

KAVIT INDUSTRIES LTD.

(Formerly Known as Atreya Petrochem Ltd.)

CIN No. L23100GJ1990PLC014692



Date: 04th November, 2017

To,

The General Manager
Dept. of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

The Vice President
The National Stock Exchange of India
Exchange Plaza, Bandra Kurla Complex
Bandra(E), Mumbai -400051

Sub: Annual Report 2017

In terms of the provisions of Regulation 34(1) of SEBI (listing obligation and disclosure requirements) A regulation, 2015, a copy of Annual Report 2017 is enclosed herewith for your kind information and record please.

Thanking you,

Yours faithfully

For Kavit Industries Limited


Jayesh Raichandbhai Thakkar
MD and Compliance Officer



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CORPORATE INFORMATION

CIN	:	L23100GJ1990PLC014692
Registered Office	:	Village Tundav, Tal.Savli, Vadodara – 391 775, Gujarat
E-mail	:	kavitindustrieslimited@gmail.com
Website	:	www.kavitindustries.in
Tel No.	:	0265-2361100 / 0265-2362200

BOARD OF DIRECTORS

Jayesh Thakkar	:	Managing Director and Compliance Officer
Chirag Thakkar	:	Non-Executive Director
Kalyani Rajeshire	:	Non-Executive Director
Monish Malhotra	:	Additional Non-Executive Independent Director
Salil Patel	:	Additional Non-Executive Independent Director
Kartik Mistry	:	Additional Non-Executive Independent Director

BANKERS

Bank of India, Vadodara
UCO Bank, Vadodara
HDFC Bank, Vadodara
INDUSIND Bank, Vadodara
ICICI Bank, Vadodara
AXIS Bank, Vadodara

STATUTORY AUDITORS:

M/s. Sheetal Samraiya & Associates
Chartered Accountants
D/6/347, Chitrakoot Scheme,
Ajmer Road, Jaipur-302021

REGISTRAR AND TRANSFER AGENTS:

M/s. Link Intime India Pvt. Ltd.
B - 102 & 103, Shangrila Complex, First Floor,
Opp. HDFC Bank, Near Radhakrishna Char Rasta,
Akota, Vadodara- 400078
Tel. (22) 25963838
Fax: (22) 25946969
E-mail: rnt.helpdesk@linkintime.co.in

Stock Exchange(s):

Bombay Stock Exchange Ltd.

CHAIRMAN SPEECH

Dear shareholder,

The Indian Economy witnessed gradual momentum in the year 2016-17 and it is expected to accelerate in future years in view of the government's continuous efforts to push various financial and agriculture reforms, including technological improvement across all sectors, etc. RBI's focus on controlling inflation, increasing overall demand by reducing cost of lending etc. is continuing. Further, the union budget proposals have brightened the prospects for the national economy to grow, with plans that are expected to boost investor confidence and provide impetus to the rural economy, which should improve overall demand.

One of the most variable and critical factor for our diversified businesses is reducing the cost of manufacture and our company has taken various initiative for cost optimization and increasing efficiency, amongst others measures which have contributed to improved performance. In anticipation of the expected revival of our economy, the demand and prices of various products manufactured by the Company are likely to improve further.

I extend my sincere thanks to all our stakeholders including banks, shareholders, customers and our loyal, hardworking and committed employees for their unstinted support in shaping and improving the performance of the company.

Chairman
Jayesh Thakkar

NOTICE

NOTICE is hereby given that the meeting of the shareholders of Kavit Industries Limited (the “Company”) is scheduled to be held on Friday, September 29, 2017 at the Registered Office of the Company situated at Tundav Anjesar Road, Village Tundav, Savli, Vadodara, Gujarat- 391775 at 10.30 a.m. to conduct the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider and adopt the Financial Statements including Audited Balance Sheet, Statement of Profit and Loss account and Cash Flow Statement for the year ended March 31, 2017 along with the Reports of the Auditors and Board thereon.
2. To ratify the appointment of M/s Sheetal Samriya & Associates, Chartered Accountants (FRN: 011478C) as Statutory Auditors of the Company.

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company hereby ratifies appointment of M/s Sheetal Samriya & Associates, Chartered Accountants (FRN: 011478C), as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration along with reimbursements as may be agreed by them with the Board.

RESOLVED FURTHER THAT any of the Directors be and are hereby authorized to do all such acts, deeds and things as may be deemed necessary to give effect to this resolution.”

3. To appoint a Director in place of Mr. Chirag Thakkar (DIN. 06844583), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESSES:

4. **Appointment of Mr. Monish Malhotra as a Non-Executive Independent Director of the Company:**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Monish Malhotra (DIN: 02039981), who was appointed as an Additional Director by the Board of Directors w.e.f 28th April, 2017 pursuant to Section 161 (1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment as an Independent Director and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for five consecutive years with effect from 28th April, 2017 and whose office shall not be liable to determination by retirement of directors by rotation.

RESOLVED FURTHER THAT any of the Directors of the Company and Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds and things, including signing and issuing letter of appointment and to complete all other formalities as may be required in this regard.”

5. **Appointment of Mr. Salil Patel as a Non-Executive Independent Director of the Company:**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Salil Patel (DIN: 07371520), who was appointed as an Additional Director by the Board of Directors w.e.f 6th September, 2017 pursuant to Section 161 (1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment as an Independent Director and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for five consecutive years with effect from 6th September, 2017 and whose office shall not be liable to determination by retirement of directors by rotation.

RESOLVED FURTHER THAT any of the Directors of the Company and Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds and things, including signing and issuing letter of appointment and to complete all other formalities as may be required in this regard.”

6. **Appointment of Mr. Kartik Mistry as a Non-Executive Independent Director of the Company:**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Kartik Mistry (DIN: 07791008), who was appointed as an Additional Director by the Board of Directors w.e.f 6th September, 2017 pursuant to Section 161 (1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment as an Independent Director and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, for five consecutive years with effect from 6th September, 2017 and whose office shall not be liable to determination by retirement of directors by rotation.

RESOLVED FURTHER THAT any of the Directors of the Company and Key Managerial Personnel of the Company, be and are hereby severally authorized to do all such acts, deeds and things, including signing and issuing letter of appointment and to complete all other formalities as may be required in this regard.”

7. **Manner of Service of Documents:**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him by post or by registered post or by speed post or by courier or by electronic or another mode as may be prescribed, the consent of the company be and is hereby accorded to charge from the shareholders the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with

requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the company to the shareholders.”

RESOLVED FURTHER THAT any of the Director(s) of the Company be and hereby authorized to do all such act, deed and take all steps as may be necessary, proper and expedient for the purpose of giving effect to this resolution.”

Date: 06.09.2017
Place: Vadodara

By the Order of the Board
For Kavit Industries Limited
Sd/-
Jayesh Thakkar
Managing Director
DIN: 01631093

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Businesses under item no 4 to 7 as stated above is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. A person can act as a proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other Member.
4. Corporate members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to section 113 of the Companies Act, 2013, are requested to send to the company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representatives authorized under the said resolution to attend and vote on their behalf at the meeting.
5. Members, Proxies and Authorised representatives are requested to bring to the meeting, the attendance slips enclosed herewith duly completed and signed mentioning therein details of DP ID and Client ID/Folio No.
6. In case of joint holders attending the meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.
7. The Register of Members and Share Transfer Books of the Company will be closed from September 23, 2017 to September 29, 2017 (both days inclusive), for the purpose of Annual General Meeting.
8. Members are requested to notify immediately changes, if any, in their registered addresses to the Company's Registrar and Share Transfer Agents M/s Linkintime India Pvt. Ltd.
9. Request for additional information, if required: In case you intend to raise any queries in forthcoming Annual General Meeting, you are requested to please forward the same at least 10 days before the date of meeting to Mr. Jayesh Thakkar, Managing Director and Compliance Officer, so that the same may be attended appropriate to your entire satisfaction.
10. The Annual report duly circulated to the members of the Company, is also available on the Company's website www.kavitindustries.in
11. In terms of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 the Company is providing the facility to its members to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice.

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on Tuesday, 26th September, 2017 at 9:00 a.m. and ends on Thursday, 28th September, 2017 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 22nd September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on Shareholders / Members
- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. 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.
- vii. If you are a first time user follow the steps given below:
For Members holding shares in Demat Form and Physical Form

	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. 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.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for Kavit Industries Limited on which you choose to vote.
- xii. 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.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. 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.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii. If a 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.
- xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
12. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
 13. M/s Mayur Buha & Co, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process.
 14. Voting will be provided to the members through e-voting and/or at the venue of the Meeting. A member can opt for only one mode of voting i.e. either through e-voting or ballot if a member cast votes by both modes, then voting done through e-voting shall prevail and the ballot shall be treated as invalid.
 15. All the documents referred to in the accompanying notice and Explanatory Statement are open for inspection at the Company's Registered Office on all working days of the Company between 10.00 a.m to 1.00 p.m. upto the date of the Annual General Meeting except Saturdays, Sundays and Public Holidays.
 16. Members/Proxies are requested to bring their attendance slip duly filled in along with their copy of Annual Report to the Meeting.

Details of Directors seeking Appointment and Re-appointment at the ensuing Annual General Meeting:

Name	Chirag Thakkar	Monish Malhotra	Salil Patel	Kartik Mistry
DIN	06844583	02039981	07371520	07791008
Age	38	50	50	25
Qualification	B.Com	MCH Neurosurgery	B.Com	BE IT
Expertise in specific general functional area	Finance and Capital Market	Corporate Strategy	Marketing	Information Technology
No. of shares held	-	-	-	-
No. of Board Meetings attended in FY 2016-17	23	NA	NA	NA
List of Outside directorship held (Public Limited Companies)	-	-	-	-
Chairman/ Member of Committee of the Board of the Company	-	3	NA	NA
Chairman /Member of the committee of Directors of other public limited companies in which he is director	-	-	NA	NA

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, is annexed hereto.

Item No. 4:

Mr. Monish Malhotra was appointed as an Additional Director w.e.f. April 28, 2017. As per the provisions of section 161 of the Companies Act, 2013, Mr. Monish Malhotra will hold office only up to the date of the ensuing Annual General Meeting of the Company.

The Company has received from Mr. Monish Malhotra, a consent in writing to act as Director in form DIR -2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section 2 of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Monish Malhotra, who is proposed to be appointed as an Independent Director of the Company with effect from 28th April, 2017 for a period of 5 years, fulfills the conditions specified under Section 149(6) and Schedule IV of the Companies Act 2013 and is Independent of the management. Considering his vast experience, his presence on the Board will be of immense value to the Company.

A copy of the draft letter of appointment of Mr. Monish Malhotra as an Independent Director setting out the terms and conditions shall be placed at the meeting for inspection by the members and shall also be available for inspection at the registered office / corporate office of the Company during business hours.

Except Mr. Monish Malhotra, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends this resolution at item no. 4 for the approval of the shareholders.

Item No. 5:

Mr. Salil Patel was appointed as an Additional Director w.e.f. 6th September, 2017. As per the provisions of section 161 of the Companies Act, 2013, Mr. Salil Patel will hold office only up to the date of the ensuing Annual General Meeting of the Company.

A notice under section 160 of the Companies Act, 2013 has been received proposing the appointment of Mr. Salil Patel as a Non-Executive Independent Director along with the deposit amount as prescribed under the Companies Act, 2013.

Mr. Salil Patel is a Commerce graduate and has rich experience in the IT sector for over 20 years. He has held roles of increasing responsibility across strategy, finance, corporate development, sales, consumer research and marketing, culminating in general management and leadership roles.

The Company has received from Mr. Salil Patel, a consent in writing to act as Director in form DIR -2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section 2 of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Salil Patel, who is proposed to be appointed as an Independent Director of the Company with effect from September 06, 2017 for a period of 5 years, fulfills the conditions specified under Section 149(6) and Schedule IV of the Companies Act 2013 and is Independent of the management. Considering his vast experience, his presence on the Board will be of immense value to the Company.

A copy of the draft letter of appointment of Mr. Salil Patel as an Independent Director setting out the terms and conditions shall be placed at the meeting for inspection by the members and shall also be available for inspection at the registered office / corporate office of the Company during business hours.

Except Mr. Salil Patel, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the resolution at item no. 5 for the approval of the shareholders.

Item No. 6:

Mr. Kartik Mistry was appointed as an Additional Director w.e.f. 6th September, 2017. As per the provisions of section 161 of the Companies Act, 2013, Mr. Kartik Mistry will hold office only up to the date of the ensuing Annual General Meeting of the Company.

A notice under section 160 of the Companies Act, 2013 has been received proposing the appointment of Mr. Kartik Mistry as a Non-Executive Independent Director along with the deposit amount as prescribed under the Companies Act, 2013.

Mr. Kartik Mistry has done Bachelor in Engineering – Information Technology from SVIT Valsad and has over 5 year experience in IT industry.

The Company has received from Mr. Kartik Mistry, a consent in writing to act as Director in form DIR -2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 and intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section 2 of Section 164 of the Companies Act, 2013.

In the opinion of the Board, Mr. Kartik Mistry, who is proposed to be appointed as an Independent Director of the Company with effect from September 06, 2017 for a period of 5 years, fulfills the conditions specified under Section 149(6) and Schedule IV of the Companies Act 2013 and is Independent of the management. Considering his vast experience, his presence on the Board will be of immense value to the Company.

A copy of the draft letter of appointment of Mr. Kartik Mistry as an Independent Director setting out the terms and conditions shall be placed at the meeting for inspection by the members and shall also be available for inspection at the registered office / corporate office of the Company during business hours.

Except Mr. Kartik Mistry, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the resolution at item no. 6 for the approval of the shareholders.

Item No. 7:

As per the provisions of Section 20 of the Companies Act, 2013, a member may request for any document through a particular mode, for which the member shall pay such fees as may be determined by the company. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc. Therefore, it is proposed that actual expenses borne by the company for such dispatch will be paid in advance by the member to the Company.

No Director or Key Managerial Personnel or their relatives respectively are in any way concerned or interested in the proposed resolution.

The Board recommends the resolution at item no. 7 for the approval of the shareholders.

**By the Order of the Board
For Kavit Industries Limited
Sd/-
Jayesh Thakkar
Managing Director
DIN: 01631093**

**Date: 06.09.2017
Place: Vadodara**

BOARDS' REPORT

To,
**The Members of,
Kavit Industries Limited**

Your Directors are pleased to present the Annual Report and the Company's audited financial statement for the financial year ended March 31, 2017.

1. FINANCIAL HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS:

The financial results of the Company for the accounting year ended on March 31, 2017 are as follows:

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2017		Year Ended March 31, 2016	
	Standalone	Consolidated	Standalone	Consolidated
Turnover	17753.25	17793.50	3396.37	3396.37
Other Income	16.13	21.11	44.26	50.60
Total Revenue	17769.38	17814.62	3440.63	3446.97
Expenditure	17636.03	17674.78	3414.03	3419.78
Profit/(Loss) Before Taxes	133.35	139.84	26.60	27.18
Exceptional Items	0	0	0.18	0.18
Taxes expenses				
Current Tax	41.44	41.44	10.32	10.56
Deferred Tax	2.31	399.40	0	0
Profit/(Loss) after Tax available for appropriation	89.60	(301.00)	16.08	16.45

2. BUSINESS OVERVIEW:

The Company recorded an exceptional standalone profit of Rs. 89.60 lakh in the FY 2016-17 in comparison to Rs. 16.08 lakh in FY 2015-16. The Consolidated Profit before tax for the year 2017 was recorded at Rs. 139.84 lakh, which was almost 5 times higher than the profit recorded last year. However, due to deferred tax provision on the consolidated financials the Company recorded a loss after tax of Rs. 301.00 lakhs.

No material changes and commitments occurred between the end of the financial year and date of report which affects financial position.

3. DIVIDEND :

With a view to conserve resources for future projects, the Board of Directors do not recommend any dividend.

4. CAPITAL STRUCTURE :

During the year under review, there was no change in the Company's issued, subscribed and paid-up equity share capital. The Board in its meeting held on 07.02.2017 had in-principally approved to raise funds aggregating up to Rs. 25 Crores through issue of Equity shares or convertible equity warrants on preferential basis to the promoter or non-promoters as per the provisions of SEBI (ICDR) Regulations,

2009. However, the implementation of the said proposal is currently stayed due to the overall business conditions and the fund raising exercise may be revived at an appropriate time in future.

