

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

18th October, 2017

To:

The Department of Corporate Services

BSE Limited

P J Towers,

Dalal Street,

Mumbai -400001,

BSE Code: 539562

Dear Sir,

SUB.: Submission of 34th Annual Report for the year 2016-17.

Pursuant to provision of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith copy of 34th Annual Report for the financial Year 2016-17 duly approved and adopted by the shareholders of the company at 34th Annual General Meeting of the company held on 29th September, 2017.

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

Thanking you.

Yours faithfully,

For, KAYEL SECURITIES LIMITED



Rakeshkumar Loonchand Kankariya

Director and CFO

DIN: 00314234

Place: Ahmedabad

Encl.: As above

KAYEL SECURITIES LIMITED

CIN: L29219GJ1983PLC02899

KAYEL SECURITIES LIMITED

ANNUAL REPORT

2016-17

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 Kankaria
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

B) STATUTORY AUDITOR:

M/s. Mehta Lodha & Co
Chartered Accountant
FRN: 106250W

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

YEAR: 2016-17

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

YEAR: 2016-17

NOTICE

NOTICE is hereby given that the 34th Annual General Meeting of KAYEL SECURITIES LIMITED will be held on Friday , 29th day of September, 2017 at the registered office of the Company situated at Shop No. 229, New Cloth Market, O/s Raipur Gate, Ahmedabad - 380002 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet and Statement of Profit & Loss Account of the Company for the year ended on 31st March, 2017 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 Rakeshkumar Kankaria (DIN: 00314234), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint the Statutory Auditors of the Company and to fix their remuneration and to pass the following resolution as an ordinary resolution thereof:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force and pursuant to recommendation made by Audit Committee of the board), M/s. Hitesh Prakash & Co., (FRN: 127614W), Chartered Accountants, in place of retiring Auditors M/s. M/s. Mehta Lodha & Co. (FRN: 106250W), Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the 39th Annual General Meeting to be held for the financial year 2021-2022 (for a term of 5 years) subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting on such remuneration as may be determined by the board of directors of the Company from time to time."

YEAR: 2016-17

Place: Ahmedabad
Date: 02/09/2017

By Order of the Board of Directors of
KAYEL SECURITIES LIMITED



Rahul Kankaria
Chairman & Managing Director
DIN: 00314184

Registered office:

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

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.

YEAR: 2016-17

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 Friday, 22nd September, 2017 to Friday, 29th September, 2017 (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

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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 34th 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 34th Annual General Meeting.
13. The notice of Annual General Meeting and Annual Report for the year 2016-17 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 2016-17 will also be available on Company's website viz. www.kayelsecurities.com
14. As an austerity measure, copies of the 34th Annual Report will not be distributed at the 34th Annual General Meeting. Members are requested to bring their copies to the meeting.
15. The route map showing the venue of the 34th Annual General Meeting is annexed.

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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, 34th 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: 02/09/2017

By Order of the Board of Directors of
KAYEL SECURITIES LIMITED



Rahul Kankaria
Chairman & Managing Director
DIN: 0000314184

YEAR: 2016-17

ANNEXURES TO THE NOTICE

1. Details of the Director seeking Re-Appointment at the 34th Annual General Meeting :

Particulars	Shri Rakeshkumar Kankariya
DIN No.	00314234
Father's Name	Loonchand Kankariya
Date of Birth	01/06/1975
Qualifications	Bachelor in Commerce (B.Com)
No. of Shares held in Company	115350
List of listed entities in which Shri Rakeshkumar holds Directorship(s) on 31 st March, 2017 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	16 years
Relationship with other directors / Manager and KMP	Mr. Rakesh Kankariya and Mr. Rahul Kankaria (Director) are promoters and brothers.
Number of Meeting of the Board attended during the year	7
Other Chairmanship / Membership of Committees of Board	<ul style="list-style-type: none"> • Audit Committee • Stakeholders Relationship Committee
Expertise in specific functional area	Accounts and Finance

YEAR: 2016-17

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 34th Annual General Meeting of KAYEL SECURITIES LIMITED scheduled to be held on Friday 29th day of September, 2017 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 Friday, 22nd September, 2017 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 Tuesday, 26.09.2017 at 09:00 A.M. and will end on Thursday, 28.09.2017 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,

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- 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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> 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.

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- 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 < 26.09.2017 @ 9:00 a.m.> and ends on <28.09.2017 @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 (22/09/2017), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - c) 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

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www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

6. 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.
7. 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 "Poling 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.
8. 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.
9. 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.

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3. Route Map to the Venue of AGM:



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

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DIRECTORS' REPORT

To
The Members,
KAYEL SECURITIES LIMITED

The board of directors hereby submits their 34th Annual Report of the business and operations of your company, along with the Audited Financial Statements, for the Financial Year ended March 31st, 2017.

