



**MKCL**

Creating a Knowledge Lit World

[www.mkcl.org](http://www.mkcl.org)

**MS-CIT**

Maharashtra State  
Certificate in  
Information  
Technology

**KLiC IT**

Digital Skills for  
Modern Lifestyle

**MICIT**

MKCL's International  
Certificate in  
Information  
Technology

**KLiC**

Gateway to  
Knowledge Lit  
Careers

**KYP**

21<sup>st</sup> Century  
Job Readiness

**MFS**

MKCL  
Finishing  
Schools

**Digital  
Freelancing**

**Mastering  
Competitive  
Exams**

**17<sup>th</sup>  
Annual  
Report  
2017-18**

**eSchool**

Enriching  
Educational  
Experience

**Super  
Campus**

Where Everyone  
Super-Performs  
Naturally

**Digital  
University**

**Digital  
College**

**OASIS**

Online Application  
Solutions and  
Integrated  
Services

**Swarajya**

Citizens  
Empowered  
Digitally

**MLS**

eManagement  
of Legislature

**SeTS**

Secured  
eTendering  
System

**MKCL OS**

Ready to use  
Components for  
Faster Application  
Development

**SOLAR**

Web-based Framework  
for Channel Partner  
Network Coordination

**ERA**

eLearning  
Revolution  
for All

**OES**

Online  
Evaluation  
System

**Nai Talim**

Work-based Learning  
Management  
Framework

**EASY**

Earning Assistance  
Services to Youth

**3D**

**Governance**  
Discovery, Demand,  
Delivery

**G10**

Employee Life Cycle  
and Workflow  
Management

## **BOARD OF DIRECTORS**

Dr. Anil Kakodkar, Chairman  
Dr. Deepak Phatak  
Dr. Rajaram Deshmukh  
Dr. Anant Sardeshmukh  
Dr. (Mrs.) Nishigandha Dewoolkar  
Professor E. Vayunandan  
Professor Suhas Pednekar  
Mr. Vivek Sawant, Managing Director  
& Appellate Authority (under RTI Act)

## **COMPANY SECRETARY**

Ms. Komal Chaubal, Chief Legal Officer & Information Officer (under RTI Act)

## **CHIEF FINANCIAL OFFICER**

Mr. Manoj Narvekar

## **STATUTORY AUDITORS**

P.V.Page & Co., Chartered Accountants

## **COST AUDITORS**

S.R.Bhargave & Co., Cost Accountants

## **BANKERS**

HDFC Bank, ICICI Bank, Bank of India, State Bank of India

## **REGISTERED OFFICE**

ICC Trade Tower, 'A' Wing, 5<sup>th</sup> Floor, Senapati Bapat Road, Shivajinagar, Pune 411 016. INDIA.  
Tel.:+91 20 40114500/501. Fax: +91 20 2563 0302

## **BRANCH OFFICES**

**ICC 'B' WING, PUNE**  
ICC Trade Tower, 'B' Wing,  
5<sup>th</sup> Floor, Senapati Bapat Road,  
Shivajinagar, Pune 411 016.  
Tel. 020 40114670

**ICC 6<sup>th</sup> FLOOR, PUNE**  
ICC Trade Tower, 6<sup>th</sup> Floor,  
Senapati Bapat Road,  
Shivajinagar, Pune 411 016.  
Tel. 020 40114600

## **SEAWOOD, NAVI MUMBAI**

Plot No. 30, Sector 42-A, Nerul, Navi Mumbai 400706.Tel. 022 27715021/22

## DIRECTORS' REPORT

### To the Members of Maharashtra Knowledge Corporation Limited (MKCL)

Your Directors are pleased to present the 17<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Accounts for the financial year ended March 31, 2018.

### 1.0 FINANCIAL HIGHLIGHTS

The summary of the financial results for the year ended March 31, 2018 vis-à-vis those of the previous year are summarized below:

Particulars	Standalone		Consolidated	
	2017-2018	2016-2017	2017-2018	2016-2017
Gross Profit before interest, depreciation and tax	4898.58	3914.39	6452.15	5023.25
Less : Interest	-	-	-	-
Depreciation	177.41	251.36	177.48	251.38
<b>Profit/(Loss) Before Taxes</b>	<b>4721.17</b>	<b>3663.03</b>	<b>6274.67</b>	<b>4771.87</b>
Less : Provision for Current Tax	1510.00	1060.20	1510.00	1060.20
Earlier year's tax adjustments	-	(37.02)	-	(37.02)
Provision for Deferred Tax	(68.84)	28.03	(68.84)	28.03
<b>Profit After Taxes</b>	<b>3280.01</b>	<b>2611.82</b>	<b>4833.51</b>	<b>3720.66</b>
Add/(Less): Transfer to Foreign currency translation Reserve	(0.07)	(0.58)	-	(0.58)
Transfer to General Reserve	(500.00)	(300.00)	(500.00)	(300.00)
Dividend of FZE	-	-	-	(27.01)
Proposed Dividend on Equity Shares	(202.00)	(161.60)	-	(161.60)
Tax on Dividend	(35.87)	(32.90)	-	(32.90)
<b>Profit carried to Balance Sheet</b>	<b>2542.07</b>	<b>2116.74</b>	<b>4333.51</b>	<b>3198.57</b>

### 2.0 RESULTS OF OPERATIONS

#### 2.1 Business Performance

##### 2.1.1 Revenues

Total revenues for the year ended March 31, 2018 amounted to Rs.17,663.44 Lakhs as against Rs.14,394.00 Lakhs for the corresponding previous year, the increase in total revenues is Rs.3,269.44 Lakhs i.e. 22.71% over last year.

##### 2.1.2 Profits after Tax

The Profits after tax for the year ended March 31, 2018 amounted to Rs.3280.01 Lakhs as against Rs.2,611.82 Lakhs for the previous year, which is increase of Rs.668.19 Lakhs i.e. 25.58% higher than previous year. Turnover of MS-CIT, KLiC Certificate Courses has increased as compared to the last year's turnover. MS-CIT Turnover for Financial Year (FY) 2017-18 was Rs.9099.14 Lakhs as compared to Rs.8319.79 Lakhs for FY 2016-17, increase of Rs.779.35 Lakhs i.e. 9.36% increase over previous year. The turnover for KLiC (within Maharashtra) for FY 2017-18 was Rs.508.61 Lakhs as compared to Rs.471.40 Lakhs for FY 2016-17, increase of Rs.37.21 Lakhs i.e. 7.89% over last year. Another reason for increase in total revenue and profits was due to revenue from Mission Mode Skill Development Program (MMSDP - Bihar) of Rs.2787.72 Lakhs.

In FY 2017-18, the Company gave job readiness scheme awards, fascia board scheme awards, Model Center awards and Summer Bonanza to its eligible Network Partners. This year also, PPF Awards were given to Network Partners who were consistent performers for the last decade.

### **2.1.3 General Reserves**

The Board of Directors propose to transfer Rs.500 Lakhs to the General Reserves, out of profits earned by the Company for the year ended March 31, 2018.

### **2.1.4 Dividend**

Your Directors are pleased to recommend final dividend @ Rs.2.50/- per equity share of Rs.10/- each, which if approved in the ensuing 17<sup>th</sup> Annual General Meeting, will be paid to those members whose name will appear in the Register of Members as on the date of the 17<sup>th</sup> Annual General Meeting.

### **2.1.5 Liquidity**

Your Company continues to remain debt-free and maintain sufficient cash to meet its strategic objectives. There are no long-term borrowings. During FY 2017-18, internal cash flow covered the working capital requirements. Due to investing and financing activities, the net cash flow was Rs.1518.84 Lakhs as on March 31, 2018. We had liquid assets of Rs.16,465.07 Lakhs as against Rs.13,129.84 Lakhs at the previous year end. These funds have been invested mainly in Fixed Deposits with Banks and some amounts are invested in Liquid rate Income Funds.

### **2.1.6 Particulars of loans, guarantees or investments**

There are no Loans, guarantees given pursuant to Section 186 of the Companies Act, 2013. The Investments covered under Section 186 of the Companies Act, 2013, are disclosed in Note no.2.10 forming part of the Financial Statements as on March 31, 2018.

### **2.1.7 Fixed Deposits**

The Company has not accepted any fixed deposits and as such no amount of principal or interest was outstanding as of the Balance Sheet date.

### **2.1.8 Particulars of Employees**

No employees are falling within the limits specified under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **3.0 SUBSIDIARIES**

### **3.1 MKCL International FZE - 100% Subsidiary of the Company**

MKCL International FZE booked profit of AED 21,68,145/- (Rs.367.99 Lakhs) in F.Y.2017-18 as against profit of AED 11,65,650/- (Rs.212.85 Lakhs) in FY 2016-17.

### **3.2 MKCL Knowledge Foundation**

The Company had promoted MKCL Knowledge Foundation (MKCLKF), a not-for-profit organization (Section 8 Company) as a wholly owned subsidiary on September 10, 2014 for undertaking various social objectives. This was the fourth year, since it commenced its activities.

In the FY 2017-18, MKCLKF spent Rs.120.26 Lakhs on its various programs and other operational and administrative overheads amounted to Rs.47.17 Lakhs, totaling to Rs.167.43 Lakhs. The Company had revenue from operations of Rs.3.57 Lakhs and received revenue donation of Rs.99.80 Lakhs along with interest income on deposits of Rs.123.07 Lakhs totaling to Rs.226.44 Lakhs.

## 4.0 REPORT OF BUSINESS OPERATIONS & INNOVATIONS OF MKCL

### MKCL PROFILE

#### 1. Introduction:

##### Incorporation:

Maharashtra Knowledge Corporation Limited (MKCL) is a public limited company promoted and established by the Department of Higher and Technical Education, Government of Maharashtra and was incorporated on August 20, 2001 under the Companies Act, 1956.

In order to make the capabilities of MKCL available to all the Departments of Government of Maharashtra, governmental coordination of the affairs of the company has been handed over from January 05, 2018 to the General Administration Department (GAD) from Department of Higher & Technical Education. Subsequently, it was allocated to Directorate of Information Technology under GAD.

##### Transformative Agenda:

Keeping in view the rapid emergence of knowledge-based society and knowledge-led economy on the global scale and recognizing that actionable knowledge is increasingly becoming synonymous to wealth, MKCL is dedicated to the cause of bridging the **Knowledge Divide** and resultant **Development Opportunity Divide** faced by the common people in general and youth and school students in particular.

The vision of MKCL, therefore, is to create new value-based paradigms in education, governance and empowerment of common people in the context of rapidly emerging knowledge-based society and knowledge-led economy and consistent with development opportunities therein.

As most of the new actionable knowledge is being digitally born (often through digital collaborations), digitally stored, digitally presented, digitally distributed, digitally accessed, digitally archived and managed and in many cases even applied digitally for socio-economic progress, it becomes absolutely essential to pursue the transformative agenda of bridging the Knowledge Divide and resultant Development Opportunity Divide by first helping the common people in effectively bridging the **Digital Divide**.

##### Unique Identity:

The major challenge before MKCL in pursuing this agenda of bridging these new divides is to offer appropriate solutions and services for accessing education, governance and empowerment opportunities appropriate to emerging knowledge era by a large and diverse population with world-class quality, at a very affordable cost, with widest accessibility from metros to rural, tribal and hilly areas and in just-in-time manner with a deeper personalized service experience on a mass-scale.

In other words, these six simultaneous challenges or mission objectives of MKCL for transformation in the fields of digital literacy, education, governance and empowerment may be summarized as **Bigger, Better, Cheaper, Faster, Wider and Deeper!**

In order to address all these six challenges simultaneously, MKCL uses two solvers viz. to simultaneously become **Smarter and Wiser**. In order to grow smarter in solving these challenges, MKCL right from its inception has recognized the transformative role of appropriate use of Information Technology as an equalizer, economizer, mass-scale enabler, accelerator, quality enhancer, mass-personalizer and an artificially intelligent (AI) partner. And in order to grow wiser and thereby avoid duplication of expenses, MKCL decided to forge several partnerships with organizations having complementary strengths so as to network all available resources such as infrastructural, financial, human, intellectual, educational, developmental, etc.

MKCL, therefore, has been continuously designing, developing and successfully deploying very imaginative, pervasive and appropriate applications of Information Technology for universalization of digital literacy, as well as for transforming education, governance and empowerment processes in particular and socio-economic transformative processes in general. As a result, MKCL has attained a unique identity as an organization capable of universalization and integration of Information Technology in all walks of life.

MKCL designs, develops and deploys state-of-the-art eLearning, eGovernance and eEmpowerment innovations, strategies, models, frameworks, technologies, products, processes, solutions and services at affordable costs for the common people. All of them are comparable to the best globally available options in terms of architecture, price to performance, outreach,

customer delight and environmental sensitivity.

With its range of products and services in the field of eLearning, eGovernance and eEmpowerment, MKCL has emerged as a **Fast-track IT Enabler / IT Integration Partner / Business Process Re-Engineering Partner and Knowledge Partner** of the educational institutions ranging from private organizations, schools to universities as well as of the government, semi-government and community/voluntary organizations and mission mode project organizations.

### **Equity Profile:**

The Government of Maharashtra and ten public Universities in the State of Maharashtra are among the initial equity holders of MKCL. While the Government of Maharashtra has 37% stake, the Universities have 33% and autonomous bodies, educational institutions, training centers, social organizations, SMEs, directors, ex-directors, employees, ex-employees and others have remaining 30% stake.

### **Board of Directors:**

The Board of Directors of MKCL normally consists of three nominees of the Government of Maharashtra, two Vice-Chancellors from among the shareholding Universities, six eminent experts from various sectors of knowledge as the independent directors and the Managing Director. The Board meets normally once in a quarter and reviews quarterly performance of the company, offers feedback, decides on policies and offers guidance for future development of the company.

### **Strategic Advisory Committee:**

MKCL's Strategic Advisory Committee (**MSAC**) consists of eminent experts from various disciplines such as IT industry, industry, agro-industry, agriculture, environment, scientific research and development, educational technology, psychology, art and culture, finance, etc. All the Board members as well as a few members of MKCL staff selected by the Board are invitees to MSAC. MSAC meets normally once in six months and reviews major accomplishments of the company and offers strategic inputs for future development of the company.

### **Financial Self-sustenance:**

In spite of having Government as a major stakeholder, MKCL does not receive any funding, grant-in-aid or financial assistance, loans or monopoly business contracts from the government. It has been established as an unaided organization. All along MKCL has maintained an unbroken record of a self-sustaining, wealth-creating and ever-growing enterprise. It has also maintained an unbroken record of paying decent dividends every year to the government and other stakeholders right from its inception.

### **Compliance to Standards:**

The Company is certified for **ISO 9001:2015 Certification, ISMS Certification (ISO 27001:2013) and CMMI Level 3 Certification.**

### **Organizational Structure - MKCL Programs:**

MKCL's transformative agenda driven by its well defined vision and mission is implemented by organizing its functions under various autonomous programs and allocating resources to them. These programs specialize in certain domains of expertise vis-a-vis customer requirements. They enjoy reasonable autonomy in their functioning. However, they maintain strong collaborative relationship and complementarity among themselves for overall benefit of all stakeholders.

Intra-program and inter-program financial transactions are regulated and properly accounted regularly in order to monitor sustainability and profitability of each individual program and of the company as a whole.

Each program consists of set of certain time-bound projects and related continuing operations. Normally only such projects and operations are brought under one program which if coordinated together will ensure optimum resource utilization and maximum customer delight.

Each program has a Program Leader, Program Coordinator, Program Manager and Team Members.

The programs are divided into two groups viz. Enabling Programs for back-end work and Business Development Programs for front-ending with customers. Both groups of programs are enlisted below. The various functions under Corporate Management Program are also enlisted below:

#### **Enabling Programs:**

- Corporate Management Program (CMP)



- IT Infrastructure Development and Management Program (IT Infra-DMP)
- Software Development Program (SDP)
- Educational Products Development Program (EP-DP)
- Educational Transformation Program (ETP)
- Artistic Creations Program (ACP)
- Network Partnerships Management Program (NP-MP)
- Quality and Customer Relationship Management Program (Q&CRMP)

## **Business Development Programs:**

- Knowledge Lit Skills Development Program (KLSDP)
- Knowledge Lit Careers Development Program (KLCDP)
- Mission-Mode Skill Development Program (MMSDP)
- Educational Products Business Development Program (EP-BDP)
- Digital University and OASIS Business Development Program (DUO-BDP)
- eGovernance Business Development Program (eGov-BDP)
- Social Business Development Program (S-BDP)
- International Business Development Program (I-BDP)

## **Corporate Management Functions:**

- Corporate Matters & Key Management
- Legal Affairs
- Infrastructure Development
- Center Management and Facilitation
- Human Resources Development
- Intellectual Resources Development
- Marketing and Brand Promotion
- Publicity and Public Relations
- Quality Improvement
- Accounts and Finance
- Internal Audit Assistance
- Materials and Services Procurement
- Stores
- Tender Life Cycle Management
- Central Library
- Archival of Records

In order to devolve powers and responsibilities, ensure participative democratization, collective thinking and decision making, improve transparency in the company and develop future managers and leaders, certain corporate and technical/business functions are regulated/supported by Teams and Committees enlisted below:

## **Teams:**

- MKCL's Apex Coordination Team (MACT/APEX)
- MKCL's Key Management Team (MKMT)
- MKCL's Center Management Team (MCMT)
- MKCL's Materials & Services Procurement Team (MSPT)
- Solution Architects Team (SAT)
- Associate Solution Architects Team (ASAT)

## **Committees:**

- Disciplinary Committee
- Employee Recruitment and Remuneration Committee
- Investment and Compliance Committee

- Internal Complaints Committee
- Infrastructure Development and Maintenance Committee
- Network Partnerships Management Committee

## 2. MKCL's Business

### MS-CIT - Bridging the Digital Divide:

The emerging information technology revolution has given rise to a globally connected society. This society is generating exceeding 90% of the new actionable knowledge digitally and collaboratively. The ability to use digital technologies is, therefore, critical for developing and accessing new actionable knowledge and accessing new careers and new development opportunities resulting out of the new knowledge.

Those who are denied the access to the information technology shall, thus, be deprived of the opportunities of the new world and shall face the crisis of Digital Divide in addition to economic divide, social divide, gender divide, etc.

In order to bridge the digital divide, bring the common people closer to the ethos and opportunities of the knowledge society and knowledge-led economy and with a view to bringing the real fruits of Information technology to the masses for their survival, development and empowerment, MKCL conducts **Maharashtra State- Certificate in Information Technology (MS-CIT)** course in the state of Maharashtra, since 2002. MS-CIT attempts to propagate IT Awareness, IT Literacy, IT Competencies and IT Applicability among the common people with a view to bridge the Digital Divide and the resultant Knowledge Divide and Development Opportunity Divide. MS-CIT has thus emerged as a gateway to careers and global developmental opportunities to the common people.

The curriculum of MS-CIT has been structured on following nine pillars of **most essential digital skills** for smart use of not only laptops and desktops but also smart phones and other mobile devices:

1. Basic IT Awareness
2. 21st Century Daily Life Skills
3. 21st Century Citizenship Skills
4. 21st Century Study Skills
5. 21st Century Office Skills
6. 21<sup>st</sup> Century Scripting Skills
7. Smart Typing Skills
8. Cyber Security Skills & Netiquettes
9. Ergonomics and Go Green

The implementation of MS-CIT is not only a mission to bridge the digital divide but also a large-scale and unique educational transformation. It has been the result of continuous blend of **pedagogic innovations, technology innovations, partnership innovations, entrepreneurial business innovations and social accountability innovations**. This is a unique example of blend of five mega-trends of 21<sup>st</sup> century viz. **digitization, virtualization, mobilization, mass-Personalization and glocalization**.

During last 16 years, more than 12 Million (1.2 crore) Learners have registered themselves for this course and have become smart users of IT. This is perhaps the world's highest record in the field of bridging the Digital Divide among the masses and promoting Digital Citizenship among them. MS-CIT brand has thus become synonymous with digital empowerment of common people of Maharashtra in their personal, professional and social life.

MS-CIT Learners include school students and college youth, job readiness seekers and first job aspirants, next/better job seekers and second inning aspirants, parents and teachers, employees and officers from government/semi-government sector, private sector, cooperative sector, voluntary/social sector, doctors and engineers, architects and designers, lawyers and accountants, writers and poets, artists and craftsmen, journalists and media persons, professionals and businessmen, entrepreneurs and intrapreneurs, farmers and workers, women and senior citizens, activists and representatives of public, etc.

Government of Maharashtra has also issued a Government Resolution stating that MKCL's IT literacy course viz. MS-CIT, is also one of the essential eligibility criteria for recruitment to the posts of Grade A, Grade B and Grade C in all the Government Departments and semi- government organizations in the Maharashtra state. Government of Maharashtra has given equivalence of more than 80 courses to MS-CIT. However, MS-CIT has been the preferred choice of Lakhs of Learners every year.



MKCL's IT literacy course has many versions outside Maharashtra such as BS-CIT in Bihar, HS-CIT in Haryana, KLIC-IT, MICIT in Saudi Arabia and Egypt, OS-CIT in Odisha. All these courses put together have enrollment exceeding 15 million (1.5 crore) learners over last 16 years.

## **MKCL's Network of Authorized Learning Centers (ALCs) - Expanding the Outreach:**

In order to facilitate such a large number of MS-CIT learners in various parts of the state, MKCL has established about **5000+ Authorized Learning Centers (ALCs)** under its unique public-private-partnership framework. With the help of these network partners, MKCL offers wide accessibility of its services to the masses with uniform coverage in metros, cities, semi-urban areas as well as rural, tribal and hilly areas of the state. In order to improve the outreach, a few temporary satellite centers are also added to the network for the convenience of larger number of learners registering in the summer vacation.

These 5000+ ALCs are equipped with state-of-the-art computing infrastructure on LANs with their own 5000+ proxy servers backed up by MKCL's formidable, scalable and secure server farm infrastructure on cloud with server virtualization and dynamic load balancing technologies and **about 75,000 personal computers at ALC's**. These computers are equipped with state-of-the-art operating systems, antivirus software, application software and broadband internet connectivity. MKCL has also installed Bio-metric finger-print recognition devices at all the ALCs for learner identity and attendance management. All the personal computers at all the ALCs are also being equipped on behalf of MKCL with the state-of-the-art web-cameras for operationalizing the evidence-based learning and assessment framework. These two facilities help MKCL Network emerge as **one of the largest and most reliable evidence-based Online Testing Facilities**. All these machines are managed online and supported remotely through MKCL's **IT Assets Management Framework viz. WORM and Unified Call Assistance and Support Tracking (UNICAST) system**. All the personal computers at all the ALCs are also being equipped on behalf of MKCL with the state-of-the-art head phones for eLearning.

The paperless management of this world's largest network of IT learning centers is facilitated by MKCL's homegrown web-based software framework- viz. **SOLAR**. This framework seamlessly facilitates a complex management of inter-related **learner administrative life-cycles, center life-cycles, channel partner life-cycles and course/ business activity life-cycles** including the management of financial transactions through 5000+ net banking accounts and ALC wallets.

Apart from marketing, promotion, counseling, sales and academic services, the network partners have regularly participated in common marketing fund contribution for optimization of marketing expenses while avoiding duplications and expanding the outreach. All the network partners ensure compliance to brand specification guidelines so as to achieve MS-CIT Brand Persistence and Brand Enhancement. All the network partners are also regularly participating in frequent online polls for taking various crucial business and academic decisions in an open, transparent, democratic and participative manner.

MKCL is constantly and carefully nurturing this network for last 15 years. As a part of the nurturance activities, **PPF Awards** are given to consistent performers of the decade. Similarly, all 5000 ALC coordinators have been covered under **Medical Insurance and Accident Insurance**. In addition to these welfare measures, many academic and business excellence awards have been given to deserving ALCs. Microsoft and Adobe licenses have also been distributed to eligible ALCs. All these initiatives of MKCL have built an atmosphere of confidence and mutual trust between MKCL and 5000 ALCs spread over the entire state.

A rigorous definition of Model ALC has been synthesized through series of discussions and brainstorming sessions at various levels. The continuous, comprehensive and online assessment of ALCs is carried out on these critical performance indicators and sub-indicators in each financial year. Accordingly, Model Centers are selected on the basis of various performance criteria by using MKCL's Accreditation Framework.

## **Learning Facilitators - Enriching High-Tech Learning with Human Touch:**

Over a period of time, our **25,000+ trainers /learning facilitators** have discovered that they do not get displaced by eLearning technology if they are ready to play a very creative role of an interactive coach where this technology reaches its limits. This offers them more meaningful and satisfying co-existence with technology and sets them free from traditional teaching and assessment drudgery. This also makes overall learning process more affordable and self-replicable. A creative involvement of more than **25,000** certified and periodically re-certified trainers/learning facilitators helps MKCL's education system assume a desirable blend of **high-tech with human touch**. The eLearning technology and the human touch of learning facilitators together achieve incredible results!

The Learning Facilitators are rigorously trained in creating eLearning content on locally relevant case studies of applications of various IT tools to be added in curriculum.

## **MKCL's ERA - Taking eLearning to the Grass-roots:**

MKCL's homegrown eLearning platform viz. **ERA** (eLearning Revolution for ALL) is probably the world's most light-weight Learning Management System (only 9 MB). ERA contains following elements:

- Course Designers' Paradise - Distributed Factory for eContent Development
- eContent Distribution and Management System
- eLearning Environment and Process Management System for Learners' learning Life-cycle Management
- eAssessment Management System
- Instant eEvaluation and eCertification System for diagnostic, formative and summative assessments and
- Learner Performance Analytics for further improvements in content, environment and processes deployed for learning and assessment

MKCL's ERA perhaps, is the largest eLearning facility with largest user-base in India operating in a stable manner at the grass-roots for over 16 years. It has overcome the barriers of long power outages on one hand and traditional and difficult-to-break teacher-centric mindsets on the other. ERA platform today is not just accepted but highly sought after by millions of learners across all age groups including even the senior citizens because of the unique underlying pedagogy / andragogy of Inform-to-Perform and Perform-to-Transform approach as against the traditional emphasis on only inform type of teacher centric education system. The success of ERA lies in the uniqueness of integrated unfolding of Learning Content, Learning Process and Learning Environment.