5. STATUTORY AUDITORS:

M/s. Sheetal Samriya & Associates, Chartered Accountants, Vadodara, bearing **(Firm Registration Number: 011478C)** were appointed as the statutory auditors of the Company in the AGM held on 23.09.2014. Their office as the statutory auditors of the Company is subject to ratification by the members at every Annual General Meeting. Necessary consent has been obtained from M/s. Sheetal Samriya & Associates under Section 141 of the Companies Act, 2013 for their appointment. The Board proposes the ratification of their appointment as statutory auditors of the Company at the ensuing AGM, to hold office from the conclusion of this AGM till the conclusion of the next AGM, on such remuneration as may be mutually agreed upon between the auditors and Chairman of the Company.

The Auditors report and notes on financial statement as referred in their report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remarks.

6. SECRETARIAL AUDITOR :

Pursuant to Section 204 of the Act and rules framed therein the Board of Directors had appointed Devesh Vimal & Co., Practicing Company Secretaries as a Secretarial Auditor to conduct a Secretarial Audit for the financial year under consideration.

The Report of the Secretarial Auditor in Form MR-3 is annexed to this report as **"Annexure-I"**.

7. INTERNAL AUDITOR :

Pursuant to Section 138 of the Act and rules framed therein the Board of Directors had appointed Mr. Upendrasinh M. Mahida, Chartered Accountants, (FRN: 139833W) as the Internal Auditors for conducting Audit for the financial year under consideration.

The internal auditor has not reported any qualifications, reservations or adverse opinions during the year under review.

8. TRANSFER TO INVESTOR EDUCATION & PROTECTION FUND:

Pursuant to the provisions of Section 125(2) of the Companies Act, 2013, there was no amount transferred to Investor Education & Protection Fund.

9. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, detailed review of operations, performance and future outlook of the Company is covered under a separate Annexure to this report as Management Discussion & Analysis Report.

10. SUBSIDIARY COMPANIES:

During the year under review, the Company has 5 subsidiary Companies, namely, Kavit Infoline Private Limited, Kavit Swachh Organic Food Private Limited, Kavit Edible Oil Limited, Kavit Infra Project Private Limited and Kavit Green Energy Private Limited. In compliance with the provisions of the Companies Act, 2013 the details of subsidiaries and associate companies in the prescribed **Form AOC 1** forms part of the Annual Report and marked as **"Annexure II"**.

11. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- i. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures as reported by the Auditors.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and Loss of the Company for the that period;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts are prepared on a going concern basis.

12. CORPORATE GOVERNANCE :

Kavit Industries Limited is committed to maintaining the best standards of Corporate Governance and has always tried to build the maximum trust with shareholders, employees, customers, suppliers and other stakeholders.

Corporate Governance Report for the year under review as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of this Annual report.

13. CONTRACTS AND ARRANGMENTS WITH RELATED PARTIES :

As required by the provisions of the Companies Act, 2013; the details regarding the Related Party Transactions in prescribed **Form AOC-2** are attached herewith as "**Annexure III**".

14. DIRECTOR & KEY MANAGERIAL PERSONNEL:

The details of the changes in the Board composition from the beginning of the financial year are discussed in detail in the Corporate Governance Report.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Companies Act, 2013

15. MEETING OF THE BOARD

During the year Twenty Five Board meeting were convened and held on the following dates: 07/04/2016, 16/05/2016, 30/05/2016, 04/06/2016, 14/06/2016, 25/06/2016, 07/07/2016, 19/07/2016, 25/07/2016, 13/08/2016, 01/09/2016, 15/09/2016, 26/09/2016, 13/10/2016, 21/10/2016, 24/10/2016, 02/11/2016, 07/11/2016, 12/11/2016, 21/11/2016, 06/12/2016, 03/01/2017, 07/02/2017, 16/02/2017 and 29/03/2017.

16. ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS :

The evaluation/ assessment of the Directors, KMPs and the SMP of the Company are to be conducted on an annual basis and to satisfy the requirements of the Listing Obligations.

a) Executive Directors :

The following criteria may assist in determining how effective the performances of the Directors/ KMPs/ SMP have been:

- Leadership and stewardship abilities
- Contributing to clearly define corporate objectives and plans
- Communication of expectations and concerns clearly with subordinates
- Obtain adequate, relevant and timely information from external sources
- Review and approval achievement of strategic and operational plans, objectives, budgets
- Regular monitoring of corporate results against projections
- Identify, monitor and mitigate significant corporate risks
- Assess policies, structures and procedures
- Direct, monitor and evaluate KMPs, Senior Officials
- Review management's succession plan
- Effective meetings
- Assuring appropriate board size, composition, independence, structure
- Clearly defining roles and monitoring activities of committees
- Review of corporation's ethical conduct

Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/ Non-Independent Directors in a separate meeting of the Independent Directors.

b) Non-Executive Directors :

The Non-Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- Act objectively and constructively while exercising their duties;
- Exercise their responsibilities in a bona fide manner in the interest of the Company; devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- Do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- Assist the Company in implementing the best Corporate Governance practices.
- Strive to attend all meetings of the Board of Directors and the Committees;
- Participate constructively and actively in the Committees of the Board in which they are Chairpersons or members;
- Strive to attend the general meetings of the Company;
- Keep themselves well informed about the Company and the external environment in which it operates;
- Do not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
- Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
- Abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading guidelines etc.

17. REMUNERATION OF DIRECTORS, KMP'S AND SMP:-

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, KMP and other SMP. The Directors, KMP and other SMP's salary shall be based and determined on the individual person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nomination and Remuneration Committee determines individual remuneration packages for Directors, KMP and SMP of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable Companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/ other guidelines. The Committee consults with the Chairman of the Board as it deems appropriate. Remuneration of the Chairman is recommended by the Committee to the Board of the Company. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the workings of the Company and its goods.

A. Director/ Managing Director:

a. Base Compensation (fixed salaries) :

Must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/ non-statutory benefits which are normal part of remuneration package in line with market practices).

b. Variable salary:

The Nomination and Remuneration Committee may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfillment of specified improvement targets or the attainment of certain financial or other objectives set by the Board. The amount payable is determined by the Committee, based on performance against pre-determined financial and nonfinancial metrics.

B. Non-Executive Independent Directors :

The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the Members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other Directors provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules.

C. KMPs/ SMP etc. :

The remuneration payable to the KMP and the SMP shall be as may be decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

The remuneration paid to your Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) for the time being in force). The Nomination and Remuneration Policy as formulated by the Company is uploaded on the company's website www.kavitindustries.in

The information required under Section 197 (12) of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure IV**.

18. BOARD DIVERSITY:-

The Board of Directors have optimum combination of Directors from the different areas/ fields like Production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources, etc. or as may be considered appropriate.

19. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCESHEET AND THE DATE OF REPORT:

There are no material changes between the date of balance sheet and the date of this report that would affect the financial position of the Company.

20. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

(A) Conservation of energy:

Your Company requires energy for its operations and the Company is making all efforts to conserve energy by monitoring energy costs and periodically reviews of the consumption of energy. It also takes appropriate steps to reduce the consumption through efficiency in usage and timely maintenance/installation/ up gradation of energy saving devices.

(B) Technology absorption:

Your Company uses latest technology and equipments into the business and has been quite vigilant about the latest technological changes.

(C) Foreign Exchange Earnings and Outgo:

PARTICULARS	(Amt. in Rs)	
	2016-17	2015-16
Foreign Exchange earned in terms of actual inflows during the year (On F.O.B Basis)	0	0
Foreign Exchange outgo during the year in terms of actual outflows	0	0

21. LOANS, GAURANTEES AND INVESTMENTS BY COMPANY (Section 186)

The Company has proposed to increase the limits for investments, Loans and Guarantees given by the Company as prescribed under section 186 of the Companies Act, 2013. Resolution to this effect shall be proposed for approval of members through Postal Ballot.

22. EXTRACT OF ANNUAL RETURN: [Section 92 (3)]

As required by the provisions of Section 92(3) of the Companies Act, 2013; the extract of Annual Return in prescribed **Form MGT-9** is attached herewith as “**Annexure V**”.

23. DEPOSITS:

The Company has neither accepted nor renewed any deposits during the year under review to which the provisions of the Companies (Acceptance of Deposits) Rules 2014 applies.

24. AUDIT COMMITTEE

The Company has an independent Audit Committee comprising of 3 members as on the date of this report. All the members of the Audit Committee are financially literate. The terms of reference of the audit committee are elaborated in the corporate governance report which forms part of this Annual Report.

25. DISCLOSURE ON ESTABLISHMENT OF VIGIL MECHANISM :

The Board of Directors of the Company believes in conducting all its affairs in a fair and transparent manner, by adopting highest standards of professionalism, honesty, integrity and ethical behaviour the directors are committed to comply with the laws and regulations to which it is subject. For this, it has put in place systems, policies and procedures to interpret and apply these laws and regulations in the organisational environment. In consonance with the object of the transparency and good governance, the board of directors of the company formulated and adopted “Whistle blower Policy and Vigil Mechanism.”

The main objective of this policy is to provide a platform to directors and employees to raise concerns regarding and irregularity, misconduct or unethical matters/dealings within the company which have a negative bearing on the organisation either financially or otherwise.

26. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Since the Company's net worth does not exceed Rs. 500 crores or Company's turnover does not exceed Rs. 1,000 crores or the Company's net profit does not exceed Rs. 5 crore for any financial year, the provisions of section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility activities are not applicable to the Company.

27. OTHER MATTERS:

Following are the other matters to be covered pursuant to Section 134(3) (q) of the Companies Act, 2013 read with Rules made thereunder:

1. Change in nature of business
 - There is no change in the nature of the business
2. Details of significant and material orders passed by the Regulators or courts or tribunals impacting the going concern status and company's operations in future.
 - There is no significant and material orders passed by the Regulators, courts, or tribunals
3. Adequacy of Internal Financial Controls with reference to Financial Statements
 - There is an adequate system in place for internal financial controls which commensurate with the working operations of the Company.

28. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE(PREVENTION,PROHIBITION AND REDRESSAL) ACT,2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act 2013. Internal Complaints Committee (ICC) has been set up to redress the complaints received regarding sexual harassment. All employees (Permanent, Contractual, Temporary, trainees) are covered under this Policy.

There were no complaints filed till date under the said policy.

29. ACKNOWLEDGEMENTS:

The directors appreciate the professionalism, commitment and dedication displayed by employees at all levels. The directors would like to express their grateful appreciation for the assistance and co-operation that our company has been receiving from our Bankers, Customers, Business Associates, Central and State Government authorities, and Shareholders.

Date: 06.09.2017
Place: Vadodara

**By the Order of the Board
For Kavit Industries Limited
Sd/-
Jayesh Thakkar
Managing Director
DIN: 01631093**

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Kavit Industries Limited
Vill. Tundav, Tal. Savli,
Vadodara-391775

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kavit Industries Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances expressing our opinion thereon.

Based on our verification of the Kavit Industries Limited'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 materially 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 the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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'):-
 - 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, 1992; [Presently: 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; [Presently: 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - 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. Having regard to the products, processes and locations of the Company and also having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, we further report that laws specifically applicable to the Company are:
- a) Water (Prevention and Control of Pollution) Act, 1974
 - b) Air (Prevention and Control of Pollution) Act, 1981
 - c) Hazardous Waste (Management and Handling) Rules, 1989
 - d) The Environment Protection Act, 1986

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Ltd. [including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. ('LODR')]

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.

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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 (by way of information) in respect of the Company that during the audit period :

- (a) Since the Company has not issued any securities during the period under review:
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014.
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ; were not applicable during the period under review.

- (b) In view of neither voluntary delisting of Equity Shares nor buy back of any security of the Company,
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

were not applicable during the period under review,

- (c) Aggregate of loan/ guarantee/ investment may exceed 60% of paid up capital, free reserves and security premium or 100% of its free reserves and security premium with the prior approval of members by means of Special Resolution pursuant to Section 186 of the Act.

Aggregate of loans/ guarantee/ investment as at 31st March, 2017 amounting to Rs. 74,77,57,634 appears to exceed aforesaid limit.

We have been given to understand that the Company is in process of obtaining approval from the shareholders in the regard.

- (d) The Company does not have Chief Financial Officer (CFO). We are given to understand that the company is in process of appointing CFO.

Date: 16.05.2017
Place: Vadodara

For Devesh Vimal & Co.
Practising Company Secretaries
Sd/-
CS Devesh A. Pathak
Partner
FCS: 4559
CP No. 2306

Note: This report is to be read with our letter of even date which is enclosed as per Annexure forming integral part of this report.

Annexure

To,
The Members,
Kavit Industries Limited
Vill. Tundav, Tal. Savli,
Vadodara-391775

Ref: Secretarial Audit Report dated 16th May, 2017 pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Maintenance of secretarial records is the responsibility of 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 the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices we followed provided reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company and have relied upon the reports of designated professionals including Statutory Auditors for the purpose.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happenings 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 procedures 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.

For Devesh Vimal & Co.
Practising Company Secretaries
Sd/-
CS Devesh A. Pathak
Partner
16.05.2017
FCS No. 4559
CP No.: 2306

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**Part "A": Subsidiaries**

Sr. No.	Particulars	Details of Companies				
		Kavit Green Energy Private Limited	Kavit Edible Oil Limited	Kavit Swachh Organic Food Private Limited	Kavit Infoline Private Limited	Kavit Infra Projects Private Limited
1.	Name of the subsidiary					
2	Date of Incorporation	05.01.2015	06.03.2017	07.11.2016	15.02.2016	13.05.2015
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA	NA	NA
4.	Share capital	1,00,00,000	5,00,000	1,00,000	1,00,000	1,00,000
5.	Reserves & surplus	(3,90,23,600)	-	-	-	-
6.	Total assets	29,07,83,657	-	-	-	-
7.	Total Liabilities	31,98,07,257	-	-	-	-
8.	Investments	-	-	-	-	-
9.	Turnover	45,23,553	-	-	-	-
10.	Profit before taxation	6,49,068	-	-	-	-
11.	Provision for taxation	(3,97,09,535)	-	-	-	-
12.	Profit after taxation	(3,90,60,467)	-	-	-	-
13.	Proposed Dividend	-	-	-	-	-
14.	% of shareholding	51.00%	80.00%	60.00%	70.00%	80.00%

Notes:

- Names of subsidiaries which are yet to commence operations:** Kavit Edible Oil Limited, Kavit Swachh Organic Food Limited, Kavit Infoline Private Limited, Kavit Infra Projects Private Limited are yet to commence operations.
- Names of subsidiaries which have been liquidated or sold during the year:** Nil

By the Order of the Board
For Kavit Industries Limited
Sd/-
Jayesh Thakkar
Managing Director
DIN: 01631093

Date: 06.09.2017
Place: Vadodara

Part “B”: Associates and Joint Ventures

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

Particulars	Details
Name of associates/Joint Ventures	The Company does not have any joint venture or associate companies.
1. Latest audited Balance Sheet Date	
2. Shares of Associate/Joint Ventures held by the company on the year end	
No. of Shares	
Amount of Investment in Associate	
Extend of Holding%	
3. Description of how there is significant influence	
4. Reason why the associate/joint venture is not consolidated	
5. Net worth attributable to shareholding as per latest audited Balance Sheet	
6. Profit/Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

- 1. Names of associates or joint ventures which are yet to commence operations:**
- 2. Names of associates or joint ventures which have been liquidated or sold during the year:**

Date: 06.09.2017
Place: Vadodara

By the Order of the Board
For Kavit Industries Limited
Sd/-
Jayesh Thakkar
Managing Director
DIN: 01631093