1. FINANCIAL RESULTS:

(Amount in Rs)

Particulars	2016-17	2015-16
Total Income	61,78,884	57,09,976
Closing Stock	-	-
Profit/(Loss) before Depreciation	9,50,513	4,60,084
Less: Depreciation	-	-
Profit/(Loss) before Tax	9,50,513	4,60,084
Provision for Taxation- Current Tax	2,83,917	1,47,000
Deferred Tax	-	-
Excess provision for Tax expense for earlier years	(10,974)	10,311
Profit for the year	6,77,570	3,02,773
Balance brought forward	7,70,167	4,67,394
Balance of Surplus Profit/(Loss) for the year	14,47,737	7,70,167

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

The total income of the Company during the financial year has increased from Rs. 57,09,976/- to Rs. 61,78,884/- The profit before tax has also increased from Rs. 4,60,084/- to Rs. 9,50,513/-. 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 2016-17.

4. RESERVES:

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

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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, 2017, 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.

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11. SHARE CAPITAL:

There is no change in the Share Capital of the company during the financial year ended on March 31, 2017.

A) Issue of equity shares with differential rights:

The company has not issued any equity shares with differential rights during the financial year under review.

B) Issue of sweat equity shares:

The company has not issued any Sweat Equity Shares during the financial year under review.

C) Issue of employee stock options:

The company has not provided any Stock Option Scheme to the employees.

D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees:

The company has not bought back or provided for buyback of any of its securities during the year under review.

E) Issue of Bonus Shares:

No Bonus Shares were issued during the financial year under review.

F) Issue of Equity Shares without differential rights:

The Company has not issued any Equity Shares without differential rights during the financial year under review.

12. 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.

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13. DIRECTORS AND KEY MANAGERIAL PERSONNEL:Resignation / Cessation:

During the financial year under review, Ms. Ziral Soni (ACS: 44792) was appointed for the post of Company Secretary & Compliance Officer of the company with effect from 11/05/2016 and she had resigned from the post with effect from 01/07/2016. The board has placed on record its appreciation for the contributions made by Ms. Ziral Soni during her respective tenure of office.

Ms. Bhavna Saboo a.k.a Bhavna Shah (ACS: 47287) has been appointed on the post of Company Secretary & Compliance Officer of the company with effect from 15/12/2016. She has resigned as Company Secretary and Compliance Officer of the Company w.e.f. 29th May, 2017.

Retirement by Rotation

Shri Rakeshkumar Kankariya (DIN: 00314234) retires by rotation and being eligible has offered himself for re-appointment.

14. 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

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- 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

YEAR: 2016-17

- 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.

15. 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.

16. 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.

17. STATUTORY AUDITORS:

As per the provisions of the Act, tenure of M/s. Mehta Lodha & Co. Chartered Accountants, as a Statutory Auditors of the Company, shall get expire at the conclusion of the ensuing Annual General Meeting.

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It is proposed to appoint M/s. Hitesh Prakash Shah & Co., Chartered Accountant (Firm Registration NO: 127614W) as a Statutory Auditor of the Company, for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till conclusion of the Annual General Meeting for the Financial Year 2021-22 and said appointment is subject to ratification at every Annual General Meeting. The proposed new Auditors have confirmed their eligibility and qualification required under the Act for holding the office, as Statutory Auditors of the Company.

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 2016-17. The Secretarial Audit Report is appended to this report as **Annexure- 2**. There were no qualifications, reservations or adverse remarks given by Secretarial Auditors of the company.

19. QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS:

There was no qualifications, reservations or adverse remarks made by the either by the Auditors or by the Practicing Company Secretary 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:

YEAR: 2016-17

meeting are as below:

Sr. No.	Date of meeting
1	11/05/2016
2	27/05/2016
3	11/08/2016
4	26/08/2016
5	09/11/2016
6	15/12/2016
7	13/02/2017

27. VIGIL MECHANISM:

Pursuant to section 177(9) of Companies Act, 2013, the Company has established a vigil mechanism and oversees 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.

28. 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.

29. 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.

YEAR: 2016-17

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

22. 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.

23. 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 Chhaged	Chairman, Independent Non-Executive Director
2.	Navaram Rabari	Member, Independent Non-Executive Director
3.	Rakeshkumar Kankariya	Member, Non Independent - Non Executive

24. 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.**"

25. 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.

26. BOARD MEETINGS:

The Board of Directors met 7 (Seven) times during the year. The details of the

YEAR: 2016-17

30. 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

31. 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 2016-17:
 - 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:
 - NIL
 - As there is no increase in the salary of any employees.
- iv. The number of permanent employees on the rolls of the Company:
 - **During the Year 2016-17: 5 Employees**
 - **As on 31st March,2017: 4**

* Ms. Ziral Soni, had been appointed on the post of Company Secretary and Compliance Officer of the company with effect from 11th May, 2016 and resigned from the post with effect from 1st July, 2016.

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

YEAR: 2016-17

- 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	Ziral Soni	Company Secretary and Compliance officer	15000	Permanent	CS	2 months	11.05. 16 to 01.07. 16	25	0	Not Related
2	Bhavna Saboo	Company Secretary and Compliance officer	51389	Permanent	CS	5 months	15.12. 16 to 29.05. 17	29	0	Not Related
3	Mahesh S. Nagar	Office clerk	136150	Permanent	CS	20 Years	From 2012	50	0	Not Related

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.

YEAR: 2016-17

32. 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/>

33. RISK MANAGEMENT:

The Management has evaluated various risks and that there is no element of risk identified that may threaten the existence of the Company.

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

During the financial year 2016-17 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.

35. 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.

