KAYEL SECURITIES LIMITED

SHOP NO. 229, NEW CLOTH MARKET, O/S RAIPUR GATE, AHMEDABAD-380 002.
Tel. No. 079-22169300, E-mail Id: kayelsecurities@gmail.com
Website: www.kayelsecurities.com CIN: L29219GJ1983PLC028990

16 October, 2018

To:
The Department of Corporate Services
BSE Limited
P J Towers,
Dalal Street,
Mumbai -400001,

BSE Code: 539562

Dear Sir,

SUB.: Submission of 35th Annual Report for the year 2017-18.

Pursuant to provision of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith copy of 35th Annual Report for the financial Year 2017-18 duly approved and adopted by the shareholders of the company at 35th Annual General Meeting of the company held on 25th September, 2018.

We request you to please take note of the above on your record.

Thanking you.

Yours faithfully,

For, KAYEL SECURITIES LIMITED

KAYEL SECURITIES LIMITED AHMEDABAD

Rakeshkumar Kankariya
Director
DIN: 00314234
Place: Ahmedabad

Encl:. As above

KAYEL SECURITIES LIMITED

ANNUAL REPORT

2017-18

KAYEL SECURITIES LIMITED
CIN: L29219GJ1983PLC028990
Registered Office: Shop No. 229 New Cloth Market, O/S Raipur Gate,
Ahmedabad-380002

A) BOARD STRUCTURE:

1) Mr. Rahul Kantilal Kankariya
   Chairman and Managing Director
   DIN: 00314184

2) Mr. Rakeshkumar Loonchand Kankariya
   Director, Chief Financial Officer (CFO)
   DIN: 00314234

3) Mr. Mukesh Mohanlal Chhajed
   Independent Director
   DIN: 01905104

4) Mr. Navaram Chelaram Rabari
   Independent Director
   DIN: 07024684

5) Ms. Namrata Nareshkumar Jain
   Independent Director
   DIN: 07116144

6) Ms. Malvika Bhadresh Kapasi
   Company Secretary and Compliance Officer
   Membership No: ACS 52602

B) STATUTORY AUDITOR:

M/s. Hitesh Prakash Shah & Co
Chartered Accountants
FRN: 127614W

C) SECRETARIAL AUDITOR:

Ravi Kapoor & Associates
Company Secretary in Practice
FCS No: 2587
C P No: 2407

D) **REGISTRAR & SHARE TRANSFER AGENT**

MCS Share Transfer Agent Limited
12/1/5, Manoharpukar Road,
Ground Floor,
Kolkata- 700026

E) **BANKERS:**

Bank of Baroda
HDFC Bank Ltd
IDBI Bank Ltd
The Manekchowk Co-op Bank Ltd
The Social Co-op Bank Ltd

F) **REGISTERED OFFICE:**

Shop No. 229, New Cloth Market,
O/S Raipur Gate,
Ahmedabad - 380002,
Gujarat

NOTICE

NOTICE is hereby given that the 35th Annual General Meeting of **KAYEL SECURITIES LIMITED** will be held on Tuesday , 25th day of September, 2018 at the registered office of the Company situated at Shop No. 229, New Cloth Market, O/s Raipur Gate, Ahmedabad - 380002 at 01.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet and Statement of Profit & Loss of the Company for the year ended on 31st March, 2018 together with the Cash Flow statements & notes to the accounts and reports of the Board of Directors and the Auditors thereon.

2. To appoint a director in place of Shri Rahul Kankariya (DIN: 00314184), who retires by rotation and, being eligible, offers himself for re-appointment.

Place: Ahmedabad
Date: 29/08/2018

By Order of the Board of Directors of
KAYEL SECURITIES LIMITED

KAYEL SECURITIES LIMITED AHMEDABAD

Rahul Kankariya
Chairman & Managing Director
DIN: 00314184

Registered office:
Shop No. 229, New Cloth Market
O/s. Raipur Gate,
Ahmedabad- 380002

YEAR: 2017-18

NOTES:

1. A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote on poll on his/ her behalf and the Proxy need not be a member of the company. Pursuant to Section 105 of the Companies Act, 2013, a person can act as Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as Proxy for any other Member. The Instrument of Proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not later than **48 hours** before the commencement of the meeting. A proxy form is annexed to this notice.

2. Pursuant to section 113 of the Companies Act, 2013, Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified true copy of the board resolution to the Company authorizing their representative to attend and vote on their behalf at the meeting.

3. Additional information, pursuant to provision of regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulations"), in respect of the person seeking re-appointment as director at AGM is furnished as an annexure to the notice.

4. The Register of Members and Share Transfer Book of the Company will remain closed from Tuesday, 18th September, 2018 to Tuesday, 25th September, 2018 (both days inclusive).

5. Members, Proxies and Authorized Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.

6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect proxies lodged at any time during the business hours of the company, provided that not less than three days of notice in writing is given to the company.

7. Members are requested to notify immediately the change in address, if any, to the Company or to the Registrar and Transfer Agents (R&TA) or with their respective Depository Participants in case the shares are in electronic form.

8. Members desirous of obtaining any information concerning accounts and operations of the company are requested to address their questions in writing to the company at least 7 days before the date of the meeting so that the information required may be made available at the meeting.

9. As per Securities and Exchange Board of India (SEBI) Circular, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or transmission/transposition of shares. Members holding shares in dematerialized mode are requested to submit the PAN details to their Depository Participant, whereas members holding shares in physical form are requested to submit the PAN details to the Company's R&TAs.

10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the single consolidated share certificate to R&TA for consolidating their holdings in single folio. The share certificates will be returned to the members after making requisite changes thereon.

11. **Voting through electronic means**: In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules,2015 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 , the Company is pleased to provide members facility to exercise their right to vote at the 35th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting. The Company has signed an agreement with Central Depositories Services (India) Limited for facilitating such e-voting by the members. Kindly note that each member can opt for only one mode for voting i.e. either by polling paper or by e-voting. However, in case members cast their vote both via polling paper and e-voting, then voting through e-voting shall prevail and voting done by polling paper shall be treated as invalid. The detailed instructions for e-voting are given in the Annexure.

12. All documents referred to in the notice requiring the approval of the members at the meeting and other statutory register shall be available for inspection by the members at the registered office of the company during office hours on all working days

between 11:00 a.m. to 1:00 p.m. on all days except Saturdays, Sundays and public holiday, from the date hereof up to the date of the 35th Annual General Meeting.

13. The notice of Annual General Meeting and Annual Report for the year 2017-18 is sent via electronic mode to the shareholders who have registered their email ids with Company/ Depositories, unless any member has requested for a physical copy of the same for members who have not registered their email ids, physical copies are being sent by the permitted mode. Members may note that this notice and annual report 2017-18 will also be available on Company's website viz. www.kayelsecurities.com

14. As an austerity measure, copies of the 35th Annual Report will not be distributed at the 35th Annual General Meeting. Members are requested to bring their copies to the meeting.

15. The route map showing the venue of the 35th Annual General Meeting is annexed.

16. **Green Initiative – An Important Communication to Members**

Ministry of Corporate Affairs has taken a green initiative by permitting companies to send various documents like notices, 35th annual reports including annual accounts etc. to its Members through electronic mode. Keeping in spirit with the said initiative, we request you to update your email ID with your respective DP's in case of shares held in electronic form and with Registrar & Share Transfer Agent - M/s **MCS Share Transfer Agent Limited** in case of shares held in physical form. Shareholders are requested to register their email ids with the company's Register and Transfer Agent by sending an email at mcssta@rediffmail.com or mcsahmd@gmail.com.

Email is a better method to receive the communications quickly, with least cost implications and have longer shelf life. Company proposes to send all permitted communications electronically to the email id's of members unless specific request is received for a physical copy from member. Please act and contribute to preserve environment for our better future.

Place: Ahmedabad
Date: 29/08/2018

By Order of the Board of Directors of
KAYEL SECURITIES LIMITED

KAYEL SECURITIES LIMITED ★ AHMEDABAD

Rahul Kankariya
Chairman & Managing Director
DIN: 00314184

ANNEXURES TO THE NOTICE

1. Details of the Director seeking Re-Appointment at the 35th Annual General Meeting :

Particulars	Shri Rahul Kantilal Kankariya
DIN No.	00314184
Father's Name	Kantilal D. Kankariya
Date of Birth	10/06/1975
Qualifications	Bachelor in Commerce (B.Com) Master in Business Administration (M.B.A.)
No. of Shares held in Company	1,14,910
List of listed entities in which Shri Rahul holds Directorship(s) on 31st March, 2018 and membership of Committees of the Board	Nil
Terms and conditions for appointment	Liable to retire by rotation
Remuneration sought to be paid and last drawn	Nil
Date of first appointment of the Board	02/08/2000
Experience	18 years
Relationship with other directors / Manager and KMP	Mr. Rahul Kankariya and Mr. Rakesh Kankariya (Director) are promoters and brothers.
Number of Meeting of the Board attended during the year	6
Other Chairmanship / Membership of Committees of Board	Nil
Expertise in specific functional area	Marketing

2. Instructions to the members for voting through electronic means from place other than venue of Annual General Meeting:

Members are requested to follow the below instructions to cast their vote through remote e-voting at ensuing 35th Annual General Meeting of KAYEL SECURITIES LIMITED scheduled to be held on Tuesday 25th day of September, 2018 at Shop No. 229, New Cloth Market, O/s, Raipur Gate, Raipur, Ahmedabad - 380002 at 11.00 A.M.

1. The members, whose names appear in the Register of Members/list of Beneficial Owners as on Tuesday, 18th September, 2018 i.e. on the cutoff date are entitled to vote on the resolutions, set forth in this Notice.

2. The voting through electronic means will commence on Saturday, 22.09.2018 at 09:00 A.M. and will end on Monday, 24.09.2018 at 05:00 P.M. (inclusive of both days). The members will not be able to cast their vote electronically envisaged herein above beyond the date and time mentioned above.

3. The Company has appointed Mr. Ravi Kapoor, Practicing Company Secretary (Membership No. F2587) from M/s. Ravi Kapoor & Associates, to act as the scrutinizer for conducting the electronic voting process in a fair and transparent manner.

4. In case of members receiving e-mail from NSDL/CDSL (for Members whose e-mail addresses are registered with the Company / Depositories):

i. Open email and open PDF file with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e- voting. Please note that the password is an initial password.

ii. Log on to the e-voting website www.evotingindia.com

iii. Click on "Shareholders" tab.

iv. Now, select the "KAYEL SECURITIES LIMITED" from the drop down menu and click on "SUBMIT"

v. Now Enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

vi. Next enter the Image Verification as displayed and Click on Login.

vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

viii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	**Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)** • **Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on Address Slip** • **In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.**
DOB	**Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.**
Dividend Bank Details	**Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.** • **Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).**

ix. After entering these details appropriately, click on "SUBMIT" tab.

x. Members holding shares in physical form will then reach directly the company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.

xii. Click on the EVSN for the relevant <Kayel Securities Limited> on which you choose to vote.

xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xviii. If demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xix. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporate. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

5. In case of members receiving the physical copy:

a) Please follow all steps from Sr. No. (i) to Sr.No.. (xviii) above to cast vote.

b) The voting period begins on **< 22.09.2018 @ 9:00 a.m.>** and ends on **<24.09.2018 @5:00 p.m. >**. During this period shareholders' of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date (18/09/2018), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

6. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com or you may also contact CDSL on Toll Free 1800-200-5533 (10.00 am to 6.15 pm Monday - Friday and 10.00 am to 2.00 pm on Saturday).

7. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for all mobile users. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

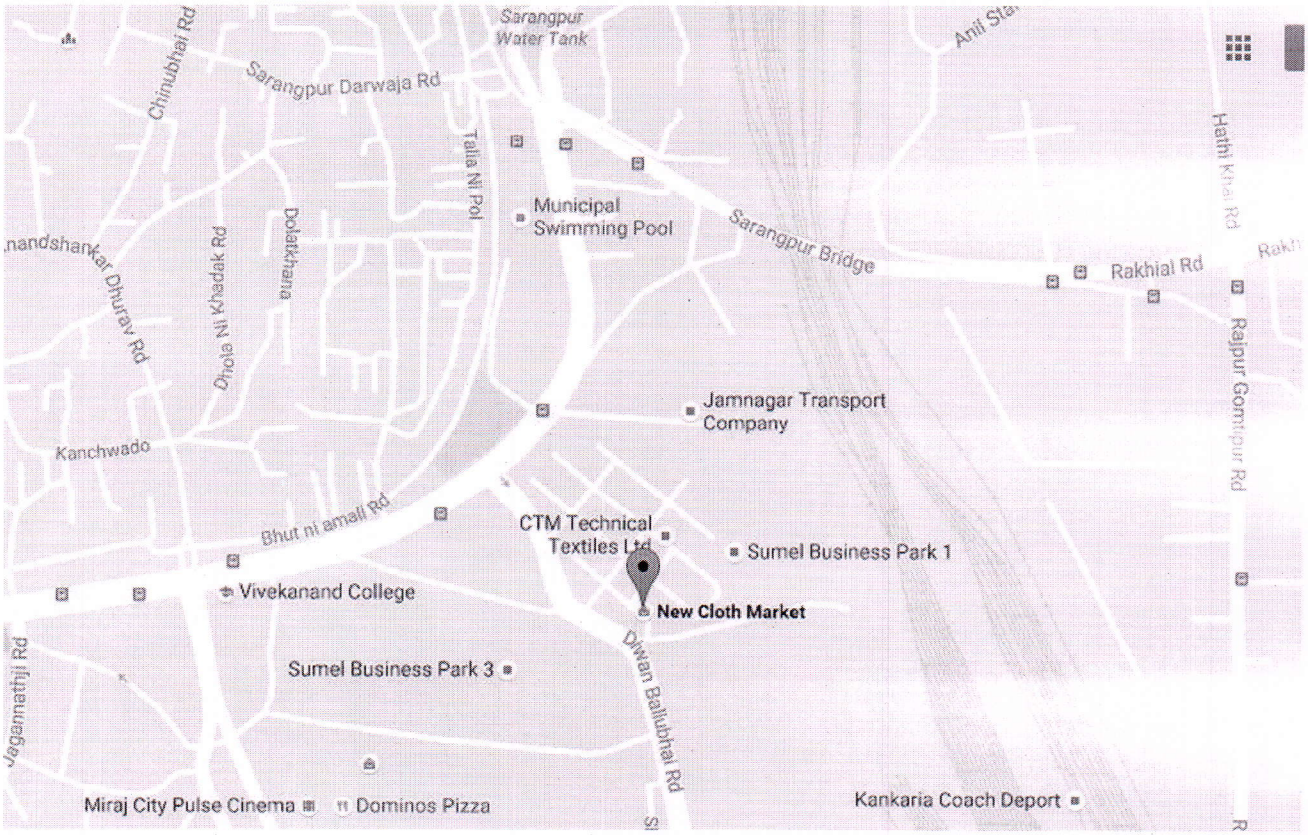
8. A member may participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.

9. The chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

10. The scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

11. The Results declared along with the report of the scrutinizer shall be placed on the website of the company www.kayelsecurities.com and on the website of CDSL immediately after the declaration of result by the chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited where the shares of the Company are listed.

3. Route Map to the Venue of AGM:



Address of Registered office
Shop No.229, New Cloth Market,
O/S Raipur Gate
Ahmedabad - 380002

DIRECTORS' REPORT

To
The Members,
KAYEL SECURITIES LIMITED

The board of directors hereby submits their 35th Annual Report of the business and operations of your company, along with the Audited Financial Statements, for the Financial Year ended March 31st, 2018.

1. FINANCIAL RESULTS:

(Amount in Rs)

Particulars	2017-18	2016-17
Total Income	6,522,373	6,178,884
Closing Stock	-	-
Profit/(Loss) before Depreciation	1,631,229	1,369,185
Less: Depreciation	-	-
Profit/(Loss) before Tax	1,631,229	1,369,185
Provision for Taxation- Current Tax	312,233	283,917
Deferred Tax	155,398	141,268
Excess provision for Tax expense for earlier years	-	(10,974)
Profit for the year	1,163,598	954,974
Balance brought forward	617,716	(337,258)
Balance of Surplus carried to the Balance sheet	17,81,314	6,17,716

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

The total income of the Company during the financial year has increased from Rs. **6,178,884/-** to Rs. **6,522,373/-** The profit before tax has also increased from Rs. **1,369,185/-** to **Rs. 1,631,229/-**. Looking to the present progress of the Company, your directors expect even better performance in the upcoming years.

3. DIVIDEND:

The Board has decided to reinvest the profits in the business of the Company and therefore, your directors do not recommend any dividend for the financial year 2017-18.

4. RESERVES:

The board does not propose to carry any amount to the reserves.

5. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The particulars of loans and investments have been disclosed in the financial statements as required under section 186 of the Companies Act, 2013. The loans mentioned in the financial statement have been given for business purpose.

6. RELATED PARTY TRANSACTIONS:

During the year ended 31st March, 2018, Company has not entered into any contracts and/or arrangements with related parties covered under section 188 of the Companies Act, 2013.

7. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an adequate system of internal financial control procedures which is commensurate with the size and nature of business. The internal control systems including financial control system of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the audit committee and also generally placed before the board.

9. DEPOSITS:

The Company has neither accepted nor renewed any deposits as envisaged under Sections 73 to 76 of Companies Act, 2013 during the financial year under review.

10. Change in Nature of Business:

During the year under review Company has not changed the Nature of Business.

11. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of section 135 of Companies Act, 2013 are not applicable.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Resignation / Cessation:

During the financial year under review, Ms. Bhavna Saboo a.k.a Bhavna Shah (ACS: 47287) appointed on the post of Company Secretary & Compliance Officer of the company with effect from 15/12/2016. Has resign as Company Secretary and Compliance Officer of the Company w.e.f. 29th May, 2017. The board has placed on record its appreciation for the contributions made by Ms. Bhavna Saboo a.k.a Bhavna Shah during her respective tenure of office.

During the financial year under review, Shri Rakeshkumar Kankariya appointed as Whole Time Director as on 29/05/2017. He has given resignation from the post if the Whole Time Director on 02/09/2017.

Appointment:

Ms. Malvika Kapasi (ACS: 52602) is appointed for the post of Company Secretary & Compliance Officer of the company with effect from 04/11/2017.

Retirement by Rotation

Shri Rahul Kankariya (DIN: 00314184) retires by rotation and being eligible has offered himself for re-appointment.

13. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(3)(c) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability confirm and state that

i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii. the directors had 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 had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

iv. the directors had prepared the annual accounts on a 'going concern' basis;

v. the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

vi. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. 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 Companies Act, 2013.

15. BOARD EVALUATION:

During the financial year, the board has adopted a formal mechanism for evaluating its performance and as well as that of its committees and individual directors, including the chairman of the board.

The evaluation framework for assessing the performances of directors; comprises of the following key areas:

- Attendance and participation in the meetings and timely inputs on the minutes of the meetings.
- Adherence to ethical standards & code of conduct of company and disclosure of non – independence, as and when it exists and disclosure of interest.
- Raising of valid concerns to the board and constructive contribution to resolution of issues at meetings.
- Interpersonal relations with other directors and management
- Objective evaluation of board's performance, rendering independent, unbiased opinion.
- Understanding of the company and the external environment in which it operates and contribution to strategic direction.
- Safeguarding interest of whistle-blowers under vigil mechanism and safeguard of confidential information.
- The valuation involves self-evaluation by the board member and subsequently assessment by the board of directors. A member of the board will not participate in the discussion of his / her evaluation.

16. REMUNERATION POLICY:

The company's policy relating to appointment of directors, payment of managerial remuneration, directors' qualifications, positive attributes, independence of directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure 1** and is attached to this report.

17. STATUTORY AUDITORS:

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, M/s. Hitesh Prakash Shah & Co., Chartered Accountant (Firm Registration No: 127614W) was appointed as a Statutory Auditor of the Company, for a term of 5 (five) consecutive years from the conclusion of 34th Annual General Meeting i.e. held on 29th September, 2017 till conclusion of the Annual General Meeting for the Financial Year 2021-22 by the Board Of Director of the company approved by shareholder and said appointment is subject to ratification at every Annual General Meeting.

However, Ministry of Corporate Affairs, vide its Notification dated 7th May, 2018 amended provisions of Rule 3(7) of Companies (Audit and Auditors) Rules, 2014 and accordingly, provisions of requirement of ratification of appointment of auditor at every general meeting is dispensed with. Therefore, at the ensuing general meeting members are not required to ratify Auditor's appointment and M/s. Hitesh Prakash Shah & Co., Chartered Accountant (Firm Registration No: 127614W) will continue to act as auditors of the Company till financial year 2021-22.

18. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Ravi Kapoor & Associates, a firm of Company Secretaries in Practice (PCS) to undertake the Secretarial Audit of the Company for FY 2017-18. The Secretarial Audit Report is appended to this report as **Annexure- 2**.

19. QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS:

There was no qualifications, reservations or adverse remarks made by the either by the Statutory Auditors or by the Secretarial Auditors in their respective reports.

20. AUDIT COMMITTEE:

The audit committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013.The details pertaining to composition of audit committee are as follows:

Sr. No.	Name of the members	Category
1.	Mukesh Chhajed	Chairman, Independent Non-Executive Director
2.	Navaram Rabari	Member, Independent Non-Executive Director
3.	Rakeshkumar Kankariya	Member, Non Independent - Non Executive

21. NOMINATION AND REMUNERATION COMMITTEE:

The details pertaining to composition of the Nomination And Remuneration Committee in compliance with section 178 of the Companies Act, 2013:

Sr. No.	Name of the Directors	Category
1.	Mukesh Chhajed	Chairman, Independent Non-Executive Director
2.	Navaram Rabari	Member, Independent Non-Executive Director
3.	Rakeshkumar Kankariya	Member, Non Independent - Non Executive

22. STAKEHOLDER RELATIONSHIP COMMITTEE:

The details pertaining to composition of the Stakeholder Relationship Committee in compliance with section 178 of the Companies Act, 2013:

Sr. No.	Name of the Directors	Status whether Independent/ Non Independent
1.	Mukesh Chhajed	Chairman, Independent Non-Executive Director
2.	Navaram Rabari	Member, Independent Non-Executive Director
3.	Rakeshkumar Kankariya	Member, Non Independent - Non Executive

23. EXTRACT OF THE ANNUAL RETURN:

In accordance with Section 134(3) (a) and Section 92 (3) of the Companies Act, 2013, an extract of the Annual Return in Form MGT-9 as is annexed herewith as "**Annexure 3.**"

24. SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES / JOINT VENTURE:

Since the company does not have any Subsidiary / Joint Ventures / Associate Concerns, no financial position of such concern(s) are required to be included in the financial statement.

25. BOARD MEETINGS:

During the financial year 2017-18, six (06) board meetings were held and the maximum interval between any two meetings did not exceed 120 days, as prescribed under the Companies Act, 2013.

Sr. No.	Date of meeting
1	29/05/2017
2	02/09/2017
3	14/09/2017
4	04/11/2017
5	11/12/2017
6	12/02/2018

26. VIGIL MECHANISM:

Pursuant to section 177(9) of Companies Act, 2013, the Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other directors. The Company has also provided adequate safeguards against victimization of employees and directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company.