FORM NO. AOC.2

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

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

Sr. No.	Particulars	Details
1	Details of contracts or arrangements or transactions not at arm's length basis	There were no contracts or arrangements with Related Parties that were not at arm's length basis.
a	Name(s) of the related party and nature of relationship	N.A.
b	Nature of contracts/arrangements/transactions	
c	Duration of the contracts/arrangements/transactions	
d	Salient terms of the contracts or arrangements or transactions including the value, if any	
e	Justification for entering into such contracts or arrangements or transactions	
f	date(s) of approval by the Board	
g	Amount paid as advances, if any:	
h	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	
2	Details of material contracts or arrangement or transactions at arm's length basis	There were no material contracts or arrangements with Related Parties
a	Name(s) of the related party and nature of relationship	N.A.
b	Nature of contracts/arrangements/transactions	
c	Duration of the contracts/arrangements/transactions	
d	Salient terms of the contracts or arrangements or transactions including the value, if any:	
e	Date(s) of approval by the Board, if any:	
f	Amount paid as advances, if any:	

**By the Order of the Board
For Kavit Industries Limited
Sd/-
Jayesh Thakkar
Managing Director
DIN: 01631093**

**Date: 06.09.2017
Place: Vadodara**

PARTICULARS OF EMPLOYEES

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

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2016-17

Jayesh Thakkar: 37: 1

Yogendra Parmar: 5.68:1

Jyoti Gohil: 1.87:1

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager if any in the financial year 2016-17: **Not Applicable**

3. Ratio of the median remuneration of employees in the financial year 2015-16 and 2016-17: 11.1:1

4. Number of permanent employees on the rolls of Company: 34

5. Average percentile increase already made in salaries of employees 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: **Not Applicable**

6. Affirmation that the remuneration is as per the remuneration policy of the company: The Company affirms that remuneration is as per the Remuneration Policy of the Company.

b) Information pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. Employed throughout the year ended March 31, 2017, with remuneration aggregating to not less than Rs. 1,02,00,000 per annum : **None**

2. Employed for part of the year ended March 31, 2017, with remuneration aggregating to not less than Rs. 8,50,000 per month : **None**

3. The employee if employed throughout the financial year or part thereof was in receipt of remuneration in that year which in the aggregate or as the case may be at a rate which in the aggregate is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children not less than two percent of the equity shares of company : **None**

**By the Order of the Board
For Kavit Industries Limited**

Sd/-

**Jayesh Thakkar
Managing Director**

DIN: 01631093

Date: 06.09.2017

Place: Vadodara

FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN

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

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	:	L23100GJ1990PLC014692
ii.	Registration Date	:	23/11/1990
iii.	Name of the Company	:	KAVIT INDUSTRIES LIMITED
iv.	Category / Sub-Category of the Company:	:	Public Company
v.	Address of the Registered office and contact details:		
	Address:	:	Vill: Tundav, Tal: Savli,
	Town/City	:	Vadodara
	State	:	Gujarat 391775
	Country Name	:	India
	Telephone (with STD Code)	:	0265-236200, 2361100
	Fax Number	:	0265-2361551
	E-mail Address	:	kavitindustrieslimited@gmail.com
	Website, if any	:	www.kavitindustries.in
vi.	Whether listed company:	:	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any:		
	Name of RTA	:	M/s. Link Intime India Pvt. Ltd.
	Address	:	B-102 & 103, Shangrila Complex, 1 st Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota
	Town/City	:	Vadodara
	State	:	Gujarat
	Pin Code	:	391775
	Telephone	:	0265-2356573, 2356794
	Fax Number	:	0265-2356791
	E-mail Address	:	vadodara@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	EDIBLE OIL	10409	86.20
2	AGRICULTURAL PRODUCTS	10409	11.08

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY / COMPANIES :

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Kavit Green Energy Private Limited 9 th Floor, Galav Chambers, Opp. Sardar Patel Statue, Sayajigunj, Vadodara 390020, Gujarat.	U74140GJ2015PTC081718	Subsidiary	51.00%	2(87)
2	Kavit Edible Oil Limited 9 th Floor, Galav Chambers, Opp. Sardar Patel Statue, Sayajigunj, Vadodara 390020, Gujarat.	U15100GJ2017PLC096076	Subsidiary	80.00%	2(87)
3	Kavit Swachh Organic Food Private Limited 9 th Floor, Galav Chambers, Opp. Sardar Patel Statue, Sayajigunj, Vadodara 390020, Gujarat.	U15490GJ2016PTC094300	Subsidiary	60.00%	2(87)
4	Kavit Infoline Private Limited 9 th Floor, Galav Chambers, Opp. Sardar Patel Statue, Sayajigunj, Vadodara 390020, Gujarat	U72300GJ2016PTC086091	Subsidiary	70.00%	2(87)
5	Kavit Infra Projects Private Limited 9 th Floor, Galav Chambers, Opp. Sardar Patel Statue, Sayajigunj, Vadodara 390020, Gujarat	U45209GJ2015PTC083192	Subsidiary	80.00%	2(87)

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

i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<u>A. Promoters</u>									
(1) Indian									
a) Individual/HUF	3249625	75863	3325488	5.37	3555365	75863	3631228	5.86	0.49
b) Central Govt.	-	-	-	-	-	-	-	-	
c) State Govt.(s)	-	-	-	-	-	-	-	-	
d) Bodies Corp.	21333333	0	21333333	34.45	22577183	0	22577183	36.45	2.00
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1):-	24582958	75863	24658821	39.82	26132548	75863	26208411	42.32	2.50
(2) Foreign									
a) NRI – Individuals	-	-	-	0.00	-	-	-	-	-
b) Other – Individuals	-	-	-	0.00	-	-	-	-	-
c) Bodies Corp.	-	-	-	0.00	-	-	-	-	-
d) Any Other	-	-	-	0.00	-	-	-	-	-
Sub Total (A) (2):-	-	-	-	0.00	-	-	-	-	-
Total Shareholding of Promoter (A) = A(1) + A(2)	24582958	75863	24658821	39.82	26132548	75863	26208411	42.32	2.50
<u>B. Public Shareholding</u>									
1. Institutions									
a) Mutual Funds	0	186665	186665	0.30	0	46665	46665	0.07	-0.23

b) Banks/FI	0	0	0	0.00	140000	0	140000	0.23	0.23
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Sub Total (B)(1):-	0	186665	186665	0.30	140000	46665	186665	0.30	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	32233099	43995	32277094	52.12	28324281	43995	28368276	45.81	-6.31
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
1. Individual Shareholders holding nominal share capital upto Rs. 1 lakh	346492	3090400	3436892	5.55	971846	3070705	4042551	6.53	0.98
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	815495	517727	1333222	2.15	2302350	517727	2820077	4.55	2.40
c) Others (specify)	-	-	-	-	-	-	-	-	-
Clearing Members	26818	0	26818	0.04	114384	0	114384	0.18	0.14
Non Resident Indians	666	10261	10927	0.02	9051	10261	19312	0.03	0.01
Trust	0	2194	2194	0.00	0	2194	2194	0.00	0.00
HUF	700	0	700	0.00	171463	0	171463	0.28	0.28
Sub-total (B)(2):-	33423270	3664577	37087847	59.88	31893375	3644882	35538257	57.38	-2.50
Total Public Shareholding (B) = (B)(1) + (B)(2)	33423270	3851242	37274512	60.18	32033375	3691547	35724922	57.68	-2.50
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	58006228	3927105	61933333	100	58165923	3767410	61933333	100	-

ii) Share Holding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Jayeshbhai Raichandbhai Thakkar	1890431	3.05	0	2290431	3.70	0	0.65
2.	Artiben Jayeshbhai Thakkar	452798	0.73	0	452798	0.73	0	0.00
3.	Bharat Limjibhai Patel	133333	0.22	0	133333	0.22	0	0.00
4.	Hansaben Jaswantbhai Thakkar	66666	0.11	0	66666	0.11	0	0.00
5.	Hashmukhbhai Dhanjibhai Thakkar	66666	0.11	0	66666	0.11	0	0.00
6.	Himmatbhai Hirji Nanda	30666	0.05	0	30666	0.05	0	0.00
7.	Jagdishbhai Raichandbhai Thakkar	104533	0.17	0	10300	0.04	0	-0.13
8.	Jaswant Raichandbhai Thakkar	141999	0.23	0	141999	0.23	0	0.00

9.	Jaysurya Gases Ltd.	17333	0.03	0	17333	0.03	0	0.00
10.	Kokilaben H. Thakkar	66666	0.11	0	66666	0.11	0	0.00
11.	Mitul Jagdishbhai Thakkar	93332	0.15	0	93332	0.15	0	0.00
12.	Santosh Kahar	127333	0.21	0	127333	0.21	0	0.00
13.	Somabhai S. Thakkar	133732	0.22	0	133705	0.22	0	0.00
14.	Raghuvir International Private Limited	12000000	19.38	0	12838850	20.73	0	1.35
15.	Shree Saibaba Exim Private Limited	9333333	15.07	0	9738333	15.72	0	0.65
	TOTAL	24658821	39.82	0	26208411	42.34	0	2.52

iii) Change in Promoters' Shareholding

Sr No.	Name & type of transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		No. of shares held	% of total shares of the company	Date of transaction	No. Of shares	No of shares held	% of total shares of the company
1	Raghuvir International Private Limited	12000000	19.3757			12000000	19.3757
	Transfer			02/09/2016	194000	12194000	19.6889
	Transfer			09/09/2016	198374	12392374	20.0092
	Transfer			16/09/2016	205539	12597913	20.3411
	Transfer			23/09/2016	189113	12787026	20.6464
	Transfer			30/09/2016	1763	12788789	20.6493
	Transfer			07/10/2016	50061	12838850	20.7301
	At the End of the year					12838850	20.7301
2	Shree Saibabaxim Private Limited	9333333	15.0700			9333333	15.0700
	Transfer			23/09/2016	344681	9678014	15.6265
	Transfer			07/10/2016	10282	9688296	15.6431
	Transfer			14/10/2016	50037	9738333	15.7239
	At The End Of The Year					9738333	15.7239
3	Jayeshbhai Raichand Bhai Thakkar	1890431	3.0524			1890431	3.0524
	Transfer			19/08/2016	(100)	1890331	3.0522
	Transfer			26/08/2016	100	1890431	3.0524
	Transfer			30/09/2016	49850	1940281	3.1329
	Transfer			07/10/2016	100150	2040431	3.2946
	Transfer			14/10/2016	150000	2190431	3.5368
	Transfer			28/10/2016	50000	2240431	3.6175
	Transfer			13/01/2017	(100)	2240331	3.6173
	Transfer			20/01/2017	100	2240431	3.6175
	Transfer			24/02/2017	50000	2290431	3.6982
	At The End Of The Year					2290431	3.6982
4	Artiben Jayeshbhai Thakkar	452798	0.7311			452798	0.7311
	At The End Of The Year					452798	0.7311
5	Jagdishbhai Raichanddas Thakkar	104533	0.1688			104533	0.1688
	Transfer			16/09/2016	(94233)	10300	0.0166
	At the end of the year					10300	0.0166
6	Jaswant Raichand Thakkar	141999	0.2293			141999	0.2293
	At the end of the year					141999	0.2293
7	Somabhai S Thakkar	133732	0.2159			133732	0.2159
	Transfer			01/04/2016	(666)	133066	0.2148
	Transfer			05/08/2016	666	133732	0.2159
	Transfer			10/02/2017	(27)	133705	0.2158
	At the end of the year					133705	0.2158

8	Patel Bharatbhai Limjibhai	133333	0.2153			133333	0.2153
	At the end of the year					133333	0.2153
9	Santosh Kahar	127333	0.2056			127333	0.2056
	At the end of the year					127333	0.2056
10	Mitul Jagdishbhai Thakkar	93332	0.1507			93332	0.1507
	At the end of the year					93332	0.1507
11	Thakkar Kokila H	66666	0.1076			66666	0.1076
	At the end of the year					66666	0.1076
12	Hansaben Jaswantbhai Thakkar	66666	0.1076			66666	0.1076
	At the end of the year					66666	0.1076
13	Hashmukhbhai Dhanjibhai Thakkar	66666	0.1076			66666	0.1076
	At the end of the year					66666	0.1076
14	Himmatbhai H Nanda	0	0.0000			0	0.0000
	Transfer			20/01/2017	30666	30666	0.0495
	At The End of The Year					30666	0.0495
15	Jaysurya Gases Ltd	17333	0.0280			17333	0.0280
	At the end of the year					17333	0.0280

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

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		No. Of Shares Held	% Of Total Shares Of The Company	Date of Transaction	No. of Shares	No Of Shares Held	% Of Total Shares Of The Company
1	Silvercade Trading Pvt Ltd	5357945	8.6511			5357945	8.6511
	At The End of The Year					5357945	8.6511
2	Krystalklear Properties Pvt Ltd	5200000	8.3961			5200000	8.3961
	At The End of The Year					5200000	8.3961
3	Saint Infrastructure Pvt Ltd	4266666	6.8891			4266666	6.8891
	At The End of The Year					4266666	6.8891
4	Gill Entertainment Pvt Ltd	4133333	6.6738			4133333	6.6738
	At The End of The Year					4133333	6.6738
5	Indivar Traders Pvt Ltd	3866666	6.2433			3866666	6.2433
	At The End of The Year					3866666	6.2433
6	Golding Mercantile Pvt Ltd	0	0.0000			0	0.0000
	Transfer			27/01/2017	3800000	3800000	6.1356
	At The End of The Year					3800000	6.1356
7	Aprateem Trading Pvt Ltd	1000000	1.6146			1000000	1.6146
	Transfer			26/08/2016	3800000	4800000	7.7503
	Transfer			27/01/2017	(3800000)	1000000	1.6146
	At The End of The Year					1000000	1.6146
8	Sunpreet Singh	0	0			0	0.0000
	Transfer			16/12/2016	160000	160000	0.2583
	Transfer			23/12/2016	199700	359700	0.5808
	At The End of The Year					359700	0.5808
9	Ethan Constructions Private Limited	4414000	7.1270			4414000	7.1270
	Transfer			24/06/2016	(20000)	4394000	7.0947
	Transfer			22/07/2016	(2000)	4392000	7.0915
	Transfer			29/07/2016	1000	4393000	7.0931
	Transfer			05/08/2016	(500)	4392500	7.0923
	Transfer			26/08/2016	(732500)	3660000	5.9096
	Transfer			02/09/2016	(314376)	3345624	5.4020
	Transfer			09/09/2016	(283703)	3061921	4.9439
	Transfer			16/09/2016	(627257)	2434664	3.9311

	Transfer			23/09/2016	(599858)	1834806	2.9626
	Transfer			30/09/2016	(480058)	1354748	2.1874
	Transfer			07/10/2016	(275939)	1078809	1.7419
	Transfer			14/10/2016	(163824)	914985	1.4774
	Transfer			21/10/2016	(221710)	693275	1.1194
	Transfer			28/10/2016	(143182)	550093	0.8882
	Transfer			04/11/2016	(46700)	503393	0.8128
	Transfer			11/11/2016	(1300)	502093	0.8107
	Transfer			18/11/2016	(1300)	500793	0.8086
	Transfer			09/12/2016	(154565)	346228	0.5590
	Transfer			16/12/2016	(56315)	289913	0.4681
	Transfer			30/12/2016	(36000)	253913	0.4100
	Transfer			10/02/2017	500	254413	0.4108
	Transfer			17/02/2017	(50000)	204413	0.3301
	Transfer			10/03/2017	(25000)	179413	0.2897
	At The End of The Year					179413	0.2897
10	Amrapali Aadya Trading And Investment Private Ltd	3800000	6.1356			3800000	6.1356
	Transfer			26/08/2016	(3800000)	0	0.0000
	At The End Of The Year					0	0.0000

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning and end of the year (01/04/2016 to 31/03/2017)		Date	Increase/Decrease	Reason	Cumulative shareholding during the year	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
1	Jayeshbhai Raichand Bhai Thakkar	1890431	3.0524				1890431	3.0524
				19/08/2016	(100)	Transfer	1890331	3.0522
				26/08/2016	100	Transfer	1890431	3.0524
				30/09/2016	49850	Transfer	1940281	3.1329
				07/10/2016	100150	Transfer	2040431	3.2946
				14/10/2016	150000	Transfer	2190431	3.5368
				28/10/2016	50000	Transfer	2240431	3.6175
				13/01/2017	(100)	Transfer	2240331	3.6173
				20/01/2017	100	Transfer	2240431	3.6175
				24/02/2017	50000	Transfer	2290431	3.6982
	At The End Of The Year						2290431	3.6982

(V) INDEBTEDNESS:

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

Particulars	Secured Loan excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount		77941388.99	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-

Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	16101542.04	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	61839846.95	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	61839846.95	-	-

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager/ Executive Director	Total amount
		Jayesh R. Thakkar (Managing Director)	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,50,000	4,50,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission.		
	- As % of profit	-	-
	- Others, specify.	-	-
5.	Others, please specify	-	-
	Total (A)	4,50,000	4,50,000

B. Remuneration to other directors: NIL

Particulars of Remuneration						Total Amount
1. Independent Directors						
• Fee for attending Board/ Board committee meetings	-	-	-	-	-	-
• Commission	-	-	-	-	-	-
• Others, please specify	-	-	-	-	-	-
Total (1)	-	-	-	-	-	-
2. Other Non-executive Directors						
• 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:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Company Secretary		
		Yogendra Parmar*	Jyoti Gohil@	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	52000	30000	82000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission.			
	- As % of profit	-	-	-
	- Others specify.	-	-	-
5.	Others, please specify	-	-	-
	Total	52000	30000	82000

* Mr. Yogendra Parmar resigned from the post of Company Secretary and Compliance Officer w.e.f. 21st November, 2016.