YEAR: 2016-17

Place: Ahmedabad
Date: 29/05/2017

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



Rahul Kankaria
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 inter alia, 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

YEAR: 2016-17

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:

YEAR: 2016-17

- 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

YEAR: 2016-17

- 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: 29/05/2017

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



Rahul Kankaria
Chairman & Managing Director
DIN: 00314184

YEAR: 2016-17

**Form No. MR - 3
SECRETARIAL AUDIT REPORT**

**Company Secretaries
& Trade Mark Agent**

For the Financial Year ended on 31st March, 2017

*[Pursuant to section 201(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,**

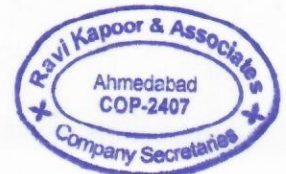
We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kayel Securities Limited** (herein after referred to as "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating 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, 2017 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, 2017 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;
- (iv) Foreign-Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992, ('SEBI Act') :

Ravi Kapoor



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

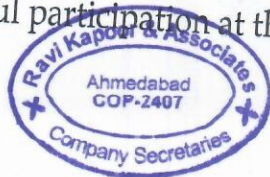
We have also examined compliance with applicable clauses of the following

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.

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.

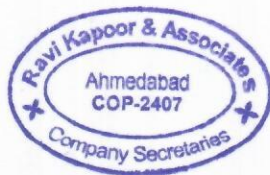



Ravi Kapoor

- 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: 29/05/2017

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.

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:29/05/2017

For, Ravi Kapoor & Associates



Ravi Kapoor

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

Annexure-3

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2017

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: 2016-17

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]	<input checked="" type="checkbox"/> Public Company <input type="checkbox"/> Private Company																																	
	Sub Category of the Company [Please tick whichever are applicable]	<table border="1"> <tr> <td>1.</td> <td>Government Company</td> <td><input type="checkbox"/></td> </tr> <tr> <td>2.</td> <td>Small Company</td> <td><input type="checkbox"/></td> </tr> <tr> <td>3.</td> <td>One Person Company</td> <td><input type="checkbox"/></td> </tr> <tr> <td>4.</td> <td>Subsidiary of Foreign Company</td> <td><input type="checkbox"/></td> </tr> <tr> <td>5.</td> <td>NBFC</td> <td><input type="checkbox"/></td> </tr> <tr> <td>6.</td> <td>Guarantee Company</td> <td><input type="checkbox"/></td> </tr> <tr> <td>7.</td> <td>Limited by shares</td> <td><input checked="" type="checkbox"/></td> </tr> <tr> <td>8.</td> <td>Unlimited Company</td> <td><input type="checkbox"/></td> </tr> <tr> <td>9.</td> <td>Company having share capital</td> <td><input type="checkbox"/></td> </tr> <tr> <td>10.</td> <td>Company not having share capital</td> <td><input type="checkbox"/></td> </tr> <tr> <td>11.</td> <td>Company Registered under Sec. 8</td> <td><input type="checkbox"/></td> </tr> </table>	1.	Government Company	<input type="checkbox"/>	2.	Small Company	<input type="checkbox"/>	3.	One Person Company	<input type="checkbox"/>	4.	Subsidiary of Foreign Company	<input type="checkbox"/>	5.	NBFC	<input type="checkbox"/>	6.	Guarantee Company	<input type="checkbox"/>	7.	Limited by shares	<input checked="" type="checkbox"/>	8.	Unlimited Company	<input type="checkbox"/>	9.	Company having share capital	<input type="checkbox"/>	10.	Company not having share capital	<input type="checkbox"/>	11.	Company Registered under Sec. 8	<input type="checkbox"/>
1.	Government Company	<input type="checkbox"/>																																	
2.	Small Company	<input type="checkbox"/>																																	
3.	One Person Company	<input type="checkbox"/>																																	
4.	Subsidiary of Foreign Company	<input type="checkbox"/>																																	
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6.	Guarantee Company	<input type="checkbox"/>																																	
7.	Limited by shares	<input checked="" type="checkbox"/>																																	
8.	Unlimited Company	<input type="checkbox"/>																																	
9.	Company having share capital	<input type="checkbox"/>																																	
10.	Company not having share capital	<input type="checkbox"/>																																	
11.	Company Registered under Sec. 8	<input type="checkbox"/>																																	
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																																	

YEAR: 2016-17

	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	<table border="1"> <thead> <tr> <th>SN</th> <th>Stock Exchange Name</th> <th>Code</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>BSE Limited</td> <td>539562</td> </tr> </tbody> </table>		SN	Stock Exchange Name	Code	1	BSE Limited	539562
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							

YEAR: 2016-17

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 [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1342325	40420	1382745	46.01	1382745	0	1382745	46.01	0

YEAR: 2016-17

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):-	1642325	40420	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)	1642325	40420	1682745	56	1682745	0	1682745	56	0
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-

YEAR: 2016-17

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	--	62255	62255	2.07	--
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	660000	-	660000	21.96	660000	-	660000	21.96	-

YEAR: 2016-17

c)Others (HUF*)	150000	-	150000	4.99	150000	0	150000	4.99	-
Sub-total (B)(2):-	1260000	62255	1322255	44	1260000	62255	1322255	44	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	1260000	62255	1322255	44	1260000	62255	1322255	44	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2902325	102675	3005000	100	2942745	62255	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	

YEAR: 2016-17

							total shares	
1	Kankariya Parveenkumar Loonchand	114900	3.82	0	114900	3.82	0	00
2	Kankariya Kamladevi Kantilal	16700	0.56	0	16700	0.56	0	00
3	Kankaria 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	117500	3.91	0	00
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	150000	4.99	00	150000	4.99	00	00

YEAR: 2016-17

	Limited							
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 Rahul Kumar 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 (01/04/2016)/ end of the year (31/03/2017)	% of Total Shares of the Company	No of shares	% of total shares of the Company
There are no changes in promoter's shareholding during the Financial Year 2016- 17. The shareholding of promoters is same as mentioned above in the shareholding pattern.					