Due to the implementation of technologically facilitated and personalized but sequential and guided Process of Learning, ERA has also emerged as a framework for global and local monitoring of every step of academic progression of millions of learners. The vast amount of continuously logged and securely maintained academic progression data of learners (with the IP addresses of the computers being used by them at that time) has emerged as a rich and trustworthy repository for Big Data Learner Analytics, research, reporting and continuous improvement of quality of learning and assessment. It has also improved the traceability, verifiability, falsifiability and overall transparency in learning and continuous assessment of each learner across the state-wide network.

The uniqueness of MKCL's IT Literacy and Functionality skill building approach is in its emphasis of not just imparting differential skills but in its periodic punctuation of hundreds of non-obvious "Take-a-Challenge" situations and then imbibing integral skills with global best practices. The learner is then exposed to several real-life "Take-a-Bigger Challenge" situations and "Take-a-Grand Challenge" situations with ab initio step-by-step creation of hundreds of simple and complex socially useful and productive outputs by gradually using and mastering preliminary as well as advanced features of various office tools and other IT applications.

### **MKCL's innovations in eLearning - Enhancing Self-Learning and Self-Paced Learning:**

1. Parity with various international standards such as Microsoft Standards, International Computer Driving License (ICDL), European Computer Driving License (ECDL), National Educational Technology Standards, ISTE Standards, Global Digital Literacy Course Standards, etc.
2. Natural sequence of learning breaking the traditional boundaries of tool-based topics.
3. Situation based content in the form of hundreds of real life situations.
4. Fork and Join Construct in sequential learning to offer in parallel the different case studies (but containing same concepts) for different interest groups among learners.
5. Guided eProcessfolio feature in ERA: Previously the learners used to develop socially useful outputs by using software tools and publish them in their ePortfolio in ERA. Now they can record the complete process of development of the socially useful outputs along with their own voice and video commentary guided by the system along each step performed and can publish it on YouTube server. As a result, the learner's performance can be viewed and assessed by anybody from anywhere and at any time wherein one can see learner's screen showing the step-by-step process of development of output along with a small window on bottom right corner (picture-in-picture/PIP mode) showing the video of the learner while s/he was developing that output and simultaneously giving commentary on how s/he is developing that output. Thousands of Learners have published their eProcessfolios on YouTube for evidence-based assessment by potential employers.
6. BlackBox Monitoring Tool which stores snapshots of screen and learner at regular time-intervals in the form of evidences of activities of the learner inside the computer and outside for deciding upon his/her presence in lab and ethical participation in assignments and tests. A collage is automatically created based on the snapshots captured which is further used to analyze each snapshot using the face detection algorithms.
7. Guided Do-It-Yourself (DIY) facility to help learners learn constructively and freely and yet rendering his/her performance observable in the background and admire him or guide him contextually.

8. Ask Live Expert (ALEX) facility with a 5 stage gradual support system to remote learners through eLearning framework
9. Course Designer's Paradise: MKCL has developed an in-house Learning Content Management System (LCMS) which uses an Artificial Intelligence (AI) based engine for smart course creation and content integration in the course from a repository of Re-Usable Learning objects (RLOs).
10. Clicker Based Classroom Interaction which helps in increasing participation of each and every learner in a class-room with higher degree of engagement. It provides an attendance-cum-learning tracking mechanism in a class-room. Each learner is required to bring an old mobile phone without sim card and without internet for every class-room session. With MKCL's app, the phones are repurposed as clickers. They are connected to teacher's laptop by a local wi-fi access point in a classroom. This app prompts the teacher/learning facilitator to avoid his/her continuous monologue in a class-room session by frequently punctuating his/her content delivery with intermittent questions to continuously assess the learning of the participants, say after every 5 minutes. The clicker responses of all learners to all the intermittent questions posed by the teacher/learning facilitator are captured, analyzed and presented online to the entire class on a screen as well as on the screens of individual mobile phones of the learners used as clickers. It helps the teacher improve the quality of his/her delivery in response to learners' performance. At the end of the class-room session the system gives learners' and teacher's performance data for further analysis and improvement by both.
11. Link Videos are given as a part of classroom content for each activity in the course for invoking curiosity in minds of learners and improve engagement.

## **KLiC - Enabling youth for Knowledge-Lit Careers:**

KLiC series of courses serve as a bridge from college to careers. MKCL, under its KLiC brand, offers employability skills development modules as KLiC Certificate Courses at 2500+ ALCs in the state.

An aesthetically rich and engaging content of KLiC courses have animations, videos, various work based case studies, mini-projects, mock aptitude tests, resume writing, interview practice, etc.

The various sectors covered through KLiC courses are:

1. Financial Accounting, GST, ERP, ...
2. Banking, Financial Services and Insurance (BFSI), ...
3. Retail Management, Selling, Customer Service, ...
4. Marketing, Tele Marketing, Tourism, ...
5. Business Process Management (BPM/BPO), Call Center, Back Office, Customer Support, Logistics ...
6. Advanced Office Productivity Tools,
7. Small Business Management, ...
8. eEducation, Instructional Designing, ...
9. Creative Digital Arts, Desktop Publishing, Illustrations, Graphic Design, Image Editing, Video Editing, Web Designing,
10. AutoCAD, 3D Modeling, 3D Texturing, 3D Lighting, 3D Compositing, 2D & 3D Animation, ...
11. Scratch Programming, Game Designing, ...
12. Programming and Software Development, Mobile Apps Development, Web Development, Software Support, ...
13. Hardware and Networking, IT Help Desk, Troubleshooting, IT Assets Management, Hardware Support, Network Support, Desk Top Support, Security Support, Windows System Administration, ...
14. English Language Skills
15. Communication Skills in English and Hindi
16. Soft Skills and Life Skills for Workplace Readiness, ...

The focus of KLiC Courses is on knowledge-based skills and Career development in diverse areas of services sector.

The KLiC Learners enjoy the benefits of MKCL's unique eLearning environment and MKCL's role-based and work-centric

(and not book-centric or information-centric) vocational education approach. During the course, the learners are trained to produce **Socially Useful and Productive Work (SUPW)** as enshrined in Mahatma Gandhi's "*Nayi Taleem*". The learning process is so designed that it begins with work, from the work, learner derives knowledge and then applies that knowledge to produce wholesome work. Thus, the learner development continues on an ever evolving upward spiral. KLiC Courses try to develop earning potential through **(L)earning!**

These learners are assessed by using **MKCL's Evidence-Based Assessment System** which enables assessors to evaluate the skills of the remote assesses. This upward spiral continues to take the learner to higher levels of excellence and enhances his/her employability, knowledge, confidence and self-esteem. KLiC Courses are recognized by the Yashwantrao Chavan Maharashtra Open University (YCMOU). So far more than 3,00,000 learners have undergone various KLiC Courses.

## **MS-ACIT - Developing 21<sup>st</sup> Century Teachers**

Empowering **Teachers** with 21st Century teaching skills is main purpose behind this initiative. Offerings include the skills which will transform a School Teacher to eSchool Teacher with effective and efficient use of Information and Technology. This course covers 21st Century Skills to make teachers ready to perform different roles as a 21st -Century Teacher.

Course gives exposure to different digital skills and new ways of Teaching- Learning modes. The course is designed in order to make sessions interactive and interesting. The engaging eLearning technology makes the Teachers ready for eTeaching methodologies.

Learners are introduced to various features and tools like sticky notes and snipping tool, connecting to Wi-Fi, connecting external devices to laptop, connecting projector to laptop and tablet, flipping tab based classroom, making students engaged with questioning, engaging students with exciting tools, using class debates to foster students' engagement, creating groups on Google Classroom, sharing large files with students, creating video from PowerPoint, changing audio-video format online, watching TED Talk, enrolling in EdX courses, searching free online courses, learning foreign language online, etc.

The empowered Teachers can perform following activities:

- Online polling related to various subjects
- Use of Google calendar, Google classroom to make online note of classroom activities
- Take online test of the students,
- Copyright free informative image and video,
- Make PowerPoint presentations on various educational topics,
- Make quizzes in PowerPoint, Google Slides,
- Conduct sessions on Virtual Classrooms, Google Plus Community of class, class blog, Google Site,
- Online crosswords, worksheets, engaging video, YouTube channel, infographic, custom Google Search Engine, Google Alert, curated online content, Google Form, digital notes using Google Keep

## **EASY - Offering 21<sup>st</sup> Century Earning Assistance Services to Youth:**

In order to encourage especially the rural and semi-urban youth to pursue careers in the knowledge-based economy, MKCL awards KLiC Diploma Certificate to KLiC learners who successfully complete minimum 4KLiC Certificate Courses, preferably in a particular track.

The KLiC Diploma holders are being further developed in the area of Digital Freelancing so as to ensure decently rewarding, locally pursuable and globally relevant careers with earning opportunities in the virtual freelancing space. This is a modest step and yet another experiment of MKCL in bridging the opportunity divide.

Instead of indefinitely waiting for a placement in a company, a KLiC learner can start modest earning through freelancing if s/he is adequately trained and facilitated. In case of especially meritorious women from rural and semi-urban areas, this may prove to be an empowering boost in the context of their inability to leave homes and travel daily to workplaces or leave native places and migrate to big cities for a job.

In order to accomplish this ambitious objective of **Earning Revolution for All** (a new full form of ERA!) a software framework called **EASY (Earning Assistance Services to Youth)** has been developed to train these KLiC learners to actually perform in a mock freelancing digital market place and earn money as well as self-confidence to enter into digital freelancing.

Meritorious learners are being given digital freelancing opportunities by MKCL through EASY and they are suitably rewarded by MKCL subject to actual delivery of artifacts strictly meeting the stipulated quality and delivery periods. A facilitation and fulfillment team has been created for guiding KLiC Learners spread across the state and for handholding with them for their successful entry into the exciting world of digital freelancing.

In addition to EASY framework for self-employment through freelancing, MKCL's Career for You framework is used for placement of learners in industry.

## **MKCL emerging as a Knowledge Partner for State Skill Development Missions:**

In recent past, various state governments in India have established their respective Skill Development Missions for skilling, reskilling and up-skilling the youth on a large scale and in a time bound manner. In view of its long experience and expertise in the field of managing skill impartment on a state-wide scale by developing and successfully deploying software frameworks for skill development management and administration, eLearning, eAssessments and placements, MKCL is emerging as a

- Knowledge and Strategy Partner in Skill Development Mission
- Comprehensive Software Framework Provider
- High Quality eContent Provider for Learning and Assessment
- eLearning Management Service Provider
- Single Point Nodal Agency for establishing and operating a state-wide network of Skill Development Centers under the Public-Private-Partnership Mode
- Implementation and Monitoring Support Partner

for skill development missions being established by various state governments.

MKCL's unique and proven as well as configurable and customizable frameworks for following tasks are proving to be very useful for skill development missions:

- Skill Development Mission's Portal Creation and Management
- Skill Development Schemes/ Programs Life-Cycle Management
- Skill Development Service Providers' Life-Cycle Management
- Skill Development Course-Development Life-cycle Management
- Skill Development Course-Administration Life-Cycle Management
- Skill Development Course-Academics Life-Cycle Management
- Skill Development Center Life-cycle Management (Registration to Renewal/Closure)
- Skill Development Center's Continuous Assessment and Accreditation
- Candidate's Administrative Life-cycle Management (Admission to Placement)
- Candidate's Evidence-based eLearning Life-cycle Management
- Candidate's Evidence-based eExamination and Certification Management

In addition to the software frameworks and eLearning content for skill development in various sectors, MKCL's knowledge base expressed in the form of following models is being recognized as a valuable resource by the skill development missions:

- Business Models based on Public-Private-Community Partnerships synthesizing the desirable features of Government, Private and Social Sectors
- Governmental Training and Development Schemes Management Model
- Innovative Models for Creation of Statewide Networks of Skill Development Centers (SDCs)
- Brick and Mortar Infrastructure Development and Maintenance Models for SDCs
- Computing and Communication Infrastructure Specification, Provisioning/Sourcing and Maintenance Models for SDCs
- Model for Remote Installation, Commissioning and Maintenance of Software Frameworks at SDCs
- Model for Software Licenses procurement and Distribution to SDCs and Avoidance of Piracy
- eLearning Content Development and Distribution Model
- SDC Assets Management Model
- SDC Human Resource Training and Development Model
- SDC Human Resources Welfare Model
- SDC Support and Grievance Redressal Model



- Model for Change Management
- Supply Chain Management Model for Study Material, Promotional Materials, etc
- Statewide Network Coordination Model
- Branding, Marketing, Promotion, Events Management and Publicity Model
- Parent Counseling, Candidate Profiling, Counseling and Career Guidance Model
- Candidate Registration and Enrollment Model
- Fee Collection and SDC Performance-based Fee Share Distribution Model
- Revenue Recognition and Reconciliation Model
- Academic Delivery Model
- Learning Progression Tracking and Monitoring Model
- Attendance Tracking, Continuous Assessment, Summative Evaluation and Certification Model
- Placement Assistance and Post-placement Tracking Model
- Candidate Relationships Management Model
- Model for SDCs' Statutory and Regulatory Compliances
- SDC Vigilance, Disciplinary Actions and Dispute Resolution Model
- SDC Quality Management, Assessment, Accreditation and Monitoring Model
- Performance-based Rewards Distribution Model
- Financial Sustainability Measurement Model
- MIS, Analytics, Business Intelligence and Decision Support Model
- Data Security, Data Archival and Referral Model and many more...

Based on last 16 years of conscious effort of **knowledgizing the products and processes and productizing the knowledge** in the form of above mentioned models and their software incarnations, MKCL could become the successful bidder and has been recognized as Knowledge Partner of **Bihar Skill Development Mission (BSDM) of the Government of Bihar**.

With the help of MKCL, BSDM is implementing two programs viz. Domain Skilling Program wherein the hard skills courses approved by various sectoral skill councils are implemented and Kushal Yuva Program ('KYP'), a flagship program of Bihar Government under its '**Saat Nishchay**' (Seven Resolves).

### **MKCL Finishing Schools - Mainstreaming Work-Based Learning:**

MKCL since 2013-14 has been working on Work-based Learning model through MKCL Finishing Schools (MFS). MKCL in partnership with some of the leading corporates in the IT Enabled Services (ITES) / Business Process Management (BPM) sector such as Tata Business Support Services Ltd., WNS Global Services Pvt. Ltd., Titan Company Ltd., etc. implements '**Role based and Work & Performance Centric**' Degree Programs recognized by Yashwantrao Chavan Maharashtra Open University. Currently three such 3 year degree programs are conducted. Bachelor of Business Administration i.e. BBA for ever-growing service sector, BSc. In Computer System Administration i.e. B.Sc. (CSA) for Hardware and Networking sector.

These are very innovative "**learn while you earn**" type of degree programs in which normally students from rural and economically disadvantaged sections of the society are selected on merit basis and given internships in these corporates in the area of BPM/ Computer system administration. They are acquiring knowledge through actual work in the company and applying this knowledge to make the work more profound and wholesome. It is recognized by giving them work credits having 50% weightage in the degree program. End-of-the-day reflection sessions by senior members are integral part of the educational process and have proven very effective for the students to derive knowledge from the work done during the day.

MFS Work-based Learning model attempts to solve the problem of attrition in the corporates, problem of unemployment among the youth, problem of relevance of degree program in the universities vis-à-vis the needs of industry and problem of social unrest among the educated but unemployed youth as faced by the government and society.

MKCL's Knowledge Lit Careers Development Program (KLCDP) ensured reach of MFS - Work-based Degree Programs to youth at local level by forging partnerships with more than 100 Industry Partners across the state. This led to a pool of over 2200 internship/job opportunities in SMEs as well as the MNCs across the state cutting across various sectors.

MFS Graduates have been effortlessly receiving relevant and rewarding jobs and careers in well-known industries with higher starting salary by giving due weightage to their 3 years of work experience while pursuing the degree program.



Educational Transformation Program also focused on development of new curriculum in the areas of Livelihoods and Sustainable Development, Natural Resources Management, ICT Education Coordination, etc.

## **MKCL's Mastering Series:**

MKCL offers a truly online as well as an ALC-based quasi-online mock testing series with instant online assessment and automated personalized feedback service under its brand - viz. **MASTERING**. It is a facility available almost anytime, anywhere.

These mock eTests series have chapter-wise tests, combo-tests as well as full paper tests for various competitive examinations for admissions and recruitment such as **JEE/CETs for engineering, medical, GATE, MPSC/UPSC, Banking Selection, National/State Teachers' Eligibility Tests, Group B, C selection, Computer Typing, First year Engineering Students, Police /Gramsevek/Talathi**. Also for School Students, preparation of various competitive examination such as Scholarship Exam for 5<sup>th</sup> & 8<sup>th</sup> Standard students, MTSE, NTSE, etc. It is not just a low cost but a high academic quality offering. Each multiple choice option in the answers of thousands of questions is a well-designed conceptual distractor rather than an option being either obviously correct or arbitrarily wrong. All options are non-obvious, all of them appear to be correct and the wrong ones among them point out the conceptual gaps of the learners erroneously selecting them. The learners can, therefore, be counseled by the system for improvement by providing necessary academic inputs. The test series is thus not just formative but diagnostic and corrective.

## **MKCL's Digital University:**

Under its Digital University and Digital College software frameworks, MKCL now offers direct student facilitation services to **17 universities, 6000 colleges and 1million+ students every year**. The footprint of Digital University has now also been consolidated in Gujarat and is expanding in Haryana, etc.

Digital University is essentially a software framework for seamless management of life-cycles of millions of students, thousands of institutions and tens of thousands of courses/credits. The digitally empowered students' life-cycle management is the core of this framework. It offers eServices at affordable costs to millions of students at all stages throughout their university life-cycle **right from the student online admissions up to the award of degrees and placement assistance**.

It is one of the most highly scalable, integrated, seamless and end-to-end Educational eGovernance Framework in Indian Higher Education Sector and has applicability to Open and Distance Learning (ODL) Sector as well involving **Open Universities and Distance Education Directorates/Departments** of traditional Universities.

During this year certain new features, modules and functionalities have been added to Digital University Framework:

- DU Mobile App for Students
- Online Admissions with customization for Distance Education
- Instant Processing of Eligibility/Enrollment using HSC Board Data
- Automation in Exam Form Generation
- Secured Remote Delivery of Question Papers
- Absent/Unfair Means Entry Provision at Venues
- Assessment Data Entry Date Validation
- Communicating Student Results on Mail by Video Statement of Marks/Grades
- Multiple Attractive Resume Templates for Students' Job Applications
- First Jobs Portal for Student Placement
- Various Dashboard for University Authorities for Decision Making
- Ph.D. Life Cycle Management System

Being well architected and parameterized, this framework is also applicable for the **Educational eGovernance of the School Networks** such as SSC, HSC, CBSE Boards or Parent Bodies with large number of affiliated schools for their online School life-cycle management, course life-cycle management and student life-cycle management at very affordable cost and with high quality.

## **MKCL's OASIS:**

MKCL, under its Online Application Solutions and Integrated Services (MKCL's OASIS) brand, offers end-to-end **online admission, online examination** with instant results, online selection based on instant merit-list generation, online

scholarships disbursements, **online recruitments**, CRM, government scheme implementation services to **2.5 million+ students/ applicants/ candidates/ beneficiaries every year**. The cumulative count of OASIS applicants over last 13 years has exceeded the **17.5 million** mark. OASIS framework is currently being used in 8 states (Bihar, Chhattisgarh, Gujarat, Haryana, Maharashtra, Odisha, Rajasthan and Tripura).

MKCL's OASIS Framework together with the ERA Online Evaluation Framework has been used for online admissions and online entrance tests in a fast-track, transparent and affordable manner for **B.E./B.Tech. M.E./M.Tech., Medical, Pharmacy, Architecture, MBA, MCA, D.Ed., B.Ed, M.Ed, B.P.Ed, M.P.Ed., Law courses, ITI**, various Diplomas, various Centralized admissions of **UG & PG** courses and Ph. D. courses over a decade.

MKCL's OASIS Framework supports several government departments, staff selection commissions, local self-government agencies, semi-government organizations, universities, directorates, boards, educational institutions, banks, public, private and cooperative sector employers, etc. for their IT-enabled recruitments in a fast-track manner and with effective outreach to the masses on a state-wide scale including rural, tribal and hilly areas through MKCL Network.

MKCL's OASIS has offered erstwhile inaccessible higher education opportunities and job opportunities to thousands of needy youth from all these areas in an affordable and transparent manner.

### **MKCL's eGovernance Software Initiatives:**

- **MKCL's Swarajya** - A next generation mGovernance model backed by comprehensive software framework, single State Resident Database (SRDB) with departmental APIs for state governments to automatically offer through a mobile app about 300 governmental services, certificates and benefits of welfare schemes anywhere-anytime directly to millions of citizens based on their dynamically changing eligibilities and entitlements without they specifically applying for and even without they specifically knowing about the very existence of such schemes.
- **MKCL's MahaLabharthi** - MahaLabharthi is developed to bridge the severe communication gap between government with hundreds of precious welfare schemes, Benefits, Subsidies and Entitlements on one hand and millions of poor and deprived citizens on the other who are quite unaware of their welfare schemes /entitlements in spite of cell-phones/smart phones in their hands. All benefits and entitlements are presented not as a repulsive heap of general and unusable information of schemes but in an absolutely personalized and citizen-welfare-centric manner. It generates a comprehensive list of benefits specifically applicable to and easily understandable by the individual citizen whose profile has been submitted to the portal. The list gets dynamically modified with elapse of time or with introduction of new schemes, discontinuation or changes in existing schemes or as and when the profile is updated by the citizen. Hon'ble Chief Minister of Maharashtra has launched this portal through his CMO portal. CMO has also given wide publicity through its social media handle. Once the list of benefits is generated the portal also guides the citizens on how to access or acquire the benefits. Thousands of citizens have registered on the portal so far.
- **MKCL's Secured eTendering System - MKCL's SeTS** is a proven solution for eProcurement and eAuctioning and is being used by many Public, private and co-operative Sector Undertakings over last decade for procurement of good and services exceeding about **8 Billion+ US Dollars (Rs.51,556 Crores+)** in a transparent and secure manner with significant reductions in procurement life-cycles and procurement costs. This solution, apart from being applicable to individual companies, is also being preferred by sector-wise associations of various industry verticals to cut down the cost of raw materials by the periodic collective/group procurement for their members.
- **MKCL's Digital Legislature Framework** - MKCL has also designed and developed a comprehensive framework for eGovernance of **Maharashtra Legislative Secretariat (MLS)** and several sessions of Maharashtra Legislative Assembly and Council have been successfully managed through this framework.
- **Government Employee Transfer System** - A system is developed for transfers of Government Employees of various departments in a transparent and personalized manner by giving them postings based on their choices of locations and fulfillment of certain eligibility conditions. The system can be customized for any type of Government Department. The transfer drive is run through few stages as per transfer policy of the department, during which complex processing is carried out. Finally employees receive their transfer orders digitally along with integrated joining and relieving systems, with a completely transparent allocation log.

### **MKCL's Other Products and Services:**

Apart from these products and services, MKCL also has developed and started business selling and deploying many state-of-the-art transformative frameworks, products, solutions and services such as:

1. MKCL OS (Repository of commonly required/reusable software components)
2. MKCL's MyPortal (for developing web portal of any organization)

3. MKCL's Webcasting System
4. MKCL's IT Assets Tracking System
5. MKCL's Workflow Management Framework
6. MKCL eStore for marketing or academic items for Network Partners
7. MKCL UNICAST for Unified Call Assistance and Support Tracking for customers and partners
8. MKCL's Universal Payment System
9. MKCL's Ideal Gram Assessment Framework
10. MKCL's Gram Sabha Empowerment ('*sashaktikaran*') Framework
11. MKCL's Household Survey and Micro-Planning Framework
12. MKCL's GPS Based Mapping, Monitoring and Tracking System for Government Schemes
13. MKCL's My Society - a Housing Society Management Framework
14. MKCL's eVidyalaya Framework for managing and monitoring large networks of schools
15. MKCL's Statewide School Network MIS Framework for State Governments
16. MKCL's SuperCampus / eSchool Framework for Educational Transformation on Campuses
17. MKCL's Assessment and Accreditation Framework for schools, colleges and universities
18. MKCL's Secured Remote Question Paper Delivery System
19. MKCL's Libreria for Library Automation of educational institutions
20. MKCL's Framework for Document Archiving and Access Management for Large Public Libraries
21. MKCL's 'Career for You' and 'First Job' Frameworks for Placements Management
22. MKCL's HRMS (for Government/Private Human Resources Management System)
23. MKCL's Government Employee Transfer Framework
24. MKCL's Skill Development Mission Management Framework

### 3. MKCL's Social Contributions:

The offerings mentioned below are offered free of cost to the end-users for innovative branding of various products and services of MKCL:

- **Turning Point** - A 13-episode Hindi TV Serial on Job Readiness Skills Awareness was developed and released on DD Bihar and is also included in eLearning content of MKCL's various Job Readiness courses and promos.
- **Aamhi Bi Ghadalo** (we transformed)-- A 26 episode Marathi TV Serial on Self-reliant and Sustainable Agriculture developed with the domain expertise support of Chetana Vikas Trust, Wardha, is now ready for telecast.
- **Future Vedh (future direction)** - MKCL has partnered with Institute of Psychological Health (IPH) Thane to design an online profiling test. This test is designed for students in 10<sup>th</sup> and 12<sup>th</sup> std. This test helps students identifying their areas of interest and plans their career. This test is made available in all Authorized Learning Centers of MKCL.
- **Visual Arts Inclination Test** - An online test to identify artistic career inclination at an early age has been designed after rigorous research. It will be made freely available soon.
- **Cyber Genius Competition** - MKCL gave entire technical support for organizing the event wherein teams from 120 schools participated.
- **LiveDemy for KYP Pass-outs** - In order to help thousands of Kushal Yuva Program Pass-outs in Bihar to quickly revise the digital skills required in their job situations, one-year free access through MKCL's LiveDemy online learning platform has been made available.
- **Cillage Development Program** - About 500 domestic water purifiers with silver nano-technology produced by MKCLKF have been procured and distributed to the ALCs in Pune region for providing clean and pure drinking water to the MS-CIT learners on pilot basis.
- **A campaign to protect learners from heat stroke** - In anticipation of extreme heat during summer due to climate change an educative campaign was planned well in advance. It aimed at protecting about 5 lakhs MS-CIT Learners

of the summer batches from heat strokes. The campaign for prevention of heat strokes was carried out at all MS-CIT ALCs. As a part of the campaign an informative pamphlet in Marathi explaining how to protect oneself from heat stroke was distributed to all learners. Its loud reading in all MS-CIT ALCs was arranged. It explained critical importance of adequate water and salt intake before going out of home during day time. Along with the pamphlet a free packet of 30 sachets of 'Nimboo Paani' powder containing essential salts and other desirable ingredients was distributed to all learners with a request to dissolve it in water and drink every day before going out. This caring gesture of MKCL touched the hearts of all learners and their parents. They widely expressed their gratitude with their pictures with the packets on social media. Not a single case of heat stroke among the learners was reported in spite of cities like Chandrapur attaining world's highest temperature.