@ Ms. Jyoti Gohil was appointed as a Company Secretary and Compliance Officer w.e.f 22nd November, 2016.

(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	None				
Punishment					
Compounding					
B. DIRECTORS:					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT: N.A.					
Penalty	None				
Punishment					
Compounding					

By the Order of the Board
For Kavit Industries Limited
Sd/-

Jayesh Thakkar
Managing Director
DIN: 01631093

Date: 06.09.2017

Place: Vadodara

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The management of Kavit Industries Ltd. presents the analysis of the Company for the year ended on 31st March, 2017 and its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments both in India and abroad. This Management Discussion and Analysis ("MDAR") of Kavit Industries Ltd. for the year ended on 31st March, 2017 contains financial highlights but does not contain the complete financial statements of the Company. It should be read in conjunction with the Company's audited financial statements for the year ended on 31st March 2017.

Indian Economy and Business Outlook:

India has emerged as one of the fastest growing economies in recent times. The global growth prospects also look positive with the main economies gradually ascending the growth ladder. The Indian economy is expected to embark on higher economic growth trajectory in FY18 owing to proactive measures taken by the government as well as favorable economic conditions expected to prevail during the course of the year. The main driving forces in FY18 would be Increased government spending in infrastructure, Pick up in private investment, Good monsoon, Expected surge in consumer spending with pent up demand being satiated. The Goods and Services Tax (GST), which was implemented from July 1, 2017, has potential to spur the economy further. The economic outlook of the Indian economy looks positive with the country expected to grow at more than 7.5% in FY18 before moving past the 8% trajectory in FY19. Certain threats, however, prevail in terms of upside risk to inflation, increasing global commodity prices especially crude oil prices, slower growth in investment and credit, rising bad loans issue and uncertain trade prospects with appreciating rupee and uncertain global economic conditions. Globally, protectionism adopted by the US and higher interest rates by the Fed, revival in European countries and higher growth in China causing diversion of funds from India could counter the prospective growth story of the country.

Overview of Indian Edible oil Industry

Indian edible oil industry is the world's fourth-largest industry after USA, China and Brazil and accounts for around 9% of the world's oil seed production. It is highly fragmented with extreme variation in the consumption pattern of Indian consumers of edible oil. The Indian edible oil industry continues to be underpenetrated and thereby holds immense business opportunities. Vegetable oil consumption has increased due to rise in overall household income, surging retail sector, increasing health awareness, growing population and increasing demand. In India, oilseeds are grown in nearly 26-27 million hectares. The productivity is however very low in comparison with the world average. The consumption growth is rising by nearly 5.5 to 6.0% per annum. Palm Oil is consumed the most by lower income category of Indian society. Consumption of Palm oil in India is now nearly 45% of the total oil consumption followed by Soybean oil and Rapeseed oil. Also the Indian edible oil demand is quite elastic and does not reduce or increase to an extent with change in prices. Import of edible oil has increased nearly 2.5 times in last 8 years. The central government allowed 100% FDI in oil palm plantations which is one of the important steps in helping fill the gap of edible oil deficit in India. The alarming declines of Indian oilseeds production and crushing are going along with booming import demand for vegetable oils, have brought oil meal exports from India almost to a standstill.

EDIBLE OIL

The vision to be a leader in Edible Oil Industry commenced in the year 2016 by having Edible Oil segment of KAVIT INDUSTRIES LTD. Today the company stands strong as KAVIT INDUSTRIES LIMITED. In Business Market and the Brand is recalled as "KAVIT" across Indian Families. Making a mark the creative delegates of the company under the supervision of Mr. Jayesh Raichandbhai Thakkar have passionately adhered to the objective of making only world-class products and started the business with three firm pillars - Quality, Research and Integration on which they have successfully build the business empire which today produces 1550 M.T. refined oil per day with complete vertical integration. Marking one of the major milestones, "KAVIT" became India's renowned Edible Oil Company to get Food & Safety Quality Management Certification of ISO 22000:2005.

"KAVIT" is a well communicated and trusted edible oil brand in India. Its market positioning as balanced cooking oil, helped it attach with its consumers on the health and fitness ground and soon the brand became a household name across Gujarat. The company offers different types of edible oils to consumer market. To produce best quality edible oil, company has procured best available technology and machinery over the period of time. Knowledge, Technology and Process up-gradation has always enabled Kavit Industries to be a market leader in Edible Oil segment. Kavit Industries Limited is one of those very few companies which have also invested in vertical integration to add a value of quality to all their end products. Company has its own manufacturing plants to manufacturer and pack tins, Bottles, Jars. To serve Industrial Segment, Kavit Industries is planning to offer export quality edible oil and its Derivatives across the Globe. The vision of the Company is to make the brand "KAVIT" as a Star Export House and to make it as one of the largest exporters of India.

Petrochem:

Company has been predominantly engaged in the Petrochem business before it diversified into other business verticals. Company has an established brand "Ecol" under which the company markets various petroleum products like lubricants, engine oil, etc. the company has an up to date processing plant situated at Tundav village in Gujarat on an eight acre plot. The plant is classified as a mini refinery to process crude oil and hydrocarbons to various end products. Ecol products are manufactured to meet the norms laid down by BIS, API and JASO. High Quality Standards have been a critical element in the marketing strategy of Ecol to capture a sizeable share in the domestic market in a short span of time. Company is focused of delivering the best quality at an affordable price and continuous up-gradation.

Garments:

Your Company deals in readymade garments for men and women under the Brand "RAW". The product offerings include dresses, salwar kameez, tops and tees, jackets and denim jeans. The Company has opened two retail stores under the brand "Mizguided" in Mumbai and Baroda. While the scale of current operations is low, the company intends to expand this business in future. Company shall endeavor to increase its retail footprint by opening new stores and diversifying into more cities. Company shall also explore options to export its products in developed countries and to sell products through ecommerce portals.

Kavit Infoline:

The Company intends to diversify into the technology sector through its subsidiary Kavit Infoline Private Limited. The rapid growth of ecommerce and penetration of internet and smart phones present a great opportunity in the technology sector. While the competition is very high, there are still a lot of opportunities to grow and expand the business. Through Kavit Infoline, Company intends to offer a gamut of services like IT consulting, web development, software development business transformation. The management is hopeful that the IT and Software business shall have substantial contribution in the overall business performance of the company.

Kavit Green Energy:

The renewable energy arm of the company shall focus on generating power through renewable sources of energy such as solar and wind. We are in process of setting up our solar power project in Karnataka which is awarded by Karnataka Renewable Energy Development Limited for 5 MW. The Company believes that this project has great potential in future.

Kavit Swachh Organic Foods:

The company has incorporated a subsidiary to tap the organic food market. While the project is on a preliminary stage, the organic food business appears to be one of the fast growing businesses. Today increasing number of people are switching their food habits from fast and processed food to organic and healthy food. Your company shall make every attempt to gain maximum advantage from this growing trend. We endeavor to offer quality products at a reasonable price in order to encourage more people to switch to healthy foods and lifestyle.

Risks and Concerns

In the coming decade, the main focus would be on enhancing efficiency and productivity, and on innovation, driven by changing customer demands. Price sensitivity of the Indian consumer, cost optimization needs of manufacturers and increasing focus on environmental concerns will drive critical changes in the market. Future strategies of the auto companies will have to focus on increased environmental safety concerns, rising fuel prices and cost-effectiveness in the rising market competition. Innovation has to focus on increasing efficiency and reducing emissions. Customer experience will be key factor to retain the existing ones and reach out to the new ones. After-sales service is an important aspect which will help in winning the loyalty of the consumer.

Internal Control Systems and their Adequacy:

The Company strictly adheres to the internal control systems as laid down and updated from time to time. The internal audit team carries out extensive audit of all operations at regular intervals. The company implements the policies and procedures so as to safeguard the assets and interests of the company. The internal control systems are implemented with a view to achieve good ethical culture within the organisation. The internal control systems would ensure that all the vulnerabilities are detected in a timely manner and corrective actions are taken promptly.

Based on its evaluation (as defined in section 177 of the Companies Act, 2013 and clause 18 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, our audit committee has concluded that as of March 31, 2017, our internal financial controls were adequate and operating effectively.

Human resource and Industrial Relations:

People are the biggest strength of any Company and we at Kavit Industries are committed to providing its people with an enriching career path to help them grow. The Company has a timely and cost effective recruitment system, clear compensation and benefits policy in tune with the latest industry trends.

Forward Looking Statements

Investors are cautioned that statements in this management discussion and analysis describing your Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect your Company's operations include a downtrend in the automobile industry global or domestic or both, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relation and interest costs. The Company has processes to measure, monitor and improve environmental performance through various initiatives focusing on energy, water and waste. Water efficiency and conservation initiatives, rainwater harvesting systems, domestic sewage treatment and recycling facilities are a part of design in all its units towards becoming zero water discharge

REPORT ON CORPORATE GOVERNANCE

The directors present the Company's report on Corporate Governance which sets out systems and processes of the Company as set out in Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and some of the practices followed by the Company on Corporate Governance for the financial year ended on 31st March, 2017.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate governance is an ethically driven business process that is committed to values and conduct aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations. Good governance practices stem from the culture and mindset of the organization and at KAVIT INDUSTRIES we are committed to meet the aspirations of all our stakeholders and believes in adopting best corporate practices for ethical conduct of business. It is well recognized that an effective Board of Directors is a pre-requisite for strong and effective corporate governance. Our Board and Committees thereof are formed as per requirement of Companies Act, 2013 read with listing agreement which oversees how the Management serves and protects the long-term interests of all our stakeholders. For effective implementation of the Corporate Governance practices, KAVIT INDUSTRIES has a well-defined policy framework, full filling the criteria of Companies Act and any other Act applicable to the Company.

2. BOARD OF DIRECTORS:

a. Composition of Board of Directors:

The Board of KAVIT INDUSTRIES comprise of optimum combination of Executive and Non-Executive Directors. The composition of the Board of Directors as on date of this report is as follows:

SR.NO.	NAME	CATEGORY	SUB-CATEGORY	No. of Directorship held in other Companies	No. of Membership/Chairmanships held in various board committees of other Companies	
					Member	Chairman
1	Jayesh Raichandbhai Thakkar	Promoter	Managing Director	03	Nil	Nil
2	Chirag Vinodchandra Thakkar	Non-Promoter	Non-Executive Director	01	Nil	Nil
3	Kalyani Chandrakant Rajeshirke		Non-Executive Director	01	Nil	Nil
4	Monish Malhotra		Independent Director	05	02	Nil
5	Salil Patel		Independent Director	01	02	2
6	Kartik Mistry		Independent Director	01	02	Nil

b. Board Meetings:

The Board of Directors oversees the overall functioning of the Company and has set strategic goals in order to achieve its Vision. The Board defines the Company's policy and oversees its implementation in attaining

its goal. The Board has constituted various committees as per the provisions of the Companies Act, 2013 to facilitate the smooth and efficient flow of decision making process.

As per section 165 of the Companies Act, 2013 none of the Director is holding directorship in more than 10 (ten) Public Limited Companies. As per regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Independent Director is serving as an Independent Director in more than 7(seven) Listed Companies. None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 05 Committees across all the Companies in which he/she is a Director.

During the year Twenty Five Board Meetings were held (1) 07.04.2016 (2) 16.05.2016 (3) 30.05.2016 (4) 04.06.2016 (5) 14.06.2016 (6) 25.06.2016 (7) 07.07.2016 (8) 19.07.2016 (9) 25.07.2016 (10) 13.08.2016, (11) 01.09.2016 (12) 15.09.2016 (13) 26.09.2016 (14) 05.10.2016 (15) 14.10.2016 (16) 22.10.2016 (17) 26.10.2016 (18) 02.11.2016 (19) 12.11.2016 (20) 21.11.2016 (21) 06.12.2016 (22) 24.12.2016 (23) 07.02.2017 (24) 16.02.2017 (25) 29.03.2017.

Attendance of each Director at Board Meetings held during 2016-17 and last Annual General Meeting:

Name of Directors	No. of Board meetings attended during 2016-17	Whether present at the last AGM
Jayesh Thakkar	25	Yes
Kavit Thakkar *	3	N.A.
Hirenkumar Rao *	3	N.A.
Jigar Motta +	25	Yes
Kiran Soni +	25	Yes
Nikhil Pednekar %	22	Yes
Amit Shah !	25	Yes
Chirag Thakkar	25	Yes
Kalyani Rajeshirke	25	Yes
Bhaves Desai ^	21	Yes
Nikhil Bhut \$	7	NA
Monish Malhotra @	0	NA
Salil Patel #	0	NA
Kartik Mistry #	0	NA

* Kavit Thakkar and Hirenkumar Rao resigned from the Board of the Company w.e.f 4th June, 2016

% Nikhil Pednekar resigned from the Board w.e.f 7th February, 2017.

\$ Nikhil Bhut was appointed on the Board w.e.f 7th November, 2016. However, he tendered his resignation from the Company, which was approved by the Board on 6th September, 2017

^ Bhaves Desai was appointed on the Board w.e.f 4th June, 2016. However, he tendered his resignation from the Board w.e.f 6th September, 2017.

@ Monish Malhotra was appointed on the Board w.e.f 28th April, 2017

Salil Patel and Kartik Mistry were appointed on the Board w.e.f. 6th September, 2017.

+ Jigar Motta and Kiran Soni resigned from the Board w.e.f 6th September, 2017

! Amit Shah resigned from the Board w.e.f 29th June, 2017

c. Independent Directors' meeting:

In compliance with Schedule IV to the Companies Act, 2013 the independent directors held their separate meeting on 31st March, 2017, without the attendance of non-independent directors and members of management, to inter alia:

- review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;

d. Maximum tenure of independent directors

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and rules made there under, in this regard, from time to time.

e. Board Business:

The normal business of the Board includes:

- framing and overseeing progress of the Company's annual plan and operating framework;
- reviewing financial plans of the Company;
- reviewing quarterly and annual business performance of the Company;
- reviewing the Annual Report and accounts for adoption by the Members;
- reviewing the progress of various functions and businesses of the Company;
- reviewing the functioning of the Board and its Committees;
- reviewing the functioning of the subsidiary companies;
- considering and approving declaration / recommendation of dividend, if any;
- reviewing and resolving fatal or serious accidents or dangerous occurrences, any materially significant effluent or pollution problems or significant labour issues, if any;
- reviewing the details of significant development in human resources and industrial relations front;
- reviewing compliance with all relevant legislations and regulations and litigation status, including materially important show cause, demand, prosecution and penalty notices, if any;
- reviewing Board remuneration policy and individual remuneration packages of Directors;
- advising on corporate restructuring such as merger, acquisition, joint venture or disposals, if any;
- appointing Directors on the Board and Management Committee;
- reviewing details of risk evaluation and internal controls;
- reviewing reports on progress made on the ongoing projects;

f. Code of Conduct:

The Code of Conduct for the Directors and Senior Management Personnel of the Company has been laid down by the Board, which has been circulated to all concerned persons. The Directors and Senior Management personnel of the Company have affirmed compliance with the provisions of the KAVIT INDUSTRIES Code of Conduct for the financial year ended 31.03.2017.