27. CORPORATE GOVERNANCE

As per the Regulation 15(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the provisions of corporate governance are not applicable to the company as company has not attained the prescribed limit as mentioned hereunder:

The Corporate Governance norms shall not be mandatory for companies having paid up capital not exceeding Rs. 10 Crores and net worth not exceeding Rs. 25 Crores as on the last day of the previous financial year.

28. SIGNIFICANT AND MATERIAL ORDERS

There are no material orders passed by Regulators, Courts or Tribunals impacting the going concern status and company's operations in future.

29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the financial year under review, there were no manufacturing activities undertaken by the company. In view of the aforesaid fact, there was no scope for your company to make any efforts for energy conservation, research and development and technology absorption. Hence, the particulars required to be furnished in respect of the same are not given.

The particulars of foreign exchange earnings and outgoes:

- Foreign Exchange Earnings : NIL
- Foreign Exchange Outgoes : NIL

30. PARTICULARS OF EMPLOYEES:

❖ The information required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2017-18:

- **NIL.**

As none of the director gets remuneration during the financial year under review.

ii. The percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

- **NIL**

iii. The percentage increase in the median of employees in the financial year:

- **12.01**

iv. The number of permanent employees on the rolls of the Company:

- **During the Year 2017-18 : 5 Employees**
- **As on 31st March,2018 : 4 Employees**

* Ms. Bhavna Saboo, had been appointed on the post of Company Secretary and Compliance Officer of the company with effect from 15th December, 2016

and resigned from the post with effect from 29th May, 2017.

* Ms. Malvika Kapasi has been appointed on the post of Company Secretary and Compliance Officer of the company with effect from 04th November, 2017.

v. Average percentile increase already made in the salaries of the employee other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

- **Nil**

vi. Affirmation that the remuneration is as per the remuneration policy of the Company.

- The Company affirms remuneration is as per the remuneration policy of the Company.

❖ **The information required under section 197 of the Companies Act, 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:**

Sr. No	Name of employee	Designation	Remuneration drawn during the year	Nature of employment	Qualification	Experience	Commencement of employment	Age	% of equity shares	whether related or not?
1	Bhavna Saboo	Company Secretary and Compliance officer	7200	Permanent	CS	5 months	15.12.16 to 29.05. 17	30	0	Not Related
2	Malvika Kapasi	Company Secretary and Compliance officer	37500	Permanent	CS	5 months	04.11.17	23	0	Not Related
3	Mahesh S. Nagar	Office clerk	152500	Permanent	HSC	21	From 2012	51	0	Not Related

						Years				

Note:

1. The details of remuneration drawn is on accrual basis.
2. Company has only three employees drawing remuneration and hence details are given to that extent.

31. POLICIES ADOPTED:

The Company has adopted policies in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, including policy on:

- Policy on preservation of documents
- Policy for determination of material event or information

The company has also adopted policy in line with SEBI (Insider Trading) Regulations 2015, the Code of Conduct to regulate, monitor and reporting of trading by insider.

These policies are available on the website of the company at http://www.kayelsecurities.com/

32. RISK MANAGEMENT:

The Management has evaluated various risks like market risk, credit risk liquidity risk etc. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize.

33. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

During the financial year 2017-18 under review, there were no cases filed to the company pursuant to the Sexual Harassment of Woman at Work place (Prevention, Prohibition and Redressal) Act, 2013.

34. COMPLIANCE WITH SECRETARIAL STANDARDS:

Your Company has complied with the all applicable Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

35. MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013 AND STATUS OF THE SAME:

The provisions regarding maintenance of cost records as specified by the Central Government under Sub Section (1) of Section 148 of the Companies Act, 2013 is not applicable to the Company.

36. CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

As the Company is not having ten women employees employed during the year therefore the provisions regarding establishment of Internal Complaint Committee under the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to the Company.

37. ACKNOWLEDGEMENT

The directors thank the company's employees, customers, vendors and investors for their continuous support. The directors are also thankful to the concerned government departments / agencies for their co-operation. The directors appreciate and value the contributions made by every member in the Company.

Place: Ahmedabad
Date: 29/05/2018

For and on behalf of the Board of Directors of
KAYEL SECURITIES LIMITED

KAYEL SECURITIES LIMITED AHMEDABAD

Rahul Kankariya
Chairman & Managing Director

DIN: 00314184

Annexure 1

REMUNERATION POLICY:

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, which was approved and adopted by the Board.

I. REMUNERATION TO EXECUTIVE DIRECTORS; KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT & OTHER EMPLOYEES:

The Board of Directors and Nomination & Remuneration Committee (subject to applicable authorization from shareholders) is authorized to decide /recommend the remuneration and other terms of appointment of such Directors and Senior management employees (one level below executive directors)and key managerial personnel and other employees of the company. The remuneration structure shall interalia, include salary, perquisites, retirement and/superannuation benefits as per HR Policy decided by the management of the company. Based on the performance appraisals, the changes in the remuneration shall be decided/recommended by the management/executive directors.

The remuneration on appointment and on appraisal based on the performance of other employees (other than senior management & Key Managerial Personnel) shall be decided by the functional head or business head from time to time considering the Human Resource Policy of the company. The remuneration components shall include basic salary, allowances, perquisites, retrial benefits; pay as may be decided by the management from time to time. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate employees at all levels, having regard to the industry practice.

OTHER TERMS APPLICABLE TO EXECUTIVE DIRECTORS AND SENIOR & KEY MANAGEMENT EMPLOYEES

i. The remuneration and terms of employments shall be fixed/ recommended in such a manner that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

ii. The remuneration shall involve a good balance between fixed and incentive pay (considering industry benchmark/practice) reflecting short and long term performance objectives appropriate to the working of the company and its goals.

iii. No director or executive should be directly involved in determining their own remuneration or performance evaluation.

iv. The Executive Director, Whole time Director/ Managing Director and/or Senior Management Employee shall be eligible for advances/loans as per prevalent HR Policy of the Company subject to the applicable statutory provisions and approvals.

II. REMUNERATION TO NON-EXECUTIVE DIRECTORS:

Company is not paying remuneration to the non executive directors

III. CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications, positive attributes and independence of a Director and senior management. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purpose is as under:

Criteria for determining qualifications, positive attributes and independence of a director:

I. QUALIFICATIONS:

a. He/ She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

b. Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed there under and the Listing Agreement with Stock Exchanges.

A. Criteria for appointing a Director:

a. He should be a person of integrity, with high ethical standards.

b. He should be able to commit to his responsibilities and devote sufficient time and attention to his professional obligation as a Director.

c. He should be having positive thinking, courtesy and humility.

d. He should be knowledgeable and diligent in updating his knowledge.

e. He should have qualifications, skills, experience and expertise by which the Company can benefit.

f. In respect of independent director, in addition to the above (a) to (e), he should fulfill the criteria for being appointed as an Independent Director prescribed under section 149(6) of the Companies Act, 2013 read with Schedule IV to the said Act.

g. In respect of Executive/Whole time Director/Managing Director, in addition to above (a) to (f), he should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented approach, ability to enhance reputation of the organization.

B. Criteria for appointing a Senior Management Employee/ Key Managerial Personal:

a. He should have the required educational, qualification, skills and functional knowledge for the post and eye for detailing & compliance

b. He should have integrity, humility, positive thinking, leadership qualities, sincerity, alert, hardworking, team building ability, good soft skills, transparency in dealings with the Company and other stakeholders.

c. Screening of the potential conflicts of interest and independence.

d. Detailed background information in relation to a potential candidate should be provided to all directors.

e. The identification of potential candidates may be assisted by the use of external search organizations as may be considered appropriate.

Place: Ahmedabad
Date:29/05/2018

For and on behalf of the Board of Directors of
KAYEL SECURITIES LIMITED

KAYEL SECURITIES LIMITED AHMEDABAD

Rahul Kankariya
Chairman & Managing Director
DIN: 00314184

Annexure 2

Ravi Kapoor & Associates
4th Floor, "Shaival Plaza", Gujarat College Road, Ellisbridge, Ahmedabad-380 006.
✆ 26420336/7/9 (R) 26568212
Fax : 079-26424100, (M) 98250 63147
E-mail : ravi@ravics.com www.ravics.com
Company Secretaries
Trade Mark Agent
Insolvency Resolution Professional

Form No. MR – 3
SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31ST March, 2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)]

To,
The Members,
Kayel Securities Limited,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kayel Securities Limited** (herein after referred to as "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the statutory compliances and expressing our opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 generally complied with the statutory provisions listed hereunder and also that the company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Kayel Securities Limited ('the Company") for the financial year ended on 31st March, 2018 verified the provisions of the following acts and regulations and also their applicability as far as the company is concerned during the period under audit:

(i) The Companies Act, 2013 (the Act) and the rules made there under;
(ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

Ravi Kapoor & Associates
Ahmedabad
COP-2407
Company Secretaries

Ravi Kapoor
&
Associates
4th Floor,
"Shaival Plaza",
Gujarat College Road,
Ellisbridge, Ahmedabad-380 006.
✆ 26420336/7/9 (R) 26568212
Fax : 079-26424100, (M) 98250 63147
E-mail : ravi@ravics.com www.ravics.com
Company Secretaries
Trade Mark Agent
Insolvency Resolution Professional

(iv) Foreign-Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992, ('SEBI Act') :

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies act and dealing with clients;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(vi) There are no laws which are specifically applicable to the company.

We have also examined compliance with applicable clauses of the following

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. The listing agreement/provisions SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

Ravi Kapoor & Associates
Ahmedabad
COP-2407
Company Secretaries

Ravi Kapoor
&
Associates

4th Floor,
"Shaival Plaza",
Gujarat College Road,
Ellisbridge, Ahmedabad-380 006.
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Company Secretaries
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Insolvency Resolution Professional

We further report that:

- The board of directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the board of directors that took place during the period under review were carried out in compliance with the provisions of the Act and rules made there under.

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

- We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

- We further report that during the audit period, there are no specific events/actions having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. Referred to above.

Place: Ahmedabad
Date: 29/05/2018

For, Ravi Kapoor & Associates

Ravi Kapoor
Company Secretary in Practice
FCS No. 2587
CP No. 2407

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

Ravi Kapoor & Associates
Ahmedabad
COP-2407
Company Secretaries

Ravi Kapoor
&
Associates

4th Floor,
"Shaival Plaza",
Gujarat College Road,
Ellisbridge, Ahmedabad-380 006.
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Company Secretaries
Trade Mark Agent
Insolvency Resolution Professional

Annexure A

To,
The Members,
Kayel Securities Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Ahmedabad
Date: 29/05/2018

For, Ravi Kapoor & Associates

Ravi Kapoor
Company Secretary in Practice
FCS No. 2587
CP No. 2407

Ravi Kapoor & Associates
Ahmedabad
COP-2407
Company Secretaries

Annexure-3

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2018

Of

KAYEL SECURITIES LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013

&

Rule 12(1) of the Companies (Mgt. and Administration) Rules, 2014]

YEAR: 2017-18

I. REGISTRATION AND OTHER DETAILS:

i)	**CIN:**	L29219GJ1983PLC028990
ii)	**Registration Date [DDMMYY]**	26/02/1983
iii)	**Name of the Company**	**KAYEL SECURITIES LIMITED**
iv)	**Category of the Company** [Pl. tick]	✓ Public Company Private Company
	Sub Category of the Company [Please tick whichever are applicable]	

1.	Government Company	
2.	Small Company	
3.	One Person Company	
4.	Subsidiary of Foreign Company	
5.	NBFC	
6.	Guarantee Company	
7.	Limited by shares	√
8.	Unlimited Company	
9.	Company having share capital	
10.	Company not having share capital	
11.	Company Registered under Sec. 8	

v)	**Address of the Registered office and contact details**	
	Address	Shop No.229, New Cloth Market, O/S Raipur Gate,
	Town / City	Ahmedabad
	State	Gujarat
	Pin Code:	380002
	Country Name :	India
	Country Code	91