YEAR: 2016-17

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 (01/04/2016)/ end of the year (31/03/2017)	% 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	500000	16.64	500000	16.64
	At the end of the year	500000	16.64	500000	16.64
2	Cetex Distributors Private Limited				
	At the beginning of the year	450000	14.98	450000	14.98
	At the end of the year	450000	14.98	450000	14.98
3	Ashish Kanaiyalal Shah				
	At the beginning of the year	160000	5.32	160000	5.32
	At the end of the year	160000	5.32	160000	5.32
4	Kanaiyalal D Shah HUF				
	At the beginning of the year	150000	4.99	150000	4.99
	At the end of the year	150000	4.99	150000	4.99
5	Mehta Gautamchand				
	At the beginning of the year	800	0.03	800	0.03
	At the end of the year	800	0.03	800	0.03
6	Kantilal Jigarwala				
	At the beginning of the year	800	0.03	800	0.03

YEAR: 2016-17

	At the end of the year	800	0.03	800	0.03
7	Mukeshkumar Tarachand At the beginning of the year	800	0.03	800	0.03
	At the end of the year	800	0.03	800	0.03
8	Chandrikaben Arvindkumar At the beginning of the year	700	0.02	700	0.02
	At the end of the year	700	0.02	700	0.02
9	Vilasben Seshmal At the beginning of the year	700	0.02	700	0.02
	At the end of the year	700	0.02	700	0.02
10	Anitaben Jitendrakumar At the beginning of the year	700	0.02	700	0.02
	At the end of the year	700	0.02	700	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 (01/04/2016)/end of the year (31/03/2017)	% of Total Shares of the Company	No of shares	% of total shares of the Company

YEAR: 2016-17

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	Ziral Soni (from 11/05/2016 to 01/07/2016) At the beginning of the year At the end of the year	0 0	0 0	0 0	0 0
7	Bhavna Saboo (from 15/12/2016) At the beginning of the	0	0	0	0

YEAR: 2016-17

year At the end of the year	0	0	0	0
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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	0	0	0
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	2,46,151	0	2,46,151
* Reduction	0	0	0	0
Net Change	0	2,46,151	0	2,46,151
Indebtedness at the end of the financial year	0	0	0	0
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	2,46,151	0	2,46,151

YEAR: 2016-17

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	
	(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		
2	(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
1	Independent Directors	Nil
	Fee for attending board	
	committee meetings	
	Commission	
	Others, please specify	
	Total (1)	

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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				Total
		CEO	CS		CFO	
			Ms. Ziral Soni (from 11/05/16 to 01/07/16)	Ms. Bhavna Saboo (from 15/12/16)	Rakesh kankariya	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	15000	51389	-	66389
	(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	-	15000	51389	-	66389

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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: 29/05/2017

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


Rahul Kankaria
Chairman & Managing Director
DIN: 0000314184

YEAR: 2016-17

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 2016-17 has been overall satisfactory for financial companies sector. The financial year has witnessed some of the biggest financial reforms like demonetization of Rs. 500 & Rs. 1000 notes along with the passing of GST bill and its implementation. The GDP rate recorded in third quarter was 7% which reduced to 6.1 % in the fourth quarter. Also the overall GDP for the financial year was 7.1% against 8% 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 2016-17. Further, inspite of amicable RBI policy changes, the finance industry tends to remain under pressure.

Further, due to heavy crash in commodity prices SENSEX dropped by 9.36% during the year 2016-17 and NSE's NIFTY dropped by 9.72%.

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.

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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

- Changing market price of the security could adversely affect.
- Change in Government of India's Economic Liberalization policies may hinder prices of our equity shares.

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- 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.

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. The segment wise performance of the company in terms of revenue and profit as per audited financial results is as follows:

SR.NO	SEGMENT	(Rs. in lacs)	
		Financial Year 2016-17	Financial Year 2015-16
		Rs. In lacs	Rs. In lacs
1	Finance Business	25.92	27.01
2	Trading Business	35.87	30.09

4. OUTLOOK:

The company's outlook for the coming financial year 2016-17 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.

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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 dependent on the prices of the securities which may increase or decrease in the market, could adversely affect our results of operations.
2. Our business is subject to regulation by several authorities, which could have an adverse effect on our business and our results of operations.
3. We are dependent on our senior management team and the loss of team members may adversely affect our business or results of operations.
4. Our business is dependent on market and the loss of or shutdown of operations of the market could adversely affect our business or results of operations.
5. 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.
6. 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

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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.