- **Book Gifts to ALCs** - Marathi biography of Professor M. S. Swaminathan titled '*Dhyas Bhookmukticha*' and other few useful books have been gifted to all ALCs for the benefit of MS-CIT and KLiC learners through the ALC libraries.
- **Release of TIFAC's Report on Education & Technology** - MKCL organized a two-day brainstorming conference on 'Education & Technology' along with the release of the report. It was attended by eminent experts from all over India.
- **Vedh** - MKCL Supported an event to celebrate 80<sup>th</sup> birthday of 3 eminent Marathi Women Authors viz. Pratibha Ranade, Uma Kulkarni and Veena Gawankar.
- **Dharmakosh** - MKCL has given technical and financial support to Dharmakosh Project of Pradnya Pathshala Mandal, Wai for completing the development and publication of online version of four out of forty-four volumes Dharmakosh free on internet.
- **Digital Incarnations of Indian Cultural Symbols** - MKCL values the traditional Indian designs and art. It, therefore, initiated a movement of creating and publishing in freely distributable form the digital incarnations of various Indian cultural symbols and designs. This initiative will help preserve and also introduce the great Indian heritage through its designs and artifacts to the younger generation to come in the years ahead. This movement aims at making available to people various Indian artifacts in 3D digital forms as well rendering globally popular symbols and designs in traditional Indian styles. These digital designs can be popularized for their use in icons, logos, web interfaces, etc.

#### 4. MKCL Catalyzing Youth Empowerment:

Apart from offering the eLearning, eGovernance and eEmpowerment services to millions of citizens in the state, leading to enhancement of their employability, upward mobility and social status, MKCL's state-wide network of 5000 centers has also provided opportunities of **direct self-employment, employment and co-employment to about 40,000+ youth** in Maharashtra and other states in the field of IT training, marketing and counseling, learning facilitation, center coordination, hardware and network maintenance, IT enabled services facilitation, etc. at these centers in their native places by avoiding forced migration to big cities. Generation and sustenance of numerous indirect employment opportunities over last 16 years are yet other spin-offs of MKCL networks in many states. There exists a significant percentage of women among this youth.

MKCL has also created many **internship opportunities** for youth such as Software Development Internships, Digital Creations Internships, User Interface/ User Experience (UI/UX) Design Internships, Internships through MKCL Finishing Schools in MKCL and in many corporates in ITES/BPM sector, 150+ Marketing Internships in all districts of Maharashtra for promotion of MKCL's products and services and internships for operating Student Facilitation Centers (SFCs) and College Facilitation Centers (CFCs) in various universities implementing MKCL's Digital University Framework.

#### 5. MKCL in India:

With a view to offer the benefits of MKCL's intellectual property, proven pedagogy, state-of-the-art technologies, innovative business models, best practices, academic course offerings in eLearning mode for enhancing employability, various IT-enabled solutions and services in education, governance and empowerment sectors to the masses outside Maharashtra at very affordable prices but with high quality, MKCL has established Joint Venture Companies with the various State Governments.

Rajasthan Knowledge Corporation Limited (**RKCL**), Odisha Knowledge Corporation Limited (**OKCL**) and Haryana Knowledge Corporation Limited (**HKCL**) are notable examples of such collaborative endeavors. All these joint ventures are self-sustaining and wealth creating with remarkable positive social impact in digital empowerment of common people in these states. Apart from establishing the validity of MKCL's vision and model outside Maharashtra, these JVs have also proven to be a modest source of earning for MKCL, largely by way of royalty on various IPRs of MKCL.

MKCL has won the tender and signed a 5 year contract with **Bihar Skill Development Mission (BSDM)** in July 2016 for performing the role as Knowledge Partner and Implementation Support Partner for **Kushal Yuva Program** for skilling the youth of Bihar for job readiness. In last 21 months more than 4 lac youth have been successfully trained through MKCL's

ERA LMS in **Digital Skills, English Language Skills, Communication Skills and Soft Skills**. MKCL's model of Kushal Yuva Program is emerging as a de-facto standard of **skilling for 21<sup>st</sup> century job readiness** in India. As a result, it is under active consideration of skill development missions of many state governments.

As a spin-off of this project with BSDM, MKCL has also emerged as a Software Provider for Skill Development Mission Management Framework (SDMMF) for state governments. Assam Skill Development Mission (ASDM) is actively considering to procure it.

MKCL's unique model of **work-based learning (WBL)** leading to earn-and-learn degree certifications has been successfully implemented in Maharashtra over last 6 years with **Yashwantrao Chavan Maharashtra Open University (YCMOU)**. **Tamil Nadu Open University (TNOU)** and **Odisha State Open University (OSOU)** is actively considering to adopt the said model. It is under active consideration of a few other state open universities in India. NITI Aayog has strongly recommended the same for consideration of Indira Gandhi National Open University for nation-wide implementation.

In addition to the above mentioned developments, MKCL also regularly and successfully propagates/ implements many of its digital frameworks, products, solutions and services in other states of India viz. Andhra Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Jharkhand, Karnataka, Madhya Pradesh, Manipur, Tamil Nadu, Telangana, Tripura and Uttar Pradesh.

## 6. MKCL Worldwide:

With a view to propagate the rich repertoire of its intellectual property, MKCL has also created joint ventures abroad through its subsidiary viz. MKCL International FZE, Sharjah, UAE. 'MKCL Arabia Ltd' is Joint Venture in Saudi Arabia. MKCL Arabia's extended branch is in Egypt by the name 'MKCL Arabia Egypt Ltd'.

'Supreme Council of University' (SCU), the apex body formed by the Ministry of Education in Egypt. SCU, after having done thorough scrutiny of MKCL's MICIT course has given its accreditation to this course. MICIT has been included in the list of courses where other international companies are already offering courses for several years. The course has gained so much popularity in such a short span in time that there are thousands of learners enrolled for this course.

In addition, MKCL has also hosted a few of its eLearning courses on the popular eLearning market-place viz. **Udemy** by satisfying all the international standards and specifications. In a very competitive environment of Udemy offering multiplicity of exercisable options, MKCL courses are preferred by **learners from 120 countries** and have received learners' average rating of 4.5 out of 5.0. About one third of the total number of learners of MKCL courses are from USA. Thus, MKCL's International Business has now also become online while expanding the footprint of its offline business.

## 7. MKCL Website:

For more information about MKCL please visit [www.mkcl.org](http://www.mkcl.org).

## 5.0 DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

Your Company is committed to promote a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity. It is also committed to providing work environment that ensures every employee is treated with dignity and respect. The Company believes in providing non-hostile safe working environment without fear of prejudice, bias and sexual harassment to all its employees.

The Company had constituted Internal Complaints Committee (ICC) in 2014 under section 4 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the Act"), to redress complaints received regarding sexual harassment. The Company adopted "Anti-Sexual Harassment Policy" in 2018 to effectively redress complaints received regarding sexual harassment for all genders. The Committee was reconstituted and Ms. Komal Chaubal, Company Secretary and Chief Legal Officer has been appointed as the presiding officer of the ICC. All employees (including permanent, contractual, temporary, trainees) in the Company are covered under this policy.

No sexual harassment complaint has been received during the year 2017-18 by the ICC.

During the year under report, training for ICC members was conducted to adopt the revised policy as aforementioned, to inform and educate them regarding the various provisions of the Act and providing insights of how to handle Sexual Harassment case/s, if any reported. Also, requisite training of employees was taken to create awareness amongst all.



## 6.0 POLICIES

During the year under report, the Company adopted the following policies to ensure best practices for governance.

### 6.1 Human Rights Policy

The Company is committed to respecting the Human Rights of its employees, communities and those affected by its operations, as guaranteed by the Constitution of India and embodied in the United Nations Global Compact. The Company has formulated and adopted "Human Rights Policy".

### 6.2 Code of Conduct

The Company has also formulated and adopted a 'Code of Conduct'. The main objective in establishing the 'Code of conduct' is to promote ethics, honesty and professionalism within the Company and among its employees. The Company believes in being an integrated organization and that the action of every employee affects its entire organization and reputation. Every employee is obligated to strive for extension of Company's interest within the legal limits, and responsible of preventing damages or loss of the Company's interests. The Company expects all employees to abide by this code in carrying out their duties and functions so as to preserve public trust and to ensure Company's sustainable growth and development. The Company also expects its employees to be vigilant and commit to highest standards of honesty and integrity at all times and support the fight against corruption.

### 6.3 Corporate Anti-Bribery Code

The Company has formulated and adopted "Corporate Anti-Bribery Code" ("the Code") based on the 'Corporate Anti-Bribery Code' issued by the Institute of Company Secretaries of India, to ensure that neither the Company nor any of its employees, directors or authorized representatives indulge in bribery in any of their actions taken for and on behalf of the Company in the course of economic, financial or commercial activities of any kind.

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

### 7.1 Conservation of Energy

The Company continues its focus on energy conservation. In existing facilities, energy usage was optimized by constant monitoring; avoiding wastage and strict preventive maintenance of all equipment's to ensure their efficient operation.

### 7.2 Technology Absorption

During the period under review, the company has not incurred any costs on technology absorption.

### 7.3 Foreign Exchange Earnings and Outgo

During the year under review, the foreign exchange earnings were Rs.368.12 Lakhs and the foreign exchange outgo was Rs.1.59 Lakhs.

## 8.0 CORPORATE GOVERNANCE

Corporate Governance is an ethically driven business process that is committed to values. This is ensured by conducting business with a firm commitment to ethics and values, while meeting all stakeholders' expectations. Your Company's businesses are managed in a fair and transparent manner.

The Board of your Company consists of six independent directors and one University Representative in FY 2017-18, all the Board Meetings were chaired by an independent director, Dr. Anil Kakodkar. All the Committees were also Chaired by Independent directors. The Board members devote sufficient time, give valuable guidance, insight on critical and strategic matters and assist the Company in implementing the best corporate governance practices.

### 8.1 Board Diversity

The Company recognizes the importance of a diverse Board in its success. A diverse Board can leverage differences in thought, views, perspective, knowledge, skill, domain expertise, industry experience, cultural and geographical background, which



will help us in achieving our cherished mission.

## 8.2 Board Meetings/Board Committee Meetings

### Board Meetings

During the year under Report, five meetings of Board of Directors were held. The intervening gap between any two Board meetings was within the period prescribed by the Companies Act, 2013.

The dates on which the Board Meetings were held and the attendance of the Members at the said Meetings are as under:

Name of Director	Category	Board Meeting Dates				
		13.06.2017	08.08.2017	06.10.2017	15.11.2017	05.03.2018
Dr. Anil Kakodkar	Independent Director	Attended	Attended	Attended	Attended	Attended
Dr. Deepak Phatak	Independent Director	Attended	Attended	Attended	Leave of absence	Attended
Dr. Rajaram Deshmukh	Independent Director	Attended	Attended	Attended	Attended	Attended
Dr. Anant Sardeshmukh	Independent Director	Attended	Attended	Attended	Attended	Attended
Dr. Dilip Boralkar	Independent Director	Attended	Attended	Attended	Attended	Attended
Dr. (Mrs.) Nishigandha Dewoolkar	Independent Director	Attended	Leave of absence	Leave of absence	Leave of absence	Leave of absence
Dr. Sanjay Deshmukh	University Representative	-----	----	Leave of absence	Ceased as Director	-----
*Prof. E. Vayunandan	University Representative	----	-----	Attended	Attended	Leave of absence
Mr. Vivek Sawant	Managing Director	Attended	Attended	Attended	Attended	Attended

\* Prof. E. Vayunandan was appointed during the year in the 16<sup>th</sup> Annual General Meeting held on September 21, 2017.

### Committees of the Board:

Currently the Board has six committees: the Audit Committee, the Corporate Social Responsibility Committee, the Nomination and Remuneration Committee, Shareholders' Committee, Infrastructure Development Committee and Joint Venture Formation Committee. All the committees, consists majority of independent directors. The composition of these Committees presently is as follows-

Name of the Committee	Composition of the Committee	Category
Audit Committee	Dr. Anant Sardeshmukh - <i>Chairman</i> Dr. Rajaram Deshmukh Mr. Vivek Sawant	Independent Director Independent Director Managing Director
Corporate Social Responsibility Committee	Dr. Anil Kakodkar - <i>Chairman</i> Dr. Rajaram Deshmukh Mr. Vivek Sawant	Independent Director Independent Director Managing Director
Nomination and Remuneration Committee	Dr. Rajaram Deshmukh - <i>Chairman</i> Dr. Anil Kakodkar Dr. Deepak Phatak Dr. Anant Sardeshmukh Dr. (Mrs.) Nishigandha Dewoolkar Mr. Vivek Sawant	Independent Director Independent Director Independent Director Independent Director Independent Director Managing Director

Shareholders' Committee	Dr. Anant Sardeshmukh Dr. Rajaram Deshmukh Mr. Vivek Sawant	- <i>Chairman</i>	Independent Director Independent Director Managing Director
Infrastructure Development Committee	Dr. Anant Sardeshmukh Dr. Anil Kakodkar Dr. (Mrs.) Nishigandha Dewoolkar Mr. Vivek Sawant	- <i>Chairman</i>	Independent Director Independent Director Independent Director Managing Director
Joint Venture Formation Committee	Dr. Anil Kakodkar Dr. Anant Sardeshmukh Dr. (Mrs.) Nishigandha Dewoolkar Mr. Vivek Sawant	- <i>Chairman</i>	Independent Director Independent Director Independent Director Managing Director

### 8.3 Policy on Directors' appointment and remuneration

The existing composition of the Board has been specified in Article 58 of the Articles of association of the Company, which has an appropriate mix of Board members i.e. Executive -1, Government Nominees-3, University Representatives-2 and Independent Directors-6 to maintain the independence of the Board, and separate its functions of governance and management.

The Policy regarding payment of expenses to eligible Directors and invitees for attending Board Meetings, Committee Meetings of the Board, General Meetings of the Company or meetings in connection with the business of the Company is decided by the Board from time to time. Further, the terms of appointment of independent directors have been communicated to the said directors and are available on the Company's website <http://www.mkcl.org>.

### 8.4 Declaration by Independent Directors

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in section 149(6) of the said Act.

### 8.5 Board Evaluation

The evaluation of the Board as a whole was conducted based on the criteria and framework adopted by the Board. The term of appointment of Independent Directors viz. Dr. Anil Kakodkar, Dr. Anant Sardeshmukh, Dr. R.B. Deshmukh and Dr. Nishigandha Dewoolkar shall conclude on March 31, 2019 and that of Dr. Deepak Phatak shall conclude on September 30, 2019. It was decided by the Board that with a view to maintain continuity of the existing Board, majority of independent directors to be considered for re-appointment for a second term. However, to be able to induct some new independent directors on the Board, it was agreed that existing tenure of atleast two independent directors shall conclude on completion of the same. The Board had approved the process of peer review of Independent Directors. Meanwhile, Dr. Dilip Boralkar tendered resignation and ceased as Director.

The Board, on the basis of peer review of existing Independent Directors, has recommended re-appointment of Dr. Anil Kakodkar, Dr. R.B. Deshmukh and Dr. Anant Sardeshmukh for further term commencing from April 01, 2019 upto September 30, 2023. As the term of Dr. Deepak Phatak shall conclude on September 30, 2019, the re-appointment of the same as recommended by the Board shall be considered for re-appointment in the 18<sup>th</sup> Annual General meeting.

### 8.6 Re-appointment of Independent Directors

The Board has recommended re-appointment of following Independent Directors w.e.f. April 01, 2019 on the basis of evaluation and peer review and the Company has also received consent and declaration that they meet the criteria of Independence as required under section 149 (6) of Companies Act 2013. The brief profile of Independent Directors recommended by the Board for re-appointment to the members at the ensuing Annual General Meeting is as follows:

#### 1. Re-appointment of Dr. Anil Kakodkar

**Dr. Anil Kakodkar (DIN 03057596)** is distinguished nuclear scientist of India, obtained his BE (Mech. Engineering) degree from the Bombay University in 1963 and M.Sc. in the Experimental Stress Analysis from the Nottingham University in 1969. He joined the Bhabha Atomic Research Centre (BARC) in 1964 and became the Director of BARC in the year 1996. He was the Chairman, Atomic Energy Commission and Secretary to the Government of India, Department of Atomic Energy, during the years 2000 -2009. Dr. Kakodkar devotes his time primarily on issues related to energy, education and

societal development. He is associated with various national and international science institutes.

For his outstanding contributions, Dr. Kakodkar was awarded the Padma Shri in 1998, the Padma Bhushan in 1999 and the Padma Vibhushan in 2009 by the Government of India. Dr. Kakodkar, presently is President, National Academy of Sciences, India; Chairman, Rajiv Gandhi Science & Technology Commission; Chairman, Technology Information, Forecasting & Assessment Council.

## 2. Re-appointment of Dr. Rajaram B. Deshmukh

**Dr. Rajaram B. Deshmukh (DIN 01690786)** is ex-Director, Agriculture Science & Technology Division, Vasantdada Sugar Institute and Former Vice Chancellor of Mahatma Phule Krishi Vidyapeeth, Rahuri. Dr. Deshmukh completed his post-graduation in Cytogenetics and Plant Breeding in First Class from College of Agriculture of Pune University. He also is a Ph.D. from Mahatma Phule Krishi Vidyapeeth. He has worked on several Committees of the Universities, State Government and the ICAR.

Dr. Deshmukh's contribution in the field of research and development was recognized by several national and international agencies. Some of the important awards are Colombo Plan Award 1992, ISPRD National Award 1998, ICRISAT'S "Doreen Mashler" International Award 2002, CGIAR'S "King Baudouin" International Award 2002. Dr. Deshmukh also worked as Adviser for Dry Land Agriculture Mission of the Department of Agriculture, Government of Maharashtra.

## 3. Re-appointment of Dr. Anant Sardeshmukh

**Dr. Anant Sardeshmukh (DIN 00383994)** is the Director General of Maharashtra Chamber of Commerce, Industries and Agriculture, Pune (MCCIA). He has Masters degree in Labour Welfare and Industrial Relations, from Bombay Labour Institute and a Masters in Business Administration (MBA) from the USA with special emphasis on Finance and Marketing. He has received Ph.D. from Pune University in Management and in the area of MSME.

He has 30+ years experience in Corporate Finance, Project Finance, Non Banking Finance especially in Lease and Hire Purchase, Consumer Finance and Banking. His experience also extends to other areas such as General Management, Taxation, Accounts, Personnel Management and Industrial Relations. He has worked at senior positions for companies such as Bajaj Auto Finance Ltd., 20th Century Kinetic Finance Ltd., Deepak Nitrite Ltd., FDC Ltd. He is a trained Corporate and Management trainer and has been associated with many Institutions like Symbiosis Institute of Management, Symbiosis Institute of Business Management, MIT College of Insurance and National Insurance Academy.

He is the Director General of Maharashtra Chamber of Commerce, Industries and Agriculture, Pune (MCCIA). He also serves as Director on the Board of M. Visvesvaraya Industrial Research and Development Centre, Legasis Services Private Limited, Pune Lean Manufacturing Cluster, Pune White Goods Cluster Limited, MCCIA Electronic Cluster Foundation, Sardeshmukh Foundation and Auto Cluster Development and Research Institute. He was a Governing Council Member for various bodies like the MSME Facilitation Council, Government of Maharashtra (GOM), State Level Committee on Standardization of Quality Systems, GOM, International Chamber of Commerce India, New Delhi. He is also a Member on the Planning & Monitoring Board of Gokhale Institute of Politics and Economics, Internal Quality Assurance Cell of Gokhale Institute and Member on the Board of Studies in Liberal Arts, Legal & Moral Science & Social Science of IndSearch. He is a member on Academic Advisory Board of MIT World Peace University, MIT ADT University.

He is a recipient of "Top Management Consortium Excellence Award : 2014-15", "Praj Maha Intrapreneur Award 2013" and "MITCON Excellence Award 2009".

## 8.7 Cessation of Directors

### 1. Cessation of Dr. Sanjay Deshmukh

The Board in its meeting held on June 13, 2017 had appointed Dr. Sanjay Deshmukh (DIN 0787875), Hon'ble Vice Chancellor, University of Mumbai as director in the category 'Vice Chancellors as Representatives of Shareholder Universities'. His directorship became effective on August 02, 2017 and he ceased as Director due to cessation of his Vice Chancellorship of University of Mumbai w.e.f. October 24, 2017.

### 2. Cessation of Dr. Dilip Boralkar

Dr. Dilip Boralkar, Independent Director, tendered his resignation due to personal reasons and ceased as director w.e.f April 17, 2018.

## 8.8 Filling of Vacancies on the Board

### 1. Casual vacancy of Dr. Rajan Welukar by appointment of Professor E. Vayunandan

During the year under review, Professor E. Vayunandan (DIN 07737382), Hon'ble Vice Chancellor, Yashwantrao Chavan Maharashtra Open University (YCMOU) was appointed by the Shareholders in the 16<sup>th</sup> Annual General Meeting held on September 21, 2017 in the category 'Vice Chancellors as Representatives of Shareholder Universities' on the Board of the Company in the vacancy caused by resignation of Dr. Rajan Welukar and the period of office of Professor E. Vayunandan is liable to determination by retirement of Directors by rotation.

### 2. Casual vacancy of Dr. Sanjay Deshmukh by appointment of Professor Suhas Pednekar

The Board has appointed in the Board Meeting held on June 26, 2018, Professor Suhas Pednekar having DIN 0008193367, Hon'ble Vice Chancellor, University of Mumbai in the category 'Vice Chancellors as Representatives of Shareholder Universities' on the Board of the Company in the vacancy caused by resignation of Dr. Sanjay Deshmukh. The said appointment shall be subject to approval of members in the ensuing Annual General Meeting.

Professor Suhas Pednekar is currently the Vice Chancellor of University of Mumbai and was Principal of Ramnarain Ruia College, one of the leading colleges in India. Professor Pednekar has completed his Post Doctoral Studies in Green Chemistry at the Stevens Institute of Technology, USA. He has more than 28 years of experience in the field of higher education as a Teacher, Research Guide, Administrator, Resource Person, Principal Investigator in various Govt. and other Research Projects.

For his remarkable contribution in the field of higher education, Professor Pednekar has been conferred with the award of Best Teacher by the Government of Maharashtra in 2012. Very recently he has also been honored with the prestigious national level Best Chemistry Teacher Award by Tata Chemicals Ltd. in Association with the Association of Chemistry Teachers, Royal Society of Chemistry, the Confederation of Indian Industry and Godrej.

Professore Pednekar has been a member of various professional bodies such as Indian Chemical Society, Catalysis Society of India, Indian Science Congress, Society for Biomaterials and Artificial Organs, India, Indo- American Society, Indian Merchants Chamber, Indian Association of Chemistry Teachers, Vijnana Bharati, Mumbai, etc.

### 3. Vacancy of Dr. Dilip Boralkar by appointment of Dr. Charudatta D. Mayee

The Board has recommended appointment of Dr. Charudatta Mayee (DIN 03607287) in the category 'Independent Director' on the Board of the Company in the vacancy caused by resignation of Dr. Dilip Boralkar. Dr. C.D. Mayee has given a declaration to the Board that he meets the criteria of independence as provided under section 149 (6) of Companies Act 2013. In the opinion of the Board, Dr. Charudatta Mayee fulfils the conditions specified in the Act and the Rules framed thereunder for appointment as independent Director and he is independent of the management. The said appointment shall be placed for approval of members in the ensuing Annual General Meeting and if approved, his tenure shall be from October 01, 2018 to September 30, 2023.

**Dr. C.D. Mayee**, is B.Sc. (Agri.); M.Sc.(Agri.); Ph.D in plant pathology and epidemiology from the Indian Agricultural Research Institute (IARI), New Delhi. He is a Fellow of Maharashtra Academy of Sciences and distinguished Fellow of the Alexander von Humboldt Foundation, Germany. Dr. C.D. Mayee is the President of Indian Society for Cotton Improvement, Mumbai and South Asia Biotechnology Centre, New Delhi and concurrently serving as Vice President of the National Academy of Agricultural Sciences (NAAS), New Delhi. Also, Adjunct Professor of IARI, New Delhi; Chairman of Agriculture Finance Corporation, Mumbai; Member of African Biosafety Network Expertise, Burkina Faso; Executive Board Member of International Service for Acquisition Agri-Biotech Applications, USA; Board Member of DR. PDKV AKOLA and SKAUST, Srinagar; and Gondawana University, Gadchiroli; Chairman of STRC, Gadchiroli and member of RGST, Government of Maharashtra.

Dr. Mayee commenced his career in plant pathology research at IARI and worked in various capacities in Central Rice Research Institute (CRRI), Cuttack; Punjab Agricultural University (PAU), Ludhiana; Marathwada Agricultural University (MAU) Parbhani for nearly 30 years. The research, teaching and extension experience led him to work as Vice Chancellor-MAU Parbhani; Director-Central Institute of Cotton Research (CICR) Nagpur and Agriculture Commissioner, Government of India, New Delhi before retiring as the Chairman, Agricultural Scientists Recruitment Board (ASRB), Ministry of Agriculture and Farmers' Welfare, Government of India. Though specialized in Plant Pathology, Dr. Mayee committed himself for the growth of Indian Agriculture.