	Telephone (With STD Area Code no)	079-22169300
	Fax Number :	--
	Email Address	kayelsecurities@gmail.com
	Website	www.kayelsecurities.com
	Name of the Police Station having jurisdiction where the registered office is situated	Raipur Police Station
	Address for correspondence, if different from address of registered office:	N.A.
vi)	**Whether shares listed on recognized Stock Exchange(s)**	Yes
	If yes, details of stock exchanges where shares are listed	**SN** | **Stock Exchange Name** | **Code** **1** | **BSE Limited** | **539562**
vii)	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	
	Registrar & Transfer Agents (RTA):-	MCS Share Transfer Agent Limited.
	Address	12/1/5, Mahonaharpukar Road, Ground Floor,
	Town / City	Kolkata
	State	West Bengal
	Pin Code:	700026
	Telephone (With STD Area Code Number)	033-40724051/52/53
	Fax Number :	033-40724050
	Email Address	mcssta@rediffmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Business of financing, trading Commodities, shares and securities.	661-Activities auxiliary to financial service activities, except insurance and pension funding	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Sections
N.A.	N.A.	N.A.	N.A.	N.A	N.A

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP 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	
A. Promoter's									
(1) Indian									
a) Individual/ HUF	1382745	0	1382745	46.01	1382745	0	1382745	46.01	0

b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	300000	-	300000	9.98	300000	-	300000	9.98	0
e) Banks / FI									
f) Any other									
Sub-total(A)(1):-	1682745	0	1682745	56	1682745	0	1682745	56	0
(2) Foreign									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b) Other-Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d)Banks FI	-	-	-	-	-	-	-	-	-
(e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	-	-	-	--	-	-	-	-	-
Total Shareholding of Promoter(A)= (A)(1)+(A)(2)	1682745	0	1682745	56	1682745	0	1682745	56	0
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-

d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)(Trusts)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	450000	-	450000	14.98	450000	-	450000	14.98	
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	--	62255	62255	2.07	655	61600	62255	2.07	--
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	660000	-	660000	21.96	660000	-	660000	21.96	-

c)Others (HUF*)	150000	-	150000	4.99	150000	0	150000	4.99	-
Sub-total (B)(2):-	1260000	62255	1322255	44	1260000	61600	1322255	44	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	1260000	62255	1322255	44	1260000	61600	1322255	44	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2942745	62255	3005000	100	2943400	61600	3005000	100	-

***NOTE:**

Previous year's figure has been regrouped whenever necessary for better presentation.

ii) Shareholding of Promoter-

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Share Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Kankariya Parveenkumar	114900	3.82	0	114900	3.82	0	00

	Loonchand							
2	Kankariya Kamladevi Kantilal	16700	0.56	0	134200	4.47	0	+3.91
3	Kankariya Rahul Kantilal	114910	3.82	0	114910	3.82	0	00
4	Kankariya Loonchand Dhanraj	116660	3.88	0	116660	3.88	0	00
5	Kankariya Rajkumar Loonchand	116300	3.87	0	116300	3.87	0	00
6	Kankariya Kantilal Dhanraj	117500	3.91	0	0	0	0	-3.91
7	Kankariya Rakeshkumar Loonchand	115350	3.84	0	115350	3.84	0	00
8	Kankariya Umaravdevi Loonchand	11805	0.39	0	11805	0.39	0	00
9	Chopra Impex Private Limited	150000	4.99	00	150000	4.99	00	00
10	Prissm Remedies Private Limited	150000	4.99	00	150000	4.99	00	00
11	Loonchand Dhanraj-Huf	165770	5.52	00	165770	5.52	00	00

12	Anita Rajkumar Kankariya	106000	3.53	00	106000	3.53	00	00
13	Julie Rakesh Kankariya	106650	3.55	00	106650	3.55	00	00
14	Smita Praveen Kankariya	106250	3.54	00	106250	3.54	00	00
15	Kantilal Dhanraj-Huf	164800	5.48	00	164800	5.48	00	00
16	Samta Rahulkumar Kankariya	9150	0.3	00	9150	0.3	00	00

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

Sr. No.	Name of Promoters	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of shares at the beginning (01/04/2017)/end of the year (31/03/2018)	% of Total Shares of the Company	No of shares	% of total shares of the Company
1	Kankariya Kamladevi Kantilal				
	At the beginning of the year	16700	0.56	16700	0.56
	Add: Increase in shareholding due to transmission on 05/07/2017	117500	3.91	134200	4.47
	At the end of the year	134200	4.47	134200	4.47
2	Kankariya Kantilal				

	Dhanraj				
	At the beginning of the year	117500	3.91	117500	3.91
	Less: Decrease in shareholding due to demise on 05/07/2017	117500	3.91	0	0
	At the end of the year	0	0	0	0

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

Sr. No.	Name of top ten shareholders	at the beginning of the year		Cumulative during the year	
		No of shares at the beginning (01/04/2017)/ end of the year (31/03/2018)	% of Total Shares of the Company	No of shares	% of total shares of the Company
1	Sudeepkumar S Dasani At the beginning of the year At the end of the year	500000 500000	16.64 16.64	500000 500000	16.64 16.64
2	Cetex Distributors Private Limited At the beginning of the year At the end of the year	450000 450000	14.98 14.98	450000 450000	14.98 14.98
3	Ashish Kanaiyalal Shah At the beginning of the year At the end of the year	160000 160000	5.32 5.32	160000 160000	5.32 5.32
4	Kanaiyalal D Shah HUF At the beginning of the				

	year At the end of the year	150000 150000	4.99 4.99	150000 150000	4.99 4.99
5	Mehta Gautamchand At the beginning of the year At the end of the year	800 800	0.03 0.03	800 800	0.03 0.03
6	Kantilal Jigarwala At the beginning of the year At the end of the year	800 800	0.03 0.03	800 800	0.03 0.03
7	Mukeshkumar Tarachand At the beginning of the year At the end of the year	800 800	0.03 0.03	800 800	0.03 0.03
8	Chandrikaben Arvindkumar At the beginning of the year At the end of the year	700 700	0.02 0.02	700 700	0.02 0.02
9	Vilasben Seshmal At the beginning of the year At the end of the year	700 700	0.02 0.02	700 700	0.02 0.02
10	Anitaben Jitendrakumar At the beginning of the year At the end of the year	700 700	0.02 0.02	700 700	0.02 0.02

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Promoters	at the beginning of the year		Cumulative during the year	
		No of shares at the beginning (01/04/2017)/end	% of Total Shares of the	No of shares	% of total shares of the

		of the year (31/03/2018)	Company		Company
1	Kankariya Rakeshkumar Loonchand At the beginning of the year Changes during the year At the end of the year	115350 0 115350	3.84 0 3.84	115350 0 115350	3.84 0 3.84
2	Kankariya Rahul kumar Kantilal At the beginning of the year Changes during the year At the end of the year	114910 0 114910	3.82 0 3.82	114910 0 114910	3.82 0 3.82
3	Navaram Chelaram Rabari At the beginning of the year Changes during the year At the end of the year	100 0 100	0.003 0 0.003	100 0 100	0.003 0 0.003
4	Namrata Nareshkumar Jain At the beginning of the year Changes during the year At the end of the year	100 0 100	0.003 0 0.003	100 0 100	0.003 0 0.003
5	Mukesh Mohanlal Chhajed At the beginning of the year Changes during the year At the end of the year	100 00 100	0.003 00 0.003	100 100 100	0.003 0.003 0.003
6	Bhavna Saboo (from 15/12/2016 to 29/05/2017)At the beginning of the year Changes during the year At the end of the year	0 0 0	0 0 0	0 0 0	0 0 0

7	Malvika Kapasi (from 04/11/2017)At the beginning of the year Changes during the year At the end of the year	0 0 0	0 0 0	0 0 0	0 0 0

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

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	2,46,151	0	2,46,151
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year	0	0	0	0
* Addition	0	13,51,753	0	13,51,753
* Reduction	0	0	0	0
Net Change	0	13,51,753	0	13,51,753
Indebtedness at the end of the financial year	0	0	0	0
i) Principal Amount	0	1,597,904	0	1,597,904
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	**1,597,904**	**0**	**1,597,904**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. ***Remuneration to Managing Director, Whole-time Directors and/or Manager:*** **(Rs. in lacs)**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	NIL	
2	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
	Stock Option		
3	Sweat Equity		
4	Commission -as % of profit - others, specify…		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other directors

SN	Particulars of Remuneration	Name of Independent/ Non-Executive Director
		NIL
1	Independent Directors	
	Fee for attending board	
	committee meetings	
	Commission	
	Others, please specify	
	Total (1)	

2	Other Non-Executive Directors	NIL
	Fee for attending board committee meetings	
	Commission	
	Others, please specify	
	Total (2)	
	Total (B)=(1+2)	
	Total Managerial Remuneration	
	Overall Ceiling as per the Act	

C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel				
		CEO	CS		CFO	Total
			Ms. Bhavna Saboo (from 15/12/16 to 29/05/2017)	Ms. Malvika Kapasi (from 04/11/17)	Rakesh kankariya	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	7200	37500	-	44700
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	NIL	NIL	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	NIL	NIL	-	-
2	Stock Option	-	NIL	NIL	-	-
3	Sweat Equity	-	NIL	NIL	-	-
4	Commission				-	-
	- as % of profit	-	NIL	NIL	-	-
	others, specify...	-	NIL	NIL	-	-
5	Others, please specify	-	NIL	NIL	-	-
	Total	-	7200	37500	-	44700

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)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Place: Ahmedabad
Date: 29/05/2018

For and on behalf of the Board of Directors
KAYEL SECURITIES LIMITED

KAYEL SECURITIES LIMITED AHMEDABAD

Rahul Kankariya
Chairman & Managing Director
DIN: 00314184

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY STRUCTURE AND DEVELOPMENTS:

FINANCE BUSINESS:

Finance Companies sector in India is represented by a mix of a few large companies with nationwide presence and a few small and medium sized companies with regional focus, primarily engaged in hire purchase financing, investments, corporate loans, IPO funding, venture capital and other non-fund based activities.

The financial year 2017-18 has been overall satisfactory for financial companies sector. The GDP rate recorded in third quarter was 7.2% which increase to 7.7 % in the fourth quarter. Also the overall GDP for the financial year was 6.5% against 7.1% recorded in previous year.

However, due to global financial meltdown, India seems to be experiencing a notable financial pressure due to which there was a steep fall in the interest rates during the Financial Year 2017-18. Further, inspite of amicable RBI policy changes, the finance industry tends to remain under pressure.

Our Company is in the business of providing financial services in the Growth Capital of other corporate bodies. It spots and invests in enterprises in India with growth potential to generate good returns. The strong knowledge based investment culture within the company of identifying companies with sustainable business models and a strong management team with an entrepreneurial mindset shall help our Company to identify companies which we believe can deliver good returns for our stakeholders.

Inspite of stringent financial conditions in India, the company has managed to keep its business strategies intact without taking a beating in its revenue. The company is further striving to strengthen its financial business policies in order to safeguard itself from any national or international financial pressure.

TRADING BUSINESS:

India, being one of the largest economies in the world provides large opportunities to grow under various business sectors. One such business sector that has always been prospering in India is business of trading. Indian trade has grown exponentially over the last few years providing huge scope under different product sectors for the business of trading.

Our company foresees very bright future in trading business in India. At present the trading activities of the Company is on a very small scale. The Company continues to look at new opportunities in the trading segment in India. The management feels that there is a very good scope in trading of various goods and products and the same can be very profitable opportunity for the Company. Our performance and growth are to a large extent dependent on the health of an Indian economy. The company aims to have an established market in key trading segments of India and the Company is trying to establish its foothold in this segment.