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. 61.79 lacs (Approx) as against total income of Rs. 57.10 lacs (Approx) in the previous year, Net profit of the company during the current year stand at Rs. 6.78 lacs (Approx) as against profit of Rs. 3.03 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.

YEAR: 2016-17

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, 2017 was 4.

9. CAUTIONARY REPORT:

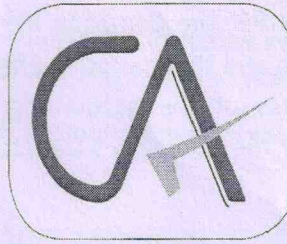
Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties. Company's operations are affected by many external 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: 29/05/2017****For and on behalf of the Board of Directors of
KAYEL SECURITIES LIMITED**

Rahul Kankaria
Chairman & Managing Director
DIN: 0000314184

YEAR: 2016-17

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INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
KAYEL SECURITIES LIMITED.

1. Report on the Financial Statements

We have audited the accompanying financial statements of **KAYEL SECURITIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

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

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

- 4.** We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

8. Opinion

In our opinion and to the best of our information and according to the explanations given to us, aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017.

9. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2017 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable to the company for the year under consideration.

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

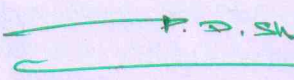
- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (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**"; and



(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements;
- 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; and
- iii. There is no fund which is required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. As informed to us, the company has provided requisite disclosures in its financial statements as to holding as well as dealings in Specified Bank Notes during the period From 8th November 2016 to 30th December 2016 and these disclosure are in accordance with books of accounts maintained by the company

FOR, MEHTA LODHA & CO.
(FIRM REGD.NO: 106250W)
CHARTERED ACCOUNTANTS


PRAKASH D SHAH
PARTNER
M.No. 34363
PLACE: - AHMEDABAD
DATE:- 29th May 2017



ANNEXURE "A" TO THE AUDITOR'S REPORT

[ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF KAYEL SECURITIES LIMITED, FOR THE YEAR ENDED ON 31ST MARCH, 2017.]

- (i) The company does not have fixed assets and therefore, the provisions of clause 3(i) of the Order are not applicable to the Company.
- (ii) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- (iii) The Company has not granted any 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') and accordingly the para iii (a) and (b) of the Order are not applicable.
- (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) During the year the Company has not accepted any deposits and therefore, the provisions of clause 3(iv) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the item of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities.
(b) According to the records of the Company there are no dues of income tax or sales tax or wealth tax or service tax or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- (viii) The Company does not have any loan or borrowings from Financial Institutions, Bank, Government or debenture holders and therefore, the provisions of clause 3(vii) of the Order are not applicable to the Company.
- (ix) During the year, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loan and therefore, the provisions of clause 3(ix) of the Order are not applicable to the Company.



- (x) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) The company has not made payment of any Managerial Remuneration and therefore, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it and therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) 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 therefore, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- (xv) The Company has not entered into any non cash transactions with its directors or persons connected with him and therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) As informed to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and therefore, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For, MEHTA LODHA & CO.
(FIRM REGD.NO106250W)
CHARTERED ACCOUNTANTS



P. D. Shah
PRAKASH D SHAH
PARTNER
M. No.34363
Place: AHMEDABAD

Date: 29th MAY 2017

Annexure – B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub - section 3 of Section 143 of the Companies Act, 2013 ("the Act") for the year ended on 31st March 2017.

We have audited the internal financial controls over financial reporting of **KAYEL SECURITIES LIMITED** ("the Company") as of 31 March 2017 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

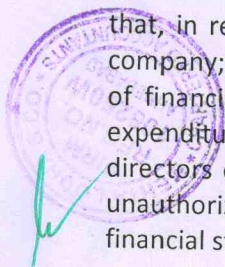
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on 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 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal Financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 (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/reported to the management, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, MEHTA LODHA & CO.
(FIRM REGD.NO106250W)
CHARTERED ACCOUNTANTS

P. D. SH
PRAKASH D SHAH
PARTNER
M. No.34363
Place: AHMEDABAD



Date: 29th MAY 2017

KAYEL SECURITIES LIMITED CIN: L29219GJ1983PLC028990 Balance Sheet as at 31st March 2017				
			(Amt In Rs.)	(Amt In Rs.)
Sr. No	Particulars	Note No.	As at 31st March 2017	As at 31st March 2016
1	2	3	4	5
I	EQUITY AND LIABILITIES			
(1)	<i>Shareholders' funds</i>			
(a)	Share Capital	2.01	30,050,000	30,050,000
(b)	Reserves and Surplus	2.02	4,207,737	3,530,167
(2)	<i>Current liabilities</i>			
(a)	Short Term Borrowings	2.03	246,151	-
(b)	Trade Payables	2.04	3,568,352	-
(c)	Other current liabilities	2.05	358,128	23,265
(d)	Short Term Provisions	2.06	114,558	1,272
	Total		38,544,926	33,604,704
II	ASSETS			
(1)	<i>Non Current Assets</i>			
(a)	Other Non Current Asset	2.07	2,668,782	2,559,000
(2)	<i>Current Assets</i>			
(a)	Investment	2.08	1,882,875	1,882,875
(b)	Inventories		-	-
(c)	Trade Receivables	2.09	3,586,994	-
(d)	Cash and Bank Balances	2.10	105,849	1,695,888
(e)	Short term Loans and Advances	2.11	29,125,377	25,786,381
(f)	Other current assets	2.12	1,175,049	1,680,560
	Total		38,544,926	33,604,704

