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Companies 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.

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has taken any Term loan and Cash credit from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has raised moneys by way of initial public offer by way of equity instruments, Accordingly, the details of the utilization as follows.

Amt in Lakhs

S. No.	Particulars	Projected utilization of funds as per Prospectus	Actual utilization of funds till 31.03.2018	Un-utilized amount*
1	Part finance Working Capital Requirement	660.75	Nil	660.75
2.	Part Repayment of unsecured Loans	200.00	Nil	200.00
3.	General Corporate Purpose	99.09	Nil	99.09
4.	Issue Related Expenses - Company Portion	100.00	Nil	100.00
	Total	1059.84	0.00	1059.84

*Shares offered in IPO were allotted on 28th March 2018 and listed on 4th April 2018 hence, the amount was lying in the Escrow Account as on 31st March 2018.

- 10) Based upon the audit procedures performed and 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.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **NSVR & Associates LLP,**
 Chartered Accountants
 Firm Reg. No. 008801S/S200060



R. Srinivasu
 Partner
 M. No. 224033

Place: Hyderabad
 Date: 30.05.2018.

“Annexure B” to the Independent Auditor's Report of even date on the Financial Statements of M/s. KAPSTON FACILITIES MANAGEMENT LIMITED Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **M/s. KAPSTON FACILITIES MANAGEMENT LIMITED** (“the Company”) as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting 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”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

Our Responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance

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

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

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

Meaning of internal financial controls over financial reporting

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

Inherent limitations of internal financial controls over financial reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on “the internal control over financial reporting 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 **NSVR & Associates LLP,**
Chartered Accountants

Firm Reg. No.008801S/S200060

(R. Srinivasu) 
Partner
M. No. 224033

Place: **Hyderabad**
Date: **30-05-2018**

M/S.KAPSTON FACILITIES MANAGEMENT LIMITED
CIN:L15400TG2009PLC062658
NO.287, MIG-2, IX PHASE, KPHB, KUKATPALLY, HYDERABAD - 500072
BALANCE SHEET AS ON 31.03.2018

		Amount in (₹)	Amount in (₹)
Particulars	Notes	As at 31-03-2018	As at 31.03.2017
EQUITY AND LIABILITIES:			
1. Share holders funds			
a) Share Capital	3	8,69,49,090	1,39,68,350
b) Reserves & Surplus	4	17,49,35,018	9,08,72,327
		-	-
2. Non-current Liabilities			
a) Long Term Borrowings	5	7,65,15,428	3,86,78,843
		-	-
3. Current Liabilities			
a) Short Term Borrowings	6	9,12,31,049	9,57,09,852
b) Trade Payables	7	2,10,30,223	93,77,698
c) Other Current Liabilities	8	16,04,01,344	10,24,92,867
d) Short Term Provisions	9	2,03,62,298	1,75,37,518
TOTAL		63,14,24,450	36,86,37,455
ASSETS:			
1. Non-Current Assets			
a) Fixed Assets			
i) Tangible Assets	10	13,72,95,689	10,30,31,669
b) Deferred Tax Asset(Net)	11	68,80,287	33,30,406
2. Current Assets			
a) Inventories		74,65,802	12,85,150
b) Trade Receivables	12	22,93,41,891	17,30,01,272
c) Cash and Cash Equivalents	13	13,74,23,671	3,15,22,902
d) Other Current Assets	14	5,69,32,528	5,13,13,616
e) Short Term Loans and Advances	15	5,60,84,582	51,52,440
TOTAL		63,14,24,450	36,86,37,455

Notes on Accounts & Significant accounting policies 1 & 2

As per our report of even date
 M/s. **NSVR and Associates LLP**
 Chartered Accountants
 Fr No.008801S/S200060


R. Srinivasu
 Partner
 M.No:224033

Date: **30.05.2018**
 Place: **Hyderabad**

On Behalf of the Board
M/S.KAPSTON FACILITIES MANAGEMENT LIMITED


Srikanth Kodali
 Managing Director
 DIN:02464623


Brendon Thomas Pereira
 Chief Financial officer


Kanti Kiran Doddapaneni
 Director
 DIN 07420023


Amreen Gulnaaz
 Company Secretary
 M.No ACS47889

M/S.KAPSTON FACILITIES MANAGEMENT LIMITED
CIN:L15400TG2009PLC062658
NO.287, MIG-2, IX PHASE, KPHB, KUKATPALLY, HYDERABAD - 500072
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2018

(Amount in ₹)

PARTICULARS	NOTES	YEAR ENDED 31-03-2018	YEAR ENDED 31.03.2017
Income:			
Revenue From Operations	16	1,11,02,84,164	90,63,08,004
Grants Received from Ministry of Rural Development and Government of India for DDU -GKY skill Projects	17	7,42,34,961	2,99,49,760
Other Income	18	5,56,511	12,30,526
Total Revenue		1,18,50,75,636	93,74,88,289
Expenses:			
Cost of Materials consumed	19	1,35,88,438	1,90,35,781
Expenses for Ministry of Rural Development and Government of India for DDU -GKY skill Projects	20	7,42,34,961	2,99,49,760
Employee Benefits	21	92,78,70,693	76,99,64,065
Finance costs	22	2,59,23,766	1,56,57,984
Depreciation	10	1,20,63,517	1,10,73,927
Other Expenses	23	5,76,40,652	4,67,09,989
Total Expenditure		1,11,13,22,027	89,23,91,506
Profit/(Loss) Before Prior Period Item		7,37,53,609	4,50,96,783
Prior Period Items		10,28,842	-
Profit/(Loss) Before Tax		7,47,82,451	4,50,96,783
Tax Expense			
Less: Current Tax		1,81,82,203	1,75,37,518
Add: Deferred Tax Asset		35,49,881	13,04,384
Profit/(Loss) after tax		6,01,50,129	2,88,63,649
Earnings Per Equity share			
(1) Basic		7.96	3.83
(2) Diluted		7.96	3.83

Notes on Accounts & Significant accounting policies 1 & 2

As per our report of even date
M/s. **NSVR and Associates LLP**
Chartered Accountants
Fr No.008801S/S200060



R. Srinivasu
Partner
M.No:224033

Date: **30.05.2018**
Place: **Hyderabad**



Srikanth Kodali
Managing Director
DIN:02464623




Brendon Thomas Pereira
Chief Financial officer

On Behalf of the Board

M/S.KAPSTON FACILITIES MANAGEMENT LIMITED



Kanti Kiran Doddapaneni
Director
DIN 07420023



Amreen Gulnaaz
Company Secretary
M.No ACS47889

M/S.KAPSTON FACILITIES MANAGEMENT LIMITED
CIN:L15400TG2009PLC062658
NO.287, MIG-2, IX PHASE, KPHB, KUKATPALLY, HYDERABAD - 500072
Cash flow statement for the period ended 31st March 2018

(Amount in ₹)