2. OPPORTUNITIES AND THREATS:

Opportunities

- To maintain a sustained growth in productivity.
- To enhance gainful employment.
- To achieve optimal utilization of human resources.
- To attain international competitiveness.
- To transform India into a major partner and player in the global area.
- Revenue diversification.
- Attractive growth rates in economy.

Threats

- Change in Government of India's Economic Liberalization policies may hinder prices of our equity shares.
- Slowdown in the Indian economy may have inverse effect in our profit.
- Any Natural calamities, terrorist attack on India may hinder our profit.
- Change in economic regulations and laws may also affect the company adversely.
- Financial condition of borrower may doctorate and impact recovery.

3. SEGMENT -WISE OR PRODUCT-WISE PERFORMANCE :

The Company operates in two business segments of Finance and Trading, hence the segment reporting is applicable to the Company. Segment-wise Performance Detailed information has been given in the Standalone Financial Statements. The segment wise performance of the company in terms of revenue and profit as per audited financial results is as follows:

(Rs. in lacs)

SR.NO	SEGMENT	Financial Year 2017-18 Rs. In lacs	Financial Year 2016-17 Rs. In lacs
1	Finance Business	28.24	25.92
2	Trading Business	36.99	35.87

4. OUTLOOK:

The company's outlook for the coming financial year 2018-19 looks at new opportunities in the trading and finance business segments in India. However, global recession and market condition may have an impact on our business to suffer which in turn can have bearing on profitability. The management feels that there is a very good scope in trading of various goods and products and the same can be very profitable opportunity for the company. Our performance and growth are to a large extent dependent on the health of an Indian economy. The company aims to have an established market in key trading and finance segments of India and also aims to keep its best foot forward in terms of providing services in various major market segments.

5. RISKS AND CONCERNS :

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavor is to maximize returns. The Company continues to take all steps necessary to minimize losses through detailed studies and interaction with experts.

Recent years have seen heightened concern and focus on risk management, as a result of series of business scandals and failures where investors, company

personnel and other stakeholders suffered tremendous loss. This resulted in the publication of books, journals, articles and a series of government documents that draw attention to the need for better risk management and how to set up a risk management system. Risk management is viewed as a corner stone of good corporate governance and therefore results in better service delivery, more efficient and effective use of scarce resources and better project management. Risk management is the logical development and implementation of a plan to deal with potential losses

An investment in equity shares involves a high degree of risk. If any of the following risks actually occur, our business, financial condition and results of operations could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment.

Risks relating to our Business are as follows:

1. Our business is subject to regulation by several authorities, which could have an adverse effect on our business and our results of operations.
2. We are dependent on our senior management team and the loss of team members may adversely affect our business or results of operations.
3. The company is at credit default risk that could occur when the borrower to whom the company has financed the loan becomes insolvent and could not repay the loan.
4. Competition: The markets in which we are involved are intensely competitive. We also compete with other companies in India which often establish and pursue similar strategic business plans as ours. Our competitors may have stronger relationships and associations with our current or potential customers, suppliers, counterparties and business partners. Our competitors may also have greater financial, technical, marketing, distribution, information, human and other resources than we do and may be stronger in certain of the market segments in which we operate.
5. Company has advanced a sum of Rs 3,15,48,815 as loan to various parties and has fixed deposit of Rs. 27,43,810 / -These loans and Fixed deposit carry Interest rates which are dependent upon interest Rates in Market.
6. Company has credit risk on Trade Receivables and advanced unsecured loans to various parties. Company manages credit risk through continues monitoring of credit limits.

Risks relating to India are:

1. Slowdown in the Indian economy may inverse effect in our profit.
2. Any natural calamities, terrorist attack on India may hinder our profit.
3. Change in economic regulations and laws may also effect the company adversely
4. Low interest regime in the economy may act as a dampener for the financing business.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company maintains adequate internal control system, which provides among other things, reasonable assurance of recording the transactions of its operations in all material aspects and of providing against significant misuse or loss of company's assets.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year company has reported total income of Rs. 65.22 lacs (Approx) as against total income of Rs. 61.79 lacs (Approx) in the previous year, Net profit of the company during the current year stand at Rs. 11.63 lacs (Approx) as against profit of Rs. 9.55 lacs (approx) in the previous year. The detail information about total income and net profit is given in the Directors' Report.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The relationship with the employees continues to be cordial. The Company recognizes the importance and contribution of its employees for its growth and development and constantly endeavors to train nurture and groom its people. The Company puts emphasis on attracting and retaining the right talent. The company places emphasis on training and development of employees at all levels and has introduced methods and practices for Human Resource Development.

During the year under the review, the company has complied with all legislative provisions of labour laws. The number of employees of the company as on 31st March, 2018 was 4.

9. CAUTIONARY REPORT:

Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties. Company's operations are affected by many external and internal factors which are beyond the control of the management. Thus the actual situation may differ from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

Place: Ahmedabad
Date:29/05/2018

For and on behalf of the Board of Directors
KAYEL SECURITIES LIMITED

KAYEL SECURITIES LIMITED AHMEDABAD

Rahul Kankariya
Chairman & Managing Director
DIN: 00314184

HITESH PRAKASH SHAH & CO
Chartered Accountants

B-31, Ghantakarna Market,
Near New Cloth Market,
Sarangpur, Ahmedabad- 380 002
Mobile No: +91 99986 10352
E-mail: shahitesh@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
KAYEL SECURITIES LIMITED.

Report on the Financial Statements

We have audited the accompanying Financial Statements of **KAYEL SECURITIES LIMITED** ("the Company"), wh comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including the Statement of Ot Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then enc and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies 2013 ('the Act') with respect to the preparation of these Financial Statements that give a true and fair view of State of Affairs (Financial Position), Profit or Loss (Financial Performance including Other Comprehensive Incor Cash Flows and Statement of Changes in Equity of the Company in accordance with the accounting princi generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularit selection and application of appropriate accounting policies; making judgments and estimates that are reasonable prudent; and design, implementation and maintenance of adequate internal financial controls, that were opera effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation presentation of the Financial Statements that give a true and fair view and are free from material misstatem 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 i account the provisions of the Act, the accounting and auditing standards and matters which are required to included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing, issued by Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards req that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance ab 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 Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those

HITESH PRAKASH SHAH & CO. FRN : 127614W MSH : 124095 CHARTERED ACCOUNTANTS

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 these Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us read with the notes to accounts, the aforesaid Financial Statements gives 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, including specified under Section 133 of the Act, of the State of Affairs (Financial Position) of the Company as at 31 March 2018, and it's Statement of Profit and Loss (Financial Performance including Other Comprehensive Income), its Cash Flows and the Changes in Equity for the year ended on that date.

Other Matter

The Comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at April 1, 2016, included in these financial statement, are based on the previously issued statutory Financial Statements for the year ended 31st March 2017 and 31st March 2016, which were audited by the predecessor auditor. The Adjustment to those Financial Statements for the difference in accounting principles adopted by the Company on transition to the IND AS has been audited by us. Our Opinion is not qualified in respect to this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A** statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable for the year under consideration.

2. As required by Section 143 (3) of the Act, we broadly report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 as specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015

ATTESH PRAKASH SHAH & CO. FRN : 127614W MSN : 124095 CHARTERED ACCOUNTANTS

(e) On the basis of the 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) There are no pending litigations having impact on the financial position of the company;

(ii) There are no long term contracts including derivative contracts and accordingly no provision is required to be made for any loss from the same;

(iii) There is no fund which is pending to be transferred to the Investor Education and Protection Fund by the Company.

(iv) The reporting on disclosures relating to Specified bank Notes is not applicable to the Company for the year ended 31st March, 2018.

FOR, HITESH PRAKASH SHAH &CO
(FIRM REGD.NO: 127614W)
CHARTERED ACCOUNTANTS

HITESH PRAKASH SHAH & CO. FRN : 127614W MSN : 124095 CHARTERED ACCOUNTANTS

PLACE: AHMEDABAD
DATE: 29th MAY, 2018

HITESH P SHAH
PROPRIETOR
MEMBERSHIP NO. 124095

The **Annexure A** referred to in Independent Auditor's Report to the members of **Kayel Securities Limited** on the Financial Statements for the year ended on **31 March, 2018**, we report that:

i. The Company does not have fixed assets and therefore, provision of the clause 3(i) of the Order is not applicable.

ii. The Company does not have any inventory at year end and therefore provision of Clause 3(ii) of the Order is not applicable.

iii. The Company has granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')

(a)In respect of the aforesaid loans, the terms and conditions on which such loans were granted are not prejudicial to the Company's Interest.

(b) In respect of the aforesaid loans, the schedule of repayment of principal and Interest has not been stipulated. However, the repayments or receipts are regular.

(c) In respect of the aforesaid loans, there is no amount overdue for more than ninety days.

iv. 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 the loans and investments made, and guarantees and security provided by it.

v. In our opinion, and according to the information and explanations given to us, during the year under consideration, the Company has not accepted any deposits (other than exempted deposits) within the meaning of sections 73 to 76 of the Act and Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

vi. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no outstanding dues in respect of Income Tax, Goods and Service Tax, Sales Tax, service tax, duty of customs, duty of excise, value added tax or cess etc which have not been deposited/adjusted/reversed on account of any dispute

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company does not have any loans or borrowings from financial institutions, banks, Government or debenture

HITESH PRAKASH SHAH & CO. FRN : 127614W MSN : 124095 CHARTERED ACCOUNTANTS

holders and therefore the provisions of Clause 3(viii) of the Order are not applicable.

ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. According to the information and explanation given by the Company, no managerial remuneration has been paid and therefore clause 3(xi) of the Order is not applicable.

xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.

xiv. According to the information and explanation given to us and on overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting requirements under clause 3(xiv) of the Order are not applicable to the Company.

xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly paragraph 3(xv) of the Order is not applicable to the Company.

xvi. According to the information and explanations provided to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the paragraph 3(xvi) of the Order is not applicable to the Company.

FOR, HITESH PRAKASH SHAH &CO
(FIRM REGD.NO: 127614W)
CHARTERED ACCOUNTANTS

HITESH PRAKASH SHAH & CO. FRN : 127614W MSN : 124095 CHARTERED ACCOUNTANTS

HITESH P SHAH
PROPRIETOR
MEMBERSHIP NO. 124095

PLACE: AHMEDABAD
DATE: 29th MAY, 2018

ANNEXURE B REFERRED TO IN PARAGRAPH 2(f) OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT OF OUR REPORT OF EVEN DATE FOR THE YEAR ENDED ON **31ST MARCH, 2018** OF **KAYEL SECURITIES 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 KAYEL SECURITIES LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

HITESH PRAKASH SHAH & CO. * CHARTERED ACCOUNTANTS * FRN : 127614W MSN : 124095

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, except otherwise stated or reported to the company, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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, HITESH PRAKASH SHAH & CO
(FIRM REGD.NO: 127614W)
CHARTERED ACCOUNTANTS



HITESH P SHAH
PROPRIETOR
MEMBERSHIP NO. 124095

PLACE: AHMEDABAD
DATE: 29th MAY, 2018

1. CORPORATE INFORMATION:

Kayel Securities Limited (the "Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange of India. The registered office of the Company is located at Shop No. 229, New Cloth Market, O/s Raipur gate, Ahmedabad-380002. The Company is engaged in the business of Trading and financial services.

The financial statements were authorized for issue in accordance with a resolution passed in Board Meeting held on 29thMay 2018.

2. BASIS OF PREPARATION:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31stMarch, 2017, the company prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013 (the "Act") read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31st March, 2018 are the first the Company has prepared in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value. Refer accounting policy regarding financial instruments.

The financial statements are presented in Rupeesand all values are rounded to the nearest Rupee, except where otherwise indicated.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. CURRENT VERSUS NON-CURRENT CLASSIFICATION:

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

The operating cycle is the time between acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates on the dates of the initial transactions.

b. FAIR VALUE MEASUREMENT:

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.