He is an outstanding Agricultural Scientist honoured by several organizations with distinguished national awards like Prof. M. J. Narasimhan Academic Award; V.P. Gokhale Award; Vasantrao Naik Krishi Award; Dr. B. Vishwanath Award; Life Time Achievement Awards; Lekhiram Memorial Award; Doda Raghav Reddy Award; Amit Prabudh Manishi Award; Sasya Suraksha Mahajani Award; Honoured with two civilian awards for social, cultural and scientific activities in the city of Nagpur viz., Global Nagpur And Sarathi Awards, Sheti Sanman Puraskar by ABP MAZA Marathi Channel; Annasaheb Shinde Puraskar for agri contribution; Dr. A. P. Misra Life Time Achievement Award, Padmabhushan Karmaveer Bhaurao Patil National Award,

Rajendra Agricultural University, Pusa Samastipur; OUAT, Bhubaneswar and Assam Agricultural University, Jorhat.

#### 4. Vacancy of Dr. (Mrs.) Nishigandha Dewoolkar by appointment of Mr. Girish Sohani

The term of Dr. (Mrs.) Nishigandha Dewoolkar, Independent Director shall conclude on March 31, 2019. In the said vacancy which would be caused on such cessation, the Board of Directors of the Company recommends appointment of Mr. Girish Sohani (DIN 00397491) as Independent Director to hold office w.e.f. April 01, 2019 to March 31, 2024.

Mr. Girish Sohani has given a declaration to the Board that he meets the criteria of independence as provided under section 149 (6) of Companies Act 2013. In the opinion of the Board, Mr. Girish Sohani fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as independent Director and he is independent of the management. The said appointment shall be placed for approval of members in the ensuing Annual General Meeting and if approved, shall be effective from April 01, 2019.

Mr. Girish Sohani is President and Managing Trustee of BAIF Development Research Foundation, Pune. Mr. Girish Sohani obtained his Degree of Bachelor of Technology - Mechanical Engineering from Indian Institute of Technology, Mumbai and Postgraduate Diploma in Business Management from Indian Institute of Management, Ahmedabad.

Mr. Girish Sohani is directly involved in the institutional development of BAIF as a Resource Institution in the areas of Watershed Development, Tribal Livelihoods and Processing of farm produce. He is involved in the conceiving, implementation and monitoring of holistic / integrated livelihood programmes covering village production systems. These have covered farm-based production, livestock based production and tree-based farming systems. He initiated the Watershed Development Programme in BAIF through an applied research project for the Conjunctive Use of Ground and Surface Water Resources in the Deccan Trap areas of Maharashtra. He also worked closely with NABARD in setting up of the Tribal Development Fund. Mr. Sohani worked through various programmes on introducing appropriate interventions to help producers move up the value chain. This has taken the shape of a programme to develop rural agri-business in the form of cooperative based post-harvest operations as well as small agribusiness units by individual entrepreneurs.

Mr. Girish Sohani has been awarded the “Distinguished Alumnus Award 2011” by the Indian Institute of Technology, Bombay in recognition of outstanding contributions to Rural and Community Development. He is Member on Governing Board of various development organizations.

#### 5. Government nominees on the Board

The positions of Government nominees on the Board were lying vacant since September 28, 2014.

The General Administration Department (Information Technology), Government of Maharashtra (GoM) issued Government Resolution (GR) no.MATANS-2018/Matter No.65/Sr. No. 5/39 dated July 21, 2018 regarding nomination of Government nominee Directors on Board of the Company. As per the said GR, below shall be the three nominees of the Government of Maharashtra on the Board of the Company-

- (a) Hon'ble Minister of State for General Administration Department (Information Technology)
- (b) Upper Chief Secretary/Principal Secretary/Secretary, General Administration Department (Information Technology)
- (c) Upper Chief Secretary/Principal Secretary/Secretary, Department of Higher & Technical Education.

The aforesaid appointments shall become effective on completion of requisite statutory compliances.

#### 8.9 Directors Retiring By Rotation

Professor E. Vayunandan (DIN: 07737382), Director of the Company retires at the ensuing 17<sup>th</sup> Annual General Meeting and being eligible offers himself for re-appointment.

#### 8.10 Key Managerial Personnel (KMPs)

During the year under report, Mr. Vivek Sawant was reappointed as Managing Director of the company by its members in the 16<sup>th</sup> Annual General Meeting held on September 21, 2017. He has been reappointed for a term period of five (5) years from October 05, 2017 to October 04, 2022.

Presently, Mr. Vivek Sawant (Managing Director), Ms. Komal Chaubal (Company Secretary & Chief Legal Officer) and Mr. Manoj Narvekar (Chief Financial Officer) are the KMPs of the Company.

#### 8.11 Appointment of Chief Executive Officer

During the year under review, the Board through a competitive selection process had selected and appointed Ms. Veena Kamath as Chief Executive Officer (CEO) of the Company w.e.f. December 01, 2017. Ms. Kamath is BA (Economics) from



University of Mumbai and MBA (Finance) from University of Alaska, Fairbanks, USA.

Her journey in MKCL started from April 2002. Her portfolio began with Human Resource Development but she soon got involved in the mission of setting up the MKCL network and promoting the IT Literacy mission. She has been involved in the operational aspects to the strategic aspects of creating earning and learning opportunities to the youth. Alongside her responsibility, she was involved in setting up Company's offices in the International Convention Center, Pune and in Seawoods, Navi Mumbai.

Since last several years, she is holding 5 major portfolios viz. HRD, Quality Management Systems, Customer Relationship Management, International Business Development and Knowledge Lit Career Development Program as the Senior General Manager.

## **9.0 CORPORATE SOCIAL RESPONSIBILITY POLICY AND IMPLEMENTATIONS**

During the year 2017-18, the Corporate Social Responsibility (CSR) Committee recommended to the Board the 'Corporate Social Responsibility' Policy. The said Policy was approved by the Board in its meeting held on June 13, 2017.

The detail Report on the activities carried on by the Company as CSR during the year as signed by the members of the CSR Committee was submitted to the Board. The copy of the same is enclosed as *Annexure I*.

## **10.0 DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY**

The Board of Directors, in its meeting held on June 26, 2015 had approved and adopted a risk management policy to identify, evaluate, mitigate and monitor risk factors affecting the business of the Company. The Board, in its meeting held on June 13, 2017 discussed the 'Risk' factors which may threaten the existence/operations of the Company and gave valuable guidance and advice regarding risk management and minimization thereof. Company on continual basis accordingly identifies risk and takes necessary steps to mitigate the same.

## **11.0 AUDITORS**

### **11.1 Statutory Auditors**

M/s P. V. Page & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company at the Annual General Meeting (AGM) held on September 26, 2014, for a period of six (6) years from the conclusion of the 13<sup>th</sup> AGM to hold office till the conclusion of the 18<sup>th</sup> AGM to be held in the calendar year 2019, subject to ratification by members each year.

The Companies (Audit and Auditors) Second Amendment Rules, 2018, have been made effective from May 07, 2018. The proviso of Rule 3(7) which required ratification of appointment of Statutory Auditors at every Annual General Meeting by way of passing a resolution has been omitted as per the aforesaid Rules.

The Company has received consent, eligibility and proposed terms of appointment from M/s P. V. Page & Co., Chartered Accountants (Firm Registration No. 107243W) in accordance with the provisions of Section 141 of the Companies Act, 2013. The terms of remuneration of Statutory Auditors for the Financial Year 2018-19 shall be subject to approval of the members at the ensuing Annual General Meeting.

### **11.2 Internal Audit systems**

As per Rule 13 of the Companies (Accounts) Rules, 2014, in case of an unlisted public company, appointment of Internal Auditor is mandatory in case the turnover is Rs. 200 crore or more during the preceding financial year. As such, it is not mandatory for the Company to appoint Internal Auditor pursuant to section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014. However, considering the changing and growing scope of the Internal Audit function, viz. which is to provide independent assurance that an organization's risk management, governance and internal control processes are operating effectively, the Board in its meeting held on March 21, 2017, appointed Natu & Pathak, Chartered Accountants, Pune as Internal Auditor for FY 2017-18.

### **11.3 Secretarial Audit**

Secretarial Audit was not mandatory for your Company for FY 2017-18. However, as the primary objective of Secretarial Audit is to safeguard the interest of the Directors, key managerial personnel (KMP), employees, shareholders, creditors and customers, the Board of Directors appointed M/s. Shailesh Indapurkar & Associates, Company Secretaries for conducting voluntary Secretarial Audit for 2017-18.



## 11.4 Cost Audit

The Ministry of Corporate Affairs (MCA) vide Notification dated 31<sup>st</sup> December, 2014 issued the Companies (Cost Records and Audit) Amendment Rules, 2014 [CRAR, 2014]. As per the said Rules, every Company, including foreign companies defined in clause (42) of Section 2 of the Companies Act, 2013, having an overall turnover from all its products and services of Rupees Thirty Five Crore or more during the immediately preceding financial year for products or services specified in Rule 3 of CRAR shall include cost records for such products or services in their books of account.

Pursuant to above mentioned rules, the Board had appointed M/s. S. R. Bhargave & Co., Cost Accountants (Firm Registration No. 000218) to conduct audit of cost records made and maintained by the Company pertaining to Educational services for FY 2017-18. The remuneration payable to them was ratified in the 16<sup>th</sup> Annual General meeting by the Members. The Company has received consent, eligibility and proposed terms of appointment from M/s. S. R. Bhargave & Co., Cost Accountants and has re-appointed them for FY 2018-19. The terms of remuneration of Cost Auditors for the Financial Year 2018-19 shall be subject to ratification by the members at the ensuing Annual General Meeting.

## 12.0 SIGNIFICANT AND MATERIAL ORDERS, OBSERVATIONS

**Significant And Material Orders** - There are no significant and material orders by the Courts or Tribunals impacting the going concern status and Company's operations in future.

**Audit Observation**- There are no adverse audit observations either by the Statutory Auditor, Cost Auditor and Secretarial Auditor.

## 13.0 DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) 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 of the company for that period.
- iii) the Directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the Directors have prepared the Annual Accounts on a going concern basis.
- v) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 14.0 Internal Financial Control

The Company has a proper and adequate system of internal financial control commensurate with the size and nature of business. The Company's Internal financial controls operate effectively and ensure orderly and efficient conduct of its business including adherence to its policies, safeguard its assets, prevent and detect frauds and errors, maintain accuracy and completeness of its accounting records and further enable it in timely preparation of reliable financial information.

There are no material changes and commitments, if any, affecting the financial position of the company after March 31, 2018 and before the date of the report.

## 15.0 Investor Education and Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules 2016 ("the Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to IEPF established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been claimed or paid by the shareholders for seven consecutive years or more shall be

transferred to the IEPF Authority. Accordingly, the Company has transferred unclaimed and unpaid dividends of Interim Dividend (2009-10) Rs.11,725/- and Final Dividend (2009-10) of Rs.2,660/-. Further, 500 shares were transferred as per the requirement of IEPF rules. The Details of the same are provided on Company's website www.mkcl.org.

## 16.0 ANNEXURES

### 16.1 CSR Reporting

In accordance to Section 135 and Companies (Corporate Social Responsibility Policy) Rules, 2014 and other applicable provisions, CSR Report submitted by the CSR Committee of MKCL is appended as *Annexure I* to the Board's Report.

### 16.2 Salient features of the financial statement of subsidiaries/associate companies/joint ventures

In accordance to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014, Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures in Form AOC-I is appended as *Annexure II* to the Board's Report.

### 16.3 Particulars of contracts/arrangements with related parties

In accordance to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, Form AOC-2 for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto is appended as *Annexure III* to the Board's Report.

All transactions of the Company with its Associate Companies were "arm's length transactions" and in the ordinary course of business. As such, all the transactions are exempted from the purview of section 188 of the Companies Act, 2013.

### 16.4 Extract of Annual Return

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as *Annexure IV* to the Board's Report.

## 17.0 ACKNOWLEDGEMENTS

Your Directors sincerely acknowledge the continued support and co-operation received from the Customers, Government, Network Partners, Business Partners, Vendors, Bankers and Consultants of the Company. The Directors express their deep sense of appreciation for the total commitment, dedication and hard work put in by every employee of the Company. Lastly, your Directors are grateful for the confidence and faith shown by the members of the Company in them.

For and on behalf of the Board of Directors  
Maharashtra Knowledge Corporation Limited

Vivek Sawant  
Managing Director  
DIN: 00002285

Dr. Anant Sardeshmukh  
Director  
DIN: 00383994

Place: Pune, INDIA.  
Date: August 07, 2018

Annexure I

**CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT  
for Financial Year 2017-2018**

**1. Brief outline of Company's CSR policy**

Maharashtra Knowledge Corporation Limited (MKCL) had as per its CSR Policy for FY 2017-2018 decided to contribute the amount required to be spent on CSR activities to the Prime Minister's National Relief Fund.

**2. The Composition of CSR Committee**

The composition of CSR Committee comprises of two Independent Directors and one Managing Director as follows-

Dr. Anil Kakodkar	-Chairman	Independent Director
Dr. Rajaram Deshmukh		Independent Director
Mr. Vivek Sawant		Managing Director

**3. Average Adjusted Net profits of the Company for last three financial years**

Year	Adjusted Net profits (Rs.)
2014-15	40,12,28,622/-
2015-16	46,90,71,877/-
2016-17	36,15,31,697/-
<b>TOTAL</b>	<b>123,18,32,196/-</b>

**Average Net Profit:**

Total Profit during three preceding financial years/ 3 =Rs.41,06,10,732/-

**4. Prescribed CSR expenditure (2% of Average Net profits of last three financial years)**

2% of Rs.41,06,10,732/- = Rs.82,12,215/-

**5. Details of CSR spent during the financial year.**

(a) Total amount be spent for the financial year 2017-18: Rs.82,12,215/-

(b) Amount unspent, if any : Nil

(c) Manner in which the amount spent during the financial year is detailed below.

Sr. No.	CSR project or activity identified	Sector in which project is identified	Projects or Programs 1) Local Area or other 2) Specify the State and District where project or programs were undertaken	Amount outlay (Budget) project or program wise	Amount spent on projects or programs Sub heads: 1) Direct Expenditure on project/ programs 2) Overheads	Cumulative expenditure upto the reporting period	Amount spent directly or through implementing agency
1.	Contribution to the Prime Minister's National Relief Fund	---N.A.---	-----N.A.-----	---NA-----	Direct Rs.82,12,215/-	Rs. 82,12,215/-	Direct
<b>Total</b>						<b>Rs. 82,12,215/-</b>	

The CSR Committee ensures that the implementation and monitoring of CSR policy is in compliance with the CSR objectives and Policy of the Company.

Date: June 26, 2018

Place: Pune

**Dr. Anil Kakodkar**  
Chairman-CSR Committee  
DIN: 03057596

**Dr. R.B. Deshmukh**  
Committee Member  
DIN:01690786

**Vivek Sawant**  
Managing Director  
DIN:00002285

## ANNEXURE II

### Form AOC-I

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

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

#### Part "A": Subsidiaries

1.	Sl. No.	:	A. For Foreign Subsidiary
2.	Name of the subsidiary	:	MKCL INTERNATIONAL FZE Hamriyah Free Zone, Sharjah, United Arab Emirates U.A.E
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period:		Same as holding company.
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.		1 AED: INR 17.6736
5.	Share capital	:	Rs.26,51,040/-
6.	Reserves & surplus	:	Rs.20,32,11,123/-
7.	Total assets	:	Rs.22,18,82,107/-
8.	Total Liabilities	:	Rs.22,18,82,107/-
9.	Investments	:	Rs.25,84,270/-
10.	Turnover	:	Rs.7,21,39,879/-
11.	Profit before taxation	:	Rs.3,67,99,276/-
12.	Provision for taxation	:	NIL
13.	Profit after taxation	:	Rs.3,67,99,276/-
14.	Dividend Distributed	:	Rs.26,31,970/-
15.	% of shareholding	:	100%

1.	Sl. No.	:	<b>B. For Indian Subsidiary</b>
2.	Name of the subsidiary	:	<b>MKCL Knowledge Foundation ICC Trade Towers, “B” wing , 5<sup>th</sup> Floor, Unit No. 501 to 504, Senapati Bapat Road, Shivajinagar, Pune-411016</b>
3.	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	:	<b>Same as the Holding Company</b>
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	:	<b>N.A.</b>
5.	Share capital	:	<b>Rs.2,00,00,000/-</b>
6.	Corpus Donation Received	:	<b>Rs.18,60,72,775/-</b>
7.	Reserves & surplus	:	<b>Rs.49,95,699/-</b>
8.	Total assets	:	<b>Rs.22,54,41,301/-</b>
9.	Total Liabilities	:	<b>Rs.22,54,41,301/-</b>
10.	Investments	:	<b>NIL</b>
11.	Turnover	:	Revenue from Operations :- <b>Rs.3,56,626/-</b> Other Income: - <b>Rs.22,287,356/-</b>
12.	Profit/(Loss) before taxation	:	<b>Rs.59,01,088/-</b>
13.	Provision for taxation	:	<b>NIL</b>
14.	Profit/(Loss) after taxation	:	<b>Rs.59,01,088/-</b>
15.	Proposed Dividend	:	<b>N.A.</b>
16.	% of shareholding	:	<b>100%</b>



**Part “B”: Associates and Joint Ventures**

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

Name of Associates/Joint Ventures	Rajasthan Knowledge Corporation Limited	Odisha Knowledge Corporation Limited (un-audited)	Haryana Knowledge Corporation Limited
<b>1. Latest audited Balance Sheet Date</b>	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2018
<b>2. Shares of Associate/Joint Ventures held by the company on the year end</b>			
No.	6,00,000 shares @Rs.10 each	6,00,000 shares @Rs.10 each	6,00,000 shares @Rs.10 each
Amount of Investment in Associates/ Joint Venture	Rs.60,00,000	Rs.60,00,000	Rs.60,00,000
Extent of Holding %	30%	50%	30%
<b>3. Description of how there is significant influence</b>	As per AS-23 guidelines	As per AS-23 guidelines	As per AS-23 guidelines
<b>4. Reason why the associate/joint venture is not consolidated</b>	Consolidation is done	Consolidation is done	Consolidation is done
<b>5. Networth attributable to Shareholding as per latest audited Balance Sheet</b>	Rs.119,58,35,042/-	Rs.11,10,03,316/-	Rs.7,92,02,951/-
<b>6. Profit /(Loss) for the year</b>	NPBT Rs.43,02,94,289/-  NPAT Rs.27,79,37,880/-	NPBT Rs.4,42,63,036/-  NPAT Rs.3,27,33,013/-	NPBT Rs.6,02,98,769/-  NPAT Rs.4,34,14,166/-
<b>i. Considered in Consolidation</b>	Rs.35,27,50,513/-	Rs.4,87,01,673/-	Rs.1,76,78,016/-
<b>i. Not Considered in Consolidation</b>	N.A.	N.A.	N.A.

**ANNEXURE III**

**Form No. AOC-2**

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

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

**1. Details of contracts or arrangements or transactions not at arm's length basis: NIL**

- (a) Name(s) of the related party and nature of relationship: N.A.
- (b) Nature of contracts/arrangements/transactions : N.A.
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
- (e) Justification for entering into such contracts or arrangements or transactions: N.A.
- (f) Date(s) of approval by the Board : N.A.
- (g) Amount paid as advances, if any : N.A.
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: -N.A.

**2. Details of material contracts or arrangement or transactions at arm's length basis:-**

- (a) Name(s) of the related party and nature of relationship: **As per below table**
- (b) Nature of contracts/arrangements/transactions: **Transactions in ordinary course of Business - As per below table.**
- (c) Duration of the contracts / arrangements/transactions: **As per below table**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: - **As per below table**
- (e) Date(s) of approval by the Board, if any: **As per below table**
- (f) Amount paid as advances, if any: **NIL**

(a) Name(s) of the related party and nature of relationship:

**1. Rajasthan Knowledge Corporation Limited (Associate Company)**

Nature of Income	Total Income
Dividend received from Rajasthan Knowledge Corporation Limited	Rs.21 Lakhs

**2. Haryana Knowledge Corporation Limited (Associate Company)**

Projects	Nature of Contract	Duration of Contract	Value	Date of Board Approval
National Digital Literacy Mission (NDLM)	Business Support services	April 01, 2017 upto March 31, 2019	Rs.6/- per Candidate appeared in the examination inclusive of taxes.	November 15, 2017
D.Ed. Admissions	Recruitment	April 01, 2017 upto March 31, 2018	Rs.28/- per application inclusive of applicable taxes for first 3 round and for 4 <sup>th</sup> and onward Round Rs.20/- per application inclusive of applicable taxes.	January 31,2017

State Resident Data Base (SRDB) Project	Manpower Support Service	April 01, 2017 upto September 30, 2017	The agreed payments received from DEPT. of E & IT, shall be shared between MKCL and HKCL in the ratio of manpower hired/deployed for SRDB.	June 13, 2017
Digital University software framework	Admission	April 01, 2014 upto March 31, 2019	Rs.50/- per student per academic year plus applicable taxes.	August 27, 2014
Digital University software framework	Admission	July 01, 2015 upto March 31, 2019	Rs.25/- per student for online application plus applicable taxes	June 26, 2015
OASIS-Online Recruitment	Recruitment	January 01, 2017 upto March 31, 2018	55% of the price quoted by HKCL to its customer after confirmation from MKCL.	January 31, 2017
OASIS-Online Admission	Admission	January 01, 2017 upto March 31, 2018	55% of the price quoted by HKCL to its customer after confirmation from MKCL.	January 31, 2017
DMER Admissions	Admission	April 01, 2016 upto March 31, 2018	Rs.25/- (Rupees Twenty Five only) per applicant plus applicable taxes for the first four rounds. In case, the project gets extended for further rounds, then whatever revenue is generated, it shall be divided in percentage i.e. 55% to MKCL and 45% to HKCL.	January 31, 2017
Haryana Staff Selection Commission (HSSC)	Recruitment	April 01, 2017 upto March 31, 2018	Rs.19.25/- (Rupees Nineteen and Paise Twenty Five only) per applicant plus applicable taxes.	January 31, 2017
Secured Remote Paper Distribution (SRPD)	Business Support services	June 15, 2017 upto March 31, 2018	MKCL Share shall be 50% of the price quoted by HKCL to its customer after confirmation from MKCL exclusive of taxes as may be applicable.	August 08, 2017
Haryana Skill Development Mission (HSDM)	Business Support services	January 01, 2018 Upto March 31, 2019	Rs.27.75/- per candidate per course for Center Life Cycle Management system and Rs.27.75/- per candidate per course for Candidate Administrative Life Cycle Management system.	March 05, 2018
Wave Courses	Skill Development Support Services	November 1, 2017 to October 31, 2022	Rs.225/- plus Applicable taxes per confirmed learner	November 15, 2017

Nature of Income	Total Income
Sale of books to Haryana Knowledge Corporation Limited	Rs.15 Lakhs
For other service charges to Haryana Knowledge Corporation Limited	Rs.735.80 Lakhs
Dividend received from Haryana Knowledge Corporation Limited	Rs.6 Lakhs

**3. Odisha Knowledge Corporation Limited (Associate Company)**

Project	Nature of Contract	Duration of Contract	Value	Date of board Approval
GPS-Mapping	Mapping Software	April 01, 2017 upto March 31, 2018	Rs.10/- per monitoring Report plus applicable taxes and Annual fees: (Maintenance and Server infrastructure charges) Rs.100/- (Rupees One Hundred only) per School for 4000 schools, plus applicable taxes.	November 18, 2015
Odisha Entrance Teachers Test	Software Framework	October 10, 2017 upto April 30, 2019	Rs.30 per confirmed learner plus applicable tax	November 15, 2017

Nature of Income	Total Income
Sale of books to Odisha Knowledge Corporation Limited	Nil
For other service charges to Odisha Knowledge Corporation Limited	Rs.161.36 Lakhs
Dividend received from Odisha Knowledge Corporation Limited	Rs.6 Lakhs

**4. MKCL Knowledge Foundation (100% Wholly Owned Indian Subsidiary)**

Nature of Contract	Duration of Contract	Amount charged	Date of Board approval
Business Center Facilities	5 years up to 31 <sup>st</sup> July, 2020	Rs.17.31 Lakhs	August 5, 2015

**5. MKCL International FZE (100% Foreign Subsidiary)**

Nature of Contract	Duration of Contract	Value	Date of Board Approval
Royalty	Ongoing	Royalty Received from MKCL International FZE Rs.342.19 Lakhs	March 27, 2015
Dividend received	-----	Rs.25.83 Lakhs	-----

## ANNEXURE IV

### Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31<sup>st</sup> March, 2018

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

#### I. REGISTRATION AND OTHER DETAILS:

i) CIN	:	U80302PN2001 PLC135348
ii) Registration Date	:	August 20, 2001
iii) Name of the Company	:	Maharashtra Knowledge Corporation Limited
iv) Category / Sub-Category of the Company	:	Indian Non-Government Company
v) Address of the Registered office and contact details	:	ICC Trade Towers, 'A' Wing, 5 <sup>th</sup> Floor, Senapati Bapat Road, Shivaji Nagar, Pune 411 016, Maharashtra, INDIA.
vi) Whether listed company Yes / No	:	NO
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	:	N.A.