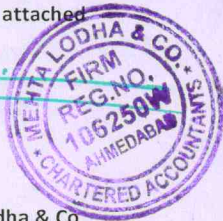
Significant Accounting Policies
Notes to Accounts

1
2

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

P. D. Shah
Prakash D. Shah
Member Ship No 34363
Partner

For & on behalf of Mehta Lodha & Co
Firm Registration No: 106250W
Chartered Accountants
Place: Ahmedabad
Date: 29th May 2017



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

Rahul Kankaria
Rahul Kankaria
(Chairman & MD)
DIN No:00314184

x Rakesh Kankaria
Rakesh Kankaria
(Director & CFO)
DIN No: 00314234

KAYEL SECURITIES LIMITED
Statement of Profit and Loss for the Year ended on 31st March 2017

Particular	Note No.	(Amt In Rs.)	(Amt In Rs.)
		2016-17	2015-16
Income			
Revenue from Operation	2.13	6,178,884	5,709,976
Other Income		-	-
Total Revenue (I)		6,178,884	5,709,976
Expenses			
Cost of Traded Goods Sold	2.14	3,568,352	3,913,875
Employees Benefit Expenses	2.15	202,539	211,500
Other Expenses	2.16	1,038,808	725,796
Share Issue Expenses Written Off		418,672	398,721
Total Expenses (II)		5,228,371	5,249,892
Profit Before Tax		950,513	460,084
Tax Expenses :-			
Provision For Current Tax		283,917	147,000
Earlier Year Income Tax		(10,974)	10,311
Profit for the Year		677,570	302,773
Earning per equity share of face value of Rs. 10 each	2.19	0.23	0.10
Basic and Diluted (in Rs.)		0.23	0.10
Significant Accounting Policies	1		
Notes on Financial Statements	2		

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

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

P. D. Shah
Prakash D. Shah
Partner
Member Ship No 34363
For & on behalf of Mehta Lodha & Co
Firm Registration No: 106250W
Chartered Accountants
Place: Ahmedabad
Date: 29th May 2017



Rahul Kankaria
DIN No:00314184

Rakesh Kankaria
DIN No: 00314234

KAYEL SECURITIES LIMITED

Note 1 Significant Accounting Policies for the year ended on 31st March 2017

A CORPORATE INFORMATION :

Kayel Securities Limited (the Company) is a company domiciled in India and Incorporated under the provisions of the Companies Act, 1956.

B BASIS OF ACCOUNTING:

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1.01 ACCOUNTING CONVENTION :

The accounts have been prepared under the historical cost convention and on the basis of going concern. All expenses and income to the extent considered payable and receivable respectively, unless stated otherwise, have been accounted for on mercantile basis.

1.02 METHOD OF ACCOUNTING:

The Accounts are maintained on accrual basis.

1.03 INVESTMENT:

Non-current investments outstanding in balance sheet are carried at cost. Diminution in value, if any, which is of temporary nature, is not provided.

1.04 INVENTORIES :

Inventories are Valued at Cost or Market price whichever is lower.

1.05 REVENUE:

(a) Revenue from operations is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations (gross) & Income from operations(gross) represents the amount receivable for goods and services sold.

(b) Interest income is recognized on time proportion basis taking into account the amounts outstanding and the rates applicable.

1.06 INCOME TAX :

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

1.07 GENERAL :

Any other accounting policy not specifically referred to are consistent with generally accepted accounting principles.

1.08 Segment Reporting:

The accounting polices adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses assets and liabilities which relate to the Company as a whole and are not allocated to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities"



KAYEL SECURITIES LIMITED

Note 2 Notes to Accounts for the year ended on 31st March 2017

2.01 Shareholders' funds

a Authorised, Issued, Subscribed and Paid- Up Capital:	As at 31 March 2017 (Amt In Rs.)	As at 31 March 2016 (Amt In Rs.)
Particulars		
Authorised		
31,00,000 (31,00,000) Equity Shares of Rs 10 each	31,000,000	31,000,000
Issued, Subscribed & fully Paid up		
30,05,000 (30,05,000) Equity Shares of Rs 10 each	30,050,000	30,050,000
Total	30,050,000	30,050,000

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 2017		As at 31st March 2016	
	No. of Shares	(Amt In Rs.)	No. of Shares	(Amt In Rs.)
Shares outstanding at the beginning of the Year	3,005,000	30,050,000	3,005,000	30,050,000
Shares Issued during the Year				
Shares bought back during the Year	-	-	-	-
Shares outstanding at the end of the Year	3,005,000	30,050,000	3,005,000	30,050,000

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

e Shareholders holding more than 5% of the Shares

Name of Shareholder	Equity Shares			
	As at 31 March 2017		As at 31st March 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Kantilal Kankariya Dhanraj HUF	164,800	5.48	164,800	5.48
Kankariya Loonchand Dhanraj HUF	165,770	5.52	165,770	5.52
Sudeep Dasani	500,000	16.64	500,000	16.64
Cetex Dist. Pvt. Ltd.	450,000	14.98	450,000	14.98
Ashish K Shah	160,000	5.32	160,000	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