The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring fair value measurement.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Management after discussion with the Board of Directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant accounting judgements, estimates and assumptions, Quantitative disclosures of fair value measurement hierarchy and Financial instruments (including those carried at amortised cost) are stated by way of the note at the appropriate place of the accounts.

c. BORROWING COSTS:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

d. FINANCIAL INSTRUMENTS:

A Financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:



- Debt instruments - measured at amortised cost

- Debt instruments, derivatives and equity instruments - measured at fair value through Profit or Loss (FVTPL)

- Equity instruments - measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade, loans and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

Investments in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements. All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

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b) Financial guarantee contracts which are not measured at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

The Balance Sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit facilities from banks.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through Statement of Profit and Loss.

Financial liabilities at fair value through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through Profit or Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through statement of Profit and Loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability at FVTPL.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings.

Financial guarantee contracts



Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value through Statement of Profit and Loss (FVTPL), adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

e. **INVENTORIES:**

Inventories if any, are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, wherever considered necessary. Cost is determined on a FIFO (Firstin First Out).

Cost includes purchase cost and other direct cost incurred in bringing them in their respective present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to make the sale.

f. **REVENUE:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) and goods and service tax are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

i) Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of VAT/CST/GST, trade discounts & other taxes, adjustments for late delivery charges and material returned/rejected.

iii) Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

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iv) Interest Income is recognized on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "Revenue from Operations" in the Statement of Profit and Loss.

g. **TAXES:**

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

► When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable Profit or Loss.

► In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, except:

► When the deferred tax asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

► In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

h. **PROVISIONS:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

i. **EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

j. **CASH AND CASH EQUIVALENT:**



Cash and cash equivalents in the Balance Sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of charges in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

k. **CASH DIVIDEND**

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.2 **SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS:**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Fair value measurement for financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



KAYEL SECURITIES LIMITED

Balance Sheet as at 31st March 2018

Sr. No	Particulars	Note No.	(Amount In Rs.) As at 31 March 2018	(Amount In Rs.) As at 31 March 2017	(Amount In Rs.) As at 1st April 2016
1	2	3	4	5	6
II	**ASSETS**				
(1)	**Non Current Assets**				
(a)	Financial Assets				
	(i) Investments	2.01	1,882,875	1,882,875	1,882,875
	(ii) Other Bank balances	2.05	2,752,540	2,668,782	2,559,000
(b)	Deferred Tax Asset (Net)	2.02	189,630	345,028	486,296
(2)	***Current Assets***				
(a)	Financial Assets				
	(i) Trade Receivables	2.03	-	3,586,994	-
	(ii) Cash and Cash Equivalents	2.04	92,311	105,849	1,695,887
	(iii) Loans	2.06	31,548,815	29,125,377	25,786,381
	(iv) Other Financial Assets	2.07	-	-	31,624
(b)	Other Current Assets	2.08	-	-	55,216
	Total		**36,466,171**	**37,714,905**	**32,497,279**
I	**EQUITY AND LIABILITIES**				
(1)	***Equity***				
(a)	Equity Share Capital	2.09	30,050,000	30,050,000	30,050,000
(b)	Other Equity	2.10	4,541,314	3,377,716	2,422,742
(2)	***Current liabilities***				
(a)	***Financial Liabilities***				
	(i) Short Term Borrowings	2.11	1,597,904	246,151	-
	(ii) Trade Payables	2.12	167,120	3,878,480	23,265
(b)	Other current liabilites	2.13	17,723	32,250	1,272
(c)	Provisions	2.14	7,500	48,000	-
(d)	Current Tax Liabilities (net)	2.15	84,610	82,308	-
	Total		**36,466,171**	**37,714,905**	**32,497,279**

Significant Accounting Policies 2.1
Notes to Accounts

This is the Balance Sheet referred to in our report of even date attached

Hitesh P. Shah
Member Ship No 124095
Proprietor
For & on behalf of Hitesh Prakash Shah & Co.
Firm Registration No: 127614W
Chartered Accountants
Place: Ahmedabad
Date: 29th May 2018

HITESH PRAKASH SHAH & CO. CHARTERED ACCOUNTANTS FRN : 127614W MSN : 124095

For & on behalf of the Board of Directors of KAYEL SECURITIES LIMITED

Rahul Kankaria
Chairman & Managing Director

Rakesh Kankaria
Director & CFO

Malvika Kapasi
Company Secretary & Compliance Officer

KAYEL SECURITIES LIMITED

Statement of Profit and Loss for the Year ended on 31st March 2018

Particular	Note No.	(Amount In Rs.) 2017-18	(Amount In Rs.) 2016-17
Income			
Revenue from Operation	2.16	6,522,373	6,178,884
Total Income (I)		**6,522,373**	**6,178,884**
Expenses			
Cost of Traded Goods Sold	2.17	3,679,082	3,568,352
Employees Benefit Expenses	2.18	197,200	202,539
Other Expenses	2.19	877,636	1,038,808
Finance Cost	2.20	137,226	-
Total Expenses (II)		**4,891,144**	**4,809,699**
Profit Before Tax		1,631,229	1,369,185
Tax Expenses :-			
Provision For Current Tax		(312,233)	(283,917)
Deferred Tax		(155,398)	(141,268)
Excess Provision of Current Tax of Earlier Year		-	10,974
Profit for the Year		**1,163,598**	**954,974**
Other comprehensive Income		-	-
Total Comprehensive Income for the Year		**1,163,598**	**954,974**
Earning per equity share of face value of Rs. 10 each - Basic and Diluted	2.22	0.39	0.32
Significant Accounting Policies	2.1		
Notes on Financial Statements			

This is the Profit and Loss Account referred to in our report of even date attached

HITESH PRAKASH SHAH & CO. * CHARTERED ACCOUNTANTS * FRN : 127614W MSN : 124095

Hitesh P. Shah
Member Ship No 124095
Proprietor
For & on behalf of Hitesh Prakash Shah & Co
Firm Registration No: 127614W
Chartered Accountants
Place: Ahmedabad
Date: 29th May 2018

For & on behalf of the Board of Directors of KAYEL SECURITIES LIMITED

Rahul Kankaria
Chairman & Managing Director

Rakesh Kankaria
Director & CFO

Malvika Kapasi
Company Secretary & Compliance Officer

KAYEL SECURITIES LIMITED

Statement for changes in equity for the year ended 31st March, 2018

A) Equity Share Capital

Equity Shares of Rs 10 Each issued, subscribed and fully paid	No of Shares	Amount
As at 1st April, 2016	3,005,000	30,050,000
Changes during the year		
As at 31st March, 2017	3,005,000	30,050,000
Changes during the year		
As at 31st March, 2018	3,005,000	30,050,000

B) Other Equity

Particulars	Securities Premium	Retained Earnings	Total
Balance as at 1st April, 2016	2,760,000	(337,258)	2,422,742
Profit for the year	-	954,974	954,974
Balance as at 31st March, 2017	2,760,000	617,716	3,377,716
Profit for the year	-	1,163,598	1,163,598
Balance as at 31st March, 2018	2,760,000	1,781,314	4,541,314

HITESH PRAKASH SHAH & CO. CHARTERED ACCOUNTANTS FRN : 127614W MSN . 124095

Hitesh P. Shah
Proprietor
Member Ship No 124095
For & on behalf of Hitesh Prakash Shah & Co
Firm Registration No: 127614W
Chartered Accountants
Place: Ahmedabad
Date: 29th May 2018

For & on behalf of the Board of Directors of KAYEL SECURITIES LIMITED

Rahul Kankaria
Chairman & Managing Director

Rakesh Kankaria
Director & CFO

Malvika Kapasi
Company Secretary & Compaliance Officer

KAYEL SECURITIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2018	2017-18 Amount in Rs.	2016-17 Amount in Rs.
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax and extraordinary items	1,631,229	1,369,185
Adjusted for:		
Operating profit before working capital changes		
Adjustment for:		
Short Term Borrowings	1,351,753	246,151
Trade Payable	(3,711,360)	3,855,215
Other Current Liabilities	(14,527)	30,978
Provision	(40,500)	48,000
Loans	(2,423,438)	(3,338,996)
Trade Receivables	3,586,994	(3,586,994)
Other Financial Assets	-	31,624
Other Current Asset		66,190
Cash Genrated from Operations	**380,151**	**(1,278,647)**
Less: Taxes Paid	(309,931)	(201,609)
Cash Flow out of Operating Activities	**70,220**	**(1,480,256)**
(B) CASH FLOW FROM INVESTMENT ACTIVITIES:		
Investment in Bnak deposits (having original maturity of more than three months)	(83,758)	(109,782)
Net Cash (used in)/ generated from Investing Activities	**(83,758)**	**(109,782)**
(C) CASH FLOW FROM FINANCING ACTIVITIES:		
Cash Flow out of Financial Activities	-	-
Net Total Cash flow for the year	**(13,538)**	**(1,590,038)**
Net increase/(Decrease) in cash and cash equivalent	(13,538)	(1,590,038)
Cash and cash equivalents at the Beginning of Year	105,849	1,695,887
Cash and cash equivalents at the End of Year	**92,311**	**105,849**

As per the recent amendment by MCA in "IND AS-7 Statement of Cash Flows: Disclosure initiative" effective from 1st April, 2017 disclosure of change in liabilities arising from financing activities, does not have any material non-cash changes.

KAYEL SECURITIES LIMITED

Rahul Kankaria (Chairman & MD)
DIN No:00314184

Rakesh Kankaria (Director & CFO)
DIN No: 00314234

Malvika Kapasi (Company Secretary & Compliance Officer)
ACS 52602

Place: Ahmedabad
Date: 29th May 2018

This is the Profit and Loss Account referred to in our report of even date attached

Hitesh P. Shah
Proprietor
Membership No 124095
For & on behalf of Hitesh Prakash Shah & Co
Firm Registration No: 127614W
Chartered Accountants

HITESH PRAKASH SHAH & CO. FRN : 127614W MSN : 124095 CHARTERED ACCOUNTANTS

KAYEL SECURITIES LIMITED

Note 2 Notes forming part of the Financial Statement

2.01 Investments

Particulars	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1st April 2016 (Amount In Rs.)
Investments in Equity Instruments			
Quoted Investment			
Nil (31st March, 2017: Nil, on 1st April, 2016: 2,11,500) Equity Shares of Kayel Syntex Limited of face Value of Rs.10/- Each.*	-	-	18,81,875
(Market Value of equity shares of kayel syntex limited is not available since the company's shares listing is suspended)			
Unquoted Investment			
100 (31st March, 2017: 100, on 1st April, 2016: 100) Equity shares of Nikesh Silk Private Limited of Rs 10/- Each.	1,000	1,000	1,000
2,11,500 (31st March, 2017: 2,11,500, on 1st April, 2016: Nil) Equity Shares of Kayel Syntex Limited of face Value of Rs.10/- Each.*	18,81,875	18,81,875	-
Total	**18,82,875**	**18,82,875**	**18,82,875**
Current	-	-	-
Non-Current	**18,82,875**	**18,82,875**	**18,82,875**
Aggregate book value of unquoted Investments	18,82,875	18,82,875	1,000
Aggregate book value of quoted Investments	-	-	18,81,875

*Shares of Kayel Syntex Limited were listed on Ahmedabad Stock Exchange till 16.01.2017. Post 16.01.2017 Ahmedabad Stock Exchange underwent exit policy wherein all companies were shifted to NSE or BSE or to Dissemination Board. Kayel Syntex Limitred went into disseminaton Board and therefore same are treated as unquouted as on 31.03.2017.