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Educational Courses, Skill Development Courses viz. MS-CIT (Maharashtra State Certificate in Information Technology), KLiC (Knowledge Lit Careers) certificate Courses.	8522	61.45%
2	Services through Admission, Examination and Recruitment Software Frameworks viz. MKCL's Online Application Solutions and Integrated Services (MKCL's OASIS), Digital University (DU), eGovernance and Educational eGovernance services and others.	6311	38.55%

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

Sl. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	MKCL International FZE Hamriyah Free Zone Sharjah, United Arab Emirates. PO Box.42283	Registration No.1324 and Commercial License no.2066	Foreign Subsidiary	100%	Sec. 2 (87)
2	MKCL Knowledge Foundation ICC Trade Towers, B wing, 5 <sup>th</sup> Floor, Senapati Bapat Road, Shivajinagar, Pune 411016, INDIA.	U74900PN2014NPL152468	Subsidiary	100%	Sec. 2 (87)
3	Rajasthan Knowledge Corporation Limited 7A, Jhalana Doongri Jaipur, Rajasthan 302004, India.	U80302RJ2008PLC026433	Associate	30%	Sec. 2 (6)

4	Odisha Knowledge Corporation Limited Plot No. 108/3607, Jaydev Vihar Behind Pal Heights, Bhubaneswar, Odisha 751013	U72200OR2011PLC014185	Associate	50%	Sec. 2 (6)
5	Haryana Knowledge Corporation Limited 4 <sup>th</sup> Floor, HSIIDC IT Park, Plot no. 1, Sector 22, Panchkula, Haryana 134109, INDIA.	U80904HR2013PLC050331	Associate	30%	Sec. 2 (6)

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

##### i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual / HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt.(s)	Nil	3000000	3000000	37.13	Nil	3000000	3000000	37.13	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other.....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (A) (1)</b>	<b>Nil</b>	<b>3000000</b>	<b>3000000</b>	<b>37.13</b>	<b>Nil</b>	<b>3000000</b>	<b>3000000</b>	<b>37.13</b>	<b>Nil</b>
(2) Foreign									
a) NRI - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sub-Total (A) (2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>Nil</b>	<b>3000000</b>	<b>3000000</b>	<b>37.13</b>	<b>Nil</b>	<b>3000000</b>	<b>3000000</b>	<b>37.13</b>	<b>Nil</b>
<b>B. Public Shareholdings</b>									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks /FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil



e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FII's	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (Investor Education and Protection Fund)	Nil	Nil	Nil	Nil	Nil	500	500	0.01	500
Educational Institutions	Nil	20925	20925	0.26	Nil	20925	20925	0.26	Nil
<b>Sub-Total (B) (1)</b>	<b>Nil</b>	<b>20925</b>	<b>20925</b>	<b>0.26</b>	<b>Nil</b>	<b>20925</b>	<b>20925</b>	<b>0.26</b>	<b>Nil</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	Nil	64000	64000	0.79	Nil	27400	27400	0.34	-56.97
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	513340	513340	6.35	Nil	491940	491940	6.09	-4.17
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	Nil	1155455	1155455	14.30	Nil	1286955	1286955	15.93	11.38
<b>c) Others (specify)</b>									
Universities	Nil	2740000	2740000	33.91	Nil	2740000	2740000	33.91	Nil
Autonomous Bodies	Nil	185000	185000	2.29	Nil	185000	185000	2.29	Nil
Regd. Trusts, Societies	Nil	401475	401475	4.97	Nil	401475	401475	4.97	Nil
<b>Sub-Total (B) (2)</b>	<b>Nil</b>	<b>5059270</b>	<b>5059270</b>	<b>62.61</b>	<b>Nil</b>	<b>5059270</b>	<b>5059270</b>	<b>62.61</b>	<b>Nil</b>
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>Nil</b>	<b>5080195</b>	<b>5080195</b>	<b>62.87</b>	<b>Nil</b>	<b>5080195</b>	<b>5080195</b>	<b>62.87</b>	<b>Nil</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Grand Total (A+B+C)</b>	<b>Nil</b>	<b>8080195</b>	<b>8080195</b>	<b>100.00</b>	<b>Nil</b>	<b>8080195</b>	<b>8080195</b>	<b>100.00</b>	<b>Nil</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	No. of shares held at the end of the year			No. of shares held at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	
1	Government of Maharashtra, Higher & Technical Education Department	3000000	37.13	Nil	3000000	37.13	Nil	Nil
	Total	3000000	37.13	Nil	3000000	37.13	Nil	Nil

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
1.	Government of Maharashtra, Higher & Technical Education Department	At the beginning of the year	3000000	37.13	3000000	37.13
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil	Nil
	At the end of the year	3000000	37.13	3000000	37.13	

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
1.	Dr. Babasaheb Ambedkar Marathwada University, Aurangabad	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil	Nil

	At the end of the year	370000	4.58	370000	4.58
<b>2. Savitribai Phule Pune University</b>	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
<b>3. University of Mumbai</b>	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
<b>4. Sant Gadgebaba Amravati University, Amravati</b>	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
<b>5. Rashtrasant Tukadoji Maharaj Nagpur University</b>	At the beginning of the year	370000	4.58	370000	4.58
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	370000	4.58	370000	4.58
<b>6. Shivaji University, Kolhapur</b>	At the beginning of the year	310000	3.84	310000	3.84
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	310000	3.84	310000	3.84
<b>7. Yashwantrao Chavan Maharashtra Open University</b>	At the beginning of the year	185000	2.29	185000	2.29

	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
<b>8. Swami Ramanand Teerth Marathwada University, Nanded</b>	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
<b>9. North Maharashtra University, Jalgaon</b>	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
<b>10. Secretary, Maharashtra State Board of Technical Education</b>	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29
<b>11. Mehmooda Shikshan &amp; Mahila Gramin Bahuuddeshiya Sanstha</b>	At the beginning of the year	185000	2.29	185000	2.29
	Date-wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	185000	2.29	185000	2.29

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
<b>1. Vivek Sawant, Managing Director</b>	At the beginning of the year	31000	0.38	31000	0.38
	Date-wise increase/ decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	31000	0.38	31000	0.38
<b>2. Komal Chaubal, Company Secretary &amp; Chief Legal Officer</b>	At the beginning of the year	6500	0.08	6500	0.08
	Date-wise increase/ decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity, etc.)	Nil	Nil	Nil	Nil
	At the end of the year	6500	0.08	6500	0.08

**V. INDEBTEDNESS**

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

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

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs.)
		Vivek Sawant Managing Director	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs.78,06,263/-	78,06,263/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Rs.11,59,372/-	11,59,372/-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - Others, specify...	-	-
5.	Others, please specify -Employers Contribution to Provident Fund	Rs.3,90,209/-	3,90,209/-
	<b>Total (A)</b>	<b>Rs.93,55,844/-</b>	<b>93,55,844/-</b>
	Ceiling as per the Act	Rs.2,36,05,859/-	2,36,05,859/-

### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors (in Rs.)						Total Amount (in Rs.)
		Dr. Anil Kakodkar	Dr. Deepak Phatak	Dr. R. B. Deshmukh	Dr. Anant Sardeshmukh	Dr. Dilip Boralkar	Dr. (Mrs.) Nishigandha Dewoolkar	
1	Independent Directors							
	Fee for attending board/committee meetings	85,000/-	55,000/-	1,10,000/-	1,10,000/-	1,05,000/-	5,000/-	4,70,000/-
	Commission	---	---	---	---	---	---	---
	Others, please specify - Conveyance - Fees for attending other Meetings.	1,000/- 10,000/-	34,025/- --	6,450/- 10,000/-	5,375/- 10,000/-	47,235/- 10,000/-	200/- --	94,285/- 50,000/-
	<b>Total (1)</b>	<b>96,000/-</b>	<b>89,025/-</b>	<b>1,26,450/-</b>	<b>1,25,375/-</b>	<b>1,62,235/-</b>	<b>5,200/-</b>	<b>6,14,285/-</b>
2	Other Non-Executive Directors	Prof E. Vayunandan	---	---	---	---	---	---
	Fee for attending board/committee meetings	25,000/-	---	---	---	---	---	---
	Commission	---	---	---	---	---	---	---
	Others, please specify - Conveyance - Fees for attending other Meetings.	17,750/- 10,000/-	---	---	---	---	---	---
	<b>Total (2)</b>	<b>52,750/-</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>52750</b>
	<b>Total (B)=(1+2)</b>	<b>1,48,750/-</b>	<b>89,025/-</b>	<b>1,26,450/-</b>	<b>1,25,375/-</b>	<b>1,62,235/-</b>	<b>5,200/-</b>	<b>6,67,035/-</b>



Total Managerial Remuneration	---	---	---	---	---	---	---	---
Overall Ceiling as per the Act	---	---	---	---	---	---	---	---

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Komal Chhabal Company Secretary & Chief Legal Officer	Manoj Narvekar Chief Financial Officer	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs.23,68,080/-	Rs. 2,458,983/-	Rs.48,27,063/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---	---
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---
2.	Stock Option	---	---	---
3.	Sweat Equity	---	---	---
4.	Commission - as % of profit - others, specify...	---	---	---
5.	Others, please specify Employers Contribution to PF	Rs.1,37,521/-	Rs.1,50,912/-	Rs.2,88,433/-
	<b>Total</b>	Rs.25,05,601/-	Rs.26,09,895/-	Rs.51,15,496/-

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

For and on behalf of the Board of Directors  
Maharashtra Knowledge Corporation Limited

Vivek Sawant  
Managing Director  
DIN: 00002285

Dr. Anant Sardeshmukh  
Director  
DIN: 00383994

Place: Pune, INDIA.  
Date: August 07, 2018

## Independent Auditor's Report

### To the Members of Maharashtra Knowledge Corporation Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of '*Maharashtra Knowledge Corporation Limited*' 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 thereunder.

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 (Standalone) 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, of the state of affairs of the Company as at March 31, 2018, and its Profit/Loss and its Cash Flow for the year ended on that date.

#### 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 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For and on behalf of

**P. V. Page & Co**

**Chartered Accountants**

Firm’s registration number:107243W

**Prakash Page**

*Partner*

Membership number:030560

Place: Mumbai

Date: June 27, 2018

## **“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 its fixed assets.
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) 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 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 and the same have been maintained properly 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, Good and 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, Good and Service Tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute except as mentioned under Note No. 2.29 on Contingent Liabilities.
- 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 not taken any loan either 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 not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 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 and on behalf of

**P. V. Page & Co**

**Chartered Accountants**

Firm's registration number : 107243W

**Prakash Page**

*Partner*

Membership number : 030560

Place: Mumbai

Date: June 27, 2018



## **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Maharashtra Knowledge Corporation 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 Maharashtra Knowledge Corporation Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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 including the Report on Internal Financial Control by Independent Professionals are 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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 criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For and on behalf of

**P. V. Page & Co**

***Chartered Accountants***

Firm's registration number:107243W

**Prakash Page**

*Partner*

Membership number:030560

Place: Mumbai

Date: June 27, 2018

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018

(In Rupees Lacs)

Particulars	Note No.	Figures as at 31 <sup>st</sup> March, 2018	Figures as at 31 <sup>st</sup> March, 2017
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2.1	808.02	808.02
(b) Reserves and surplus	2.2	27,151.32	23,871.31
(c) Money received against share warrants		-	-
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)	2.3	9.03	77.87
(c) Other Long-term liabilities	2.4	987.07	771.36
(d) Long-term provisions	2.5	491.06	471.45
<b>4 Current liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade payables	2.6	2,648.64	2,033.77
(c) Other current liabilities	2.7	505.41	1,069.57
(d) Short-term provisions	2.8	5,170.19	3,467.39
<b>TOTAL</b>		<b>37,770.74</b>	<b>32,570.74</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets		3,233.06	3,338.36
(ii) Intangible assets	2.9	30.15	43.89
(iii) Capital work-in-progress		-	-
(b) Non-current investments	2.10	6,934.76	6,847.96
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	2.11	4,662.00	3,602.60
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	2.12	719.07	538.94
(c) Trade receivables	2.13	2,227.42	2,353.40
(d) Cash and cash equivalents	2.14	16,465.07	13,129.84
(e) Short-term loans and advances	2.15	0.88	81.24
(f) Other current assets	2.16	3,498.33	2,634.51
<b>TOTAL</b>		<b>37,770.74</b>	<b>32,570.74</b>

Significant Accounting Policies

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

For and on behalf of the Board  
Maharashtra Knowledge Corporation Ltd.

As per our report attached  
For **P.V. Page & Co.**  
Chartered Accountants

**Dr. Anant Sardeshmukh**  
Director  
DIN : 00383994

**Vivek Sawant**  
Managing Director  
DIN : 00002285

**Prakash V. Page**  
Partner  
Place: Mumbai, INDIA  
Date: June 27, 2018

**Manoj Narvekar**  
Chief Financial Officer  
M.NO: ACA048254

**Komal Choubal**  
Company Secretary & Chief Legal Officer  
FCS: 5186

Place : Pune, INDIA  
Date : June 26, 2018

**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2018**

(In Rupees Lacs)

Particulars		Note No.	Figures as at 31 <sup>st</sup> March, 2018	Figures as at 31 <sup>st</sup> March, 2017
I.	Revenue from operations	2.17	15,618.25	12,075.14
II.	Other income	2.18	2,045.19	2,318.86
III.	<b>Total Revenue (I + II)</b>		<b>17,663.44</b>	<b>14,394.00</b>
IV.	<b>Expenses</b>			
	Expenses on courses & programs	2.19	6,624.53	5,737.33
	Purchases of Stock-in-Trade		1,470.03	688.96
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		(180.13)	6.18
	Employee benefits expense	2.20	3,463.35	2,853.11
	Depreciation and amortization expense	2.9	177.41	251.36
	Other expenses	2.21	1,387.08	1,194.03
	<b>Total expenses</b>		<b>12,942.27</b>	<b>10,730.97</b>
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>4,721.17</b>	<b>3,663.03</b>
VI.	Exceptional items		-	-
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>4,721.17</b>	<b>3,663.03</b>
VIII.	Extraordinary Items			
IX.	<b>Profit before tax (VII- VIII)</b>		<b>4,721.17</b>	<b>3,663.03</b>
X	Tax expense:			
	(1) Current tax		1,510.00	1,060.20
	(2) Earlier years tax adjustments		-	(37.02)
	(3) Deferred tax		(68.84)	28.03
XI	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>3,280.01</b>	<b>2,611.82</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>3,280.01</b>	<b>2,611.82</b>
XVI	<b>Earnings per equity share:</b>			
	(1) Basic	2.22	40.59	32.32
	(2) Diluted	2.22	40.59	32.32

**Significant Accounting Policies**

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

As per our report attached

**For and on behalf of the Board**  
**Maharashtra Knowledge Corporation Ltd.**

**For P.V. Page & Co.**  
Chartered Accountants

**Dr. Anant Sardeshmukh**  
Director  
DIN : 00383994

**Vivek Sawant**  
Managing Director  
DIN : 00002285

**Prakash V. Page**  
Partner

**Manoj Narvekar**  
Chief Financial Officer  
M.NO: ACA048254

**Komal Chaubal**  
Company Secretary & Chief Legal Officer  
FCS: 5186

Place: Mumbai, INDIA  
Date: June 27, 2018

Place : Pune, INDIA  
Date : June 26, 2018

**CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31<sup>st</sup> MARCH, 2018**  
(As per Schedule III to the Companies Act, 2013)

(In Rupees Lacs)

Particulars	Figures as at 31 <sup>st</sup> March, 2018	Figures as at 31 <sup>st</sup> March, 2017
<b>A. Cash flows from operating activities</b>		
Net profit before tax	4,721.17	3,663.03
<u>Adjustments for:</u>		
Depreciation	177.41	251.36
Interest income	(1,644.90)	(1,523.82)
Dividend & Other income	(213.39)	(318.55)
<b>Operating profit before working capital changes</b>	<b>3,040.29</b>	<b>2,072.02</b>
<u>Adjustments for:</u>		
Sundry debtors and other receivables	(335.62)	(915.25)
Inventories	(180.13)	6.18
Current Liabilities and Provision for expenses	669.95	(429.42)
<b>Cash generated from operations</b>	<b>3,194.49</b>	<b>733.53</b>
Income taxes paid (net of refunds, if any)	(1,378.10)	(974.24)
<b>Net cash from operating activities</b>	<b>1,816.39</b>	<b>(240.71)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets	(58.16)	(71.13)
Investments	(86.80)	-
Interest income	1,644.90	1,523.82
Dividend & Other income	213.39	318.55
<b>Net cash used for investing activities</b>	<b>1,713.33</b>	<b>1,771.24</b>
<b>C. Cash flows from financing activities</b>		
Dividends paid	(161.60)	(161.60)
Dividend Distribution Tax paid	(32.90)	(32.90)
<b>Net cash from financing activities</b>	<b>(194.50)</b>	<b>(194.50)</b>
<b>Net increase in cash and cash equivalents ( A + B + C )</b>	<b>3,335.23</b>	<b>1,336.03</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>13,129.84</b>	<b>11,793.81</b>
<b>Cash and cash equivalents at end of period</b>	<b>16,465.07</b>	<b>13,129.84</b>

As per our report attached

For and on behalf of the Board  
Maharashtra Knowledge Corporation Ltd.

For P.V. Page & Co.  
Chartered Accountants

Dr. Anant Sardeshmukh  
Director  
DIN : 00383994

Vivek Sawant  
Managing Director  
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Prakash V. Page  
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M.NO: ACA048254

Komal Chaubal  
Company Secretary & Chief Legal Officer  
FCS: 5186

Place: Mumbai, INDIA  
Date: June 27, 2018

Place : Pune, INDIA  
Date : June 26, 2018

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

**NOTES ON ACCOUNTS**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**I. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS**

The accompanying financial statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India, under historical cost convention and on the accrual basis. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lacs.

GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (“ICAI”) and the provisions of the Companies Act, 2013.

**II. USE OF ESTIMATES**

The preparation of financial statement in conformity with GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of financial statement, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates which are recognized in the period in which the results are known/ materialized.

**III. REVENUE RECOGNITION**

**a. Income from Programs**

**Knowledge Lit Skill Development Program (KLSDP) and Network Partnerships Management Program (NP-MP)**

Course Fees from MS-CIT, MS-ACIT, KLiC, Mastering and others primarily consist of revenue accrued based upon number of learners registered on web-based SOLAR application of the Company during the current accounting period.

Course Fees, Exam Fees and Re-exam Fees from MS-CIT and KLiC courses are recognized on the basis of learners registered on web - based SOLAR application.

Revenue under Network Partnerships Management Program (NP-MP) has been regrouped under Knowledge Lit Skill Development Program (KLSDP).

Renewal Fees and New Center Registration fees collected from centers are recognized on accrual basis and on confirmations received from web-based SOLAR application.

**Digital University - Business Development Program (DU-BDP)**

Revenue from Digital University Business Development Program is recognized as per the count confirmations of admissions received from the web - based Digital University application.

**OASIS Business Development Program (OASIS-BDP)**

Revenue from Admission/Recruitment Projects is recognized as per the count confirmations of admissions and recruitment received from the web - based OASIS application.

**Mission Mode Skill Development Program (MSDP)**

Income under this program is recognized on the basis of learners registered and other relevant data for revenue booking received from the web-based SOLAR application.

**International Business Development Program (INT-BDP)**

Income is recognized on accrual basis and 100% royalty income is booked on admission confirmation.



b. Income from MKCL offerings on nationwide scale has been included under the respective Business Development Programs. Accordingly re-grouping of Revenue appearing under Nationwide Business Development Program (N-BDP) has been done for last year. Also, similar treatment is given with respect to the direct expenses appearing under Nationwide Business Development Program (N-BDP).

**c. Other Income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding/invested and the interest rate applicable.

Income from investments in liquid rate funds is recognized upon receipt of income from the respective fund.

#### **IV. EXPENDITURE**

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

Charges relating to non-cancelable long-term operating lease are computed on the basis of lease rentals payable as per the relevant lease agreement and recognized as expense.

The company is handling and facilitating the contribution done by its network partners which is intended for doing common marketing - regional/specific location wise as mutually agreed amongst them. Accounting related to such transactions are not brought in to the Companies Profit and Loss account and they are accounted as Balance Sheet items. Such common marketing contribution expenses are accounted, incurred and paid for as and when they actually happen, by the company.

#### **V. FIXED ASSETS**

Fixed assets are stated at cost less accumulated depreciation. Cost for the purpose includes cost of acquisition, installation, duties and taxes, and other incidental expenses incurred during acquisition, construction or installation of fixed assets. Computers include software purchased. Land acquired on lease for 99 years or less is treated as leasehold land.

#### **VI. DEPRECIATION**

The depreciation is charged based on the useful lives of various Tangible assets as specified under Part-C of Schedule II of The Companies Act, 2013. Schedule II prescribes indicative useful lives of various assets instead of Straight Line Method (SLM)/ Written Down Value (WDV) rates for calculating depreciation. Useful life is the period over which an asset is expected to be available for use by an entity. Depreciation for assets purchased/sold/discarded during the period is proportionately charged.

For depreciation on Intangible assets the rates are applicable as per the provisions of the Accounting Standard on WDV basis.

Cost of leasehold land for 99 years or less is amortized over the remaining lease period.

#### **VII. FOREIGN CURRENCY TRANSACTIONS**

Foreign currency transactions on initial recognition in the reporting currency are accounted for at the exchange rates prevailing on the date of transaction.

Foreign exchange gain or loss, resulting on account of reinstatement of monetary items on the date of balance sheet using exchange rate as on the date of Balance Sheet is recognized as income or expense for the period.

Exchange differences arising on the company's net investment in foreign subsidiary being a non-integral foreign operation are accumulated in a Foreign Currency Translation Reserve until the disposal of such investment, at which time they are recognized as income or as expense.

## VIII. EMPLOYEE BENEFITS

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

The company contributes to a Provident Fund, which is a defined contribution plan, and is charged to Statement of Profit and Loss.

The Company provided for gratuity, a defined benefit retirement plan covering all employees. It has subscribed to the Group Gratuity Plan of Life Insurance Corporation of India. The Plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of service; of an amount based on the respective employee's last drawn salary and tenure of employment. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. Actuarial gain or loss is recognized immediately in the statement of Profit and Loss as income or expense.

Leave encashment liability is provided on the basis of leave outstanding to the credit of employees at the Balance Sheet date.

## IX. DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES

Related Party disclosures have been set out in the following statement. The related parties, as defined by Accounting Standard 18 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key managerial persons and taken on record by the Board.

Sr. No	Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
1.	<b>Investments</b>		
	- Rajasthan Knowledge Corporation Limited	60.00	60.00
	- Odisha Knowledge Corporation Limited	60.00	60.00
	- Haryana Knowledge Corporation Limited	60.00	60.00
	- MKCL International FZE	18.81	18.81
	- MKCL Knowledge Foundation	200.00	200.00
	- MKCL Arabia Ltd.	86.80	--
2.	<b>Expenses</b>		
	- Incurred on behalf of Odisha Knowledge Corporation Limited (net)	(28.69)	0.57
	- Incurred on behalf of Haryana Knowledge Corporation Limited (net)	(28.24)	(23.56)
	- Incurred on behalf of MKCL International FZE	7.78	0.81
	- Incurred on behalf of MKCL Knowledge Foundation (net)	7.88	14.13
3	<b>Income</b>		
	- Dividend Received from Rajasthan Knowledge Corporation Limited	21.00	21.00
	- For other service charges to Odisha Knowledge Corporation Ltd.	161.36	185.47
	- Dividend received from Odisha Knowledge Corporation Limited	6.00	-
	- Sale of books to Haryana Knowledge Corporation Limited	15.00	15.00
	- For other service charges to Haryana Knowledge Corporation Ltd.	735.80	317.71
	- Dividend received from Haryana Knowledge Corporation Limited	6.00	6.00
	- Royalty and Other Income from MKCL International FZE	342.19	236.25
	- Dividend received from MKCL International FZE	25.83	26.72
	- For Business Center Facilities given to MKCL Knowledge Foundation	17.31	41.29
4.	<b>Receivable</b>		
	- Odisha Knowledge Corporation Limited	151.39	109.19
	- Haryana Knowledge Corporation Limited	409.29	226.31
	- MKCL International FZE	158.33	228.56
	- MKCL Knowledge Foundation	50.26	32.07

Names of related parties and description of relationship -

1. Rajasthan Knowledge Corporation Limited	-	Joint Venture
2. Odisha Knowledge Corporation Limited	-	Joint Venture
3. Haryana Knowledge Corporation Limited	-	Joint Venture
4. MKCL International FZE	-	Subsidiary Company
5. MKCL Knowledge Foundation	-	Subsidiary Company
6. Maharashtra Knowledge Foundation	-	Charitable Trust
7. MKCL Lanka Private Limited	-	Foreign Company
8. MKCL Arabia Ltd. (Shares are yet to be transferred in the name of MKCL)	-	Joint Venture

## X. TAXES ON INCOME

Tax expenses for the year comprise of current tax and deferred tax.

Current taxes are measured, at the amounts expected to be paid in respect of taxable income for the period, using the applicable tax rates and tax laws.

Deferred Tax Liability is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

Deferred Tax Assets is recognized only when it is certain that there is sufficient future income against which such deferred tax asset can be realized.

For and on behalf of the Board  
Maharashtra Knowledge Corporation Ltd.