3. COMMITTEES OF THE BOARD:

Currently there are 3 (three) Board Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

The terms of reference of the Board Committees are determined by the Board from time to time. The role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

3.1 AUDIT COMMITTEE:

The Audit Committee has been constituted in line with the provisions of regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (erstwhile Clause 49 of the Listing Agreement with Stock Exchanges) and also meets the requirements of Section 177 of the Companies Act, 2013. The members of the Audit Committee have requisite financial and management expertise. The role of audit committee and the information to be reviewed by the audit committee shall be

as specified in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition of the Audit Committee as on date of this report is as follows:

Name	Designation	Category of Director
Salil Patel	Chairman	Independent Director
Monish Malhotra	Member	Independent Director
Kartik Mistry	Member	Independent Director

During the year and as per the requirement of the Act, Five Audit Committee Meetings were held on 30th May, 2016, 12th August, 2016, 01st September, 2016, 12th November, 2016, and 07th February 2017.

Attendance of Members to the Audit Committee meeting held during the FY 2016-17 is as follows:

Name	Designation	No. of audit committee meetings attended during 2016-17
Jigar Motta +	Chairman	5
Kiran Soni +	Member	5
Nikhil Pednekar %	Member	4
Amit Shah %	Member	5
Salil Patel *	Chairman	0
Monish Malhotra @	Member	0
Kartik Mistry #	Member	0

% Due to their resignation from the Board, Nikhil Pednekar and Amit Shah ceased to be members of the Committee w.e.f 7th February, 2017 and 29th June, 2017 respectively.

@ Monish Malhotra was appointed on the Board w.e.f 28th April, 2017. He joined the committee from the same date.

Kartik Mistry was appointed as a member of the committee w.e.f 6th September, 2017.

+ Due to their resignation from the Board, Jigar Motta and Kiran Soni ceased to be members of the Committee w.e.f 6th September, 2017

* Salil Patel was appointed as a Chairperson of the Committee w.e.f 6th September, 2017

a. Role of Audit Committee:

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section (5) of section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

- 5A. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
12. To review the functioning of the Whistle Blower mechanism, in case the same is in existence.
13. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

3.2 NOMINATION AND REMUNERATION COMMITTEE:

The Board has constituted a Nomination and Remuneration Committee to approve certain perquisites for whole-time Functional Directors and below Board level Executives and also to consider fresh appointments on the Board of the Company. The Committee of the Company meets regularly as per the requirement of the Act and transacts the business accordingly.

a. Term of Reference:

Nomination:

The duties of the Committee in relation to its nominations function shall be:

- i. to be responsible for identifying and nominating, for the approval of the Board and ultimately the shareholders, candidates to fill Board vacancies as and when they arise as well as putting in place plans for succession, in particular with respect to the Chairman of the Board;
- ii. to review regularly the Board structure, size, composition and make recommendations to the Board of adjustments that are deemed necessary, in order to ensure an adequate size and a well-balanced composition of the Board and further ensure that a majority of the Board is independent, and to make determinations regarding independence of members of the Board;
- iii. to keep under review the leadership needs of the organization, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the market place;
- iv. to recommend to the Board whether to reappoint a director at the end of their term of office;
- v. to identify and recommend directors who are to be put forward for retirement by rotation;
- vi. before appointment is made by the Board, to evaluate the balance of skills, knowledge and experience on the Board, and in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment.

Remuneration:

The duties of the Committee in relation to its remuneration function shall be:

- i. to consider and determine, based on their performance and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board;
- ii. to approve the remuneration of other members of the senior management of the group;
- iii. in relation to the above, the Committee shall at all times give due regard to published or other available information relating to pay, bonuses and other benefits of executives in companies which are comparable to the Company.

b. Composition of Nomination and Remuneration Committee:

Composition of the Nomination and Remuneration Committee as on date of this report is as follows:

Name	Designation	Category of director
Salil Patel	Chairman	Independent Director
Monish Malhotra	Member	Independent Director
Kartik Mistry	Member	Independent Director

During the year and as per the requirement of the Act, Four Committee Meetings were held on 30th May, 2016, 12th August, 2016, 01st September, 2016 and 21st November, 2016.

Attendance of Members to the Nomination and Remuneration Committee meeting held during the FY 2016-17 is as follows:

Name	Designation	No. of audit committee meetings attended during 2016-17
Jigar Motta +	Chairman	4
Kiran Soni +	Member	4
Nikhil Pednekar %	Member	4
Amit Shah %	Member	4
Salil Patel *	Chairman	0
Monish Malhotra @	Member	0
Kartik Mistry #	Member	0

% Due to their resignation from the Board, Nikhil Pednekar and Amit Shah ceased to be members of the Committee w.e.f 7th February, 2017 and 29th June, 2017 respectively.

@ Monish Malhotra was appointed on the Board w.e.f 28th April, 2017. He joined the committee from the same date.

Kartik Mistry was appointed as a member of the committee w.e.f 6th September, 2017.

+ Due to their resignation from the Board, Jigar Motta and Kiran Soni ceased to be members of the Committee w.e.f 6th September, 2017

* Salil Patel was appointed as a Chairperson of the Committee w.e.f. 6th September, 2017.

c. Remuneration Policy

The Board on the recommendation of the Nomination and Remuneration Committee has framed a Remuneration Policy providing criteria for determining remuneration for directors, key managerial personnel and other employees.

d. Remuneration to directors

Details of remuneration paid/payable to directors during 2016-17 are provided in the Annexure to the Directors' Report in Form MGT-9.

e. Performance evaluation of Independent and BOD

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, and that of its Committees and individual directors. Manner in which formal annual evaluation was made by the Board of its own performance and that of its Committees and directors is given below:

- Rating sheets were filled by each of the directors towards the end of the year with regard to evaluation of performance of the Board, its Committees and Directors (except for the director being evaluated) for the year under review.

- A consolidated summary of the ratings given by each of the directors was then prepared, based on which a report of performance evaluation was prepared by the Chairman in respect of the performance of the Board, its Committees and Directors during the year under review.
- The report of performance evaluation so arrived at was then noted and discussed by the Nomination and Remuneration Committee and Board at their meetings.

3.3 Stakeholders Relationship Committee:

The Shareholders' Relationship Committee (SRC) examine the grievances of shareholders/investors and act as the system of redressal of the same. It also approves issuance of share certificates. The Company accords top priority to resolve complaints/grievances/queries of shareholders within a reasonable period of time.

a. Details of Shareholders Complaints:

Details of complaints received	Nos.
Number of shareholders Complaints received from 01/04/2016 to 31/03/2017	4
Number of Complaints solved to the satisfaction of the shareholder	4
Number of pending complaints as on 31/03/2017	0

b. Composition of the Stakeholders Relationship Committee as on date of this report is as follows:

Name	Designation	Category of director
Salil Patel	Chairman	Independent Director
Monish Malhotra	Member	Independent Director
Kartik Mistry	Member	Independent Director

During the year and as per the requirement of the Act, Four Committee Meetings were held on 30th May, 2016, 12th August, 2016, 12th November, 2016 and 7th February, 2017.

c. Attendance of Members to the Stakeholders Relationship Committee meeting held during the FY 2016-17 is as follows:

Name	Designation	No. of audit committee meetings attended during 2016-17
Jigar Motta +	Chairman	4
Kiran Soni +	Member	4
Nikhil Pednekar %	Member	3
Amit Shah %	Member	4
Salil Patel *	Chairman	0
Monish Malhotra @	Member	0
Kartik Mistry #	Member	0

% Due to their resignation from the Board, Nikhil Pednekar and Amit Shah ceased to be members of the Committee w.e.f 7th February, 2017 and 29th June, 2017.

@ Monish Malhotra was appointed on the Board w.e.f 28th April, 2017. He joined the committee from the same date.

Kartik Mistry was appointed as a member of the committee w.e.f 6th September, 2017.

+ Due to their resignation from the Board, Jigar Motta and Kiran Soni ceased to be members of the Committee w.e.f 6th September, 2017

* Salil Patel was appointed as a Chairperson of the Committee w.e.f 6th September, 2017.

4. GENERAL BODY MEETINGS:

The Annual General Meetings of the Company were held at Village Tundav, Taluka Savli, Vadodara-391775, Gujarat, where the Registered Office of the Company is situated. The details of the AGM held for the past three years are as under:-

Particulars	2013-14	2014-15	2015-16
Date	23 rd September, 2014	25 th September 2015	28 th September 2016
Time	9:00 A.M.	10:00 A.M.	9.00 am
No. of Special Resolutions Passed	None	2 (Two)	None

5. DISCLOSURES:

a. Disclosure of Material Transactions: Related Party Transaction

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the company. Suitable disclosure as required by the Accounting Standards (AS-18) has been made in the notes to the Financial Statements by the Auditor/s of the Company.

b. Details of non-compliance during the last three years:

The Company has complied with the necessary requirements and no major penalties were enforced on the Company by Stock Exchanges/SEBI or any other statutory authority on any matter related to capital markets during the last three years except nominal amount of penalty imposed by Bombay Stock Exchange for delay reporting.

c. Code of Conduct:

The Company has adopted a code of conduct for its directors and designated senior management personnel. All the Board members and senior management personnel have agreed to follow compliance of code of conduct.

d. Whistle Blower Policy:

The Company has framed a whistle blower policy wherein the employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the employees, to the Competent Authority or Chairman of the Audit Committee, as the case may be. Any such complaint is reviewed by the Competent Authority or Chairman of the Audit Committee. The confidentiality of those reporting violations shall be maintained and they shall not be subjected to any discriminatory practice. No employee has been denied access to the Audit Committee.

6. GENERAL SHAREHOLDER INFORMATION:

a. Annual General Meeting:

Date: 29th September, 2017

Time: 10.30 A.M

Venue: Village - Tundav, Taluka Savli, Vadodara-391775, Gujarat.

b. Financial Calendar for 2017-18 to approve quarterly / annual financial results:

Unaudited results for the quarter ending on 30 th June 2017	10/08/2017
Unaudited results for the quarter ending on 30 th September 2017	By 12/11/2017
Unaudited results for the quarter ending on 31 st December 2017	By 14/02/2017
Audited results for the quarter ending on 31 st March 2018	By 16/05/2018

c. Book Closure Dates: 23/09/2017 to 29/09/2017 (both days inclusive)

d. Listing on Stock Exchanges: BSE Ltd.

e. Corporate Identity Number (CIN): L23100GJ1990PLC014692.

f. Stock Code at BSE: 524444

g. ISIN: INE313M01014

h. Stock Market Data:

Month	High	Low	No. of Shares	BSE Sensex	
				High	Low
Apr-16	9.10	7.80	35819	26,100.54	24,523.20
May-16	9.10	7.06	67332	26,837.20	25,057.93
June-16	10.86	6.40	96978	27,105.41	25,911.33
July-16	8.25	6.32	44978	28,240.20	27,034.14
Aug-16	12.04	8.40	2839323	28,532.25	27,627.97
Sep-16	13.65	11.60	3490672	29,077.28	27,716.78
Oct-16	17.48	13.51	2181422	28,477.65	27,488.30
Nov-16	26.75	17.11	1744505	28,029.80	25,717.93
Dec-16	29.25	24.25	2594424	26,803.76	25,753.74
Jan-16	30.10	25.60	2017484	27,980.39	26,447.06
Feb-17	36.95	29.70	1604896	29,065.31	27,590.10
Mar-17	34.00	25.55	837263	29,824.62	28,716.21

i. Registrar & Transfer Agents (R&T): M/s. Link Intime India Pvt. Ltd.
B - 102 & 103, Shangrila Complex, First Floor,
Opp. HDFC Bank, Near Radhakrishna Char Rasta,
Akota, Vadodara, Gujarat-400078
Tel.: 0265 2356573, 2356794
Fax: 0265 2356791
E-mail: vadodara@linkintime.co.in

j. Distribution of shareholding as on 31st March 2017:

Range of Holding	No. of shareholding	% to total shareholders	No. of shares	% to total shares
1-500	2840	50.1678	603433	0.97
501-1000	1585	27.9986	1095072	1.77
1001-2000	760	13.4252	1073764	1.73
2001-3000	145	2.5614	369678	0.60

3001-4000	76	1.3425	272539	0.44
4001-5000	38	0.6713	179255	0.29
5001-10000	98	1.7311	709282	1.15
10001 & above	119	2.1021	57630310	93.05
TOTAL	5661	100.0000	61933333	100.00

k. Shareholding Pattern as on 31st March 2017:

Category	No. of shares held	% of total shares
Promoters	26208411	42.32
Mutual funds	46665	0.08
Other Bodies Corporate	28368276	45.80
NRI/OCBs (other than promoters)	19312	0.03
Indian Public	7002628	11.31
Others(Clearing Members)	114384	0.18
Others (HUF)	171463	0.28
Others (Trust)	2194	0.00
TOTAL	61933333	100.00

l. Break up of shares in physical and Demat Segment as on 31st March 2017:

Segment	No. of shares held	% to total shares
Physical	3767410	6.08
Demat	58165923	93.92
TOTAL	61933333	100.00

m. Address for Correspondence:

Kavit Industries Limited
Village - Tundav, Taluka Savli, Vadodara-391775,
Gujarat
Tel.: 0265-2362000, 2361100,
E-mail: kavitindustrieslimited@gmail.com

n. Project Location:

Tundav Anjesar Road, Village Tundav,
Taluka Savli, Vadodara-391775, Gujarat.

By the Order of the Board
For Kavit Industries Limited
Sd/-
Jayesh Thakkar
Managing Director
DIN: 01631093

Date: 06.09.2017
Place: Vadodara

CERTIFICATE ON CORPORATE GOVERNANCE

**To,
The Members,
KAVIT INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by KAVIT INDUSTRIES LIMITED for the financial year ended 2016-17 as stipulated in applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in applicable provisions of the Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Sheetal Samriya & Associates
Chartered Accountants,
(Firm Registration No.: 011478C)

Sd/-
Abhitesh Dubey
Partner
(Membership No.: 147923)
Vadodara, 16.05.2017

MD/CEO CERTIFICATION

**To,
The Board of Directors,
KAVIT INDUSTRIES LIMITED**

Sub.: Financial Statement for the period ended 31st March, 2017: Certification by MD

I, Jayesh R. Thakkar, Managing Director, on the basis of the review of the financial statements and cash flow statement for the year ending 31st March, 2017 and to the best of our knowledge and belief, certify that :-

1. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period ending 31st March, 2017, which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee those deficiencies, of which are aware, in the design or operation of the internal controls and that we have taken the required steps to rectify these deficiencies.
5. We further certify that:
 - a) There have been no significant changes in the internal control over financial reporting during this year.
 - b) There have been no significant changes in the accounting policies this year and that the same have been disclosed in the notes to the financial statements.
 - c) There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Kavit Industries Limited

Sd/-

Jayesh Thakkar

Managing Director

DIN: 01631093

Date: 06.09.2017

Place: Vadodara

CODE OF CONDUCT

**To,
The Members,
KAVIT INDUSTRIES LIMITED**

In accordance with Clause D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges), the Board Members and the senior personnel have affirmed compliance with the Code of Conduct for the year ended on 31st March, 2017.

**Date: 06.09.2017
Place: Vadodara**

**For Kavit Industries Limited
Sd/-
Jayesh Thakkar
Managing Director
DIN: 01631093**

Independent Auditor's Report on Standalone Financial Statements

To the Members of Kavit Industries Limited

(Formerly known as Atreya Petrochem Limited)

Report on Financial Statements

We have audited the accompanying financial Statement of **Kavit Industries Limited ('the company') (Formerly known as Atreya Petrochem Limited)** which comprises the Balance Sheet as at 31st March 2017, the statement of Profit & Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation 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.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017 subject to below qualification;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date ; and
- c) in the case of the Cash Flow Statement, the cash flows for the year ended on that date.