Particulars	As at 31-03-2018	As at 31.03.2017
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit before taxation, and extraordinary items	7,47,82,451	4,50,96,783
Adjusted for :		
Interest debited to P&L A/c	2,59,23,766	1,56,57,984
Gratuity Provision	21,80,095	-
Depreciation	1,20,63,517	1,10,73,927
Operating profits before working capital changes	11,49,49,829	7,18,28,694
Changes in current assets and liabilities		
Inventories	(61,80,652)	(1,46,923)
Sundry debtors	(5,63,40,619)	(3,91,76,047)
Other Current assets	(1,97,86,431)	(2,62,55,100)
Short term advances	(5,09,32,143)	7,10,08,786
Current Liabilities		
Short Term Borrowing	(44,78,803)	3,73,34,353
Sundry Creditors	94,92,525	(34,85,999)
Other Current Liabilities	1,87,68,263	(2,95,29,955)
Other Short Term Provisions	(33,69,999)	37,52,166
Cash generated from operations	21,21,970	8,53,29,977
Income tax paid	-	-
Net cash generated from operating activities	21,21,970	8,53,29,977
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets and change in capital wip	(4,63,27,536)	(8,55,36,994)
Sale of Fixed Assets	-	25,88,951
Net cash used in investing activities	(4,63,27,536)	(8,29,48,043)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Secured and Unsecured Loans	-	-
Longterm Loans and advances	3,78,36,585	(1,56,81,522)
Repayment of Loans	3,00,49,516	1,86,99,541
Interest paid	(2,59,23,766)	(1,56,57,984)
Increase in share Capital	1,15,20,000	-
Share Premium	9,44,64,000	-
Advance to IPO Expenses	21,60,000	-
Net cash generated in financing activities	15,01,06,335	(1,26,39,965)
D. Net increase / (decrease) in cash and cash equivalents	10,59,00,769	(1,02,58,031)
E. Cash and cash equivalents at the beginning of the year	3,15,22,902	4,17,80,933
F. Cash and cash equivalents at the end of the year	13,74,23,671	3,15,22,902

As per our report of even date
M/s. **NSVR and Associates LLP**
Chartered Accountants
Fr No.008801S/S200060

R. Srinivasu
Partner
M.No:224033

Date: **30.05.2018**
Place: **Hyderabad**


Srikanth Kodali
Managing Director
DIN:02464623

Brendon Thomas Pereira
Chief Financial officer

On Behalf of the Board
M/S. KAPSTON FACILITIES MANAGEMENT LIMITED


Kanti Kiran Doddapaneni
Director
DIN 07420023


Amreen Gulnaaz
Company Secretary
M.No ACS47889

M/S.KAPSTON FACILITIES MANAGEMENT LIMITED
NO.287, MIG-2, IX PHASE, KPHB, KUKATPALLY, HYDERABAD - 500072

Notes on Accounts
Note 3 - Share Capital
(Amount in ₹)

Particulars	31-03-2018	31.03.2017
Authorised Share Capital		
90,00,000 Equity Shares of Rs. 10/- each (Previous year 20,00,000 Equity Shares of Rs. 10/- each)	9,00,00,000	2,00,00,000
Issued Subscribed & fully Paidup Capital		
86,94,909 Equity Shares of Rs. 10/- each of which 69,84,175 shares are issued as bonus shares (Previous year 13,96,835 Equity Shares of Rs. 10/- each of which 8,38,101 shares are issued as bonus shares)	8,69,49,090	1,39,68,350
Total	8,69,49,090	1,39,68,350

3.1 Rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹10/- each. Each holder of equity share is having equal rights with reference to voting and dividend in proportionate to their share holding.

The Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period is set out below

Particulars	As at 31.03.2018		As at 31.03.2017	
	No of shares	Amount (₹)	No of shares	Amount (₹)
Shares outstanding :				
At the beginning of the year	13,96,835	1,39,68,350	5,58,734	55,87,340
Issued during the year				
For Cash	11,52,000	1,15,20,000	-	-
Other than Cash(Bonus Shares)	61,46,074	6,14,60,740	8,38,101	83,81,010
Shares outstanding at the end of the year	86,94,909	8,69,49,090	13,96,835	1,39,68,350

The company has issued bonus shares during the year to the share holders as on 05.08.2017 in the ratio of 1 shares for every 5 shares held and also on 22.02.2018 3.5 shares for every 1 shares held. The Company offered and allotted 1152000 shares through an IPO and listed on the NSE SME platform.

The details of shareholders holding more than 5% of equity shares along with no of Equity Shares held is set below

Name of the Share holder	As at 31.03.2018 No. of shares held	(%) of holding	As at 31.03.2017 No. of shares held	(%) of holding
Srikanth Kodali	58,17,839	66.91%	12,71,835	91.00%
Radha Krishna Pinnamaneni	3,56,755	4.10%	1,25,000	9.00%

M/S.KAPSTON FACILITIES MANAGEMENT LIMITED
NO.287, MIG-2, IX PHASE, KPHB, KUKATPALLY, HYDERABAD - 500072

Notes on Accounts (Continued)

Note 4 - Reserves and Surplus

Balance in Statement of Profit and Loss	As at 31.03.2018	As at 31.03.2017
Profit & Loss Account		
Opening Balance	8,61,73,607	6,56,90,968
Add: Current Year Profit	6,01,50,129	2,88,63,649
Less: Issue of Bonus Shares	6,14,60,740	83,81,010
	8,48,62,996	8,61,73,607
Securities Premium		
Opening Balance	46,98,720	46,98,720
Add: Addition during the Year	9,44,64,000	-
Less: Share Issue Expenses	90,90,698	-
	9,00,72,022	46,98,720
Total	17,49,35,018	9,08,72,327

Note 5 - Long term borrowings

Particulars	As at 31.03.2018	As at 31.03.2017
a) Loans from Banks & Financial Institutions		
Secured*	6,73,23,719	3,33,77,383
Unsecured**	91,91,709	53,01,460
Total	7,65,15,428	3,86,78,843

* Secured loans includes Vehicles loans which are secured by hypothecation of vehicles financed by respective banks and financial institutions. (Note 24)

* Secured loans includes loans from NSDC by hypothecation of equity shares (For details Refer Note No. 24)

** The Company availed Unsecured Business Loans from banks and Non Banking Financial Institutions. (For details Refer Note No.24)

Note 6 - Short term borrowings

Particulars	As at 31.03.2018	As at 31.03.2017
a) Borrowings from Banks & Financial Institute		
Secured*	9,03,98,049	8,82,62,196
b) Loans and Advances from related parties		
Unsecured **	8,33,000	74,47,656
Total	9,12,31,049	9,57,09,852

* Short term secured loans are Working Capital loans are secured by hypothecation of Stocks & Receivables (present & future) of the Company, payable on demand.

** The Company availed Unsecured Business Loans from Non Banking Financial Institutions. (For details Refer Note No.24)

M/S.KAPSTON FACILITIES MANAGEMENT LIMITED
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Notes on Accounts (Continued)

Note 7 - Trade Payables

Particulars	As at 31.03.2018	As at 31.03.2017
Trade payables		
Creditors for Material Suppliers	1,00,32,103	80,00,361
Creditors for Services	71,24,018	13,77,337
Creditors for Training Projects	38,74,102	-
Total	2,10,30,223	93,77,698

Note 8 - Other Current liabilities

Particulars	As at 31.03.2018	As at 31.03.2017
Statutory Dues Payable	5,94,81,991	6,69,20,157
Rent Payable	-	74,638
Salaries payable	59,46,233	44,18,381
Wages payable	3,01,75,712	16,83,092
Expenses Payable	75,81,965	9,20,036
Current Meturities of Long term Liabilities	4,87,49,058	1,86,99,541
Advance Received for Training Projects	68,57,727	75,66,756
Expenses Payable of Projects	16,08,659	22,10,266
Total	16,04,01,344	10,24,92,867