For P.V. Page & Co.  
Chartered Accountants

Dr. Anant Sardeshmukh  
Director  
DIN : 00383994

Vivek Sawant  
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Company Secretary & Chief Legal Officer  
FCS: 5186

Place: Mumbai, INDIA  
Date: June 27, 2018

Place : Pune, INDIA  
Date : June 26, 2018

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

**NOTE NO. 2.1  
SHARE CAPITAL**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	Number	Rupees	Number	Rupees
<b>Authorised Share Capital</b> Equity Shares of Rs. 10 each	20,000,000	2,000.00	20,000,000	2,000.00
<b>Issued, Subscribed &amp; Paid Up Share Capital</b> Equity Shares of Rs. 10 each, fully Paid Up	8,080,195	808.02	8,080,195	808.02
<b>Total</b>	<b>8,080,195</b>	<b>808.02</b>	<b>8,080,195</b>	<b>808.02</b>

**SHARE HOLDING PATTERN**

Name of Shareholder	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	No. of Shares held	% of Total Paid Up Capital	No. of Shares held	% of Total Paid Up Capital
Department of Higher & Technical Education, Government of Maharashtra	3,000,000	37.13	3,000,000	37.13
10 Universities	2,740,000	33.91	2,740,000	33.91
Others	2,340,195	28.96	2,340,195	28.96
<b>Total</b>	<b>8,080,195</b>	<b>100.00</b>	<b>8,080,195</b>	<b>100.00</b>

**NOTE NO. 2.2**  
**RESERVES & SURPLUS**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>General Reserve Account</b>		
Opening Balance	5,900.00	5,600.00
(+) Current Year Transfer	500.00	300.00
Closing Balance	<b>6,400.00</b>	<b>5,900.00</b>
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	(7.62)	(8.19)
(+) Current Year Transfer	(0.07)	0.58
Closing Balance	<b>(7.69)</b>	<b>(7.61)</b>
<b>Surplus</b>		
Opening balance	17,978.93	15,862.19
(+) Surplus For the current year	3,280.01	2,611.82
Total Allocable Surplus - (A)	21,258.94	18,474.01
Allocations & Appropriations		
(+) Transfer to Foreign Currency Translation Reserve	0.07	(0.58)
(-) Transfer to Reserves	500.00	300.00
(-) Proposed Dividends	-	161.60
(-) Tax on Dividends	-	32.90
Total Allocations & Appropriations -(B)	499.93	495.08
Closing Balance (A-B)	<b>20,759.01</b>	<b>17,978.92</b>
<b>Total</b>	<b>27,151.32</b>	<b>23,871.31</b>

**NOTE NO. 2.3**  
**DEFERRED TAX LIABILITIES (NET)**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Deffered Tax Liability</b>		
Opening Balance	89.43	95.27
Transfer during the year	15.53	(5.85)
<b>Total</b>	<b>104.96</b>	<b>89.42</b>
<b>Deferred Tax Asset</b>		
Opening Balance	11.56	45.44
Transfer during the year	84.36	(33.89)
<b>Total</b>	<b>95.92</b>	<b>11.55</b>
<b>Total</b>	<b>9.03</b>	<b>77.87</b>

**NOTE NO 2.4**

**OTHER LONG TERM LIABILITIES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(a) Trade Payables		
(b) Others		
Study Material Deposit	255.86	271.70
Performance Guarantee Money & Retention	2.24	7.28
Security Deposits	728.97	492.38
<b>Total</b>	<b>987.07</b>	<b>771.36</b>

**NOTE NO 2.5**

**LONG-TERM PROVISIONS**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(a) Provision for employee benefits		
Leave Encashment	491.06	456.67
(b) Others	-	14.78
<b>Total</b>	<b>491.06</b>	<b>471.45</b>

**NOTE NO 2.6**

**TRADE PAYABLES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Liability towards Network Partners	956.85	721.88
Creditors for Material & Services	1,691.79	1,311.89
<b>Total</b>	<b>2,648.64</b>	<b>2,033.77</b>



**NOTE NO 2.7****OTHER CURRENT LIABILITIES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
a) Unclaimed Dividend	6.82	5.18
b) Taxes & Duties Payable		
Tax Deducted at Source	87.10	69.63
Service Tax	-	15.32
Tax on Works Contracts under MVAT	-	0.26
Professional Tax	0.57	0.53
VAT Payable	-	0.01
GST Payable	60.22	
c) Others		
Common Marketing Contribution	185.34	298.17
Other Liabilities	165.36	680.47
<b>Total</b>	<b>505.41</b>	<b>1,069.57</b>

**NOTE NO 2.8****SHORT TERM PROVISIONS**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(a) Provision for employee benefits		
Salary & Reimbursements	352.24	216.46
Contribution to ESIC	0.08	0.37
Contribution to Provident Fund	32.40	31.91
Provision for Performance Linked Awards	600.00	350.00
Director's Remuneration	4.62	6.68
(b) Others		
Provision for Corporate Income Tax (A.Y. 10-11)	7.27	7.27
Provision for Corporate Income Tax (A.Y. 16-17)	1,603.38	1,600.00
Provision for Corporate Income Tax (A.Y. 17-18)	1,060.20	1,060.20
Provision for Corporate Income Tax (A.Y. 18-19)	1,510.00	-
Provision for Proposed Dividend	-	161.60
Corporate Dividend Tax Payable	-	32.90
<b>Total</b>	<b>5,170.19</b>	<b>3,467.39</b>

Note No 2.9  
Fixed Assets

Sr. No.	Particulars	Gross Block						Accumulated Depreciation				Net Block	
		Balance as at 1 <sup>st</sup> April, 2017	Additions	Deletion / Transfers	Re-valuations/ (Impairments)	Balance as at 31 <sup>st</sup> March, 2018	Balance as at 1 <sup>st</sup> April, 2017	Depreciation charge for the year	On disposals	Balance as at 31 <sup>st</sup> March, 2018	Balance as at 31 <sup>st</sup> March, 2017	Balance as at 31 <sup>st</sup> March, 2018	Balance as at 31 <sup>st</sup> March, 2017
a	Tangible Assets												
	Land	40.87	-	-	-	40.87	-	-	-	-	-	-	40.87
	Lease Hold Land	1,684.26	-	-	-	1,684.26	128.97	31.38	-	160.35	1,523.91	1,555.29	
	Office Premises	2,072.00	-	-	-	2,072.00	622.46	30.26	-	652.72	1,419.28	1,449.54	
	Plant and Machinery	1.04	-	-	-	1.04	1.04	-	-	1.04	-	-	
	Furniture and Fixtures	458.12	0.28	-	-	458.40	337.03	33.19	-	370.22	88.18	121.10	
	Office Equipment and Appliances*	346.77	17.50	-	-	364.27	304.25	16.47	-	320.71	43.55	42.23	
	Computer Hardware	575.39	33.99	0.17	-	609.22	524.30	31.71	0.08	555.93	53.29	51.09	
	Electrical Fittings	131.03	-	-	-	131.03	87.58	9.78	-	97.36	33.67	43.45	
	Air Conditioner	80.28	-	-	-	80.28	47.13	4.15	-	51.28	29.00	33.15	
Solar Panels Power Generation Plant	6.46	-	-	-	6.46	4.82	0.33	-	5.15	1.31	1.64		
<b>Total - a</b>	<b>5,396.22</b>	<b>51.77</b>	<b>0.17</b>	<b>-</b>	<b>5,447.82</b>	<b>2,057.57</b>	<b>157.28</b>	<b>0.08</b>	<b>2,214.76</b>	<b>3,233.06</b>	<b>3,338.36</b>		
b	Intangible Assets												
	Computer software	437.30	6.39	-	-	443.70	393.42	20.13	-	413.55	30.15	43.89	
	<b>Total - b</b>	<b>437.30</b>	<b>6.39</b>	<b>-</b>	<b>-</b>	<b>443.70</b>	<b>393.42</b>	<b>20.13</b>	<b>-</b>	<b>413.55</b>	<b>30.15</b>	<b>43.89</b>	
c	Capital Work In Progress												
	<b>Total - c</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	<b>Total - a + b</b>	<b>5,833.52</b>	<b>58.16</b>	<b>0.17</b>	<b>-</b>	<b>5,891.52</b>	<b>2,450.98</b>	<b>177.41</b>	<b>0.08</b>	<b>2,628.31</b>	<b>3,263.21</b>	<b>3,382.25</b>	
	Previous Period	5,845.98	80.18	92.93	-	5,833.23	2,283.51	251.36	83.88	2,450.98	3,382.25	3,562.47	
	* Note : Adjustment entry effect added in the opening Gross Block of Office Equipment and Appliances by value of Rs. 29,011/-.												

**NOTE NO 2.10****NON-CURRENT INVESTMENTS**

(In Rupees Lacs)

	Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
A	Trade Investments		
	(a) Investment in Equity instruments		
	MKCL International FZE	18.81	18.81
	1 Share @ Rs.18,80,816/-		
	Rajasthan Knowledge Corporation Limited	60.00	60.00
	6,00,000 Shares @ Rs.10/- each		
	Odisha Knowledge Corporation Limited	60.00	60.00
	6,00,000 Shares @ Rs.10/- each		
	Haryana Knowledge Corporation Limited	60.00	60.00
	6,00,000 Shares @ Rs.10/- each		
	MKCL Knowledge Foundation	200.00	200.00
	20,00,000 Shares @ Rs.10/- each		
	MKCL Arabia Ltd	86.80	-
	500 Shares @ SAR 1000 equivalent to Rs. 17359 per share (Shares are yet to be transferred in the name of MKCL)		
	(b) Long Term Tax Free Bonds	6,449.15	6,449.15
	<b>Total</b>	<b>6,934.76</b>	<b>6,847.96</b>

**NOTE NO 2.11**

**LONG TERM LOANS AND ADVANCES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>a. Capital Advances</b>	-	-
<b>b. Security Deposits</b>		
Unsecured, considered good	83.37	79.92
<b>c. Corporate Income Tax</b>		
Corporate Income Tax Paid (A.Y. 10-11)	-	-
Corporate Income Tax Paid (A.Y. 11-12)	-	-
Corporate Income Tax Paid (A.Y. 12-13)	-	-
Corporate Income Tax Paid (A.Y. 13-14)	-	-
Corporate Income Tax Paid (A.Y. 14-15)	-	-
Corporate Income Tax Paid (A.Y. 15-16)	-	-
Corporate Income Tax Paid (A.Y. 16-17)	1,696.28	1,696.28
Corporate Income Tax Paid (A.Y. 17-18)	1,105.31	968.17
Corporate Income Tax Paid (A.Y. 18-19)	1,374.64	-
Refund Receivable-Corporate Tax (A.Y. 07-08)	2.73	2.73
Refund Receivable-Corporate Tax (A.Y. 08-09)	13.52	13.52
Refund Receivable-Corporate Tax (A.Y. 12-13)	2.64	2.64
Refund Receivable-Corporate Tax (A.Y. 13-14)	16.28	16.28
Refund Receivable-Corporate Tax (A.Y. 14-15)	43.06	43.06
Refund Receivable-Corporate Tax (A.Y. 15-16)	40.51	171.01
Service Tax Refund Receivable	18.17	18.17
<b>d. VAT Refund Receivable</b>		
VAT Refund Receivable (F.Y. 09-10)	0.13	0.13
VAT Refund Receivable (F.Y. 11-12)	0.59	0.59
Tax on Works Contracts under MVAT	0.10	0.10
<b>e. Others-Unsecured, considered good</b>		
Advance to BSNL	264.67	590.00
<b>Total</b>	<b>4,662.00</b>	<b>3,602.60</b>

**NOTE NO 2.12**  
**INVENTORIES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>a. Stock-in-trade - At Cost (As Certified by the Management)</b>		
Inventory of Books MS-CIT	489.59	337.80
Inventory of Books KLiC	98.12	118.10
Inventory of Books -MSDP	131.12	82.61
Inventory of Educational Material	0.04	0.23
Inventory of Contour Markers	0.20	0.20
<b>Total</b>	<b>719.07</b>	<b>538.94</b>

**INVENTORY AND QUANTITATIVE DETAILS**

Inventory includes set of a Study Materials and Project Materials. These stocks are valued at Cost or Fair Value whichever is lower. Cost for the purpose includes cost of purchase, freight and all incidental costs incurred to bring these inventories to Company. Cost is arrived at by applying Weighted Average Formula.

Items	Opening Quantity (Nos)	Receipts Quantity (Nos)	Issues Quantity (Nos)	Closing Quantity (Nos)
Books- MS-CIT	383,671	875,000	725,979	532,692
Books- KLiC	126,442	15,500	37,358	104,584
Educational Material	48	-	40	8
Contour Markers	8	-	-	8
Books- MSDP	91,748	720,000	663,394	148,354

Note :  
Inventory of Success books- Value and Quantity is added in Inventory of Books KLiC.

**NOTE NO 2.13**  
**TRADE RECEIVABLES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	481.02	430.60
Others	1,746.40	1,922.80
<b>Total</b>	<b>2,227.42</b>	<b>2,353.40</b>

**NOTE NO 2.14**

**CASH AND CASH EQUIVALENTS**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
a. Balances with banks	654.69	295.06
b. Cash in hand	1.30	0.99
c. Liquid Rate Income Fund	3,500.29	1,548.32
d. Others-Fixed Deposit	12,308.79	11,285.47
<b>Total</b>	<b>16,465.07</b>	<b>13,129.84</b>

**Other disclosures related to Cash and Cash Equivalents**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Earmarked balances with banks (Unpaid Dividends)	6.82	5.18
Balances with banks to the extent held against performance bank guarantees	116.90	1.00
Bank deposits with more than 12 months maturity	11,505.75	10,289.75

**NOTE NO 2.15**

**SHORT-TERM LOANS AND ADVANCES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>a. Other Advances</b>		
Employees Advance	0.88	1.50
Other Advances	-	79.74
<b>Total</b>	<b>0.88</b>	<b>81.24</b>

**NOTE NO 2.16**

**OTHER CURRENT ASSETS**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Prepaid Expenses	99.95	111.49
Accrued Interest on Fixed Deposits	3,050.17	2,262.30
Others	348.21	260.72
<b>Total</b>	<b>3,498.33</b>	<b>2,634.51</b>

## NOTE NO 2.17

## REVENUE FROM OPERATIONS

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>I. Sale of products</b>	<b>15.46</b>	<b>15.00</b>
<b>II Sale of services</b>		
<b>Knowledge Lit Skill Development Program (KLSDP)</b>		
Revenue from MS-CIT course	9,099.14	8,319.79
Revenue from Other courses	536.75	499.90
Revenue from Other Courses (Outside Maharashtra)	55.53	67.06
Registration/Renewal/Processing/Annual/LMS License Fees	337.51	425.36
	<b>10,028.93</b>	<b>9,312.11</b>
<b>Digital University- Business Development Program (DU-BDP)</b>		
Digital University- Business Development Program (DU-BDP)	1,012.13	1,067.86
Share in DU Projects (Outside Maharashtra)	51.11	10.06
	<b>1,063.24</b>	<b>1,077.92</b>
<b>OASIS-Business Development Program (OASIS-BDP)</b>		
Online Admissions	514.92	644.06
Recruitment Projects	22.04	25.99
Designing, Development, Maintenance and Support Services	40.75	35.38
Share in Admissions/Recruitment Projects (Outside Maharashtra)	480.51	163.35
	<b>1,058.22</b>	<b>868.78</b>
<b>Mission-Mode Skill Development Program</b>	<b>2,787.72</b>	<b>283.47</b>
<b>eGovernance-Business Development Program (eGov-BDP)</b>		
Design & Development of Digital MLS	23.08	-
eTendering Services & other Maintenance and Support Services	91.20	89.00
<b>eGovernance Business (Outside Maharashtra)</b>		
Income from BLAS Project	30.99	
Edu- eGovernance	68.04	89.39
Other eGovernance Project	59.53	83.79
	<b>272.84</b>	<b>262.18</b>
<b>Educational Transformation Program -( ETP )</b>		
MKCL Finishing Schools (MFS) Program	40.21	18.42
	<b>40.21</b>	<b>18.42</b>
<b>Social Business Development Program ( S-BDP)</b>	<b>8.58</b>	<b>0.84</b>
<b>International Business Development Program (INT-BDP)</b>	<b>343.05</b>	<b>236.42</b>
<b>Total</b>	<b>15,618.25</b>	<b>12,075.14</b>



**NOTE NO 2.18  
OTHER INCOME**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Interest Income (On deposits with banks)	1,171.62	1,051.28
Interest Income ( On Long Term Tax Free Bonds)	473.28	472.54
Dividend from Associate company	33.00	27.00
Dividend from Subsidiary company	25.83	26.72
Dividend Income	124.67	112.39
Gain/(Loss) on foreign currency	(4.11)	(12.00)
Other non-operating income (net of expenses directly attributable to such income)	34.00	164.44
Old Balances Written Back	186.90	476.49
<b>Total</b>	<b>2,045.19</b>	<b>2,318.86</b>

## NOTE NO 2.19

## EXPENSES ON COURSES &amp; PROGRAMS

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Knowledge Lit Skill development Program (KLSDP)</b>		
Share, Exam/Re-Exam Fees	3,468.00	3,289.83
Advertisement & Sales Promotion	659.73	315.85
Content Development, Incentives and other Course Related Expenses	897.47	824.97
Expenses on Other Courses	340.71	413.14
Expenses on Other Courses (outside Maharashtra)	13.41	21.89
Network Partnership Management Program (NP-MP)	399.68	443.59
	<b>5,779.00</b>	<b>5,309.27</b>
<b>Digital University- Business Development Program (DU-BDP)</b>	<b>153.05</b>	<b>138.66</b>
<b>OASIS-Business Development Program (OASIS-BDP)</b>		
Online Admissions	9.10	26.96
Recruitment Projects	12.11	63.65
	21.21	90.61
<b>Mission-Mode Skill Development Program</b>		
Share expenses and Content Development expenses	457.85	44.99
Other Expenses	51.58	59.50
	<b>509.43</b>	<b>104.49</b>
<b>eGovernance-Business Development Program (eGov-BDP)</b>		
e-Governance Expenses	2.74	3.65
<b>eGovernance Expenses (Outside Maharashtra)</b>		
BLAS Project Expenses	25.59	-
Edu-e Governance Expenses	24.32	29.37
Other eGovernance Project	3.40	-
	<b>56.05</b>	<b>33.02</b>
<b>Educational Transformation Program -( ETP )</b>		
Educational Transformation Program Expenses	6.66	3.21
Excellence & Talent Nurturance Program (Excel-TNP)	-	13.92
MKCL Finishing Schools Program	38.23	10.83
	<b>44.89</b>	<b>27.96</b>
<b>Social Business Development Program ( S-BDP)</b>	<b>16.33</b>	<b>6.07</b>
<b>International Business Development Program (INT-BDP)</b>	<b>44.57</b>	<b>27.25</b>
<b>Total</b>	<b>6,624.53</b>	<b>5,737.33</b>

**NOTE NO 2.20**

**EMPLOYEE BENEFIT EXPENSES**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
(a) Salaries	3,171.37	2,569.01
(b) Contributions to -		
(i) Provident fund	191.57	187.79
(ii) Gratuity fund	51.11	49.64
(c) Staff welfare expense	49.30	46.67
<b>Total</b>	<b>3,463.35</b>	<b>2,853.11</b>

**Note No 2.21**

**OTHER EXPENSES**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Advertisement/Sales Promotion expenses	19.35	1.60
Education Promotion Teaching and Development Expenses	0.09	0.48
Auditors Remuneration incl. out of pocket expenses	19.08	22.93
Bank Charges	2.99	0.28
Communication Expenses	30.05	38.13
Donations	157.39	93.21
Electricity charges	58.63	92.47
Taxes with Interest	11.43	3.76
Legal, Professional & Consultancy Charges	65.89	119.90
Maintenance of Offices & Building	121.14	151.92
Meeting Expenses	42.29	14.59
Old Balances Written Off	335.36	8.19
Printing and Stationary	4.31	5.82
Rent Rates Taxes and Insurance	188.06	198.02
Repairs and Maintenance	46.86	37.02
Recruitment Expenses	1.88	6.57
Traveling and Conveyance	88.42	78.49
Website hosting and registration expenses	38.49	29.34
Miscellaneous Expenses	2.37	4.30
Loss on Sale of Assets	0.08	8.62
Bad Debts	152.92	278.39
<b>Total</b>	<b>1,387.08</b>	<b>1,194.03</b>

**NOTE NO 2.22****EARNING PER EQUITY SHARE**

( In Rupees Lacs )

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Net Profit attributable to equity shareholders	3,280.01	2,611.82
Weighted average number of equity shares outstanding	8,080,195	8,080,195
<b>Earnings Per Share Basic &amp; Diluted (Rs.)</b>	<b>40.59</b>	<b>32.32</b>

**NOTE NO 2.23****EARNING IN FOREIGN EXCHANGE**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Royalty and other income from MKCL International FZE	342.19	236.25
Dividend Income from MKCL International FZE	25.83	26.72
Income from courses given outside India	0.10	0.17
<b>Total</b>	<b>368.12</b>	<b>263.14</b>

**NOTE NO 2.24****EXPENSES IN FOREIGN EXCHANGE**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Foreign Travel Expenses	1.59	-
On Software Services	-	0.46
<b>Total</b>	<b>1.59</b>	<b>0.46</b>

**NOTE NO 2.25****DIRECTORS REMUNERATION**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Salary	32.52	27.23
Performance linked awards	8.36	6.86
Other Allowances	18.45	16.22
Contributions to PF	3.90	3.27
Perquisites	11.59	10.38
Gratuity	9.07	1.13
Leave Encashment	9.66	-
<b>Total</b>	<b>93.55</b>	<b>65.09</b>

**NOTE NO 2.26**

**PAYMENT TO THE AUDITORS**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
As :		
a) Auditors	18.88	18.40
b) For Taxation Audit	1.77	1.73
c) For Taxation matters	0.27	1.22
d) For Other Services	0.94	1.08
e) For Reimbursement of Expenses	0.48	0.50
<b>Total</b>	<b>22.34</b>	<b>22.93</b>

**NOTE NO 2.27**

**OBLIGATIONS OF LONG-TERM NON-CANCELABLE OPERATING LEASES**

The lease rentals charged during the period and maximum obligations on long-term non-cancelable operating leases payable as per the rentals stated in the respective agreement are as follows:

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
<b>Lease Rental recognized during the year</b>		
Mumbai Office	-	0.52
Pune	178.24	182.60
Lucknow	-	0.08
Bihar	1.98	2.76
Amravati	2.40	2.18
<b>Total of Lease on Office premises</b>	<b>182.62</b>	<b>188.14</b>
<b>Lease Obligations payable</b>		
Not later than one year of the Balance Sheet date	179.72	98.30
Later than one year and not later than five years	583.74	33.36
Later than five years	-	-

**NOTE NO 2.28****SEGMENT REPORTING  
REPORTABLE SEGMENT**

(Knowledge Lit Skill Development Program (KLSDP), Mission Mode Skill Development Program (MMSDP), DU-BDP and OASIS-BDP are identified as reportable Primary segments on the basis of Business Segment as defined in Accounting Standard 17 - Segment Reporting issued by Institute of Chartered Accountants of India, since revenue from these activities constitutes more than 75% of the total revenue of the Company.

Particulars	For the period ended 31st March, 2018					For the period ended 31st March, 2017								
	PRIMARY SEGMENT				Total PRIMARY SEGMENT	Other	Total	PRIMARY SEGMENT			Total PRIMARY SEGMENT	Other	Total	
	KLSDP and NPMP	MSDP	DU-BDP	OASIS- BDP				KLSDP and NPMP	DU-BDP	OASIS- BDP				N- BDP
<b>Revenue</b>														
Revenue from Business Development Program	10,028.95	2,787.72	1,063.24	1,058.22	14,938.13	680.13	15,618.25	9,131.03	1,067.86	670.15	432.68	11,301.72	773.43	12,075.14
Other Income	-	-	-	-	-	-	2,045.19	-	-	-	-	-	-	2,318.86
<b>Total Revenue</b>	-	-	-	-	-	-	<b>17,663.44</b>	-	-	-	-	-	-	<b>14,394.00</b>
<b>Expenses</b>														
Direct expenses attributable to Business Development Program	6,454.98	1,108.34	153.05	21.21	7,737.58	176.85	7,914.43	5,896.95	138.66	90.61	18.05	6,144.27	315.98	6,460.25
Other Allocable Expenses	1,917.33	723.38	594.15	390.82	3,625.69	749.79	4,375.47	1,942.91	592.42	414.46	111.58	3,061.37	820.47	3,881.84
Unallocable Expenses	-	-	-	-	-	-	652.37	-	-	-	-	-	-	388.88
<b>Total Expenses</b>	-	-	-	-	-	-	<b>12,942.27</b>	-	-	-	-	-	-	<b>10,730.97</b>
<b>Profit Before Tax</b>							<b>4,721.17</b>							<b>3,663.03</b>

## NOTE NO 2.29

### CONTINGENT LIABILITIES

( In Rupees Lacs )

Particulars	For the year ended 31 <sup>st</sup> March 2018	For the year ended 31 <sup>st</sup> March 2017
Outstanding Bank Guarantees for		
- Performance guarantee for services given	116.90	1.00
<b>Total Contingent Liabilities</b>	<b>116.90</b>	<b>1.00</b>

- 1 Performance bank guarantees aggregating to Rs.590 lacs were invoked by BSNL, unilaterally. In our opinion, such action of M/s. BSNL was not justifiable and tenable and hence the company had challenged the action of M/s. BSNL by invoking appropriate legal recourse. Arbitration proceeding in this matter had been initiated as per the order of Honorable Civil Court, Pune. The Company had filed a Special Civil Suit on 10th April, 2012 in the Honorable Court of Pune against M/s. WICeNeT Ltd. regarding the counter Indemnity Bond given by M/s WICeNeT Ltd to Maharashtra Knowledge Corporation Ltd. in respect of the Performance Bank Guarantee given by Maharashtra Knowledge Corporation Ltd. to M/s. BSNL, which is invoked. The total claim amount in the said suit is Rs.583 lakhs.

During the current financial year, judgment dated 9th October, 2017 has been passed with respect to the arbitration proceeding in the above mentioned matter regarding encashment of the Performance Bank Guarantee by M/s BSNL aggregating to Rs.590 lakhs.

As per the award dated 9th October, 2017, M/s. BSNL is allowed Rs.325.34 lakhs out of their total claims and to return Rs.264.66 lakhs (Rs.590 lakhs - Rs.325.34 lakhs) to MKCL, within three months from the date of Award. So far the balance amount of Rs.264.66 lakhs has not been received by MKCL. This receivable amount is shown under note no 2.11.

- 2 The Company has gone into appeal against the 143(3) order issued by the Income Tax Department for F.Y. 2009-2010 i.e. for A.Y 2010-2011. The Income Tax demand raised in the 143 (3) order of Rs.14.27 lakhs, against this the company has already paid Rs.7.00 lakhs, as a pre-requisite for going into appeal. Appeal order has been passed but the final liability is yet to be ascertained by the assessing officer so the balance amount of demand of Income Tax of Rs.7.27 lakhs is of contingent nature.

- 3 In the F.Y. 2016-17 Audit by the Service Tax Department (Pune) was done for the period April 2011 to March 2015. Based on their Audit the Service Tax Department had issued a show cause notice on 4th April.17 w.r.t some disallowance of services claimed as exempt by the Company & raising a demand of Rs. 51,32,754/-.

The company had given its reply to the show cause notice giving all the facts, mentioning all provisions of the Service Tax Act under which the said services are exempt. The hearing against this show cause took place during the year and the order of the Central GST, Pune II Commissionerate is passed, wherein it says that the show cause notice is not sustainable and deserve to be set aside and the service tax demand is also not sustainable.