Report on other legal and Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2003 ("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 I"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, and Statement of Profit and Loss, 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), 2014;
 - e) On the basis of written representations received from the directors as on March 31, 2017, and on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure II"** to this report; and
 - g) With respect to the 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 explanation given to us:
 - i. The Company has disclosed the impact of pending litigation on its financial position in its financial Statements ;
 - ii. The Company did not have any long term contract including derivative contract for which there are any material foreseeable losses.
 - iii. There were no amounts which are required to be transferred to the Investor Education and protection Fund by the Company.

For Sheetal Samriya & Associates
Chartered Accountants,
Firm Registration No.: 011478C

Sd/-
Abhitesh Dubey
Partner
Membership No.: 147923
Vadodara, 16.05.2017

Annexure I to the Independent Auditor's Report

Referred to in Paragraph 1 under the heading "Report on other regulatory requirements" of our report of even date

i. In Respect of its Fixed Assets:

- a) As informed to us, the Company is in the process of compiling records to showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, fixed assets, according to the practice of the Company Fixed Assets are physically verified by the management at reasonable intervals, in a phased verification-programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. As informed to us, no material discrepancies have been noticed on verification;
- c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the company.

ii. In Respect of its Inventory:

- a) As informed to us, the Inventory of Finished and semi-finished goods and raw materials at works were physical verified by the management at reasonable intervals during the year. In our opinion, having regard to the nature and location of stock, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and nature of its business.
- c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventory, and no material discrepancy were noticed on physical verification.

iii. In Respect of Loans & Advances given & taken to Related Party:

In Respect of loans, secured or unsecured, granted by the Company to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act:

- a) In our opinion and according to information given to us, the terms and conditions of loans given by the company are prima facie, not prejudicial to the interest of the company.
- b) All the loans Secured or Unsecured are without any repayment schedule but are payable on demand.
- c) There are no overdue amounts as at the year-end in respect of Principal and Interest.

iv. In Respect of Loans & Advances given and taken:

In our opinion and according to the information and explanations given to us, Provision of section 186 of the Act in respect of investment made have been complied with by the company. There are no other loans, guarantee or securities granted in respected of which provision of Section 185 and 186 of the Act are applicable and hence not commented upon.

v. In Respect of Deposits:

According to the Information and Explanation given to us, the Company has not accepted any deposit from public.

vi. In Respect of Cost Records:

To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148 (1) of the Act, for the services of the Company.

vii. In respect of statutory dues:

- a) According to the information, explanation and records verified by us the Company has generally been regular in depositing Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise Duty, Cess, other material statutory dues applicable to it with the appropriate authorities. We are informed that the company intends to obtains exemption from Provident Fund, Employees state insurance Act.
- b) There were no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Custom Duty, Cess and other material statutory dues in arrears as at 31st March,2017 for a period of more than six months for the date they become payable.
- c) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31 March,2017 on account of disputes are given below:

Name of the Statue	Nature of Dues	Forum where Dispute is pending	Period to which amount relates	Amount Involved (Amount in Rs.)
Income Tax	Income Tax	Appealed Filled & Hearing Pending	A.Y.-1995-96	4,000.00
Income Tax	Income Tax	Appealed Filled & Hearing Pending	A.Y.-1999-00	16,74,000.00
Income Tax	Income Tax	Appealed Filled & Hearing Pending	A.Y.-2000-01	1,41,41,000.00
Income Tax	Income Tax	Appealed Filled & Hearing Pending	A.Y.-2003-04	13,000.00
Income Tax	Income Tax	Appealed Filled & Hearing Pending	A.Y.-2004-05	13,000.00
Income Tax	Income Tax	Appealed Filled & Hearing Pending	A.Y.-2014-15	22,08,86,856.00
Excise Duty	Excise Duty	Jurisdiction AO	F.Y.-2016-17	19,000.00

viii. In Respect of Repayment of Borrowings:

The Company has neither issued debentures nor availed any loan from Banks, financial institutions or government. Therefore, the provision of clause 3(viii) of the order are not applicable the company.

ix. In Respect of Public Issue:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanation given by the management, the company has not raised any money by way of initial public offer or further public offer or debt instruments and terms loans hence, reporting under clause 3 (xi) of the Order are not applicable to the company and hence not commented upon.

x. In Respect to Frauds:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanation given by the management, we report that no fraud on or by the management has been noticed or reported during the year.

xi. In Respect to Managerial Remuneration:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanation given by the management, We report that the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provision of section 197 read with schedule V to the Act.

xii. In Respect to Nidhi Company:

In our opinion, the Company is not a Nidhi company. Therefore, the provision of clause 3 (xiii) of the order are not applicable to the company and hence not commented upon.

xiii. In Respect to Transaction with Related Party:

Based upon the audit procedures performed for the purpose of reporting the true and Fair view of the financial statements and according to the information and explanations given by the management, transaction with the related parties are in compliance with section 177 and 188 of the companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, are required by the applicable accounting standards.

xiv. In Respect to Preferential Issue:

According to the information and explanations given to us and on overall examination of the balance sheet, the company has not made by any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.

xv. In Respect to Non Cash Transaction with Directors & Relatives:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanation given by the management, the Company has not entered into any non-cash transaction with directors or persons connected with him.

xvi. In Respect to Investment Company:

According to information and explanation given us, the provision of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company.

**For Sheetal Samriya & Associate
Chartered Accountants,
Firm Registration No.:011478C**

**Sd/-
Abhitesh Dubey
Partner
Membership No.: 147923
Vadodara, 16.05.2017**

Annexure II to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of Kavit Industries Limited ("the Company") as of 31st 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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 Sheetal Samriya & Associates
Chartered Accountants,
Firm Registration No.: 011478C

Sd/-
Abhitesh Dubey
Partner
Membership No.: 147923
Vadodara, 16.05.2017

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2017

(Amt in Rs.)

Particulars	Note No.	As at	As at
		March 31, 2017	March 31, 2016
I. Equity And Liabilities			
(1) Shareholder's Funds			
(a) Share Capital	4	619,333,330.00	619,333,330.00
(b) Reserves and Surplus	5	43,087,586.45	34,127,900.37
		662,420,916.45	653,461,230.37
(3) Non-Current Liabilities			
(a) Long-term borrowings	6	29,716,028.50	62,625,016.50
(b) Deferred tax liabilities (Net)	7	231,081.00	-
(c) Other long term liabilities	8	1,754,081.20	1,754,081.20
		31,701,190.70	64,379,098.00
(3) Current Liabilities			
(a) Trade payables	9	1,462,512,257.37	350,591,966.79
(b) Other current liabilities	10	30,596,916.05	13,844,368.59
(c) Short-term borrowing	11	-	-
(d) Other Short term provisions	12	5,411,525.00	1,298,909.00
		1,498,520,698.42	365,735,244.00
Total		2,192,642,805.57	1,083,575,572.45
II. Assets			
(1) Non-current assets			
(a) Fixed assets	13		
(i) Tangible assets		22,913,984.00	22,752,702.00
(ii) Intangible assets		44,076.00	14,723.00
(iii) Capital work-in-progress		1,950,857.00	1,950,857.00
		24,908,917.00	24,718,282.00
(b) Non Current investments	14	10,176,094.20	15,075,444.20
(d) Lo	15	445,863,453.85	445,863,453.85
(e) ng term loans and advances			
(d) Other non-current assets	16	10,875,236.79	25,673,500.91
		466,914,784.84	486,612,399.00
(2) Current assets			
(a) Inventories	17	7897,715.51	4,335,445.00
(b) Trade receivables	18	1,393,086,717.10	220,528,258.75
(c) Cash and Bank Balances	19	7,434,427.36	15,730,170.08
(d) Short terms loans and advances	20	291,718,085.66	331,832,625.66
(e) Other current assets	21	682,158.10	(181,608.00)
		1,700,819,104.00	572,244,891
Total		2,192,642,805.57	1,083,575,572.45

The Schedules & Notes referred to above form an integral part of the Accounts.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Sheetal Samriya & Associates**

Chartered Accountants

ICAI Firm Registration No:011478C

Sd/-

Abhitesh Dubey

Proprietor

Membership No: 147923

Place: Vadodara

Date: 16.05.2017

For & On Behalf of the Board of

Kavit Industries Limited

Sd/-

Jayesh Thakkar

Managing Director

Sd/-

Bhavesh Desai

Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

(Amt. in Rs.)

Particulars		Note No.	For the year ended	For the year ended
			March 31, 2017	March 31, 2016
I.	Revenue from operations	22	1,775,324,849.00	339,636,614.00
	Other Income	23	1,613,952.06	4,425,674.55
II.	Total Revenue (I + II)		1,776,938,800.94	344,062,288.09
III.	Expenses:			
	Cost of Material Consumed	24	320,661.00	1,036,389.22
	Purchases of stock-in-trade	25	1,757,542,824.90	335,189,620.16
	Changes in inventories of finished goods, WIP	26	(3,882,931.51)	(2,205,501.00)
	Employee benefits expense	27	2,047,425.00	961,440.00
	Other expenses	28	6,597,294.10	5,062,941.27
	Finance costs	29	211,398.37	542,379.92
	Depreciation and amortization expense	13	767,072.00	816,715.00
	Total expenses		1,763,603,743.86	341,403,984.57
IV.	Profit before exceptional and extraordinary items and tax (II-III)		13,335,057.08	2,658,303.52
V.	Exceptional items		-	17,978.00
VIII.	Profit before tax (VI- VII)		13,335,057.08	2,640,325.52
IX.	Tax expense:			
	(1) Current tax		4,144,290.00	1,032,084.00
	(2) Deferred tax		231,081.00	-
X.	Total Tax Expenses		4,375,371.00	1,032,084.00
XI.	Profit for the year		8,959,686.08	1,608,241.52
XIV.	Profit (Loss) for the period (X + XIII)			
XV.	Earnings per equity share:			
	(1) Basic		0.14	0.03
	(2) Diluted		0.14	0.03

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Sheetal Samriya & Associates**

Chartered Accountants

ICAI Firm Registration No.: 011478C

Sd/-

Abhitesh Dubey

Proprietor

Membership No: 147923

Place: Vadodara

Date : 16.05.2017

For & On Behalf of the Board of

Kavit Industries Limited

Sd/-

Jayesh Thakkar

Managing Director

Sd/-

Bhavesh Desai

Director

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<u>A) Cash flow from operating activities</u>		
Net profit before tax	13,335,057	2,640,326
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and Amortization Expense	767,072	816,715
Other non-operating income (Incl. Written - off)	(1,589,869)	(4,257,183)
Interest expense	132,473	449,608
Preliminary Expenses W off	750,191	124,087
Income Tax Provision	4,144,290	1,032,084
Dividend Income	-	2,925
Operating Profit before Working Capital changes	9,250,634	(1,261,456)
<u>Movement in working capital:</u>		
Increase/(Decrease) in Inventories	(3,562,271)	(2,325,411)
Increase/(Decrease) in Trade receivables and Other Receivable	(1,172,558,458)	(203,835,491)
Increase/(Decrease) in Trade payable and Other Payables	1,111,920,291	322,615,374
Increase/(Decrease) in Other Current Liability	16,752,547	(7,336,733)
Increase/(Decrease) in provisions	4,112,616	595,536
Cash Generated from Operation	(34,084,641)	108,451,819
Direct tax Paid (Net of refunds)	-	-
Net Cash inflow from/ (outflow) from Operating activities (A)	(34,084,641)	108,451,819
<u>B) Cash flow from investing activities</u>		
Purchase of fixed assets	(957,707)	(1,362,075)
Purchase of Investments	4,899,350	20,427,286
Interest received	1,589,869	4,257,183
Dividend received	-	2,925
Net Cash inflow from/ (outflow) from Financing activities (B)	5,531,512	23,325,318
<u>C) Cash flow from financial activities</u>		
Proceeds / Repayment from Long Term Liability(Net)	-	(4,913,600)
Proceeds from Long Term Borrowing	(32,908,988)	36,835,500
Proceeds/ Repayment from Loans and Advances (Net)	53,298,847	(153,749,101)
Interest paid	(132,473)	(449,608)
Proceeds of Share Application money/Share Capital	-	(443,944)
Net Cash inflow from/ (outflow) from Financing activities (C)	20,257,386	(122,720,752)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(8,295,743)	9,056,385
Cash and Cash Equivalents at the beginning of the year	15,730,170	6,673,785
Cash and Cash Equivalents at the end of the year	7,434,427	15,730,170
<u>Components of Cash and cash equivalents</u>		
Cash on hand	2,210,931	187,933
With Banks ' - on Current Account	5,223,497	15,542,238
Cash and Cash equivalents	7,434,427	15,730,170

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Sheetal Samriya & Associates**

Chartered Accountants

ICAI Firm Registration No.: 011478C

Sd/-

Abhitesh Dubey

Proprietor

Membership No: 147923

Place: Vadodara

Date: 16.05.2017

1) The Above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard on 'Cash Flow Statement (AS-3)' issued by the Companies Accounting Standard Rules 2006

2) Figures in bracket represent outflows.

3) Previous year figures have been recast/restated where necessary

**For & On Behalf of the Board
Kavit Industries Limited**

Sd/-

Jayesh Thakkar

Managing Director

Sd/-

Bhavesh Desai

Director

Notes:

4. Share Capital

(Amt. in Rs.)

Particulars	As at	As at
	March 31,2017	March 31, 2016
Authorized Shares		
Equity Share Capital		
6,64,50,000 (March 31,2016: 65,00,000) Equity Shares of Rs.10/- each	66,45,00,000.00	66,45,00,000.00
Total	66,45,00,000.00	66,45,00,000.00

Issued , Subscribed and fully paid up shares		
Equity Share Capital		
6,19,33,333 (March 31,2016 : 6,19,33,333) Equity Shares of Rs. 10/- each	61,93,33,330.00	61,93,33,330.00
Total	61,93,33,330.00	61,93,33,330.00

The Company in the Annual General Meeting held on September 25, 2015 increased the authorized share capital from Rs. 46,45,00,000 to Rs. 66,45,00,000/-. However, the e-form SH-7 for increasing authorized Share Capital is yet to be filed. The company is in process to completing the said filing with the Registrar of Companies.

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year
(Amt. in Rs.)

Particulars	As at March 31,2017		As at March 31,2016	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs
Shares outstanding at the beginning of the year	6,19,33,333.00	61,93,33,330.00	4,64,50,000.00	46,45,00,000.00
Shares issued during the year- Bonus Issue	---	---	1,54,83,333.00	15,48,33,330.00
Shares extinguished pursuant to buy back	---	---	---	---
Shares outstanding at the end of the year	6,19,33,333.00	61,93,33,330.00	6,19,33,333.00	61,93,33,330.00

b) 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:

(Amt. in Rs.)

Particulars	As at (No. of Shares)	
	March 31,2017	March 31,2016
Equity Shares	-	-
Equity shares allotted as fully paid-up bonus shares	-	1,54,83,333.00

c) Disclosures of Shareholders holding more than 5% of the share Capital of the company

(Amt. in Rs.)

Name of Shareholder	As at March 31,2017		As at March 31,2016	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Raghuvir International Pvt. Ltd.	12838850	20.73	12000000	15.50
Shree Saibaba Exim Pvt. Ltd.	9738333	15.72	9333333	12.06
SIL Vercade Trading Pvt. Ltd.	5333333	8.61	5333333	6.89
Krystalklear Properties Pvt. Ltd.	5200000	8.40	5200000	6.72
Aprateem Trading Pvt. Ltd.	-	0.00	1000000	1.29
Ethan Constructions Pvt. Ltd.	-	0.00	4400000	5.68
Saint Infrastructure Pvt. Ltd.	4266666	6.89	4266666	5.51
Gill Entertainment Pvt. Ltd.	4133333	6.67	4133333	5.34
Golding Mercantile Pvt. Ltd.	3800000	6.14	-	-
Indivar Traders Pvt. Ltd.	3866666	6.24	3866666	4.99
Amrapali Aadya Trading & Investment Pvt. Ltd.	-	-	3800000	4.91

As per records of the company, including its register of Shareholders / Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

d) Terms, Rights and restrictions attached to equity shares

Voting Right

Each holder of equity share having a par value of Rs.10 per equity share is entitled to one vote per equity share.

Rights as to Dividend

The Equity shareholders have right dividend when declared by the Board of Directors subject to approval in the ensuring Annual General Meeting. The Company proposed dividend of Rs. NIL during the year ended March 31, 2017 (Rs. NIL per share in March 31, 2016)

Right pertaining to repayment of Capital

In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be according to the shareholders rights and interest in the company.