Note 9 - Short term Provisions

Particulars	As at 31.03.2018	As at 31.03.2017
Provision for tax	1,81,82,203	1,75,37,518
Provision for Gratuity	21,80,095	-
Total	2,03,62,298	1,75,37,518

Note 11 Deferred Tax Asset

Particulars	As at 31.03.2018	As at 31.03.2017
Opening Balance	33,30,406	20,26,022
Add/(Less): Deferred Tax(Asset)/Liability	35,49,881	13,04,384
Total	68,80,287	33,30,406

Note 12 Trade Receivables

Particulars	As at 31.03.2018	As at 31.03.2017
Unsecured, considered good		
Trade receivables outstanding for a period	1,89,078	
Exceeding 6 months from the due date		
Trade receivables o/s for a period not		
exceeding 6 months from the due date	22,91,52,813	17,30,01,272
Total	22,93,41,891	17,30,01,272

Note 13 Cash and Cash Equivalents

Particulars	As at 31.03.2018	As at 31.03.2017
(a) Cash in hand	19,50,089	11,48,925
(b) Balances with banks		
In Current Accounts	13,36,34,537	3,03,73,976
- Deposits against Bank Guarantees	18,39,044	-
Total	13,74,23,670	3,15,22,901

Note 14 Other Current Assets

Particulars	As at 31.03.2018	As at 31.03.2017
(a) Balances with government authorities		
(i) TDS receivable	2,07,18,319	2,30,18,457
(b) Deposits		
(i) Rental and Other Deposits	75,15,409	1,07,96,149
Prepaid Expenses	11,12,974	1,28,115
TDS Recoverable On Financial Charges	6,43,948	4,98,701
Income Tax Appeal A Y 2014-15	14,414	14,414
Other Advances	18,01,384	10,86,345
Service Tax Paid Against Appeal	2,13,452	1,26,508
Receivables for Training Projects	2,49,12,628	1,56,44,927
Total	5,69,32,528	5,13,13,616

Note 15 Short Term Loans and Advances

Particulars	As at 31.03.2018	As at 31.03.2017
Staff Advances	5,59,34,582	45,11,963
Advance to Supplier	1,50,000	6,40,477
Total	5,60,84,582	51,52,440

M/s. KAPSTON FACILITIES MANAGEMENT LIMITED
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Notes on Accounts
Note: 16 Revenue from operations

Particulars	For the year ended 31-03-2018	For the year ended 31.03.2017
Sale of services		
(a) House Keeping	43,35,45,708	30,73,05,163
(b) Security Service Charges	67,67,38,456	59,90,02,841
Total	1,11,02,84,164	90,63,08,004

Note: 17 Grants Received from Ministry of Rural Development and Government of India for DDU -GKY skill Projects

Particulars	For the year ended 31-03-2018	For the year ended 31.03.2017
Odisha Government Project-I	17,27,597	60,15,092
Odisha Government Project-II	1,05,18,978	-
Karnataka Government Project-I	1,62,80,521	71,61,433
Karnataka Government Project-II	77,31,175	-
Assam Government	1,99,74,176	42,42,916
Kerala Government	92,07,719	24,33,445
Maharastra Government	87,94,795	1,00,96,874
Total	7,42,34,961	2,99,49,760

Note: 18 Other Income

Particulars	For the year ended 31-03-2018	For the year ended 31.03.2017
Interest Received	2,80,681	9,84,977
Interest on TDS Refund	2,60,888	2,39,099
Misc Income	14,941	6,450
Total	5,56,511	12,30,526

Note: 19 Changes in Inventory

Particulars	For the year ended 31-03-2018	For the year ended 31.03.2017
Opening Stock	12,85,150	11,38,227
Purchases	1,97,69,090	1,91,82,704
Closing Stock	74,65,802	12,85,150
Total	13,588,438	19,05,781

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Note: 20 Expenses for Ministry of Rural Development and Government of India for DDU -GKY skill Projects

Particulars	For the year ended 31-03-2018	For the year ended 31.03.2017
Odhis Government Project-I	17,27,597	60,15,092
Odhis Government Project-II	1,05,18,978	-
Karnataka Government Project-I	1,62,80,521	71,61,433
Karnataka Government Project-II	77,31,175	-
Assam Government	1,99,74,176	42,42,916
Kerala Government	92,07,719	24,33,445
Maharastra Government	87,94,795	1,00,96,874
Total	7,42,34,961	2,99,49,760

Note: 21 Employee Benefits

Particulars	For the year ended 31-03-2018	For the year ended 31.03.2017
Wages	78,44,81,667	65,10,30,103
Salaries	3,11,37,061	3,98,40,315
Directors Remuneration	82,00,000	62,00,000
Bonus	2,95,47,276	2,16,14,139
ESI	1,91,13,316	1,13,53,135
Gratuity	21,80,095	-
Provident Fund	4,70,90,408	3,71,47,700
Staff Welfare	61,20,870	27,78,673
Total	92,78,70,693	76,99,64,065

Note: 22 Finance cost

Particulars	For the year ended 31-03-2018	For the year ended 31.03.2017
Interest on car loan	24,36,451	25,42,561
Interest on Business Loans	1,00,49,332	72,09,476
Interest on Bank O/D	91,08,764	47,04,118
Bank Charges	25,23,238	9,61,122
Interest on Term Loans	8,60,546	-
Finance Charges	9,45,436	2,40,707
Total	2,59,23,766	1,56,57,984

Note: 23 Other Expenses

Particulars	For the year ended 31-03-2018	For the year ended 31.03.2017
Advertisement Charges	3,40,330	2,37,975
Audit Fees	5,00,000	1,40,000
Business Promotion Expenses	71,78,530	72,50,761
Consultancy Charges	30,41,568	14,59,353
Conveyance	72,39,041	51,44,609
Electricity Charges	6,41,245	4,29,608
Donation	18,76,716	14,87,001
Insurance	12,66,302	15,14,013
Rates and Taxes	1,15,03,513	38,93,091
Office Maintenance	28,94,758	33,37,490
Postage and Telegram	2,32,753	1,30,829
Printing and Stationery	18,65,035	3,65,864
Rent Paid	33,61,298	35,05,557
Internet Charges	3,41,940	3,89,853
Telephone Charges	17,27,136	11,07,376
Travelling Expenses	18,59,133	11,03,295
Computer Maintenance	3,53,399	2,86,424
Vehicle Maintenance	30,94,602	28,66,421
NSDC Expenditure	73,07,310	1,09,42,513
Kennels (Dog Training Exp)	10,16,045	10,58,152
Swatch Bharath Cess	-	59,804
Total	5,76,40,652	4,67,09,989

M/S. KAPSTON FACILITIES MANAGEMENT LIMITED
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NOTE NO. 10:
 NOTE OF FIXED ASSETS & DEPRECIATION STATEMENT FOR THE YEAR ENDED 31.03.2018