## NOTE NO 2.30

### INVESTMENT IN LIQUID RATE INCOME FUND

Company has shown investment in Liquid Rate Income Fund under Cash and cash equivalents in this year as against its disclosure under Investments in previous year. As the amounts lying in Liquid Rate Income Fund can be withdrawn / invested on, as and when required basis.

## NOTE NO 2.31

Directors have recommended for approval of the members a final dividend of Rs.2.50 i.e 25% per Equity Share of Rs.10/- each of the Company out of profits of the Company for the financial year ended as on 31st March 2018. The dividend if declared would result in cash outflow of Rs.202.00 lacs and tax on dividend of Rs.35.87 lacs, which if approved in the forthcoming Annual General Meeting, will be paid to those members whose names, will appear in the Register of Members as on that date.

## NOTE NO 2.32

### RECLASSIFICATION

Figures for the previous year wherever necessary have been regrouped, recast and rearranged to conform to requirement of Revised Schedule III format of Balance Sheet and Statement of Profit & Loss prescribed by the new Companies Act, 2013.



## Independent Auditor's Report on Consolidated Financial Statements

To  
The Members of  
*Maharashtra Knowledge Corporation Limited*

### Report on the Consolidated Financial Statements

We have audited the accompanying financial statements of **Maharashtra Knowledge Corporation Limited** (hereinafter referred to as "the Holding company"), and its subsidiaries (the holding company and its subsidiaries together referred as "The Group") its associates which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated 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 consolidated 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 consolidated 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 Holding 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 Holding 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 Holding 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 the audit evidence obtained by other auditors in terms of their reports referred to in sub paragraph (a) of the other matters paragraph below, 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 consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Holding Company as at March 31, 2018, and its Consolidated Profit/Loss and its Consolidated Cash Flow for the year ended on that date.

## Other Matters

- a. We did not audit the financial statements/financial information of one subsidiary, whose financial statements/financial information reflect total assets of Rs.2218.82 Lakhs as at 31st March, 2018, total revenues of Rs.721.11 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management.
- b. The consolidated financial statements also include the Group's share of net profit/(loss) of Rs. 931.60 Lakhs for the year ended 31st March, 2018, as considered in the consolidated financial statements, in respect of two associates, whose financial statements/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.
- c. The consolidated financial statements also include the Group's share of net profit/(loss) of Rs. 221.97 Lakhs for the year ended 31st March, 2018, as considered in the consolidated financial statements, in respect of one associate, whose financial statements/financial information have not been audited by us. These financial statements/financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associates, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to these unaudited financial statements which have been included in consolidation of financial statements, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

## 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 Holding Company so far as it appears from our examination of those books;
  - c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. in our opinion, the aforesaid Consolidated 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 of the Holding Company as on 31 March, 2018, taken on record by the Board of Directors holding company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group Companies and Its associate companies are disqualified as on 31 March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

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 Group and its associates does not have any pending litigations which would impact its financial position.
- ii. The Group and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts ,required to be transferred, to the Investor Education and Protection Fund by the Group and its associates.

For and on behalf of  
**P. V. Page & Co**  
*Chartered Accountants*  
Firm's registration number: 107243W

**Prakash Page**  
*Partner*  
Membership number: 030560

Place: Mumbai  
Date: August 08, 2018

**“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 Holding Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.  
(b) The Holding Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.  
(c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management of the Holding company 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 Holding 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 Holding 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 Holding 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 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 Holding company and the same have been maintained properly by the Holding 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 holding Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, GST, 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, GST, duty of customs, duty of excise, value added tax outstanding on account of any dispute except as mentioned under Note No. 2.29 on Contingent Liabilities.
- 8) In our opinion and according to the information and explanations given to us, the Holding Company has not defaulted in the repayment of dues to banks. The Holding Company has not taken any loan either 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 holding company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management of the holding company, we report that no fraud by the Holding Company or on the Holding 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 of the holding company, 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 of the holding company, the holding 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 Holding Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management of the holding company, the holding 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 holding 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 and on behalf of

**P. V. Page & Co**

*Chartered Accountants*

Firm's registration number:107243W

**Prakash Page**

*Partner*

Membership number:030560

Place: Mumbai

Date: August 08, 2018

## **“Annexure B” to the Independent Auditor’s Report of even date on the consolidated Financial Statements**

### **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 Maharashtra Knowledge Corporation Limited (“the Holding Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”

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 including the Report on Internal Financial Control by Independent Professionals for Standalone Company are 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

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 Holding Company and its subsidiaries have, 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 criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For and on behalf of

**P. V. Page & Co**

*Chartered Accountants*

Firm's registration number:107243W

**Prakash Page**

*Partner*

Membership number:030560

Place: Mumbai

Date: August 08, 2018



**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018**

(In Rupees Lacs)

Particulars	Note No.	Figures as at 31 <sup>st</sup> March, 2018	Figures as at 31 <sup>st</sup> March, 2017
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2.1	808.02	808.02
Corpus Donation received		1,860.73	1,127.00
(b) Reserves and surplus	2.2	33,432.08	28,581.38
(c) Money received against share warrants		-	-
<b>2 Share application money pending allotment</b>			
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings			
(b) Deferred tax liabilities (Net)	2.3	9.04	77.87
(c) Other Long-term liabilities	2.4	987.07	771.36
(d) Long-term provisions	2.5	496.49	482.54
<b>4 Current liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade payables	2.6	2,661.96	2,044.83
(c) Other current liabilities	2.7	582.30	1,102.24
(d) Short-term provisions	2.8	5,170.19	3,467.39
<b>TOTAL</b>		<b>46,007.88</b>	<b>38,462.63</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets		3,233.06	3,338.36
(ii) Intangible assets	2.9	30.24	44.04
(iii) Capital work-in-progress		-	-
(b) Non-current investments	2.10	10,933.09	9,779.32
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	2.11	4,676.60	3,606.41
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	2.12	723.44	538.94
(c) Trade receivables	2.13	2,114.47	2,180.33
(d) Cash and cash equivalents	2.14	20,773.75	16,254.24
(e) Short-term loans and advances	2.15	2.57	81.36
(f) Other current assets	2.16	3,520.66	2,639.63
<b>TOTAL</b>		<b>46,007.88</b>	<b>38,462.63</b>

As per our report attached

For and on behalf of the Board  
Maharashtra Knowledge Corporation Ltd.

For P.V. Page & Co.  
Chartered Accountants

Dr. Anant Sardeshmukh  
Director  
DIN : 00383994

Vivek Sawant  
Managing Director  
DIN : 00002285

Prakash V. Page  
Partner

Manoj Narvekar  
Chief Financial Officer

Komal Chaubal  
Company Secretary & Chief Legal Officer

Place: Mumbai, INDIA  
Date: August 08, 2018

M.NO: ACA048254 Place : Pune, INDIA  
Date : August 07, 2018

FCS: 5186

## CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2018

(In Rupees Lacs)

Particulars		Note No.	Figures as at 31 <sup>st</sup> March, 2018	Figures as at 31 <sup>st</sup> March, 2017
I.	Revenue from operations	2.17	15,279.62	11,839.49
II.	Other income	2.18	2,873.75	2,912.52
III.	<b>Total Revenue (I + II)</b>		<b>18,153.37</b>	<b>14,752.01</b>
IV.	<b>Expenses</b>			
	Expenses on courses & programs	2.19	6,744.80	5,877.93
	Purchases of Stock-in-Trade		1,474.40	688.96
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		(184.50)	6.18
	Employee benefits expense	2.20	3,484.88	2,893.84
	Depreciation and amortization expense	2.9	177.48	251.38
	Other expenses	2.21	1,335.22	1,213.99
	<b>Total expenses</b>		<b>13,032.28</b>	<b>10,932.28</b>
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>5,121.09</b>	<b>3,819.73</b>
VI.	Exceptional items		-	-
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>5,121.09</b>	<b>3,819.73</b>
VIII.	Extraordinary Items			
IX.	<b>Profit before tax (VII- VIII)</b>		<b>5,121.09</b>	<b>3,819.73</b>
	<b>ADD: Share in Profit/(Loss) of Associates</b>		<b>1,153.58</b>	<b>952.13</b>
X	Tax expense:			
	(1) Current tax		1,510.00	1,060.20
	(2) Earlier years tax adjustments		0.00	(37.02)
	(3) Deferred tax		(68.84)	28.03
XI	<b>Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>4,833.51</b>	<b>3,720.65</b>
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
XV	<b>Profit (Loss) for the period (XI + XIV)</b>		<b>4,833.51</b>	<b>3,720.65</b>
XVI	<b>Earnings per equity share:</b>			
	(1) Basic	2.22	59.82	46.05
	(2) Diluted	2.22	59.82	46.05

As per our report attached

For and on behalf of the Board  
Maharashtra Knowledge Corporation Ltd.

For P.V. Page & Co.  
Chartered Accountants

Dr. Anant Sardeshmukh  
Director  
DIN : 00383994

Vivek Sawant  
Managing Director  
DIN : 00002285

Prakash V. Page  
Partner

Manoj Narvekar  
Chief Financial Officer  
M.NO: ACA048254

Komal Chaulal  
Company Secretary & Chief Legal Officer  
FCS: 5186

Place: Mumbai, INDIA  
Date: August 08, 2018

Place : Pune, INDIA  
Date : August 07, 2018

**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31<sup>st</sup> MARCH, 2018**  
(As per Schedule III to the Companies Act, 2013)

(In Rupees Lacs)

Particulars	Figures as at 31 <sup>st</sup> March, 2018	Figures as at 31 <sup>st</sup> March, 2017
<b>A. Cash flows from operating activities</b>		
Net profit before tax	5,121.09	3,819.74
<u>Adjustments for:</u>		
Depreciation	177.48	251.38
Interest income	(1,771.93)	(1,546.97)
Dividend & Other income	(918.75)	(909.26)
<b>Operating profit before working capital changes</b>	<b>2,607.89</b>	<b>1,614.89</b>
<u>Adjustments for:</u>		
Sundry debtors and other receivables	(414.50)	(883.59)
Inventories	(184.50)	6.18
Current Liabilities and Provision for expenses	710.76	(469.94)
<b>Cash generated from operations</b>	<b>2,719.65</b>	<b>267.54</b>
Income taxes paid (net of refunds, if any)	(1,388.48)	(1,008.55)
<b>Net cash from operating activities</b>	<b>1,331.17</b>	<b>(741.01)</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets	(58.08)	(71.31)
Share in Profit/(Loss) of Associates	1,153.58	952.13
Increase in Investments in associates	(1,153.58)	(952.13)
Foreign Currency Translation Adjustment	(9.13)	(3.88)
(Increase)/Decrease in Investments on Consolidation	(0.19)	9.78
Interest income	1,771.93	1,546.97
Dividend & Other income	918.75	909.26
Dividend received from FZE	25.83	-
<b>Net cash used for investing activities</b>	<b>2,649.11</b>	<b>2,390.82</b>
<b>C. Cash flows from financing activities</b>		
Corpus Donation received	733.73	1,127.00
Dividends paid	(161.60)	(161.60)
Dividends FZE	-	(27.01)
Dividend Distribution Tax paid	(32.90)	-
<b>Net cash from financing activities</b>	<b>539.23</b>	<b>938.39</b>
<b>Net increase in cash and cash equivalents ( A + B + C )</b>	<b>4,519.51</b>	<b>2,588.20</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>16,254.24</b>	<b>13,666.04</b>
<b>Cash and cash equivalents at end of period</b>	<b>20,773.75</b>	<b>16,254.24</b>

As per our report attached

For and on behalf of the Board  
Maharashtra Knowledge Corporation Ltd.

For P.V. Page & Co.  
Chartered Accountants

Dr. Anant Sardeshmukh  
Director  
DIN : 00383994

Vivek Sawant  
Managing Director  
DIN : 00002285

Prakash V. Page  
Partner

Manoj Narvekar  
Chief Financial Officer

Komal Chaulal  
Company Secretary & Chief Legal Officer

Place: Mumbai, INDIA  
Date: August 08, 2018

M.NO: ACA048254 Place : Pune, INDIA  
Date : August 07, 2018

FCS: 5186

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2018.**

**NOTES ON ACCOUNTS**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Consolidation:**

- a. The Consolidated Financial Statements (“CFS”) relate to Maharashtra Knowledge Corporation Limited (“the Company” or “the Parent Company”) with its Foreign Subsidiary namely MKCL International (FZE), Indian subsidiary namely MKCL Knowledge Foundation and with its Indian Associate Companies namely Rajasthan Knowledge Corporation Limited, Haryana Knowledge Corporation Limited and Odisha Knowledge Corporation Limited collectively referred to as “the Group”.
- b. The CFS has been prepared in accordance with the Accounting Standard (AS) 21 “Consolidated Financial Statements”, and Accounting Standard (AS) 23 “Accounting for investments in Associates in Consolidated Financial Statements” issued by the institute of Chartered Accountants of India.

**B. Principles of Consolidation:**

- a. The financial statements of the Company and its subsidiary companies has been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances/transactions and unrealized profits or losses.
- b. In case of foreign subsidiary, being non integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Exchange Fluctuation Reserve.
- c. Investments in associate companies in which the Company has significant influence but not a controlling interest, are reported according to the equity method. The carrying amount of the investment is adjusted for the post acquisition change in the group’s share of net assets of the investee. The Consolidated Statement of Profit and Loss includes the Company’s share of the results of the operations of the investee.

**I. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS**

The accompanying financial statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) applicable in India, under historical cost convention and on the accrual basis. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lacs.

GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (“ICAI”) and the provisions of the Companies Act, 2013.

**II. USE OF ESTIMATES**

The preparation of financial statement in conformity with GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities at the date of financial statement, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates which are recognized in the period in which the results are known/ materialized.

**III. REVENUE RECOGNITION**

**a. Income from Programs**

**Knowledge Lit Skill Development Program (KLSDP) and Network Partnership Management Program (NP-MP)**

Course Fees from MS-CIT, MS-ACIT, KLiC, Mastering and others primarily consist of revenue accrued based upon number of learners registered on web-based SOLAR application of the Company during the current accounting period.

Course Fees, Exam Fees and Re-exam Fees from MS-CIT and KLiC course are recognized on the basis of learners registered on web - based SOLAR application.

Revenue under Network Partnerships Management Program (NP-MP) has been re-grouped under **Knowledge Lit Skill Development Program (KLSDP)**

Renewal Fees and New Center Registration Fees collected from centers are recognized on accrual basis and on confirmations received from web-based SOLAR application.

#### **Digital University - Business Development Program (DU-BDP)**

Revenue from Digital University Business Development Program is recognized as per the count confirmations of admissions received from the web - based Digital University application.

#### **OASIS Business Development Program (OASIS-BDP)**

Revenue from Admission/Recruitment Projects is recognized as per the count confirmations of admissions and recruitment received from the web - based OASIS application.

#### **Mission Mode Skill Development Program (MSDP)**

Income under this program is recognized on the basis of learners registered and other relevant data for revenue booking received from the web based SOLAR application.

#### **International Business Development Program (INT-BDP)**

Income is recognized on accrual basis and 100% royalty income is booked on admission confirmation.

- b. Income from MKCL offerings on Nationwide scale has been included under the respective Business Development Programs. Accordingly re-grouping of Revenue appearing under Nationwide Business Development Program (N-BDP) has been done for last year. Also similar treatment is given with respect to the direct expenses appearing under Nationwide Business Development Program (N-BDP).

- c. Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding/invested and the interest rate applicable.

Income from investments in liquid rate funds is recognized upon receipt of income from the respective fund.

## **IV. EXPENDITURE**

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

Charges relating to non-cancelable long-term operating lease are computed on the basis of lease rentals payable as per the relevant lease agreement and recognized as expense.

The company is handling and facilitating the contribution done by its network partners which is intended for doing common marketing - regional/specific location wise as mutually agreed amongst them. Accounting relating to such transactions are not brought in to the Companies Profit and Loss Account and they are accounted as Balance Sheet items. Such Common marketing contribution expenses are accounted, incurred and paid for as and when they actually happen, by the Company.

## **V. FIXED ASSETS**

Fixed assets are stated at cost less accumulated depreciation. Cost for the purpose includes cost of acquisition, installation, duties and taxes, and other incidental expenses incurred during acquisition, construction or installation of fixed assets. Computers include software purchased. Land acquired on lease for 99 years or less is treated as leasehold land.

## **VI. DEPRECIATION**

The depreciation is charged based on the useful lives of various Tangible assets as specified under Part-C of Schedule II of The Companies Act, 2013. Schedule II prescribes indicative useful lives of various assets instead of Straight Line Method (SLM)/Written Down value (WDV) rates for calculating depreciation. Useful life is the period over which an asset is expected to be available for use by an entity. Depreciation for assets purchased/sold/discarded during the period is proportionately charged.

For depreciation on Intangible assets the rates are applicable as per the provisions of the Accounting Standard on WDV basis.

Cost of leasehold land for 99 years or less is amortized over the remaining lease period.

## VII. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions on initial recognition in the reporting currency are accounted for at the exchange rates prevailing on the date of transaction.

Foreign exchange gain or loss, resulting on account of reinstatement of monetary items on the date of balance sheet using exchange rate as on the date of Balance Sheet is recognized as income or expense for the period.

Exchange differences arising on the company's net investment in foreign subsidiary being a non-integral foreign operation are accumulated in a Foreign Currency Translation Reserve until the disposal of such investment, at which time they are recognized as income or as expense.

## VIII. EMPLOYEE BENEFITS

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service.

The company contributes to a Provident Fund, which is a defined contribution plan, and is charged to Statement of Profit and Loss.

The Company provided for gratuity, a defined benefit retirement plan covering all employees. It has subscribed to the Group Gratuity Plan of Life Insurance Corporation of India. The Plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of service; of an amount based on the respective employee's last drawn salary and tenure of employment. Liability with regard to Gratuity Plan is accrued based on actuarial valuation at the Balance Sheet date, carried out by an independent actuary. Actuarial gain or loss is recognized immediately in the statement of Profit and Loss as income or expense.

Leave encashment liability is provided on the basis of leave outstanding to the credit of employees at the Balance Sheet date.

## IX. DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES

Related Party disclosures have been set out in the following statement. The related parties, as defined by Accounting Standard 18 'Related Party Disclosures' issued by The Institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key managerial persons and taken on record by the Board.

(Rupees in Lacs)			
Sr. No.	Particulars	Year ended March 31 <sup>st</sup> , 2018	Year ended March 31 <sup>st</sup> , 2017
1	<b>Investments</b>		
	- Rajasthan Knowledge Corporation Limited	60.00	60.00
	- Odisha Knowledge Corporation Limited	60.00	60.00
	- Haryana Knowledge Corporation Limited	60.00	60.00
	- MKCL International FZE	18.81	18.81
	- MKCL Knowledge Foundation	200.00	200.00
	- MKCL Arabia Ltd.	86.80	-
2	<b>Expenses</b>		
	- Incurred on behalf of MKCL International FZE	7.78	0.81
	- Incurred on behalf of Odisha Knowledge Corporation Limited (net)	(28.69)	0.57
	- Incurred on behalf of Haryana Knowledge Corporation Limited (net)	(28.24)	(23.56)
	- Incurred on behalf of MKCL Knowledge Foundation (net)	7.88	14.13

<b>3</b>	<b>Income</b>		
	- Dividend Received from Rajasthan Knowledge Corporation Limited	21.00	21.00
	- For other service charges to Odisha Knowledge Corporation Limited	161.36	185.47
	- Dividend Received from Haryana Knowledge Corporation Limited	6.00	6.00
	- Dividend Received from Odisha Knowledge Corporation Limited	6.00	-
	- Sale of books to Haryana Knowledge Corporation Limited	15.00	15.00
	- For other service charges to Haryana Knowledge Corporation Limited	735.80	317.71
	- Royalty from MKCL International FZE	342.19	236.25
	- Dividend Received from MKCL International FZE	25.83	26.72
	- For Business Center Facilities given to MKCL Knowledge Foundation	17.31	41.29
<b>4</b>	<b>Receivable</b>		
	- Odisha Knowledge Corporation Limited	151.39	109.19
	- MKCL International FZE	158.33	228.56
	- Haryana Knowledge Corporation Limited	409.29	226.31
	- MKCL Knowledge Foundation	50.26	32.07

Names of related parties and description of relationship -

- |  |   |                    |
|--|---|--------------------|
| 1. Rajasthan Knowledge Corporation Limited                                 | - | Joint Venture      |
| 2. Odisha Knowledge Corporation Limited                                    | - | Joint Venture      |
| 3. Haryana Knowledge Corporation Limited                                   | - | Joint Venture      |
| 4. MKCL International FZE  | - | Subsidiary Company |
| 5. MKCL Knowledge Foundation   | - | Subsidiary Company |
| 6. Maharashtra Knowledge Foundation  | - | Charitable Trust   |
| 7. MKCL Lanka Private Limited  | - | Foreign Company    |
| 8. MKCL Arabia Ltd. (Shares are yet to be transferred In the name of MKCL) | - | Joint Venture      |

## X. TAXES ON INCOME

Tax expenses for the year comprise of current tax and deferred tax.

Current taxes are measured, at the amounts expected to be paid in respect of taxable income for the period, using the applicable tax rates and tax laws.

Deferred Tax Liability is recognized subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

Deferred Tax Assets is recognized only when it is certain that there is sufficient future income against which such deferred tax asset can be realized.

**For and on behalf of the Board  
Maharashtra Knowledge Corporation Ltd.**

For P.V. Page & Co.  
Chartered Accountants

**Dr. Anant Sardeshmukh**  
Director  
DIN : 00383994

**Vivek Sawant**  
Managing Director  
DIN : 00002285

**Prakash V. Page**  
Partner

**Manoj Narvekar**  
Chief Financial Officer  
M.NO: ACA048254

**Komal Chaubal**  
Company Secretary & Chief Legal Officer  
FCS: 5186

Place: Mumbai, INDIA  
Date: August 08, 2018

Place : Pune, INDIA  
Date : August 07, 2018



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

**NOTE NO. 2.1  
SHARE CAPITAL**

(In Rupees Lacs)

Particulars	Figures As at 31 <sup>st</sup> March, 2018		Figures As at 31 <sup>st</sup> March, 2017	
	Number	Rupees	Number	Rupees
<b><u>Authorised Share Capital</u></b> Equity Shares of Rs. 10 each	20,000,000	2,000.00	20,000,000	2,000.00
<b><u>Issued, Subscribed &amp; Paid Up Share Capital</u></b> Equity Shares of Rs. 10 each, fully Paid Up	8,080,195	808.02	8,080,195	808.02
<b>Total</b>	<b>8,080,195</b>	<b>808.02</b>	<b>8,080,195</b>	<b>808.02</b>

**SHARE HOLDING PATTERN**

Name of Shareholder	Figures As at 31 <sup>st</sup> March, 2018		Figures As at 31 <sup>st</sup> March, 2017	
	No. of Shares held	% of Total Paid Up Capital	No. of Shares held	% of Total Paid Up Capital
Department of Higher & Technical Education, Government of Maharashtra	3,000,000	37.13	3,000,000	37.13
10 Universities	2,740,000	33.91	2,740,000	33.91
Others	2,340,195	28.96	2,340,195	28.96
<b>Total</b>	<b>8,080,195</b>	<b>100.00</b>	<b>8,080,195</b>	<b>100.00</b>

**NOTE NO. 2.2**  
**RESERVES & SURPLUS**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>General Reserve Account</b>		
Opening Balance	5,900.00	5,600.00
(+) Current Year Transfer	500.00	300.00
Closing Balance	<b>6,400.00</b>	<b>5,900.00</b>
<b>Foreign Currency Translation Reserve</b>		
Opening Balance	108.10	111.39
(+) Current Year Transfer	(0.07)	0.58
(+) Currency conversion difference adjustment	(9.13)	(3.89)
(-) Written Back in Current Year		-
Closing Balance	<b>98.90</b>	<b>108.08</b>
<b>Surplus</b>		
Opening balance	22,573.28	19,374.73
(+) Surplus For the current year	4,833.51	3,720.66
(+) Dividend of FZE (17-18)	26.32	-
Total Allocable Surplus - (A)	27,433.11	23,095.39
<b>Allocations &amp; Appropriations</b>		
(+) Transfer to Foreign Currency Translation Reserve	0.07	-
(-) Transfer to Foreign Currency Translation Reserve	-	0.58
(-) Transfer to Reserves	500.00	300.00
(-) Dividend of FZE	-	27.01
(+) Dividend of FZE (17-18)	-	-
(-) Proposed Dividends	-	161.60
(-) Tax on Dividends	-	32.90
Total Allocations & Appropriations -(B)	499.93	522.09
Closing Balance (A-B)	<b>26,933.18</b>	<b>22,573.30</b>
<b>Total</b>	<b>33,432.08</b>	<b>28,581.38</b>

**NOTE NO. 2.3****DEFERRED TAX LIABILITIES (NET)**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Deffered Tax Liability</b>		
Opening Balance	89.43	95.27
Transfer during the year	15.53	(5.85)
<b>Total</b>	<b>104.96</b>	<b>89.42</b>
<b>Deferred Tax Asset</b>		
Opening Balance	11.56	45.44
Transfer during the year	84.36	(33.89)
<b>Total</b>	<b>95.92</b>	<b>11.55</b>
<b>Total</b>	<b>9.04</b>	<b>77.87</b>

**NOTE NO 2.4****OTHER LONG TERM LIABILITIES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(a) Trade Payables	-	-
(b) Others		
Study Material Deposit	255.85	271.70
Performance Guarantee Money & Retention	2.24	7.28
Security Deposits	728.98	492.38
<b>Total</b>	<b>987.07</b>	<b>771.36</b>

**NOTE NO 2.5****LONG-TERM PROVISIONS**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(a) Provision for employee benefits		
Leave Encashment	496.49	467.76
(b) Others	-	14.78
<b>Total</b>	<b>496.49</b>	<b>482.54</b>

**NOTE NO 2.6**

**TRADE PAYABLES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Liability towards Network Partners	956.85	721.88
Creditors for Material & Services	1,705.11	1,322.95
<b>Total</b>	<b>2,661.96</b>	<b>2,044.83</b>