2.02 INCOME TAX

The major component of income tax expenses for the years ended 31st March 2018 and 31st March 2017 are:

Particular	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)
Statement of Profit and Loss		
Current Tax		
Current Income Tax	3,12,233	2,83,917
Deferred Tax		
Deferred tax	1,55,398	1,41,268
Tax in respect of earlier years	-	(10,974)
Income tax expense reported in the Statement of Profit and Loss	4,67,631	4,14,211
Other comprehensive Income (OCI)		
Deferred Tax related to items recognised in OCI during the Year	-	-
Deferred Tax Credited to OCI	-	-

a Reconciliation of tax expenses and the accounting profit multiplied by domestic tax rate for the year ended 31st March 2018 and 31st March 2018

Particular	Year Ended 31 March 2018 (Amount In Rs.)	Year Ended 31 March 2018 (Amount In Rs.)
Accounting Profit before tax	16,31,229	13,69,185
Enacted income tax rate in India applicable to the Company	25.75	29.87
Tax using the Company's domestic tax rate	4,20,041	4,08,976
Tax Effects of:		
Income Tax Allowances	(1,07,808)	(1,25,059)
Excess Provision for Current tax of earlier years	-	(10,974)
Other	1,55,398	1,41,268
At the effective income tax rate of 31 March 2018: 28.67% (31 March 2017: 30.25%)	**4,67,631**	**4,14,211**

b Deferred Tax

Particular	Balance Sheet		
	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1st April 2016 (Amount In Rs.)
Other Adjustment	1,89,630	3,45,028	4,86,296
Total	**1,89,630**	**3,45,028**	4,86,296

Particular	Statement of Profit and Loss	
	Year Ended 31 March 2018 (Amount In Rs.)	Year Ended 31 March 2018 (Amount In Rs.)
Other Adjustment	(1,55,398)	(1,41,268)
Total	**(1,55,398)**	**(1,41,268)**

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1st April 2016
Defferd Tax Assets	1,89,630	3,45,028	4,86,296
Total	**1,89,630**	**3,45,028**	4,86,296

HITESH PRAKASH SHAH & CO. CHARTERED ACCOUNTANTS FRN : 127614W MSN : 124095

2.03 Trade Recievables

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1st April 2016
Trade Receivable (Unsecured, considered good)	-	35,86,994	-
Total	-	35,86,994	-

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

2.04 Cash and cash equivalent

Particulars	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1st April 2016 (Amount In Rs.)
a. Balance With Bank			
- in Current Account	88,800	1,01,482	16,41,123
b. Cash on hand	3,511	4,367	54,764
Total	**92,311**	**1,05,849**	**16,95,887**

2.05 Other Bank Balances

Particulars	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1st April 2016 (Amount In Rs.)
Balances with Bank			
Deposits with Maturity More than 12 Months	27,52,540	26,68,782	25,59,000
Total	**27,52,540**	**26,68,782**	**25,59,000**
Current	-	-	-
Non Current	**27,52,540**	**26,68,782**	**25,59,000**
Total	**27,52,540**	**26,68,782**	**25,59,000**

2.06 Loans

Particulars	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1st April 2016 (Amount In Rs.)
(Unsecured, Considered Good)			
- Loan to Related Parties	4,11,925	4,11,925	4,11,925
- Loan to Others	3,11,21,890	2,87,13,452	2,53,58,456
- Loan to Employees Staff	15,000	-	16,000
Total	**3,15,48,815**	**2,91,25,377**	**2,57,86,381**
Current	**3,15,48,815**	**2,91,25,377**	**2,57,86,381**
Non Current	-	-	-
Total	**3,15,48,815**	**2,91,25,377**	**2,57,86,381**

Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186(4) of the Companies Act, 2013

Particulars	Amount outstanding as at 31st March,2018	Maximum balance during the year 31st March, 2018
M/s. Kantilal Loonchand	62,068	62,068
Kayel Syntex Limited	3,49,857	3,49,857
Total	**4,11,925**	**4,11,925**

Particulars	Amount outstanding as at 31st March,2017	Maximum balance during the year 31st March, 2017
M/s. Kantilal Loonchand	62,068	62,068
Kayel Syntex Limited	3,49,857	3,49,857
Total	**4,11,925**	**4,11,925**

2.07 Other Financial Assets

Particulars	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1st April 2016 (Amount In Rs.)
Interest Accured but not due	-	-	31,624
Total	-	-	**31,624**
Current	-	-	**31,624**
Non Current	-	-	-
Total	-	-	**31,624**



2.08 Other Current Assets

Particulars	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1st April 2016 (Amount In Rs.)
Advance Receivable in cash or kind			
Balances with Government authorities			
- Income Tax	-	-	55,216
Total	-	-	55,216
Current	-	-	55,216
Non Current	-	-	-
Total	-	-	55,216

2.09 Equity Share Capital

a

Authorised, Issued, Subscribed and Paid- Up Capital:	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Particulars	(Amount In Rs.)	(Amount In Rs.)	(Amount In Rs.)
Authorised			
31,00,000 (31st March, 2017 31,00,000, on 1st April, 2016 31,00,000) Equity Shares of Rs 10 each	3,10,00,000	3,10,00,000	3,10,00,000
Issued, Subscribed & fully Paid up			
30,05,000 (31st March, 2017 30,05,000 on 1st April, 2016 30,05,000) Equity Shares of Rs 10 each	3,00,50,000	3,00,50,000	3,00,50,000
Total	3,00,50,000	3,00,50,000	3,00,50,000

b

A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.				
Particulars	Equity Shares			
	As at 31 March 2018		As at 31st March 2017	
	No. of Shares	(Amount In Rs.)	No. of Shares	(Amount In Rs.)
Shares outstanding at the beginning of the Year	30,05,000	3,00,50,000	30,05,000	3,00,50,000
Shares Issued during the Year	-	-	-	-
Shares bought back during the Year	-	-	-	-
Shares outstanding at the end of the Year	30,05,000	3,00,50,000	30,05,000	3,00,50,000

c **Rights, preference and restriction attached to Equity Shares**

(i) The company has only one class of equity shares having a face value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share.

d There were no shares reserved at the year-end for issue under options and contracts / commitments for the sale of shares / disinvestment.

e **Shareholders holding more than 5% of the Shares**

Name of Shareholder	Equity Shares			
	As at 31 March 2018		As at 31st March 2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Kantilal Kankariya Dhanraj HUF	1,64,800	5.48	1,64,800	5.48
Kankariya Loonchand Dhanraj HUF	1,65,770	5.52	1,65,770	5.52
Sudeep Dasani	5,00,000	16.64	5,00,000	16.64
Cetex Dist. Pvt. Ltd.	4,50,000	14.98	4,50,000	14.98
Ashish K Shah	1,60,000	5.32	1,60,000	5.32

f Aggregate number of Bonus Shares issued, shares issued for consideration other than Cash and Shares Bought back during the Period of five Years immediately preceding the reporting date. - Nil

g Unpaid Call Money - Nil

2.10 Other Equity

Particulars	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1 April 2016 (Amount In Rs.)
Securities Premium			
- Balance as per last financial statement	27,60,000	27,60,000	27,60,000
Addition during the year	-	-	-
- Closing Securities Premium (A)	27,60,000	27,60,000	27,60,000
Securities Premium is used to record the premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013			
Retained Earnings			
- Balance as per last financial statement	6,17,716	(3,37,258)	(6,40,031)
- Profit for the Year	11,63,598	9,54,974	3,02,773
- Closing Retained Earnings (B)	17,81,314	6,17,716	(3,37,258)
Total Other Equity (A+B)	45,41,314	33,77,716	24,22,742

2.11 Short Term Borrowings

Particulars	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1 April 2016 (Amount In Rs.)
Unsecured Loan From Corporates	15,97,904	2,46,151	-
Total	15,97,904	2,46,151	-

2.12 Trade Payables

Particulars	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1 April 2016 (Amount In Rs.)
- Creditors For Goods	-	35,68,352	-
- Creditors For Expenses	1,67,120	3,10,128	23,265
Total	1,67,120	38,78,480	23,265

As per Information available on Company's records, no amount was due to Micro, Small and Medium Enterprises as defined under the MSME Act,2006 and hence disclosure is not given.



2.13 Other current liabilites

Particulars	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1 April 2016 (Amount In Rs.)
Statutory Liablity-Tax deducted at Source	17,723	32,250	1,272
Total	17,723	32,250	1,272

2.14 Provisions

Particulars	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1 April 2016 (Amount In Rs.)
Provision for Expenses	7,500	48,000	-
Total	7,500	48,000	-

2.15 Current Tax Liabilities

Particulars	As at 31 March 2018 (Amount In Rs.)	As at 31 March 2017 (Amount In Rs.)	As at 1 April 2016 (Amount In Rs.)
Provision for Income Tax (Net of Advance Tax & Tax Deducted at Source of Rs 2,19,109 and 31st March, 2017 Rs 2,01,609)	84,610	82,308	-
Total	84,610	82,308	-

2.16 Revenue From Operation

Particulars	2017-18 (Amount In Rs.)	2016-17 (Amount In Rs.)
Sale of Product - Traded Good-Cloths	3,698,712	3,586,994
Interest Income From:		
- Bank	216,826	210,603
- Loan and Advances	2,606,835	2,381,287
Total	6,522,373	6,178,884

2.17 Cost of Traded Goods Sold

Particulars	2017-18 (Amount In Rs.)	2016-17 (Amount In Rs.)
Purchase of Traded Goods - Cloths	3,679,082	3,568,352
Total	3,679,082	3,568,352

2.18 Employees Benefit Expenses

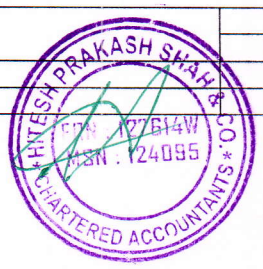
Particulars	2017-18 (Amount In Rs.)	2016-17 (Amount In Rs.)
Salary	197,200	202,539
Total	197,200	202,539

2.19 Other Expenses

Particulars	2017-18 (Amount In Rs.)	2016-17 (Amount In Rs.)
Audit Fees	10,900	5,750
Advertisement expenses	55,230	51,775
Accounting Expenses	30,000	18,000
Miscelleneous Expenses	120,750	91,763
Conveyance Expenses	50,735	50,120
Postage and Telegram	19,929	12,202
Telephone Expenses	7,435	6,155
Listing Fees	287,500	229,000
Bad Debts written off	-	36,914
Printing & Stationery Expenses	11,811	28,945
Office Expenses	82,880	64,815
Legal and Professional Charges	167,612	409,578
Website maintenance charges	31,770	31,725
Bank Charges / Commission & Postage	1,084	2,066
Total	877,636	1,038,808

2.20 Finance Cost

Particulars	2017-18 (Amount In Rs.)	2016-17 (Amount In Rs.)
Interest on Unsecured Loan	137,226	-
Total	137,226	-



2.21 Related Party Disclosures:

a

Name of the Related Parties and Description of Relationship	Nature of Relationship
Particulars of Associates	
Kayel Syntex Limited	Associate
Kantilal Loonchand	Associate
Director as at 31st March 2018	**Designation**
Name	
- Rakesh L. Jain	Director
- Rahul K. Jain	Director

b **Transaction**

Particulars	2017-18	2016-17
Outstanding Receivable as at year end		
Kayel Syntex Ltd	3,49,857	3,49,857
M/s. Kantilal Loonchand	62,068	62,068
Loan Given		
Kayel Syntex Ltd	7,09,714	-
Loan Given repayment		
Kayel Syntex Ltd	7,09,714	-
Loan Taken		
Kayel Syntex Ltd	31,00,286	-
Loan Taken and repaid		
Kayel Syntex Ltd	31,00,286	-

2.22 Earning Per Share

Particulars	2017-18	2016-17
Net Profit as per Profit & Loss		
Amount available for Equity Shareholders	11,63,598	9,54,974
Weighted average number of Equity shares	30,05,000	30,05,000
Basic & Diluted Earnings per share	0.39	0.32

2.23 Empolyee Benefit Expenses - No Benefit other than Salary and Bonus is applicable to the company

2.24 COMMITMENTS AND CONTINGENCIES - Nil

2.25 Segment Reporting

Operating Segments:

The Company is engaged in the business of tradig and financial Servies. In accordance with the requirements of Ind AS 108 "Operating Segments" Company has identified these two segments as reportable segments.