Sl. No.	Name of the Asset	Useful Life (Years)	As at 01-04-17 Rs.	Gross Block		Depreciation			Net Block			
				Additions Rs.	Deductions	Total Rs.	Upto 31.03.2017 Rs.	For the Year Rs.	Transitional Adjustment Rs.	Total Rs.	As at 31-03-2018 Rs.	As at 31.03.2017 Rs.
1	Office Equipment	5	47,38,797	32,98,498	-	80,37,295	20,24,088	19,18,207	-	39,42,295	40,95,000	27,14,709
2	Cell Phone	5	6,89,498	4,95,090	570	11,84,018	2,59,584	2,83,286	-	5,42,870	6,41,148	4,29,914
3	Plant and Machinery	12	-	1,67,644	-	1,67,644	-	49,684	-	49,684	1,17,960	-
4	Furniture & Fixtures	10	30,18,431	1,03,385	-	31,21,816	16,21,194	4,34,494	-	20,55,688	10,66,128	13,97,237
5	Vehicles	8	4,58,86,207	98,62,042	-	5,57,48,249	2,39,52,616	88,08,213	-	3,27,60,829	2,29,87,420	2,19,33,591
6	Live Stock	8	-	75,674	-	75,674	-	23,636	-	23,636	52,038	-
7	Computer	3	38,76,222	7,01,036	-	45,77,258	31,94,052	5,45,998	-	37,40,050	8,37,209	6,82,170
8	Land	-	7,58,74,049	3,16,24,737	-	10,74,98,786	-	-	-	-	10,74,98,786	7,58,74,049
	Total :	---	13,40,83,204	4,63,28,106	570	18,04,10,740	3,10,51,534	1,20,63,517	-	4,31,15,051	13,72,95,689	10,30,31,670

M/S.KAPSTON FACILITIES MANAGEMENT LIMITED
NO.287, MIG-2, IX PHASE, KPHB, KUKATPALLY, HYDERABAD - 500072
Reference Note 5.1

Details of terms of repayment for the long-term borrowings and security provided in respect of the secured long-term borrowings:

Particulars	As at 31.03.2018		As at 31.03.2017	
	Secured	Unsecured	Secured	Unsecured
Vehicle Loan:-				
BMW Financial Services - Audi	-		11,08,787	
BMW Financial Services - Innova	1,20,340		3,88,818	-
BMW Financial Services - Tavera	1,13,173		3,22,114	-
Canara Bank Audi Q7	57,65,738			
HDFC CAR LOAN Creta				
HDFC Bank - Volks Wagan				
HDFC Bank - Jaguar	31,00,595		53,21,249	
Kotak Mahindra Prime - Skoda Loan	88,258		2,84,995	-
HDFC Bank - PorSche	68,15,188		94,14,622	
Canara Bank - Tavera	5,59,817		6,76,963	
NSDC Loan:-				
NSDC Loan	3,72,14,693		1,58,59,836	
Land Loan:				
HDFC Term Loan	1,35,45,918		-	
Canara Bank				
Business Loans:-				
Bajaj Finance Ltd				-
Bajaj Finance Ltd 04.07.2017		-		
Bajaj Finance Ltd 2	-	-		3,53,909
Capital First				0
Capital First		5,44,850		
Capital First - 07866057		-		0
Capital Float (Zen)				(0)
Edelweiss Retail Finance Ltd				-
Edelweiss Retail Finance Ltd		3,90,579		
Fulletron India				0
HDFC Bank-Business Loan				0
HDFC Bank-Business Loan		4,74,906		
Indus Ind Bank				3,65,234
Indus Ind Bank		9,69,929		
Kotak Mahindra Bank Ltd - Loan		(9)		10,78,389
Magma Fincorp Ltd. 03-05-2017 (3)		3,90,583		0
Magma Fincorp Ltd.				(0)
Magma Fincorp Ltd.				
Ratnakar Bank Ltd				-

Religare Finvest Ltd.				-
Religare Finvest Ltd.				-
Sriram City Union Finance				-
Sriram City Union Finance		5,42,513		
Standard Chartered Bank				9,92,700
Standard Chartered Bank		12,54,845		
Aditya Birla Finance Ltd (1-5-17)		4,90,283		
Tata Capital - 3 (03.07.2017)		3,51,588		
Equitas Small Finance Bank		3,92,084		
Fulletron India Sin02401Q1456084 (3.7.17)		9,62,122		
India Infoline Finance Ltd. (02-05-2017)		4,88,216		
Kotak Mahindra Bnak Ltd Loan (3.7.2017)		9,66,119		
Capital Float Zen (29.04.2017)		9,73,193	-	
Tata Capital		(92)		25,11,226
Total	6,73,23,719	91,91,709	3,33,77,384	53,01,460
Loans and advances from related parties:				
from Related Parties				
Srikanth Kodali			-	-
Radhakrishna Pinnamaneni		-	-	-
Total	-	-	-	-

Reference Note 6.1

Details of terms of repayment for the Short-term borrowings and security provided in respect of the secured Short-term borrowings:

Particulars	As at 31.03.2018		As at 31.03.2017	
	Secured	Unsecured	Secured	Unsecured
Canara Bank Overdraft:-				
Canara Bank OD		-	5,86,23,260	
HDFC OD	9,03,98,049		-	
Vehicle Loan:-				
BMW Financial Services - Audi	11,08,787		10,95,539	
BMW Financial Services - Innova	2,68,479		2,41,828	
BMW Financial Services - Tavera	2,08,941		1,87,734	
Canara Bank Audi Q7	13,82,588			
HDFC CAR LOAN (RK SIR)Creta			2,43,114	
HDFC Bank - Volks Wagan			2,07,466	
HDFC Bank - Jaguar	22,20,584		20,12,859	
Kotak Mahindra Prime - Skoda Loan	1,96,737		1,77,149	
HDFC Bank - PorSche	25,99,394		23,67,855	
Canara Bank - Tavera	1,17,672		1,05,391	
NSDC Loan:-				
NSDC Loan	62,02,447			
Land Loan:				
HDFC Term Loan				

Canara Bank			2,30,00,000	
Business Loans:-				
Bajaj Finance Ltd				3,44,654
Bajaj Finance Ltd 04.07.2017		9,89,012		
Bajaj Finance Ltd 2		2,37,808		11,62,274
Capital First				2,45,918
Capital First		2949435.7		
Capital First - 07866057				20,89,122
Capital Float (Zen)				17,72,625
Edelweiss Retail Finance Ltd				2,92,932
Edelweiss Retail Finance Ltd		21,14,287		
Fulletron India				25,07,818
HDFC Bank-Business Loan				13,08,421
HDFC Bank-Business Loan		26,18,165		
Indus Ind Bank				13,00,679
Indus Ind Bank		25,65,817		
Kotak Mahindra Bank Ltd - Loan		10,78,398		15,97,423
Magma Fincorp Ltd. 03-05-2017 (3)		21,14,284		3,92,237
Magma Fincorp Ltd.				16,37,307
Magma Fincorp Ltd.				
Ratnakar Bank Ltd				9,94,574
Religare Finvest Ltd.				2,47,023
Religare Finvest Ltd.				20,96,705
Sriram City Union Finance				5,85,412
Sriram City Union Finance		15,82,746		
Standard Chartered Bank				1,24,417
Standard Chartered Bank		7,83,321		
Aditya Birla Finance Ltd (1-5-17)		26,46,615		
Capital Float Zen (29.04.2017)		19,05,679		
Equitas Small Finance Bank		21,17,377		
Fulletron India Sin02401Q1456084 (3.7.17)		25,65,327		
India Infoline Finance Ltd. (02-05-2017)		26,42,864		
Kotak Mahindra Bank Ltd Loan (3.7.2017)		25,70,158		
Tata Capital - 3 (29-4-17)		25,69,876		
Tata Capital		3,92,259		-
Total	10,47,03,677	3,44,43,429	8,82,62,196	1,86,99,541
Loans and advances from related parties:				
from Related Parties				
Srikanth Kodali	-	-	-	66,14,656
Radhakrishna Pinnamaneni	-	8,33,000	-	8,33,000
Total	-	8,33,000	-	74,47,656

M/s. Kapston Facilities Management Limited
CIN:L15400TG2009PLC062658
NO.287, MIG-2, IX PHASE, KPHB, KUKATPALLY, HYDERABAD - 500072

Note: Obligations towards operating leases

The company has entered into operating lease arrangements for its premises at various locations.