**NOTE NO 2.7**

**OTHER CURRENT LIABILITIES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
a) Unclaimed Dividend	6.82	5.18
b) Taxes & Duties Payable		
Tax Deducted at Source	88.63	71.86
Service Tax	-	15.32
Tax on Works Contracts under MVAT	-	0.26
Professional Tax	0.74	0.91
VAT Payable	-	0.01
GST Payable	60.22	-
c) Others	-	-
Common Marketing Contribution	185.34	298.18
Other Liabilities	240.55	710.52
<b>Total</b>	<b>582.30</b>	<b>1,102.24</b>

**NOTE NO 2.8**  
**SHORT TERM PROVISIONS**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>(a) Provision for employee benefits</b>		
Salary & Reimbursements	352.24	216.46
Contribution to ESIC	0.08	0.37
Contribution to Provident Fund	32.40	31.91
Provision for Performance Linked Awards	600.00	350.00
Director's Remuneration	4.62	6.68
<b>(b) Others</b>		
Provision for Corporate Income Tax (A.Y. 10-11)	7.27	7.27
Provision for Corporate Income Tax (A.Y. 16-17)	1,603.38	1,600.00
Provision for Corporate Income Tax (A.Y. 17-18)	1,060.20	1,060.20
Provision for Corporate Income Tax (A.Y. 18-19)	1,510.00	-
Provision for Proposed Dividend	-	161.60
Corporate Dividend Tax Payable	-	32.90
<b>Total</b>	<b>5,170.19</b>	<b>3,467.39</b>

**NOTE NO 2.9**  
**Fixed Assets**

Sr. No.	Particulars	Gross Block						Accumulated Depreciation				Net Block	
		Balance as at 1 <sup>st</sup> April 2017	Additions	Deletion / Transfers	Revaluations/ (Impairments)	Balance as at 31 <sup>st</sup> March, 2018	Balance as at 31 <sup>st</sup> April 2017	Depreciation charge for the year	On disposals	Balance as at 31 <sup>st</sup> March, 2018	Balance as at 31 <sup>st</sup> March, 2017	Balance as at 31 <sup>st</sup> March, 2018	Balance as at 31 <sup>st</sup> March, 2017
a	<b>Tangible Assets</b>												
	Land	40.87	-	-	-	40.87	-	-	-	-	-	40.87	40.87
	Lease Hold Land	1,684.26	-	-	-	1,684.26	-	-	-	160.35	-	1,523.91	1,555.29
	Office Premises	2,072.00	-	-	-	2,072.00	-	-	-	652.72	-	1,419.28	1,449.54
	Plant and Machinery	1.04	-	-	-	1.04	-	-	-	1.04	-	-	-
	Furniture and Fixtures	458.12	0.28	-	-	458.40	-	-	-	33.19	-	88.18	121.10
	Office Equipment and Appliances	346.77	17.50	-	-	364.27	-	-	-	16.47	-	43.55	42.23
	Computer Hardware	575.39	33.99	0.17	-	609.22	-	0.17	-	31.71	0.08	53.29	51.09
	Electrical Fittings	131.03	-	-	-	131.03	-	-	-	9.78	-	33.67	43.45
	Air Conditioner	80.28	-	-	-	80.28	-	-	-	4.15	-	29.00	33.15
	Solar Panels Power Generation Plant	6.46	-	-	-	6.46	-	-	-	0.33	-	1.31	1.64
	<b>Total - a</b>	<b>5,396.22</b>	<b>51.77</b>	<b>0.17</b>	<b>-</b>	<b>5,447.82</b>	<b>-</b>	<b>0.17</b>	<b>0.08</b>	<b>157.28</b>	<b>0.08</b>	<b>3,233.06</b>	<b>3,338.36</b>
b	<b>Intangible Assets</b>												
	Computer software	437.48	6.39	-	-	443.88	-	-	-	20.20	-	30.24	44.04
	<b>Total - b</b>	<b>437.48</b>	<b>6.39</b>	<b>-</b>	<b>-</b>	<b>443.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20.20</b>	<b>-</b>	<b>30.24</b>	<b>44.04</b>
c	<b>Capital Work In Progress</b>												
	<b>Total - c</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total - a + b</b>	<b>5,833.70</b>	<b>58.16</b>	<b>0.17</b>	<b>-</b>	<b>5,891.70</b>	<b>-</b>	<b>0.17</b>	<b>0.08</b>	<b>177.48</b>	<b>0.08</b>	<b>3,263.30</b>	<b>3,382.40</b>
	<b>Previous Period</b>	<b>5,845.98</b>	<b>80.36</b>	<b>92.93</b>	<b>-</b>	<b>5,833.41</b>	<b>-</b>	<b>-</b>	<b>83.88</b>	<b>251.38</b>	<b>83.88</b>	<b>3,382.40</b>	<b>3,562.47</b>

\* Note : Adjustment entry effect added in the opening Gross Block of Office Equipment and Appliances by value of Rs. 29,011/-.

**NOTE NO 2.10****NON-CURRENT INVESTMENTS**

(In Rupees Lacs)

	Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Trade Investments</b>		
	(a) Investment in Equity instruments		
	Rajasthan Knowledge Corporation Limited 6,00,000 Shares @ Rs.10/- each	3,587.51	2,778.97
	Odisha Knowledge Corporation Limited 6,00,000 Shares @ Rs.10/- each	547.02	325.04
	Haryana Knowledge Corporation Limited 6,00,000 Shares @ Rs.10/- each	236.78	113.71
	MKCL Arabia Ltd 500 Shares @ SAR 1000 equivalent to Rs. 17359 per share (Shares are yet to be transferred in the name of MKCL)	86.80	86.26
	Investment in MKCL Lanka Ltd.	25.84	26.19
	(b) Long Term Tax Free Bonds	6,449.15	6,449.15
	<b>Total</b>	<b>10,933.09</b>	<b>9,779.32</b>

**NOTE NO 2.11****LONG TERM LOANS AND ADVANCES**

(In Rupees Lacs)

	Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	<b>a. Capital Advances</b>	-	-
	<b>b. Security Deposits</b>		
	Unsecured, considered good	83.38	79.92
	<b>c. Corporate Income Tax</b>		
	Corporate Income Tax Paid (A.Y. 16-17)	1,696.29	1,698.13
	Corporate Income Tax Paid (A.Y. 17-18)	1,107.27	970.13
	Corporate Income Tax Paid (A.Y. 18-19)	1,387.27	-
	Refund Receivable-Corporate Tax (A.Y. 07-08)	2.73	2.73
	Refund Receivable-Corporate Tax (A.Y. 08-09)	13.52	13.52
	Refund Receivable-Corporate Tax (A.Y. 12-13)	2.64	2.64
	Refund Receivable-Corporate Tax (A.Y. 13-14)	16.28	16.28
	Refund Receivable-Corporate Tax (A.Y. 14-15)	43.06	43.06
	Refund Receivable-Corporate Tax (A.Y. 15-16)	40.51	171.01
	Service Tax Refund Receivable	18.17	18.17
	<b>d. VAT Refund Receivable</b>		
	VAT Refund Receivable (F.Y. 09-10)	0.13	0.13
	VAT Refund Receivable (F.Y. 11-12)	0.59	0.59
	Tax on Works Contracts under MVAT	0.10	0.10
	<b>e. Others-Unsecured, considered good</b>		
	Advance to BSNL	264.66	590.00
	<b>Total</b>	<b>4,676.60</b>	<b>3,606.41</b>



**NOTE NO 2.12  
INVENTORIES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>a. Stock-in-trade - At Cost (As Certified by the Management)</b>		
Inventory of Books MS-CIT	489.59	337.80
Inventory of Books KLiC	98.12	118.10
Inventory of Books -MSDP	131.12	82.61
Inventory of Educational Material	0.04	0.23
Inventory of Contour Markers	0.20	0.20
Inventory of Domestic Water Purifier	4.37	-
<b>Total</b>	<b>723.44</b>	<b>538.94</b>

**INVENTORY AND QUANTITATIVE DETAILS**

Inventory includes set of a Study Materials and Project Materials. These stocks are valued at Cost or Fair Value whichever is lower. Cost for the purpose includes cost of purchase, freight and all incidental costs incurred to bring these inventories to Company. Cost is arrived at by applying Weighted Average Formula.

Items	Opening Quantity (Nos)	Receipts Quantity (Nos)	Issues Quantity (Nos)	Closing Quantity (Nos)
Books- MS-CIT	383,671	875,000	725,979	532,692
Books- KLiC	126,442	15,500	37,358	104,584
Educational Material	48	-	40	8
Contour Markers	8	-	-	8
Books- MSDP	91,748	720,000	663,394	148,354
Domestic Water Purifier	-	570	-	570

Note :

Inventory of Success books- Value and Quantity is added in Inventory of Books KLiC.

**NOTE NO 2.13  
TRADE RECEIVABLES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	481.06	430.60
Others	1,633.41	1,749.73
<b>Total</b>	<b>2,114.47</b>	<b>2,180.33</b>

**NOTE NO 2.14****CASH AND CASH EQUIVALENTS**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
a. Balances with banks	2,804.72	3,191.39
b. Cash in hand	1.34	1.36
c. Liquid Rate Income Fund	3,500.29	1,548.32
d. Others-Fixed Deposit	14,467.40	11,513.17
<b>Total</b>	<b>20,773.75</b>	<b>16,254.24</b>

**Other disclosures related to Cash and Cash Equivalents**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Earmarked balances with banks (Unpaid Dividends)	6.82	5.18
Balances with banks to the extent held against performance bank guarantees	116.90	1.00
Bank deposits with more than 12 months maturity	13,366.65	10,517.46

**NOTE NO 2.15****SHORT-TERM LOANS AND ADVANCES**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
a. Other Advances		
Employees Advance	0.89	1.50
Other Advances	1.66	79.85
Employee Group Gratuity Scheme A/c Balance	0.02	0.01
<b>Total</b>	<b>2.57</b>	<b>81.36</b>

**NOTE NO 2.16****OTHER CURRENT ASSETS**

(In Rupees Lacs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Prepaid Expenses	99.96	111.54
Accrued Interest on Fixed Deposits	3,072.48	2,267.38
Others	348.22	260.71
<b>Total</b>	<b>3,520.66</b>	<b>2,639.63</b>

**NOTE NO 2.17**

**REVENUE FROM OPERATIONS**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>I. Sale of products</b>	<b>15.46</b>	<b>15.00</b>
<b>II Sale of services</b>		
<b>Knowledge Lit Skill Development Program (KLSDP)</b>		
Revenue from MS-CIT course	9,099.14	8,319.79
Revenue from Other courses	536.75	499.91
Revenue from Other Courses (Outside Maharashtra)	55.53	67.06
Registration/Renewal/Processing/Annual/LMS License Fees	337.51	425.36
	<b>10,028.93</b>	<b>9,312.12</b>
<b>Digital University- Business Development Program (DU-BDP)</b>		
Digital University- Business Development Program (DU-BDP)	1,012.13	1,067.86
Share in DU Projects (Outside Maharashtra)	51.11	10.06
	<b>1,063.24</b>	<b>1,077.92</b>
<b>OASIS-Business Development Program (OASIS-BDP)</b>		
Online Admissions	514.92	644.06
Recruitment Projects	22.04	25.99
Designing, Development, Maintenance and Support Services	40.75	35.38
Share in Admissions/Recruitment Projects (Outside Maharashtra)	480.51	163.35
	<b>1,058.22</b>	<b>868.78</b>
<b>Mission-Mode Skill Development Program</b>	<b>2,787.72</b>	<b>283.47</b>
<b>eGovernance-Business Development Program (eGov-BDP)</b>		
Design & Development of Digital MLS	23.08	-
eTendering Services & other Maintenance and Support Services	91.20	89.00
<b>eGovernance Business (Outside Maharashtra)</b>		
Income from BLAS Project	30.99	-
Edu- eGovernance	68.04	89.39
Other eGovernance Project	59.53	83.79
	<b>272.84</b>	<b>262.18</b>
<b>Educational Transformation Program -( ETP )</b>		
MKCL Finishing Schools (MFS) Program	40.21	18.42
	<b>40.21</b>	<b>18.42</b>
<b>Social Business Development Program ( S-BDP)</b>	<b>8.58</b>	<b>0.84</b>
<b>International Business Development Program (INT-BDP)</b>	<b>0.85</b>	<b>0.17</b>
<b>MKCL KF Income from Other Projects ( of Local 100% Subsidiary)</b>	<b>3.57</b>	<b>0.59</b>
<b>Total</b>	<b>15,279.62</b>	<b>11,839.49</b>

**NOTE NO 2.18**  
**OTHER INCOME**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Interest Income (On deposits with banks)	1,298.64	1,074.43
Interest Income ( On Long Term Tax Free Bonds)	473.29	472.54
Dividend from Associate company	33.00	27.00
Dividend from Subsidiary company	717.04	465.91
Dividend Income	124.67	112.39
Gain/(Loss) on foreign currency	(3.83)	(20.20)
Other non-operating income (net of expenses directly attributable to such income)	19.24	128.59
Revenue Donation	24.80	175.37
Old Balances Written Back	186.90	476.49
<b>Total</b>	<b>2,873.75</b>	<b>2,912.52</b>

**NOTE NO 2.19**

**EXPENSES ON COURSES & PROGRAMS**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Knowledge Lit Skill development Program (KLSDP)</b>		
Share, Exam/Re-Exam Fees	3,468.00	3,289.83
Advertisement & Sales Promotion	659.73	315.85
Content Development, Incentives and other Course Related Expenses	897.47	824.97
Expenses on Other Courses	340.72	413.14
Expenses on Other Courses (outside Maharashtra)	13.41	21.89
Network Partnership Management Program (NP-MP)	399.68	443.59
	<b>5,779.01</b>	<b>5,309.27</b>
<b>Digital University- Business Development Program (DU-BDP)</b>	<b>153.05</b>	<b>138.66</b>
<b>OASIS-Business Development Program (OASIS-BDP)</b>		
Online Admissions	9.10	26.96
Recruitment Projects	12.11	63.65
	<b>21.21</b>	<b>90.61</b>
<b>Mission-Mode Skill Development Program</b>		
Share expenses and Content Development expenses	457.85	44.99
Other Expenses	51.58	59.50
	<b>509.43</b>	<b>104.49</b>
<b>eGovernance-Business Development Program (eGov-BDP)</b>		
e-Governance Expenses	2.74	3.65
<b>eGovernance Expenses (Outside Maharashtra)</b>		
BLAS Project Expenses	25.59	-
Edu-e Governance Expenses	24.32	29.37
Other eGovernance Project	3.40	-
	<b>56.05</b>	<b>33.02</b>
<b>Educational Transformation Program -( ETP )</b>		
Educational Transformation Program Expenses	6.66	3.21
Excellence & Talent Nurturance Program (Excel-TNP)	-	13.92
MKCL Finishing Schools Program	38.23	10.83
	<b>44.89</b>	<b>27.96</b>
<b>Social Business Development Program ( S-BDP)</b>	<b>16.33</b>	<b>6.07</b>
<b>International Business Development Program (INT-BDP)</b>	<b>44.57</b>	<b>27.25</b>
<b>MKCL KF Expenses Other Projects ( of Local 100% Subsidiary )</b>	<b>120.26</b>	<b>140.60</b>
<b>Total</b>	<b>6,744.80</b>	<b>5,877.93</b>

**NOTE NO 2.20**  
**EMPLOYEE BENEFIT EXPENSES**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
(a) Salaries	3,184.05	2,595.04
(b) Contributions to -		
(i) Provident fund	196.30	196.91
(ii) Gratuity fund	51.70	52.35
(c) Staff welfare expense	49.84	46.98
(d) Leave Encashment Expenses	2.99	2.56
<b>Total</b>	<b>3,484.88</b>	<b>2,893.84</b>

**NOTE NO 2.21**  
**OTHER EXPENSES**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Advertisement/Sales Promotion expenses	19.35	2.05
Education Promotion Teaching and Development Expenses	0.09	0.48
Auditors Remuneration incl. out of pocket expenses	20.11	23.99
Bank Charges	3.29	0.76
Communication Expenses	30.41	38.54
Donations	82.39	93.21
Electricity charges	58.63	92.47
Taxes with Interest	14.73	4.08
Legal, Professional & Consultancy Charges	76.80	128.29
Maintenance of Offices & Building	123.04	152.12
Meeting Expenses	42.29	14.59
Old Balances Written Off	335.36	8.19
Printing and Stationary	4.32	5.90
Rent Rates Taxes and Insurance	188.06	198.02
Repairs and Maintenance	46.86	37.02
Recruitment Expenses	1.88	6.57
Traveling and Conveyance	91.29	81.62
Website hosting and registration expenses	38.53	29.41
Miscellaneous Expenses	2.37	4.31
Business Facilities Center Expenses	2.42	5.36
Loss on Sale of Assets	0.08	8.62
Bad Debts	152.92	278.39
<b>Total</b>	<b>1,335.22</b>	<b>1,213.99</b>

**NOTE NO 2.22**

**EARNING PER EQUITY SHARE**

( In Rupees Lacs )

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Net Profit attributable to equity shareholders	4,833.52	3,720.66
Weighted average number of equity shares outstanding	8,080,195	8,080,195
<b>Earnings Per Share Basic &amp; Diluted (Rs.)</b>	<b>59.82</b>	<b>46.05</b>

**NOTE NO 2.23**

**EARNING IN FOREIGN EXCHANGE**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Royalty and other income from MKCL International FZE	342.19	236.25
Dividend Income from MKCL International FZE	25.83	26.72
Income from courses given outside India	0.10	0.17
<b>Total</b>	<b>368.12</b>	<b>263.14</b>

**NOTE NO 2.24**

**EXPENSES IN FOREIGN EXCHANGE**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Foreign Travel Expenses	1.59	-
On Software Services	-	0.46
<b>Total</b>	<b>1.59</b>	<b>0.46</b>

**NOTE NO 2.25**

**DIRECTORS REMUNERATION**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Salary	32.52	27.23
Performance linked awards	8.36	6.86
Other Allowances	18.45	16.22
Contributions to PF	3.90	3.27
Perquisites	11.59	10.38
Gratuity	9.07	1.13
Leave Encashment	9.66	-
<b>Total</b>	<b>93.55</b>	<b>65.09</b>



**NOTE NO 2.26****PAYMENT TO THE AUDITORS**

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
As :		
a) Auditors	19.91	19.45
b) For Taxation Audit	1.77	1.73
c) For Taxation matters	0.27	1.22
d) For Other Services	0.94	1.09
e) For Reimbursement of Expenses	0.48	0.50
<b>Total</b>	<b>23.37</b>	<b>23.99</b>

**NOTE NO 2.27****OBLIGATIONS OF LONG-TERM NON-CANCELABLE OPERATING LEASES**

The lease rentals charged during the period and maximum obligations on long-term non-cancelable operating leases payable as per the rentals stated in the respective agreement are as follows:

(In Rupees Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Lease Rental recognized during the year</b>		
Mumbai Office	-	0.53
Pune	178.24	182.60
Lucknow	-	0.08
Bihar	1.98	2.76
Amravati	2.40	2.18
<b>Total of Lease on Office premises</b>	<b>182.62</b>	<b>188.15</b>
<b>Lease Obligations payable</b>		
Not later than one year of the Balance Sheet date	179.72	98.30
Later than one year and not later than five years	583.74	33.36
Later than five years	-	-

## NOTE NO 2.28

### SEGMENT REPORTING REPORTABLE SEGMENT

(Knowledge Lit Skill Development Program (KLSDP), Mission Mode Skill Development Program (MMSDP), DU-BDP and OASIS-BDP are identified as reportable Primary segments on the basis of Business Segment as defined in Accounting Standard 17 - Segment Reporting issued by Institute of Chartered Accountants of India, since revenue from these activities constitutes more than 75% of the total revenue of the Company.

Particulars	For the period ended 31 <sup>st</sup> March, 2018					For the period ended 31 <sup>st</sup> March, 2017					
	PRIMARY SEGMENT				Total	Other	Total PRIMARY SEGMENT	Other	Total PRIMARY SEGMENT	Total	
	KLSDP and NPMP	MSSDP	DU-BDP	OASIS-BDP							KLSDP and NPMP
<b>Revenue</b>											
Revenue from Business Development Program	10,028.95	2,787.72	1,063.24	1,058.22	15,279.63	341.50	14,938.13	537.77	11,301.72	11,839.49	
Other Income	-	-	-	-	2,873.74	-	-	-	-	2,912.52	
<b>Total Revenue</b>	-	-	-	-	<b>18,153.37</b>	-	-	-	-	<b>14,752.00</b>	
<b>Expenses</b>											
Direct expenses attributable to Business Development Program	6,454.98	1,108.34	153.05	21.21	8,034.69	297.11	7,737.58	456.58	6,144.27	6,600.85	
Other Allocable Expenses	1,917.45	725.89	595.79	391.54	4,420.14	789.46	3,630.68	873.65	3,068.60	3,942.24	
Unallocable Expenses	-	-	-	-	577.45	-	-	-	-	389.18	
<b>Total Expenses</b>	-	-	-	-	<b>13,032.28</b>	-	-	-	-	<b>10,932.27</b>	
<b>Profit Before Tax</b>					<b>5,121.09</b>					<b>3,819.74</b>	

## NOTE NO 2.29

### CONTINGENT LIABILITIES

( In Rupees Lacs )

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Outstanding Bank Guarantees for - Performance guarantee for services given	116.90	1.00
<b>Total Contingent Liabilities</b>	<b>116.90</b>	<b>1.00</b>

1 Performance bank guarantees aggregating to Rs.590 lacs were invoked by BSNL, unilaterally. In our opinion, such action of M/s. BSNL was not justifiable and tenable and hence the company had challenged the action of M/s. BSNL by invoking appropriate legal recourse. Arbitration proceeding in this matter had been initiated as per the order of Honorable Civil Court, Pune. The Company had filed a Special Civil Suit on 10th April, 2012 in the Honorable Court of Pune against M/s. WICENeT Ltd. regarding the counter Indemnity Bond given by M/s WICENeT Ltd to Maharashtra Knowledge Corporation Ltd. in respect of the Performance Bank Guarantee given by Maharashtra Knowledge Corporation Ltd. to M/s. BSNL, which is invoked. The total claim amount in the said suit is Rs.583 lakhs.

During the current financial year, judgment dated 9th October, 2017 has been passed with respect to the arbitration proceeding in the above mentioned matter regarding encashment of the Performance Bank Guarantee by M/s BSNL aggregating to Rs.590 lakhs.

As per the award dated 9th October, 2017, M/s. BSNL is allowed Rs.325.34 lakhs out of their total claims and to return Rs.264.66 lakhs (Rs.590 lakhs - Rs.325.34 lakhs) to MKCL, within three months from the date of Award. So far the balance amount of Rs.264.66 lakhs has not been received by MKCL. This receivable amount is shown under note no 2.11.

2 The Company has gone into appeal against the 143(3) order issued by the Income Tax Department for F.Y. 2009-2010 i.e. for A.Y 2010-2011. The Income Tax demand raised in the 143 (3) order of Rs.14.27 lakhs, against this the company has already paid Rs.7.00 lakhs, as a pre-requisite for going into appeal. Appeal order has been passed but the final liability is yet to be ascertained by the assessing officer so the balance amount of demand of Income Tax of Rs.7.27 lakhs is of contingent nature.

3 In the F.Y. 2016-17 Audit by the Service Tax Department (Pune) was done for the period April 2011 to March 2015. Based on their Audit the Service Tax Department had issued a show cause notice on 4th April, 17 w.r.t some disallowance of services claimed as exempt by the Company & raising a demand of Rs. 51,32,754/-.

The company had given its reply to the show cause notice giving all the facts, mentioning all provisions of the Service Tax Act under which the said services are exempt. The hearing against this show cause took place during the year and the order of the Central GST, Pune II Commissionerate is passed, wherein it says that the show cause notice is not sustainable and deserve to be set aside and the service tax demand is also not sustainable.

## NOTE NO 2.30

### Investment in Liquid Rate Income Fund

Company has shown investment in Liquid Rate Income Fund under Cash and cash equivalents in this year as against its disclosure under Investments in previous year. As the amounts lying in Liquid Rate Income Fund can be withdrawn/ invested on, as and when required basis.

## NOTE NO 2.31

Directors have recommended for approval of the members a final dividend of Rs.2.50 i.e 25% per Equity Share of Rs.10/- each of the Company out of profits of the Company for the financial year ended as on 31st March 2018. The dividend if declared would result in cash outflow of Rs.202.00 lacs and tax on dividend of Rs.35.87 lacs, which if approved in the forthcoming Annual General Meeting, will be paid to those members whose names, will appear in the Register of Members as on that date.

## NOTE NO 2.32

### RECLASSIFICATION

Figures for the previous year wherever necessary have been regrouped, recast and rearranged to conform to requirement of Revised Schedule III format of Balance Sheet and Statement of Profit & Loss prescribed by the new Companies Act, 2013.

## IN CONSOLIDATED FINANCIAL STATEMENTS, THE FOLLOWING SHALL BE DISCLOSED BY WAY OF ADDITIONAL INFORMATION

Name of the entity in the	For the year ended 31-03-2018		For the year ended 31-03-2018		For the year ended 31-03-2017		For the year ended 31-03-2017		(In Rupees Lacs)	
	Net assets i.e. total assets minus total liabilities	Share in Profit or loss	Rs. In Lacs	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated net assets	Amount		As % of consolidated Profit or Loss
1	2	3	4	5	6	7	8	9	10	
<b>Parent Subsidiaries - Indian</b>										
1 MKCL Knowledge Foundation	100%	2,110.68	100%	59.01	100%	1,317.95	100%	1,317.95	100%	(30.68)
<b>Parent Subsidiaries - Foreign</b>										
1 MKCL International ( FZE )	100%	2,058.62	100%	367.99	100%	1,697.19	100%	1,697.19	100%	212.85
<b>Parents Associates-Indian</b>										
1 Rajasthan Knowledge Corporation Limited	-	-	30%	808.54	-	-	-	-	30%	824.74
2 Odisha Knowledge Corporation Limited	-	-	50%	221.97	-	-	-	-	50%	88.53
3 Haryana Knowledge Corporation Limited	-	-	30%	123.06	-	-	-	-	30%	38.86
Consolidation done as per Equity Method									<b>Total</b>	<b>952.13</b>

**Registered Office:**

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