2.02 Reserves and Surplus

Particulars	As at	As at
	31 March 2017 (Amt In Rs.)	31 March 2016 (Amt In Rs.)
Security premium		
- Balance as per last financial statement	2,760,000	2,760,000
Addition during the year	-	-
Total (A)	2,760,000	2,760,000
Surplus in the statement of profit and loss		
- Balance as per last financial statement	770,167	467,394
- Profit for the Year	677,570	302,773
- Net Surplus in the Statement of Profit and Loss (B)	1,447,737	770,167
Total (A+B)	4,207,737	3,530,167

2.03 Short Term Borrowings

Particulars	As at	As at
	31 March 2017 (Amt In Rs.)	31 March 2016 (Amt In Rs.)
Unsecured From Corporates	246,151	-
Total	246,151	-

2.04 Trade Payables

Particulars	As at	As at
	31 March 2017 (Amt In Rs.)	31 March 2016 (Amt In Rs.)
- Creditors For Goods	3,568,352	-
Total	3,568,352	-

2.05 Other Current Liabilities

Particulars	As at	As at
	31 March 2017 (Amt In Rs.)	31 March 2016 (Amt In Rs.)
- Creditors For Expenses	358,128	23,265
Total	358,128	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.

2.06 Short-term Provisions

Particulars	As at	As at
	31 March 2017 (Amt In Rs.)	31 March 2016 (Amt In Rs.)
Provision for Income Tax (Net of Advance Tax & TDS)	82,308	-
Statutory Liability-TDS Income Tax	32,250	1,272
Total	114,558	1,272



2.07 Other Non Current Asset

Particulars	As at 31 March 2017	As at 31 March 2016
	(Amt In Rs.)	(Amt In Rs.)
Fixed Deposit with original Maturity More than 12 Months	2,668,782	2,559,000
Total	2,668,782	2,559,000

2.08 Investment

Particulars	As at 31 March 2017	As at 31 March 2016
	(Amt In Rs.)	(Amt In Rs.)
Non Trade Investment (valued at cost unless stated otherwise)		
Quoted Investment		
2,11,500 (2,11,500) Equity Shares of Kayel Syntex Limited of face Value of Rs.10/- Each. (Market Value of equity shares of kayel syntex limited is not available since the company's shares listing is suspended)	1,881,875	1,881,875
Unquoted Instruments		
100 (100) Equity shares of Nikesh Silk Private Limited of Rs 10/- Each.	1,000	1,000
Total	1,882,875	1,882,875

2.09 Trade Recievables

Particulars	As at 31 March 2017	As at 31 March 2016
Outstanding for more than six months		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	-	-
c) Doubtful	-	-
Others		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	3,586,994	-
c) Doubtful	-	-
Total	3,586,994	-

2.10 Cash and Bank Balances

Particulars	As at 31 March 2017	As at 31 March 2016
	(Amt In Rs.)	(Amt In Rs.)
a. Balance With Bank		
- on Current Account	101,482	1,641,124
b. Cash on hand	4,367	54,764
Total	105,849	1,695,888

2.11 Short-term loans and advances

Particulars	As at 31 March 2017	As at 31 March 2016
	(Amt In Rs.)	(Amt In Rs.)
(Unsecured, Considered Good)		
Advances recoverable in cash or kind		
- Related Parties	411,925	411,925
- Others	28,713,452	25,358,456
- Staff Advances	-	16,000
Total	29,125,377	25,786,381



2.12 Other current assets

Particulars	As at 31 March 2017	As at 31 March 2016
	(Amt In Rs.)	(Amt In Rs.)
Balance with Government Authority		
Income tax (Net of Provision)	-	55,216
Share Capital Expenses	2,21,990	3,22,894
Mis. Expenses Not Written Off	9,53,059	12,70,826
Interest Accrued but not due	-	31,624
Total	11,75,049	16,80,560

2.13 Revenue From Operation

Particulars	2016-17	2015-16
	(Amt In Rs.)	(Amt In Rs.)
Sale of Product - Traded Good-	35,86,994	30,09,056
Interest Income From:		
- Bank	2,10,603	
- Loan and Advances	23,81,287	27,00,920
Total	61,78,884	57,09,976

2.14 Cost of Traded Goods Sold

Particulars	2016-17	2015-16
	(Amt In Rs.)	(Amt In Rs.)
Opening Stock	-	24,14,000
Purchase of Traded Goods - Textile	35,68,352	14,99,875
Purchase of Traded Goods - Textile	-	-
Total	35,68,352	39,13,875

2.15 Employees Benefit Expenses

Particulars	2016-17	2015-16
	(Amt In Rs.)	(Amt In Rs.)
Salary	2,02,539	2,11,500
Total	2,02,539	2,11,500

2.16 Other Expenses

Particulars	2016-17	2015-16
	(Amt In Rs.)	(Amt In Rs.)
Audit Fees-Statutory Audit	5,750	5,725
Advertisement expenses	51,775	84,426
Accounting Expenses	18,000	18,000
Miscellaneous Expenses	91,763	79,922
Conveyance Expenses	50,120	41,090
Postage and Telegram	12,202	16,507
Telephone Expenses	6,155	5,975
Travelling Expense	-	8,000
Listing Fees	2,29,000	2,69,000
Bad Debts written off	36,914	-
Printing & Stationery Expenses	28,945	24,975
Office Expenses	64,815	71,623
Legal and Professional Charges	4,09,578	95,837
Website maintenance charges	31,725	1,925
Bank Charges / Commission & Postage	2,066	2,791
Total	10,38,808	7,25,796



2.17 In the opinion of the Director, the Creditors are approximately of the value stated, if realised in the ordinary course of the business and there is no contingent liabilities. Provisions for all known liabilities are made & they are adequate. The Bank Balance and Loan & Advances are subject to confirmation and necessary adjustment, if any, will be made on its realisation. The amount of Income Tax is subject to reconciliation/adjustment.