Future minimum lease payments

not later than one year	20,33,100
later than one year and not later than five years	3,24,000
later than five years	-

The future minimum lease rental obligation under non-cancellable operating leases in respect of these assets is on account of lock-in period and notice period in some of the lease agreements entered by the company for operating of offices:

On account of Lock-in Period	-
On account of Notice Period	-

1 Note: Working Capital Loan / Term Loan/ Vehicle Loans:

Working Capital Loan from HDFC Bank:

Rate of Interest:

Over Draft from HDFC Bank: Interest at the rate of 10.00%

Margin:

25% receivables not older than 90 days

Primary Security:

Hypothecation of stock of Raw Material, Consumables, Work in Progress, Finished Goods & Assignment of receivables.

Collateral Security:

- a) Hypothecation of Villa No.102, House 15-31-1FF/120, In S.y No 1009 situated at Indu Fortune fields, Phase-XIII, KPHB Colony, Kukatpally, Hyderabad-500075, having Market value of Rs. 3.51 Crores, Standing in the name of M/s. Kodali Srikanth.
- b) Hypothecation of Land in S.Y.51, situated at Nacharam Village, Maheswaram Mandal, Rangareddy Dist.-500083, having Market value of Rs. 6.62 Crores, Standing in the name of M/s. Kodali Srikanth.

Terms of Repayment:

Working Capital Loans repayable on demand.

Term Loan from HDFC Bank:

Rate of Interest:

Term Loan from HDFC Bank: Interest at the rate of 10.00%

Primary Security:

Hypothecation of all the equipment procured and fixed assets acquired from the term loan.

Terms of Repayment:

This Term Loan repayable in 36 Quarterly installments of Rs. 4,84,008/- each, Commencing from December, 2017

Status as on 31.03.2018: Balance No. of Installments - 32

Term Loan NSDC:

Moratorium & Repayment Schedule: Principal Moratorium Period : 3 years from the date of first reimbursement, no Interest Moratorium Repayment Period: 10Years (Including Moratorium Period) from date of first disbursement **Repayment:** In 28 Quarterly Instalments Starting from Q1 of 4th Year

Rate of Interest: 6% Per Annum

Security:

1. First charge on assets on the project
2. First charge on Cash flow of the Project
3. Charge on IP of the project till the loan is repaid
4. Pledge of 51% of equity shares of the Project implementing company by Mr.Kodali Srikanth

Additional Collateral: Personal Guarantee provided by both the promoters Mr.Srikanth Kodali and Mr.Radha Krishna Pinnamaneni

Vehicle Loans from Banks:**Rate of Interest:**

- 1 BMW Audi Vehicle Loan1: @10.38% per annum
- 2 Kotak Mahindra Skoda Vehicle Loan: @ 10.53% per annum
- 3 BMW Innova Vehicle Loan2: @ 10.50% per annum
- 4 BMW Tavera Vehicle Loan: @ 10.75% per annum
- 5 HDFC Jaguer Vehicle Loan:@ 9.86% Per Annum
- 6 HDFC Porche vehicle Loan:@ 9.36% Per Annum
- 7 Canara bank Tavera Vehicle Loan: @ 10.20% per annum
- 8 Canara bank audi Car Loan: @ 8.90 % per annum

Security:

Vehicles loans are secured by hypothecation of vehicles financed by respective banks.

Terms of Repayment:**1 BMW Audi Vehicle Loan1: @10.38% per annum**

This Loan is repayable in 60 monthly installments of Rs.1,06,100/- each commencing from March, 2014
 Status as on 31.03.2018 : Balance No. of Installments -11

- 2 Kotak Mahindra Skoda Vehicle Loan: @ 10.53% per annum**
This Loan is repayable in 60 monthly installments of Rs.18,120/- each commencing from September , 2014
Status as on 31.03.2018 : Balance No. of Installments -17
- 3 BMW Innova Vehicle Loan2: @ 10.50% per annum**
This Loan is repayable in 60 monthly installments of Rs.23,713/- each commencing from September , 2014
Status as on 31.03.2018 : Balance No. of Installments -17
- 4 BMW Tavera Vehicle Loan: @ 10.75% per annum**
This Loan is repayable in 60 monthly installments of Rs.19,456/- each commencing from october, 2014
Status as on 31.03.2018 : Balance No. of Installments -18
- 5 HDFC Jaguer Vehicle Loan:@ 9.86% Per Annum**
This Loan is repayable in 60 monthly installments of Rs.2,20,550/- each commencing from July, 2015
Status as on 31.03.2018 : Balance No. of Installments -27
- 6 HDFC Porche vehicle Loan:@ 9.36% Per Annum**
This Loan is repayable in 60 monthly installments of Rs.280,910/- each commencing from July, 2016
Status as on 31.03.2018 : Balance No. of Installments -39
- 7 Canara bank Tavera Vehicle Loan: @ 10.20% per annum**
This Loan is repayable in 84 monthly installments of Rs.15,034/- each commencing from Jan, 2016
Status as on 31.03.2018 : Balance No. of Installments -56
- 8 Canara bank audi Car Loan: @ 8.90 % per annum**
This Loan is repayable in 60 monthly installments of Rs.1,63,608/- each commencing from September, 2017
Status as on 31.03.2018 : Balance No. of Installments -53

Unsecured Business Loans from Banks & Financial Institutions:
From Banks:

- 1 HDFC Bank Limited**
Rate of Interest: @ 18.5% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 24 monthly installments of Rs. 2,41,840/- each commencing from June , 2017
Status as on 31.03.2018 : Balance No. of Installments -14
- 2 Standard Chartered Bank Limited**
Rate of Interest: @16.50% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 36 monthly installments of Rs. 88,511/- each commencing from August, 2017
Status as on 31.03.2018 : Balance No. of Installments -28

- 3 Indusind Bank Limited**
Rate of Interest: @18.750% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 24 monthly installments of Rs. 2,51,436/- each commencing from August, 2017
Status as on 31.03.2018 : Balance No. of Installments -16
- 4 Kotak Mahindra bank Limited**
Rate of Interest: @18.35% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 24 monthly installments of Rs. 2,50,830/- each commencing from August, 2017
Status as on 31.03.2018 : Balance No. of Installments -16
- 5 Kotak Mahindra bank Limited**
Rate of Interest: @18.36% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 36 monthly installments of Rs. 1,63,817/- each commencing from November, 2015
Status as on 31.03.2018 : Balance No. of Installments -7

From Financial Institutions:

- 1 Bajaj Finserv Limited**
Rate of Interest: @ 19.00% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 12 monthly installments of Rs.2,57,117/- each commencing from August, 2017
Status as on 31.03.2018 : Balance No. of Installments -4
- 2 Bajaj Finserv Limited**
Rate of Interest: @ 9.9% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 24 monthly installments of Rs.1,21,778/- each commencing from June, 2016
Status as on 31.03.2018 : Balance No. of Installments -2
- 3 Capital First Limited**
Rate of Interest: @ 9.9% per annum
Security : Unsecured Loan
Terms of Repayment :
This Loan is repayable in 24 monthly installments of Rs. 2,78,577/- each commencing from june, 2017
Status as on 31.03.2018 : Balance No. of Installments -14
- 4 Capital Float Zen**
Rate of Interest: @ 19.50% per annum
Security : Unsecured Loan