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.



Sr. No	Particular	For the Year ended	
		ended on	ended on
		31.03.2018	31.03.2017
1	Segment Revenue		
	a) Financial Services	2,823,661	2,591,890
	b) Trading	3,698,712	3,586,994
	Total	6,522,373	6,178,884
	Net Sales/Income from Operation	6,522,373	6,178,884
2	Segment Results		
	a) Financial Services	2,686,435	2,591,890
	b) Trading	19,630	18,642
	Total	2,706,065	2,610,532
	Less: i) Interest	-	-
	ii) Other unallocable Expenses	1,074,836	1,241,347
	Total Profit Before Tax	1,631,229	1,369,185
3	Segment Assets		
	a) Financial Services	36,169,230	33,677,034
	b) Trading	-	3,586,994
	c) Unallocated	296,941	450,877
	Total Segment Assets	36,466,171	37,714,905
4	Segment Liabilities		
	a) Financial Services	1,597,904	246,151
	b) Trading	167,120	3,878,480
	c) Unallocated	109,833	162,558
	Total Segment Liabilities	1,874,857	4,287,189

2.26 **Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management**

2.26.1 Category-wise Classification of Financial Instruments

Particular	Refer Note	As At 31st March 2018		
		FVOCI	Amortised Cost	Carrying Cost
Financial assets				
Investments in unquoted equity shares	2.01	1,882,875	-	1,882,875
Other bank balances	2.05		2,752,540	2,752,540
Cash and cash equivalents	2.04	-	92,311	92,311
Loans	2.06	-	31,548,815	31,548,815
Total		1,882,875	34,393,666	36,276,541
Financial liabilities				
Short Term Borrowings	2.11	-	1,597,904	1,597,904
Trade Payables	2.12	-	167,120	167,120
Total		-	1,765,024	1,765,024

Particular	Refer Note	As At 31st March 2017		
		FVOCI	Amortised Cost	Carrying Cost
Financial assets				
Investments in unquoted equity shares	2.01	1,882,875	-	1,882,875
Other bank balances	2.05		2,668,782	2,668,782
Trade receivables	2.03	-	3,586,994	3,586,994
Cash and cash equivalents	2.04	-	105,849	105,849
Loans	2.06	-	29,125,377	29,125,377
Total		1,882,875	35,487,002	37,369,877
Financial liabilities				
Short Term Borrowings	2.11	-	246,151	246,151
Trade Payables	2.12	-	3,878,480	3,878,480
Total		-	4,124,631	4,124,631

Particular	Refer Note	As At 01st April 2016		
		FVOCI	Amortised Cost	Carrying Cost
Financial assets				
Investments in quoted equity shares	2.01	1,882,875	-	1,882,875
Other bank balances	2.05		2,559,000	2,559,000
Cash and cash equivalents	2.04	-	1,695,887	1,695,887
Loans	2.06	-	25,786,381	25,786,381
Other Financial Assets	2.07	-	31,624	31,624
Total		1,882,875	30,072,892	31,955,767
Financial liabilities				
Trade Payables	2.12	-	23,265	23,265
Total		-	23,265	23,265



2.26.2 Category-wise Classification of Financial Instruments:

(a) Quantitative disclosures fair value measurement hierarchy for financial assets and financial liabilities

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities

Particular	As at 31-03-2018	As at 31-03-2017	As at 01st April 2016
	Significant observable input (Level 3)	Significant observable input (Level 3)	Significant observable input (Level 3)
Financial Assets			
Investments in unquoted equity shares (refer note - 2.01)	1,882,875	1,882,875	1,882,875

(b) Financial Instruments measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

2.27 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include investments, loans given and cash and cash equivalent and long-term deposits that derive directly from its operations.

The Company's risk management is carried out by the corporate finance under policies approved by the Board of Directors. The corporate finance identifies and evaluates financial risks in close co-operation with the Company's Business Heads. The board provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity.

The corporate finance function reports quarterly to the Company's Audit Committee, that monitors risks and policies framed to mitigate risk exposures.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, deposits, investments, trade and other receivables, trade and other payables and derivative financial instruments.

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial markets.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal.

(ii) Foreign currency risk

The Company's activities are not exposed to any foreign exchange risk.

(iii) Other price risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and bonds. The Company is exposed to price risk arising mainly from investments in equity shares recognised at FVTOCI. As at 31st March 2018, the carrying value of such instruments recognised at FVTOCI amounts to Rs 1,882,875. (31st March 2017 Rs 1,882,875, on 1st April 2016 Rs 1,882,875). The details of such investments is given in note-2.01.

The management expects that the exposure to risk of changes in market rates of these investment in equity shares is minimal.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

Concentrations of Credit risk form part of Credit risk

During the year ended 31st March, 2018, sales to a customer Rs 3,698,712 or 100 % of net revenue and during the year ended 31st March 2017, sales to such customer Rs 3,586,994 or 100% of net revenue. Accounts receivable from such customer Rs Nil at 31st March, 2018 and Rs 3,586,994 at 31st March, 2017. A loss of this customer could adversely affect the operating results or cash flows of the Company.

During the year ended 31st March, 2018, interest on loan given Rs 2,606,835 or 100 % of net revenue and during the year ended 31st March 2017, interest on loan to such customers Rs 2,336,132 or 98% of net revenue. Loan receivable from such customers Rs 3,11,21,890 at 31st March, 2018 and Rs 2,87,13,452 at 31st March, 2017. A loss of these customers could adversely affect the operating results or cash flows of the Company.



(c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including, debt.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Particular	On Demand / Less than 1 Year	1 to 5 years	More than 5 Years	Total
As at 31st March, 2018				
Interest bearing borrowings	1,597,904	-	-	1,597,904
Trade Payables	167,120	-	-	167,120
As at 31st March, 2017				
Interest bearing borrowings	246,151	-	-	246,151
Trade Payables	3,878,480	-	-	3,878,480
As at 1st April 2016				
Interest bearing borrowings	-	-	-	-
Trade Payables	23,265	-	-	23,265

2.28 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

As at 31st March, 2018, the Company meets its capital requirement through equity and has low debts. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company re-invest its profits into business, based on its long term financial plans. The management of the Company reviews the capital structure of the Company on regular basis. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

The Capital structure of the Company is as follows:

Particular	As at 31-03-2018	As at 31-03-2017	As at 01st April 2016
Equity	30,050,000	30,050,000	30,050,000
Other Equity	4,541,314	3,377,716	2,422,742
Total	34,591,314	33,427,716	32,472,742

2.29 FIRST-TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS ("Ind AS")

These financial statements, for the year ended 31st March 2018, are the first financial statement, the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2017, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act, 2013 (the "Act") read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2018, together with the comparative period data as at and for the year ended 31st Match 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 1st April, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017.

Reconciliation with previous GAAP

a) Reconciliation of total equity as at March 31, 2017 and April 1, 2016

Description	Notes to first time adoption	As at 31-03-2017	As at 01st April 2016
Total equity (shareholders' funds) as per previous GAAP		34,257,737	33,580,167
Ind AS Adjustments [Increase in equity/ (decrease in equity)]			
Defer Expenses	a	(1,175,049)	(1,593,721)
Deferred Tax Asset	b	345,028	486,296
Total Ind AS adjustments		(830,021)	(1,107,425)
Total Equity/ (shareholders' funds) as per Ind AS		33,427,716	32,472,742

b) Reconcilition of total comprehensive income for the year ended

Description	Notes to first time adoption	As at 31-03-2017
Net Profit as per previous GAAP		677,570
Defer Expenses	a	418,672
Deferred Tax Asset	b	(141,268)
Total Ind AS adjustments		954,974

a Deffer Expenses

Under Ind AS the company had to expense out deffer expense balance which was amortized under previous GAAP.

b Deferred Tax Asset

Deferred Tax Assets created as per the IND AS.

c Material Adjustments to Statement of Cash flows

No material adjustments have been identified to the Statement of Cash flows on account of transition to Indian Accounting Standards.



2.30 Events occurred after the Balance Sheet Date

The Company evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 29th May 2018, there were no subsequent events to be recognized or reported that are not already previously disclosed.

SIGNATURES TO NOTES " 1 " & " 2 "



Hitesh P. Shah
Member Ship No 124095
Proprietor
For & on behalf of Hitesh Prakash Shah & Co
Firm Registration No: 127614W
Chartered Accountants
Place: Ahmedabad
Date: 29th May 2018

For & on behalf of the Board of Directors
of KAYEL SECURITIES LIMITED

Rahul Kankaria
Chairman & Managing Director

Rakesh Kankaria
Director & CFO

Malvika Kapasi
Company Secretary & Compliance Officer

ATTENDANCE SLIP

KAYEL SECURITIES LIMITED
CIN: L29219GJ1983PLC028990
Registered Office: Shop No. 229, New Cloth Market, O/s Raipur Gate, Ahmedabad - 380002
Ph: 079-22169300, e-mail: kayelsecurities@gmail.com website: www.kayelsecurities.com

I/We certify that I/We am/are the registered Member(s)/Proxy for the registered Member(s) of the Company.

I/We hereby record my/our presence at the 35th Annual General Meeting of the Company at Shop No. 229, New Cloth Market, O/s Raipur Gate, Ahmedabad – 380002 held on Tuesday 25th day of September, 2018 at 01.00 P.M.

Name of member(s): _____

Registered Address: _____

_____

E-mail address: _____

DP ID - Client ID: _____

Folio No: _____

No. of shares held _____

_____ _____

Name of the Member/ Proxy (In block letters) Signature of the Member/ Proxy

Note: Please complete this slip and hand it over at the entrance of the Meeting venue.

KAYEL SECURITIES LIMITED **CIN: L29219GJ1983PLC028990**

PROXY FORM

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

KAYEL SECURITIES LIMITED
CIN: L29219GJ1983PLC028990
Registered Office: 229, New Cloth Market, O/s Raipur Gate, Ahmedabad - 380002
Ph: 079-22169300, e-mail: kayelsecurities@gmail.com website: www.kayelsecurities.com

Name of the Member(s):

Registered address:

E-mail Id:

Folio No./ Client ID:

DP Id:

I/We being the member(s) of _____ shares of the above named Company hereby appoint:

(1) Name: _____

Address: _____

E-mail Id: _____ or failing him;

(2) Name: _____

Address: _____

E-mail Id: _____ or failing him;

(3) Name: _____

YEAR: 2017-18

KAYEL SECURITIES LIMITED **CIN: L29219GJ1983PLC028990**

Address:_____

E-mail Id: _____or failing him;

as my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 35th Annual General Meeting of the company to be held on Tuesday, 25th Day of September, 2018 at 01.00 p.m. at 229, New Cloth Market, O/s Raipur Gate, Ahmedabad - 380002 and at any adjournment thereof in respect of such resolution as are indicate below:

Resolution No.	Particulars of Resolution	Voting	
		For	Against
	ORDINARY BUSINESS :		
1	To receive, consider, approve and adopt the Audited Financial Statements of the company for the year ended on 31st March, 2018 together with the Cash Flow statements & notes to the accounts and reports of the Board of Directors and the Auditors thereon		
2	To appoint a director in place of Shri Rahul Kankariya (DIN: 00314184), who retires by rotation and, being eligible, offers himself for re-appointment.		

Signed this _____ day of _____2018.

Affix Revenue Stamp

_____ _____

Signature of the member Signature of proxy holder

Notes:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than **48 hours** before the 35th Annual General Meeting.

2. It is optional to indicate your preference. If you leave the 'for', or 'against' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

YEAR: 2017-18