2.18 **Related Party Disclosures:**

Related party disclosures as required under the Accounting Standard (AS) - 18 on "Related Party Disclosures" notified in Companies (Accounting Standards) Rules, 2006 are given below:

a Name of the Related Parties and Description of Relationship	Nature of Relationship
Particulars of Associates Kayel Syntex Limited	Associate
Director as at 31st March 2017	Designation
Name	
- Rakesh L. Jain	Director
- Rahul K. Jain	Director
Particulars of Relatives of Directors	
- Kantilal Loonchand	Relative of director

b **Transaction with Related Parties**

Particulars	2016-17	2015-16
Outstanding Receivable as at year end		
Kayel Syntex Ltd	349,857	349,857
Kantilal Loonchand	62,068	62,068

2.19 **Earning Per Share**

Particulars	2016-17	2015-16
Net Profit as per Profit & Loss		
Amount available for Equity Shareholders	677,570	302,773
Weighted average number of Equity shares	3,005,000	3,005,000
Basic & Diluted Earnings per share	0.23	0.10




2.20 Disclosure of Specified Bank Notes (SBN) during the period from 8th November,216 to 30th December,2016

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	0	80027	80027
(+) Permitted receipts	0	0	0
(+) Withdrawals from Bank	0	44000	44000
(-) Permitted payments	0	9320	9320
(-) Amount deposited in Banks	0	0	0
Closing cash in hand as on 30.12.2016	0	114707	114707

2.21 Corresponding figures of the Previous years has been rearranged or regrouped wherever necessary.

SIGNATURES TO NOTES " 1 " & " 2 "

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

Prakash D. Shah
Partner
Member Ship No 34363
For & on behalf of Mehta Lodha & Co
Firm Registration No: 106250W
Chartered Accountants
Place: Ahmedabad
Date: 29th May 2017


Rahul Kankaria
DIN No:00314184


Rakesh Kankaria
DIN No: 00314234

KAYEL SECURITIES LIMITED

CASH FLOW FROM THE OPERATIONS FOR THE YEAR ENDED 31ST MARCH, 2017	Amount in Rs. 2016-17	Amount in Rs. 2015-16
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit before tax and extraordinary items	950,513	460,084
Adjusted for:		
Operating profit before working capital changes		
Adjustment for:		
Short Term Borrowings	246,151	-
Creditors	3,568,352	-
Other current liabilities	334,863	(10,446)
Short Term Provision	113,286	(157,706)
Change in inventory	-	2,414,000
Short Term loans and advances	(3,338,996)	1,222,628
Trade Receivables	(3,586,994)	-
Other Non Current Asset	(109,782)	(2,559,000)
Other current Assets	505,511	311,881
Profit After Working Capital Changes	(1,317,096)	1,681,441
Less: Taxes Paid	(272,943)	(157,311)
Cash Flow out of Operating Activities	(1,590,039)	1,524,130
(B) CASH FLOW FROM FINANCIAL ACTIVITIES:		
Issue of share capital	-	-
Share premium received	-	-
Cash Flow out of Financial Activities	(1,590,039)	1,524,130
Net increase/(Decrease) in cash and cash equivalent	(1,590,039)	1,524,130
Cash and cash equivalents at the Beginning of Year	1,695,888	171,758
Cash and cash equivalents at the End of Year	105,849	1,695,888

KAYEL SECURITIES LIMITED

Rahul

Rahul Kankaria (Chairman & MD)
DIN No:00314184

Rj

Rakesh Kankaria (Director & CFO)
DIN No: 00314234

As per our even date report
for MEHTA LODHA & CO.
CHARTERED ACCOUNTANTS

P. D. Shah
(Prakash D Shah)
PARTNER



Place: Ahmedabad
Date: 29/05/2017

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 34th Annual General Meeting of the Company at Shop No. 229, New Cloth Market, O/s Raipur Gate, Ahmedabad - 380002 held on Friday 29th day of September, 2017 at 11.00 A.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.

YEAR: 2016-17

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;

YEAR: 2016-17

(3) Name: _____

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 34th Annual General Meeting of the company to be held on Friday, 29th Day of September, 2017 at 11.00 a.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 31 st March, 2017 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 Rakeshkumar Kankaria (DIN: 0000314234), who retires by rotation and, being eligible, offers himself for re-appointment.		
3	To appoint the Statutory Auditor of the company and to fix his remuneration.		

Signed this _____ day of _____ 2017.

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 34th Annual General Meeting.

YEAR: 2016-17

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: 2016-17