Terms of Repayment :

This Loan is repayable in 24 monthly installments of Rs. 2,53,259/- each commencing from August, 2017

Status as on 31.03.2018 : Balance No. of Installments -16

5 Edelweiss Retail Finance Limited

Rate of Interest: @ 18.00% per annum

Security : Unsecured Loan

Terms of Repayment :

This Loan is repayable in 24 monthly installments of Rs. 1,99,697/- each commencing from June, 2017

Status as on 31.03.2018 : Balance No. of Installments -14

6 Equitas Small Finance Bank Limited

Rate of Interest: @ 18.50% per annum

Security : Unsecured Loan

Terms of Repayment :

This Loan is repayable in 24 monthly installments of Rs. 2,00,670/- each commencing from June, 2017

Status as on 31.03.2018 : Balance No. of Installments -14

7 Fulletron India

Rate of Interest: @ 18.00% per annum

Security : Unsecured Loan

Terms of Repayment :

This Loan is repayable in 24 monthly installments of Rs. 2,49,621/- each commencing from August, 2017

Status as on 31.03.2018 : Balance No. of Installments -16

8 Sri Ram city Union Finance Limited

Rate of Interest: @ 20.00% per annum

Security : Unsecured Loan

Terms of Repayment :

This Loan is repayable in 24 monthly installments of Rs. 1,52,668/- each commencing from August, 2017

Status as on 31.03.2018 : Balance No. of Installments -16

9 Tata Capital Financial Services Limited

Rate of Interest: @ 18.30% per annum

Security : Unsecured Loan

Terms of Repayment :

This Loan is repayable in 24 monthly installments of Rs. 2,00,664/- each commencing from June, 2016

Status as on 31.03.2018 : Balance No. of Installments -2

10 Tata Capital Financial Services Limited

Rate of Interest: @ 17.71% per annum

Security : Unsecured Loan

Terms of Repayment :

This Loan is repayable in 24 monthly installments of Rs. 1,79,727/- each commencing from June, 2017

Status as on 31.03.2018 : Balance No. of Installments -14

11 Aditya Birla Finance Limited

Rate of Interest: @ 18% per annum

Security : Unsecured Loan

Terms of Repayment :

This Loan is repayable in 24 monthly installments of Rs. 2,50,831/- each commencing from June, 2017

Status as on 31.03.2018 : Balance No. of Installments -14

12 India Infoline Finance Limited

Rate of Interest: @ 18.00% per annum

Security : Unsecured Loan

Terms of Repayment :

This Loan is repayable in 24 monthly installments of Rs. 2,49,621/- each commencing from June, 2017

Status as on 31.03.2018 : Balance No. of Installments -14

13 Magma Finance Limited

Rate of Interest: @ 18.00% per annum

Security : Unsecured Loan

Terms of Repayment :

This Loan is repayable in 24 monthly installments of Rs. 1,99,696/- each commencing from June, 2017

Status as on 31.03.2018 : Balance No. of Installments -14

Notes to the Financial Statements for the year ended 31st March 2018

Note Nos.
1 General Information:

M/s. Kapston Facilities Management Limited ("the Company") (CIN: L15400TG2009PLC062658) is engaged in the business engaged in the business of rendering security and related services, training and facility management, Housekeeping and cleaning services. The company has registered office at Hyderabad and provides services major cities all over India. The Equity Shares of the company are listed on SME Platform on NSE Emerge.

2. Summary of Significant Accounting Policies
2.1 Basis of Accounting;

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory Accounting Standards issued by the Institute of Chartered Accountants of India, the provisions section 133 of the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standard requires the change in the accounting policy hitherto in use. Management evaluates all relevant issues or revised accounting standards on an ongoing basis.

Accounting Policies not specifically referred to otherwise are consistent and in consonance with the Generally Accepted Accounting Principles that are followed by the company.

2.2 Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2.3 Contingencies and events occurring after the balance sheet date (AS 4);

All contingencies and events occurring after the balance sheet date which have a material effect on the financial position of the company are considered for preparing the financial statements.

2.4 Fixed Assets, Depreciation and Intangible Assets (AS 10, 6 & 26);

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition of fixed assets are also

included to the extent they related to the period till such assets are ready to be use. The same is in compliance with AS-10 to the extent applicable.

Depreciation on fixed assets is being provided on straight line method at the rates in the manner specified in Schedule II of the Companies Act, 2013. Depreciation on assets sold during the year is being provided at their respective rates up to the date on which such assets are sold.

Depreciation /Amortization of Intangibles is in compliance with AS 26 to the extent applicable.

2.5 Capital Work-In-Progress (AS 10)

Capital Work-In-Progress is carried at cost, comprising direct cost and related incidental expenses.

2.6 Government Grants (AS 12)

- i) The grants or subsidies received promoter's contributions are treated as capital receipts and credited to capital reserves.
- ii) The grants or subsidies received relating to specific fixed assets are shown as deduction from the cost of the respective assets concerned in arriving at its book value.
- iii) The grant in the form of revenue subsidy is treated as revenue receipt and credited to "Other Income" in statement of Profit and Loss.

2.7 Borrowing Cost (AS 16);

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time as the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. The same is in compliance with AS-16 to the extent applicable.

2.8 Investments (AS 13);

- i) Investments are capitalized at actual cost including costs incidental to acquisition.
- ii) Investments are classified as long-term or current at the time of making such investments.
- iii) Long-term investments are individually valued at cost, less provision for diminution that is other than temporary. Investments held in Subsidiary Companies are stated at cost.
- iv) Current investments are valued at the lower of cost and market value.

2.9 Inventories (AS 2);

- i) Inventories consists of consumables, tools and others are valued at cost or Net Realizable Value.
- ii) Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.10 Revenue Recognition (AS 9);

- i) **Sale of Services:**
Revenue from rendering of Services is recognized when service is performed, in case of proportionate completion of services revenue is recognized on proportionate basis.
- ii) **Other revenue:**
Interest: Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable.

2.11 Retirement and other employee benefits (AS 15);

Defined Contribution Plan: The company makes defined contribution to Provident Fund, which are recognized in the Profit and Loss Account on accrual basis.

2.12 Provision for Current tax, and Deferred tax (AS 22);

Provision for current tax is made based on estimated taxable income for the current accounting period in accordance with the provisions of Income Tax Act, 1961. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or

substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future. The same is in compliance with AS-22 to the extent applicable.

2.13 Cash Flow Statement (AS 3);

The Cash Flow Statement is prepared by indirect method set in Accounting Standard 3 on cash flow statement and presents the cash flows by Operating, Investing and Finance activities of the company. Cash and cash equivalents presented in cash flow consists of cash in hand, cheques in hand, bank balances. The same is in compliance with AS-3 to the extent applicable.

2.14 Provisions, Contingent Liabilities and Contingent Assets (AS 29);

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation because of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements. The same follows AS-29 to the extent applicable.

Contingent Liabilities, Commitments and Contingent Assets.

- i) The Company has filed an appeal against the order of the commissioner of service tax (Appeals), Hyderabad in order-in- appeal No. HYD-EXCUS-004-APP-0116-17-18 ST dated 20.06.2017.