5. Reserves and Surplus

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Securities Premium account		
Balance as per last financial statements	4,51,66,670.00	20,00,00,000.00
Addition during the year	---	---
Utilised during the year	---	15,48,33,330.00
Closing Balance	4,51,66,670.00	4,51,66,670.00

General Reserve

Balance as per last financial statements	-	-
Addition during the year	-	-
Utilized during the year	-	-
Closing Balance	-	-

Surplus in Statement of Profit and loss

Balance as per last financial statements	(1,10,38,769.63)	(1,22,03,067.15)
Add: Net profit during the year		
Less : Proposed final equity dividend		
Less :Tax on Proposed final equity dividend		
Less : transferred to general reserves		
Less: Depreciation Adjustment net off Deferred Tax Assets due to new companies act,2013.##	---	(4,43,944.00)
Addition during the year	89,59,686.08	16,08,241.52
Net Surplus in the statement of profit and loss	(20,79,083.55)	(1,10,38,769.63)
Total Reserves and Surplus	4,30,87,586.45	3,41,27,900.37

Security Premium of Rs.15,48,33,330 has been utilized for the issue of Bonus Shares in the ratio of 1:3 per equity shares in the FY 2015-16.

6. Long Term Borrowings

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017.	March 31, 2016
Secured Term Loans		
i) From Banks	---	---
ii) From Financial Institutions	---	---
iii) From NBFC	---	---
Sub-Total (a)	---	---
Unsecured Term Loans		

i) Loans and Advances from related parties		
From Directors	---	---
From Corporates	27,74,079.50	27,74,079.50
ii) Loans and Advances from Others		
From Corporates	2,24,02,362.00	2,23,75,850.00
From Others	45,39,587.00	3,74,75,087.00
Sub-Total (b)	2,97,16,028.50	6,26,25,016.50
Total Long Term Borrowings (a+b)	2,97,16,028.50	6,26,25,016.50

a) All the Unsecured loans are without any Interest and repayment schedule but are payable on demand.

b) All the Unsecured Loans are Subject to Balance Confirmation.

7. Deferred Tax Liability (net)

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Deferred Tax Liabilities		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	2,31,081.00	
Gross Deferred Tax Liabilities	2,31,081.00	-
Deferred Tax Assets		
Effect of Expenditure debited to statement of profit and loss account in the current year but allowed for tax purpose in the following years	-	
Gross Deferred Tax Assets	-	-
Net Deferred Tax Liability	2,31,081.00	-

8. Other Long Term Liabilities

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Others	17,54,081.20	17,54,081.20
Total Long Term Liabilities	17,54,081.20	17,54,081.20

a) Others includes sundry creditors outstanding for more than 12 months.

9. Trade Payable

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
a) Total outstanding dues to Micro and Small enterprise	---	---
b) Total outstanding dues of trade payables other Micro and Small enterprise	1,46,25,12,257.37	35,05,91,966.79
Total Trade Payable	1,46,25,12,257.37	35,05,91,966.79

a) Trade payables are for goods purchased and services taken during the normal course of business.

b) The Company has not received information from vendors regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid at the year-end together with interest paid/payable under the Act have not been given.

10. Other Current Liabilities

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Current Maturities of Long-Term Loans		
Secured Term Loans		
From Banks	---	---
From Financial Institutions	---	---
From NBFC	---	---

Total (a)	---	---
Unsecured Term Loans		
i) Loans and Advances from related parties		
From Directors	---	2,044.04
From Corporates	1,94,19,737.25	1,35,60,247.25
ii) Loans and Advances from Others		
From Corporates	1,09,50,000.00	---
From Others		
Total (b)	3,03,69,737.25	1,35,62,291.29
Others		
Statutory Dues	2,27,178.80	2,82,077.30
Others	---	---
Total (c)	2,27,178.80	2,82,077.30
Interest Accrued but not Due on Borrowings	---	---
Total Other Current Liabilities	3,05,96,916.05	1,38,44,368.59

- a) Statutory dues include VAT, Excise Duty, TDS, service tax & other statutory payables.
b) Other Current liabilities includes rent payable , interest payable and staff dues.

11. Short Term Borrowings

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Secured		
Working capital facilities from Banks	---	---
Sub-Total (a)	---	---
Unsecured		
Deposits From Public	---	---
Loans From related parties	---	---
Loans From others	---	---
Sub-Total (b)	---	---
Total Short Term Borrowings (a+b)	---	---

12. Short Term Provision

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Provision for Employee Benefits		
Provision for Gratuity	---	---
Leave Encashment	---	---
Others	---	---
Total (a)	---	---
Provision for Expenses	69,000.00	1,00,674.00
Provision for Income Tax	53,42,525.00	11,98,235.00
Total (b)	54,11,525.00	12,98,909.00
Total Short Term Provision (a+b)	54,11,525.00	12,98,909.00

- a) Provision for employee benefits includes provision of Gratuity, Bonus & leave encashment payable within 12 month
b) Others includes salary and other expense payable to staff

13. Fixed Assets

[illegible]

14. Investments

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Non-Current Investments		
In Subsidiary Companies (At Cost, Trade, Unquoted)		
Other Investment		
Investment in shares	1,01,76,094.20	1,50,75,444.20
Aggregate Value of unquoted investment	1,01,76,094.20	1,50,75,444.20
Current Investments (valued at lower of cost and fair value)	---	---
Aggregate Value of quoted investment	1,01,76,094.20	1,50,75,444.20

a) Investment in shares includes investments in various corporates & private limited companies. Investment are stated at cost.

15. Long Term Loans and Advances (Unsecured, Considered Good)

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
i) Loans and Advances to related parties		
To Corporates	1,15,77,000.00	1,15,77,000.00
To Non Corporates	2,61,000.00	2,61,000.00
Sub-Total (a)	1,18,38,000.00	1,18,38,000.00
ii) Other Loans and Advances		
To Corporates	43,24,54,394.00	43,24,54,394.00
To Non Corporates	13,31,000.00	13,31,000.00
Others	2,40,059.85	2,40,059.85
Sub-Total (b)	43,40,25,453.85	43,40,25,453.85
Total Loans and Advances (a+b)	44,58,63,453.85	44,58,63,453.85

a) Other includes includes balances with statutory Authority , electricity deposits & lease rent deposits & others.

16. Other Non-Current Assets

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Outstanding for a period exceeding six months from the date they are due for payment	---	1,70,92,812.12
Statutory Dues	32,50,292.54	27,22,095.54
Others	76,24,944.25	58,58,593.25
Total Other Non-Current Assets	1,08,75,236.79	2,56,73,500.91

a) Others includes Deposit & Miscellaneous Expenditure.

17. Other Non-Current Assets

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Raw Material	6,97,875.00	10,18,536.00
Finished Goods	71,99,840.51	33,16,909.00
Work in Progress	---	---
Total Inventories	78,97,715.51	43,35,445.00

18. Trade Receivables

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
(Unsecured and Considered Good)		
Outstanding for a period exceeding six months from the due date of payment	1,39,30,86,717.10	22,05,28,258.75
Doubtful	---	---
Others	---	---
Considered good	---	---
Total Trade Receivables	1,39,30,86,717.10	22,05,28,258.75

19. Cash and Cash Equivalents

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Balances with Bank		
- On Current Account	52,23,496.54	1,55,42,237.52
Cheques/ Drafts on hand	---	---
Cash on hand	22,10,930.82	1,87,932.56
Total Cash and Cash Equivalents	74,34,427.36	1,57,30,170.08
Other Bank Balances	---	---
Bank Deposits with remaining maturity of less than 12 months	---	---
Total Cash and Bank Balances	74,34,427.36	1,57,30,170.08

2. Cash on hand was not available to us for verification

3. Details of specified Bank Notes (SBN) held and transacted The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 pursuant to the requirement of notification G.S.R. 308 dated 30th March, 2017 as mentioned below:

(. In Thousands)

	SBN	Other Denomination Notes	Total
Closing Cash in Hand as on 08th November, 2016	818.50	563.92	1,382.42
Add: Permitted Receipts	0	1,797.40	1,797.40
Less: Permitted Payments	0	0	0
Less: Amount Deposited in Banks	818.50	1,107.22	1,925.72
Closing cash in Hands as on 30th December, 2016	0	1,254.10	1,254.10

20. Short Term Loans and Advances (Unsecured, Considered Good)**(Amt. in Rs.)**

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Loans and Advances due by directors, relatives of directors and related parties *	54,28,695.66	2,93,14,625.66
Security Deposits to related parties	---	---
Other Loans and Advances	28,62,89,390.00	30,25,18,000.00
Balance with Govt. authorities	---	---
Prepaid Expenses	---	---
Advances to Vendors	---	---
Total Short Term Loans and Advances	29,17,18,085.66	33,18,32,625.66

***Loans and Advances due by directors, relatives of directors and related parties:**

Advances given to Key Management Personnel	-	-
Advances given to relatives of Directors	-	-
Advances given to related parties- Corporates	1,96,695.66	2,93,27,300.00
Advances given to related parties- Non Corporates	52,32,000.00	-

21. Other Current Assets (Unsecured and Considered good)**(Amt. in Rs.)**

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Duties and Taxes Receivables	6,15,058.10	---
Others	67,100.00	(1,81,608.00)
Total Other Current Assets	6,82,158.10	(1,81,608.00)

22. Revenue from Operations**(Amt. in Rs.)**

Particulars	Year Ended	Year Ended
	March 31, 2017	March 31, 2016
Trading Sales- Edible Oil	1,53,03,86,499.90	18,14,500.00
Trading Sales- Garments	32,147.26	25,95,156.84
Trading Sales- Solar Module	2,63,89,500.00	28,06,50,000.00
Trading Sales- Agriculture products	19,67,65,890.00	-
Total	1,75,35,74,037.16	28,50,59,656.84
Other Operating Revenues#	2,17,50,811.72	5,45,76,956.70
Total Revenue	1,77,53,24,848.88	33,96,36,613.54

Other Operative Revenue include Trading of Equity Shares and Marketing Services provided by the company

23. Other Income**(Amt. in Rs.)**

Particulars	Year Ended	Year Ended
	March 31, 2017	March 31, 2016
Interest Income	19,634.00	1,24,151.02
Dividend Income	-	2,925.00
Miscellaneous Income	4,449.00	41,416.00
Other non-operating income	15,89,869.06	42,57,182.53
(net of expenses directly attributable to such income incl Written off)	-	-
Total Other Income	16,13,952.06	44,25,674.55

24. Cost of Raw Materials Consumed

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31,2017	March 31,2016
Opening Stock of Raw Materials	10,18,536.00	8,98,626.00
Add: Purchases of Raw Materials	-	11,56,299.22
Less: Closing Stock of Raw Materials	6,97,875.00	10,18,536.00
Total Cost of Raw Material Consumed	3,20,661.00	10,36,389.22

25. Purchase of Stock-in-Trade

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31,2017	March 31,2016
Trading Purchase	1,73,34,61,429.60	27,49,21,600.00
Purchase of Services	1,83,00,238.00	3,68,32,706.55
Purchase of Packing Material	34,10,401.34	74,68,510.62
Purchase of Shares	23,70,755.96	1,59,66,802.99
Total Purchase of Stock in Trade	1,75,75,42,824.90	33,51,89,620.16

a) Trading Purchase includes purchase of solar module, edible oil, agricultural products and others.

26. Changes of Finished Good, Work-in-Progress

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31,2017	March 31,2016
<u>Opening Inventory</u>		
Finished Goods	33,16,909.00	6,30,100.00
Work in Progress	-	4,81,308.00
Sub Total (a)	33,16,909.00	11,11,408.00
<u>Closing Inventory</u>		
Finished Goods	71,99,840.51	33,16,909.00
Work in Progress	-	-
Sub Total (b)	71,99,840.51	33,16,909.00
Total Changes in Finished good and Work in process	(38,82,931.51)	(22,05,501.00)

27. Employee Benefit Expenses

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31, 2017	March 31, 2016
Salaries, Wages and Bonus	20,18,675.00	9,61,440.00
Staff welfare expenses	28,750.00	-
Total Employee Benefit Expenses	20,47,425.00	9,61,440.00

28. Other Expenses

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31,2017	March 31,2016
Advertisement Expenses	19,200.00	1,12,562.00
Audit Fees	8,326.00	68,700.00
Brokerage & Commission	2,33,687.68	36,944.82
Custodian Fees	3,00,562.50	-
Conveyance Expenses	22,102.90	-
Discount & Kasar	3,17,987.24	-
Demat Charges	4,970.94	-
Donation Expenses	12,160.00	-
Electricity Expenses	1,94,136.00	-
Factory Expense	1,29,942.00	-
Freight & Carting Charges	11,17,721.00	33,000.00
Filling Charges	28,800.00	-
Insurance Expenses	20,318	-

Internet & Telephone Expense	1,55,662.00	7,200.00
Labour & Wages Charges Expenses	50,000.00	70,000.00
Legal & Professional Fees	5,20,329.55	1,68,646.48
Licence Fees	3,100.00	3,050.00
Listing Fees	2,29,000.00	3,70,558.00
Miscellaneous & Preliminary Expenses W-off.	7,50,191.00	1,24,087.00
Municipal Tax	49,099.00	-
Office Building Maintenance Expenses	2,15,983.00	-
Office & Miscellaneous Expenses	1,80,905.55	2,36,397.53
Other Direct Expenses	-	28,965.86
E-Voting Charges	5,750.00	-
Packing Expenses	18,585.00	-
Post and Courier Expenses	48,362.00	570.00
Power & Fuel Charges	-	48,664.02
Printing & Stationery Expenses	7,93,073.00	56,774.00
Profit & Loss on Trading of F&O	1,46,197.43	29,79,573.21
Registration & Filling Fees	-	19,732.35
Rent, Rates & Taxes	75,000.00	4,17,000.00
Repairs & Maintenance	1,07,440.00	16,380.00
Repairs & Maintenance- Computers	10,175.00	-
Shop Expenses	1,52,695.00	-
Service Tax	14,359	-
Sales Promotion Expenses	93,654.70	7,938.00
Security Expenses	1,42,742.00	-
Security Transaction Tax	5,022.00	-
Storage Expenses	1,29,375.00	-
Tender Expense	-	1,26,250.00
Transportation Expenses	2,23,795.00	-
Travelling Expenses	66,884.61	1,29,948.00
Total Other Expenses	65,97,294.10	50,62,941.27

Payment to Auditors

Particulars	Year Ended	Year Ended
	March 31,2017	March 31,2016
As Auditors :		
Audit Fees	50,000.00	50,000.00
In Other Capacity		
Other Services (Certification Fees)	10,000.00	10,000.00
Reimbursement of Expenses		
Total Payment to Auditors	60000.00	60000.00

29. Finance Charges

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31,2017	March 31,2016
Interest expense	1,32,473.00	4,49,607.88
Bank Charges	78,925.37	92,772.04
Total Finance Charges	2,11,398.37	5,42,379.92

30. Earnings Per Share

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31,2017	March 31,2016
Basic Earnings per Share		
Net Profit as per statement of Profit and Loss Account	89,59,686.08	16,08,241.52
Weighted average number of equity shares in calculating basic EPS	6,19,33,333	6,19,33,333.00
Basic Earnings Per Share	0.14	0.03
Diluted Earnings per Share		
Net Profit as per statement of Profit and Loss Account	89,59,686	16,08,242
Weighted average number of equity shares in calculating basic EPS	-	-

Total no of Shares outstanding (Weighted average) (including dilution)	6,19,33,333	6,19,33,333
Dilutive Earnings per Share	0.14	0.03

Notes Forming Part of the Financial Statements

1. General Information

Kavit Industries Limited (Formerly known as Atreya Petrochem Limited) is Public Limited Company incorporated in India under the provisions of the Companies Act, 1956. The Company's strength lies in the trading of Edible Oil, Garments, Agriculture Produce and Various other Products of Consumer Goods.