S No	Name of the Statute	Nature of Dues	Disputed Amount	Period	Forum Where Dispute is pending	Amount Deposited towards disputed demand amount	Remarks
1	Finance Act, 1994	Service Tax	11,72,221/-	2011-12 to 2013-14	CESTAT	2,13,452/-	Nil
2	Income tax Act, 1961	Income Tax	96,090/-	A.Y. 2014-15	Commissioner of Income Tax Appeals	14,441/-	Nil

- ii) Bank Guarantees

S NO	Name of the Bank	Amount of Guarantee as on 31.03.2018	Remarks
1	Canara Bank Limited	60,10,785/-	-----
2	HDFC Bank Limited	1,00,000/-	-----
3	Karur Vysya Bank Limited	3,11,346/-	-----

2.15 Impairment of Assets (AS 28) :

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Profit & Loss Account in the year in which the asset is impaired and the impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount. The same follows AS-28 to the extent applicable.

2.16 Leases (AS 19) :

Operating lease payments and finance lease payments are recognized as expenses in the profit and loss account as per the terms of the agreements which is representative of the time pattern of the users' benefit. The same follows AS-19 to the extent applicable.

2.17 Extra-ordinary and Exceptional items & Changes in Policies (AS 5) :

All the extra ordinary and prior period items of Income and expenses are separately disclosed in the statement of Profit and Loss account in the manner such that its impact on the current profit or loss can be perceived. If there has been any change in the Company's accounting policies or accounting estimate to have material impact on the current year profit/loss or that of later periods the same would be disclosed as part of notes to accounts. All the items of Income and Expenses from ordinary activities with such size and nature such that they become relevant to explain the performance of the company

have been disclosed separately. The same is in compliance with AS-5 to the extent applicable.

2.18 Earnings Per Share (AS 20) :

The Basic earnings per share is calculated considering the weighted average number of equity shares outstanding during the year.

The Diluted earnings per share is calculated considering the effects of potential equity shares on net profits after tax for the year and weighted average number of equity shares outstanding during the year.

PARTICULARS	2017-18	2016-17
Profit/(Loss) after tax (net profit attributable to Equity Shareholders).	60,150,129	28,863,649
Weighted average number of equity shares outstanding during the year.	75,52,404	75,42,909
Earnings per share (Basic & Diluted)	7.96	3.83

I- EXPLANATORY NOTES
1. Managerial Remuneration

The Company carries out periodic reviews of comparable Companies and through commissioned survey ascertains the remuneration levels prevailing in these Companies. The Company's Remuneration Policy is designed to ensure that the remuneration applicable to Managers in the Company is comparable with companies operating in similar industries in India.

Managerial remuneration was paid as set out below:

Name of the Person	Designation	2017-18	2016-17
Mr. Kodali Srikanth	Managing Director	82,00,000	62,00,000
Ms. Kanti Kiran Doddapaneni	Whole Time Director	9,00,315	-
TOTAL		90,00,315	62,00,000

2. Auditor Remuneration

Particulars	2017-18	2016-17
Statutory Audit	5,00,000	1,40,000
TOTAL	5,00,000	1,40,000

3. Share Issue Expenses:

The company has incurred share issue expenses of Rs.90,90,698 towards underwriting commission, professional fee etc these above share expenses have been written off against securities premium account in accordance with section 52 of the Companies Act 2013.

4. IPO funds raised and utilization:

Sr. No.	Particulars	Projected utilization of funds as per Prospectus	Actual utilization of funds till 31.03.2018	Un-utilized amount *
1	Part finance Working Capital Requirement	660.75	Nil	660.75
2	Part Repayment of unsecured Loans	200.00	Nil	200.00
3	General Corporate Purpose	99.09	Nil	99.09
4	Issue Related Expenses - Company Portion	100.00	Nil	100.00
	Total	1059.84	0.00	1059.84

*Shares offered in IPO were allotted on 28th March 2018 and listed on 4th April 2018 hence, the amount was lying in the Escrow Account as on 31st March 2018.

5. Disclosures under the Micro, Small and Medium Enterprises Act, 2006

The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and

small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2018 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. In view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the aforesaid Act is not expected to be material.

Particulars	As at March 31, 2018
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	NIL
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL
The amount of interest accrued and remaining unpaid at the end of each accounting year.	NIL
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	NIL

6. Disclosure under AS - 18: Related Party Disclosures

List of Related Parties and their Relationships:

ASSOCIATES FIRMS	
Sl. No.	Name of the Firm
1	-----

KEY MANAGEMENT PERSONNEL (KMP) and other Directors

Sl. No.	Name of the Person	Designation
1	Srikanth Kodali	Managing Director
2	Cherreddi Ramachandra Naidu	Director
3	Naveen Nandigam	Director
4	Radha Krishna Pinnamaneni	Director
5	Kanti Kiran Doddapaneni	Whole Time Director
6	Brendon Thomas Pereira	Chief Financial Officer
7	Amreen Gulnaaz	Company Secretary

Transactions / Balances with Related Parties

Nature of Transaction	Srikanth Kodali	Kanti Kiran Doddapaneni
1. Managerial Remuneration	82,00,000	9,00,315
2. Loans accepted	2,49,46,149	Nil
3. Loans repaid	2,49,46,149	Nil

Closing Balance with Related Parties (Debit/ (Credit)

Name of the Party	Amount in Rs (As at 31st March 2018)
Srikanth Kodali	5,43,036/- (Cr)
Kanti Kiran Doddapaneni	1,11,261/- (Cr)

7 Earnings/expenditure in foreign currency:

Expenditure in Foreign currency:

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Travel Expenses	Nil	Nil
Professional Fees	Nil	Nil
Other expenses	Nil	Nil
Total	Nil	Nil

Earnings in Foreign currency

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
FOB Value of- Exports	Nil	Nil
Dividend	Nil	Nil
Total	Nil	Nil

For **NSVR & Associate LLP,**
Chartered Accountants,
Firm Reg.No.008801S/S200060



R. Srinivasu
Partner
Membership No.224033

For **Kapston Facilities Management Limited**



Srikanth Kodali
Director
DIN: 02464623



Kanti Kiran Doddapaneni
Director
DIN: 07420023



Brendon Thomas Pereira
Chief Financial officer



Amreen Gulnaaz
Company Secretary
M.No. ACS47889

Place: **Hyderabad**
Date: **30.05.2018**

Kapston Facilities Management Limited

CIN: L15400TG2009PLC062658

Registered office: Plot No.287,MIG-2,IX Phase KPHB,Kukatpally, Hyderabad, Telangana-500072.

Corporate office: 1-98/9/3/23, Plot No. 12 E, Jaihind Colony, Madhapur, Hyderabad-500081

E-mail :cs@kapstonfm.com Website : www.kapstonfm.com

Attendance slip for Annual General Meeting

(To be surrendered at the venue of the meeting)

I hereby state that I am a registered shareholder/proxy/representative for the registered shareholder(s) of the company. I hereby record my presence at the 10th Annual General Meeting of the shareholders of the company held on Friday the 28th day of September 2017 at 11.30 A.M. at Daspalla Hotel, Road No.37, CBI Colony, Jubilee Hills, Hyderabad, Telangana 500033

DP ID*	Regd. Folio No.
Client ID*	No. of Shares

*Applicable if shares are held in electronic form.

Name & Address of the Shareholder

Signature of Shareholder/Proxy/
Representative (Please Specify)

Note :

- Shareholders/proxy holders are requested to bring the attendance slips with them duly completed when they come to the meeting and hand them over at the gate, affixing their signature on them.
- Shareholders are informed that no duplicate attendance slips will be issued at the venue of the meeting.

Kapston Facilities Management Limited

CIN: L15400TG2009PLC062658

Registered office: Plot No.287,MIG-2,IX Phase KPHB,Kukatpally, Hyderabad, Telangana-500072.

Corporate office: 1-98/9/3/23, Plot No. 12 E, Jaihind Colony, Madhapur, Hyderabad-500081

E-mail :cs@kapstonfm.com Website : www.kapstonfm.com

Form No. MGT-11

Proxy Form

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the companies (Management and Administration) Rules, 2014.

CIN	L15400TG2009PLC062658		
Name of the Company	Kapston Facilities Management Limited		
Registered Office	Plot No.287, MIG-2, IX Phase KPHB, Kukatpally, Hyderabad, Telangana - 500072.		
Name of the member(s)			
Registered Address			
E-mail Id			
Folio No. / Client ID		DP ID	

I / We, being the Member(s) of _____ shares of Kapston Facilities Management Limited, hereby appoint

1. Name: _____
Address: _____
Email Id: _____
Signature: _____ or falling him/her
2. Name: _____
Address: _____
Email Id: _____
Signature: _____ or falling him/her
3. Name: _____
Address: _____
Email Id: _____
Signature: _____ or falling him/her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 10th AGM of the company to be held on Friday, the 28th day of September 2018 at 11.30 A.M at the venue of AGM i.e Daspalla Hotel, Road No. 37, CBI Colony, Jubilee Hills, Hyderabad, Telangana 500033 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Description	Vote (optional see note2) (please mention no of shares)	
		For	Against
1	To receive, consider and adopt the audited financial statements of the Company for the year ended March 31, 2018 and the reports of the Board of Directors ('the Board') and auditors thereon		
2	To appoint a director in place of Radha Krishna Pinnamaneni (DIN: 03324910), who retires by rotation and being eligible, seek re-appointment.		
3	Appointment M/S NSVR and Associates LLP , Chartered Accountants, Firm Registration No.0008801S/S200060), Hyderabad		
	Special Business		
4	Appointment and Re-designation of Dr Chereddi Ramachandra Naidu as an Executive Chairman		
5	Appointment of Smt Vanitha Nagulvari as an Independent Director		

Affix
Revenue
Stamp

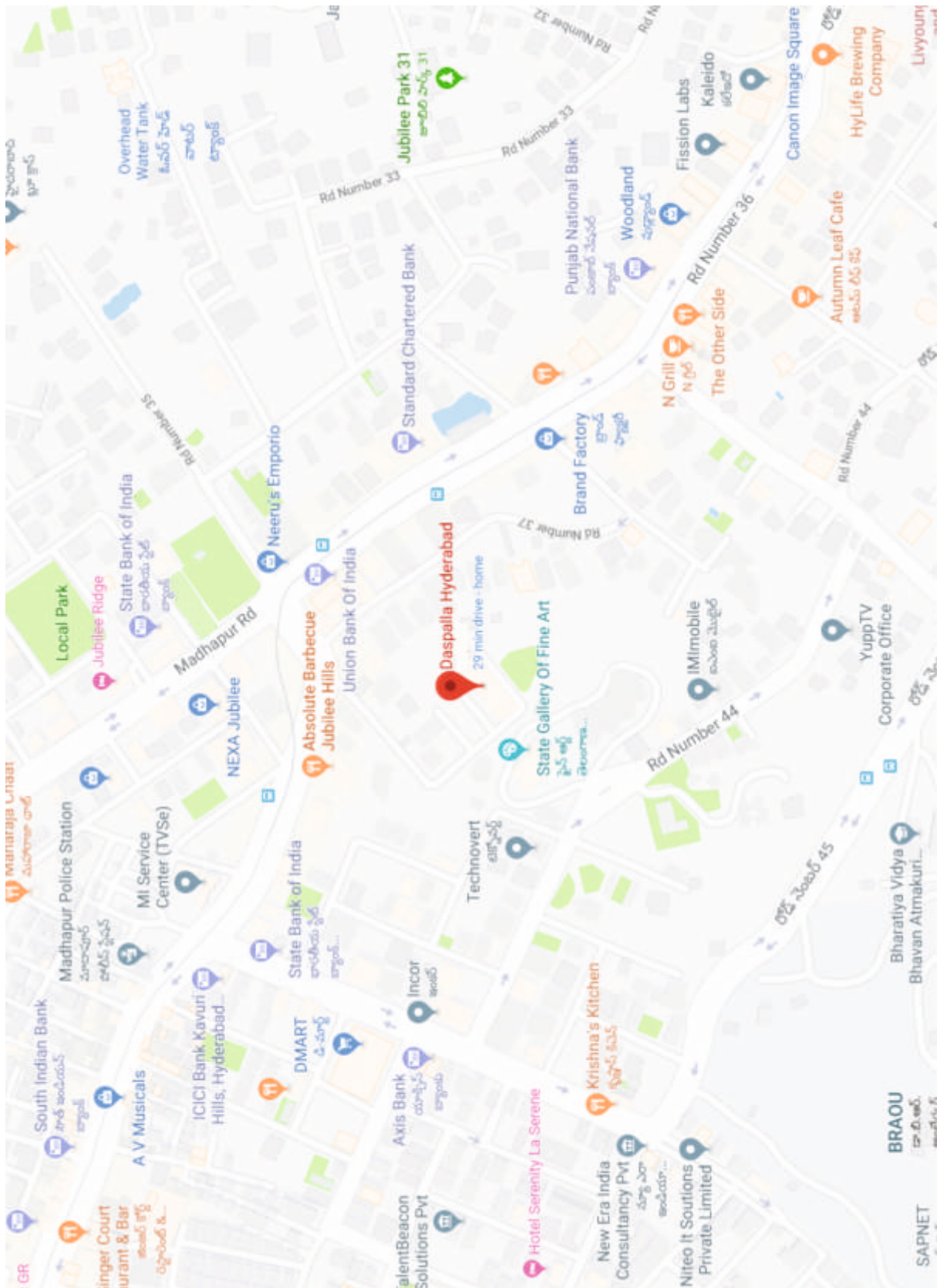
Signed this day of 2018

Signature of the shareholder: _____

Signature of Proxy holder(s): _____

Note:

1. This form in order to be effective should be duly completed and deposited at the Corporate Office of the company not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the for, against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



SEGMENTS WE SERVE



Corporate



IT & ITES



Manufacturing



Infrastructure



Retail & Commercials



Health Care



Educational



Banks & Govt Institutions



Hospitality



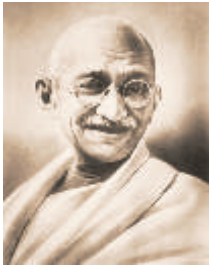
Residential



Media



Pharma



A customer is the most important visitor on our premises. He is not dependent on us. We are dependent on him. He is not an interruption in our work. He is the purpose of it. He is not an outsider in our business. He is part of it. We are not doing him a favor by serving him. He is doing us a favor by giving us an opportunity to do so.

- Mahatma Gandhi



REGISTERED OFFICE: # 287, MIG – 2, IX Phase, KPHB, Hyderabad - 500 072
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