2. Basis of preparation and presentation of financial statements

(a) Accounting Convention

The Accounts of the Company are prepared under the Historical Cost Convention on the Accrual Basis of Accounting in accordance with the Generally Accepted Accounting Principles in India ("GAAP") and in compliance with the mandatory Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, as amended, and with the relevant provisions of the Companies Act, 1956. The Financial Statements are presented in Indian Rupees rounded off to the nearest rupees.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting periods. Examples of such estimate include future obligations under employee benefit plans, income taxes, useful lives of fixed assets and intangible assets, impairment of assets, provision for doubtful debts etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could vary from these estimates. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognized in the period in which such results are known/ materialized. Effect of material changes is disclosed in the notes to the financial statements.

The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisitions of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non-current classification of assets and liabilities.

(b) Tangible Assets, Depreciation

- Tangible assets are stated at Cost less Accumulated Depreciation, Impairment loss, if any, ascertained as per the Accounting Standard 28 (Impairment of Assets). Cost comprises the Purchase Price and any such costs attributable for the purpose of bringing the asset to its working condition for its intended use.
- Tangible Assets under construction, Advances paid towards acquisition of Tangible Assets and Cost of Assets not ready for use as at the year end, are disclosed as Capital Work-In Progress.
- In respect of Tangible Assets depreciation is provided on Straight line basis applying the rates specified in schedule XIV of Companies Act 1956 except Computer.
- Tangible Assets below Rs.10000 are fully depreciated in the year of acquisition.

(c) Investment

Investments of long term-nature are stated at cost, less adjustment for any diminution, other than temporary, in the value thereof. Current Investments are stated at lower of cost or market value.

(d) Inventory

- i. Finished and Semi-Finished Products produced and purchased by the company are carried at Cost and net realizable value, whichever is lower.
- ii. Work in Progress is carried at lower of cost and net realizable value.
- iii. Raw Material is carried at lower of cost and net realizable value.
- iv. Stores and Spares parts are carried at cost. Necessary provision is made and expensed in case of identified obsolete and non-moving items.

Cost of Inventory is generally ascertained on the 'Weighted average' basis. Work in progress, Finished and semi-finished products are valued at on full absorption cost basis.

Cost Comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity. Packing Material is considered as finished goods. Consumable stores are written off in the year of Purchase.

(e) Employee Benefits

Provision for Gratuity, Leave Encashment and bonus has not been made as none of the employee have completed the minimum qualified period of services.

(f) Impairment of Assets

At each balance sheet date, the management reviews the carrying amounts of each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets. Cash flows used to determine value in use are derived from annual budgets and strategic plans of the cash generating units.

(g) Revenue Recognition

Sale are recognized on when substantial risks and rewards of ownership in the goods are transferred to the buyer i.e. delivery as per terms of sale.

(h) Other Income

Interest Income and income from Investments are accounted on accrual basis.

Dividend Income is recognized when the right to receive dividend is established.

(i) Foreign Currency Transactions

Transactions in Foreign Currency and Non-Monetary Assets are accounted for at the Exchange Rate prevailing on the date of the transaction. All monetary items denominated in Foreign Currency are converted at the Year-End Exchange Rate. The Exchange Differences arising on such conversion and on settlement of the transactions are recognized as income or as expenses in the year in which they arise.

(j) Taxes on Income

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

Deferred Tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets.

Deferred Tax Assets are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(k) Cash & Cash Equivalent

Cash & Cash Equivalent for the purpose of cash flow statement comprises of cash at bank and in hand and short term investments/ bank deposits with an original maturity of three months or less. Cash on hand as on 31st March, 2017 was not available for verification.

(l) Provisions

A Provision is recognized when company has a present obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(m) Balance Confirmation:

Sundry Creditors, Unsecured loans, other liabilities, loans and advances, sundry debtors, and other current assets are subject to confirmation.

(n) Micro Small & Medium Enterprise:

The Company is in the process of compiling the relevant information. Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by us.

(o) Claims, Demands and Contingencies :

Details of disputed and/ or contingent Liabilities are as follows:

(Amt. in Rs.)			
Particulars	Assessment Year/ Financial Year	As on 31.03.2017	As on 31.03.2016
Income Tax	A.Y.-1995-96	4,000.00	4,000.00
Income Tax	A.Y.-1999-00	16,74,000.00	16,74,000.00
Income Tax	A.Y.-2000-01	1,41,41,000.00	1,41,41,000.00
Income Tax	A.Y.-2003-04	13,000.00	13,000.00
Income Tax	A.Y.-2004-05	13,000.00	13,000.00
Income Tax	A.Y.-2014-15	22,08,86,856.00	0.00
Excise Duty	F.Y.-2016-17	19,000.00	0.00

(p) Employees Benefits:

In the opinion of the Management, the Provident Fund and ESI act are not applicable, hence no provision have been made for the same.

(q) Earning & Expenditure in Foreign Currency :

(Amt. in Rs.)		
Particulars	F.Y.2016-17	F.Y. 2015-16
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Expenditure	NIL	NIL

(r) Auditors Remuneration :**(Amt. in Rs.)**

Particulars	F.Y. 2016-17	F.Y. 2015-16
As statutory Audit	40,000.00	40,000.00
As Tax Audit	10,000.00	10,000.00
As Taxation matter	10,000.00	10,000.00
Others	0.00	0.00

(s) Related party disclosures :

List of related parties with whom transaction have taken place.

Sr. No.	Name of the party	Relationship with the party	Nature of Transaction
1	Mr. Jayesh Thakkar	Director	Remuneration
2	Kavit Green Energy Private Limited	Subsidiary Company	Investment
3	Pacific Finstock Limited	Sister Concern	Loans & Advances
4	Kavit Edible Oil Limited	Sister Concern	Sale & Purchase Transaction
5	Prabhav Industries Limited	Sister Concern	Loans & Advances

- (t)** Details of specified Bank Notes (SBN) held and transacted The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 pursuant to the requirement of notification G.S.R. 308 dated 30th March, 2017 as mentioned below:

(. In Thousands)

	SBN	Other Denomination Notes	Total
Closing Cash in Hand as on 08th November, 2016	818.50	563.92	1,382.42
Add: Permitted Receipts	0	1,797.40	1,797.40
Less: Permitted Payments	0	0	0
Less: Amount Deposited in Banks	818.50	1,107.22	1,925.72
Closing cash in Hands as on 30th December, 2016	0	1,254.10	1,254.10

Independent Auditor's Report

To the Members of Kavit Industries Limited
(Formerly known as Atreya Petrochem Limited)

Report on Consolidated financial Statements

We have audited the accompanying Consolidated financial Statement of **Kavit Industries Limited ('the company') (Formerly known as Atreya Petrochem Limited)** which comprises the Balance Sheet as at 31st March 2017, the statement of Profit & Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the consolidated 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 Consolidated 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 Consolidated financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- d) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017 subject to below qualification;
- e) in the case of the Profit and Loss Account, of the profit for the year ended on that date ; and
- f) in the case of the Cash Flow Statement, the cash flows for the year ended on that date.

Report on other legal and Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2003 ("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 I"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - h) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - i) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - j) The Balance Sheet, and Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account;
 - k) In our opinion, the aforesaid Consolidated financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the companies (Accounts), 2014;
 - l) On the basis of written representations received from the directors as on March 31, 2017, and on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
 - m) 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 II"** to this report; and
 - n) With respect to the 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 explanation given to us:
 - i. The Company has disclosed the impact of pending litigation on its financial position in its Consolidated financial Statements ;
 - ii. The Company did not have any long term contract including derivative contract for which there are any material foreseeable losses.
 - iii. There were no amounts which are required to be transferred to the Investor Education and protection Fund by the Company.

For Sheetal Samriya & Associates
Chartered Accountants,
Firm Registration No.: 011478C

Sd/-
Abhitesh Dubey
Partner
Membership No.: 147923
Vadodara, 16.05.2017

Annexure I to the Independent Auditor's Report

Referred to in Paragraph 1 under the heading "Report on other regulatory requirements" of our report of even date

i) In Respect of its Fixed Assets:

- a. As informed to us, the Company is in the process of compiling records to showing full particulars including quantitative details and situation of fixed assets.
- b. As explained to us, fixed assets, according to the practice of the Company Fixed Assets are physically verified by the management at reasonable intervals, in a phased verification-programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business. As informed to us, no material discrepancies have been noticed on verification;
- c. Based on our audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial Statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the company.

ii) In Respect of its Inventory:

- a. As informed to us, the Inventory of Finished and semi-finished goods and raw materials at works were physical verified by the management at reasonable intervals during the year. In our opinion, having regard to the nature and location of stock, the frequency of verification is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the company and nature of its business.
- c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of inventory, and no material discrepancy were noticed on physical verification.

iii) In Respect of Loans & Advances given & taken to Related Party:

In Respect of loans, secured or unsecured, granted by the Company to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act:

- a. In our opinion and according to information given to us, the terms and conditions of loans given by the company are prima facie, not prejudicial to the interest of the company.
- b. All the loans Secured or Unsecured are without any repayment schedule but are payable on demand.
- c. There are no overdue amounts as at the year-end in respect of Principal and Interest.

iv) In Respect of Loans & Advances given and taken:

In our opinion and according to the information and explanations given to us, the company has contravened the Provision of section 186 of the Act in respect of investment made with by the company.

v) In Respect of Deposits:

According to the Information and Explanation given to us, the Company has not accepted any deposit from public.

vi) In Respect of Cost Records:

To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148 (1) of the Act, for the services of the Company.

vii) In respect of statutory dues:

- a. According to the information, explanation and records verified by us the Company has generally been regular in depositing Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise Duty, Cess, other

material statutory dues applicable to it with the appropriate authorities. We are informed that the company intends to obtain exemption from Provident Fund, Employees state insurance Act.

- b. There were no undisputed amounts payable in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Custom Duty, Cess and other material statutory dues in arrears as at 31st March, 2017 for a period of more than six months for the date they become payable.
- c. Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31 March, 2017 on account of disputes are given below:

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period to which amount relates	Amount Involved (Amount in Rs.)
Income Tax	Income Tax	Appealed Filled & Hearing Pending	A.Y.-1995-96	4,000.00
Income Tax	Income Tax	Appealed Filled & Hearing Pending	A.Y.-1999-00	16,74,000.00
Income Tax	Income Tax	Appealed Filled & Hearing Pending	A.Y.-2000-01	1,41,41,000.00
Income Tax	Income Tax	Appealed Filled & Hearing Pending	A.Y.-2003-04	13,000.00
Income Tax	Income Tax	Appealed Filled & Hearing Pending	A.Y.-2004-05	13,000.00
Income Tax	Income Tax	Appealed Filled & Hearing Pending	A.Y.-2014-15	22,08,86,856.00
Excise Duty	Excise Duty	Jurisdiction AO	F.Y.-2016-17	19,000.00

(viii) In Respect of Repayment of Borrowings:

The Company has neither issued debentures nor availed any loan from Banks, financial institutions or government. Therefore, the provision of clause 3(viii) of the order are not applicable to the company.

(ix) In Respect of Public Issue:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the Consolidated financial Statements and according to the information and explanation given by the management, the company has not raised any money by way of initial public offer or further public offer or debt instruments and terms loans hence, reporting under clause 3 (xi) of the Order are not applicable to the company and hence not commented upon.

(x) In Respect to Frauds:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the Consolidated financial Statements and according to the information and explanation given by the management, We report that no fraud on or by the management has been noticed or reported during the year.

(xi) In Respect to Managerial Remuneration:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the Consolidated financial Statements and according to the information and explanation given by the management, We report that the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provision of section 197 read with schedule V to the Act.

(xii) In Respect to Nidhi Company:

In our opinion, the Company is not a Nidhi company. Therefore, the provision of clause 3 (xiii) of the order are not applicable to the company and hence not commented upon.

(xiii) In Respect to Transaction with Related Party:

Based upon the audit procedures performed for the purpose of reporting the true and Fair view of the Consolidated financial Statements and according to the information and explanations given by the management, transaction with the related parties are in compliance with section 177 and 188 of the companies Act, 2013 where applicable and the details have been disclosed in the notes to the Consolidated financial Statements, are required by the applicable accounting standards.

(xiv) In Respect to Preferential Issue:

According to the information and explanations given to us and on overall examination of the balance sheet, the company has not made by any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.

(xv) In Respect to Non Cash Transaction with Directors & Relatives:

Based on our audit procedures performed for the purpose of reporting the true and fair view of the Consolidated financial Statements and according to the information and explanation given by the management, the Company has not entered into any non-cash transaction with directors or persons connected with him.

(xvi) In Respect to Investment Company:

According to information and explanation given us, the provision of section of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company.

**For Sheetal Samriya & Associate
Chartered Accountants,
Firm Registration No.:011478C**

**Sd/-
Abhitesh Dubey
Partner
Membership No.: 147923
Vadodara, 16.05.2017**

Annexure II to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of Kavit Industries Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, 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 Sheetal Samriya & Associates
Chartered Accountants,
Firm Registration No.: 011478C

Sd/-
Abhitesh Dubey
Partner
Membership No.: 147923
Vadodara, 16.05.2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

(Amt in Rs.)

Particulars	Note No.	As at	As at
		March 31, 2017	March 31, 2016
I. Equity And Liabilities			
(1) Shareholder's Funds			
(a) Share Capital	4	619,333,330.00	619,333,330.00
(b) Reserves and Surplus	5	3,825,453.45	34,164,767.37
		623,158,783.45	653,498,097.37
Minority Interest		5,138,532.00	100.00
(3) Non-Current Liabilities			
(a) Long-term borrowings	6	301,980,028.50	94,202,316.50
(b) Deferred tax liabilities (Net)	7	39,940,616.00	-
(c) Other long term liabilities	8	1,754,081.20	1,754,081.20
		343,674,725.70	95,956,398.00
(3) Current Liabilities			
(a) Trade payables	9	1,462,516,757.37	351,343,287.79
(b) Other current liabilities	10	26,084,429.05	139,244,68.59
(c) Short-term borrowing	11	5,716,739.00	15,000.00
(d) Other Short term provisions	12	6,886,506.00	1,322,643.00
		1,501,204,431.42	366,605,399.00
Total		2,473,176,472.57	1,116,059,994.45
II. Assets			
(1) Non-current assets			
(a) Fixed assets	13		
(i) Tangible assets		293,657,504.00	22,752,702.00
(ii) Intangible assets		44,076.00	14,723.00
(iii) Capital work-in-progress		1,950,857.00	1,950,857.00
		295,652,437.00	24,718,282.00
(b) Non-Current investments	14	5,076,094.20	5,075,544.00
(c) Long term loans and advances	15	445,863,453.85	445,863,454.00
(d) Other non-current assets	16	10,875,236.79	27,134,756.91
		461,814,784.84	478,073,755.00
(2) Current assets			
(a) Inventories	17	7,897,715.51	4,335,445.00
(b) Trade receivables	18	1,397,112,418.10	220,591,735.75
(c) Cash and Bank Balances	19	9,195,626.36	15,749,952.08
(d) Short terms loans and advances	20	294,820,461.66	367,268,075.66
(e) Other current assets	21	6,683,029.10	5,322,749.00
		1,715,709,251.00	613,267,957.00
Total		2,473,176,472.57	1,116,059,994.45

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Sheetal Samriya & Associates**

Chartered Accountants

ICAI Firm Registration No.: 011478C

Sd/-

Abhitesh Dubey

Proprietor

Membership No: 147923

Place: Vadodara Date: 16.05.2017

For & On Behalf of the Board of

Kavit Industries Limited

Sd/-

Jayesh Thakkar
Managing Director

Sd/-

Bhavesh Desai
Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

(Amt. in Rs.)

Particulars		Note No.	For the year ended	For the year ended
			March 31, 2017	March 31, 2016
I.	Revenue from operations	22	1,779,350,550.00	339,636,614.00
	Other Income	23	2,111,804.06	5,060,424.55
II.	Total Revenue (I + II)		1,781,462,353.94	344,697,038.009
III.	Expenses:			
	Cost of Material Consumed	24	320,661.00	1,036,389.22
	Purchases of stock-in-trade	25	1,757,542,824.90	335,189,620.16
	Changes in inventories of finished goods, WIP	26	(3,882,931.51)	(2,205,501.00)
	Employee benefits expense	27	2,047,425.00	1,006,440.00
	Other expenses	28	6,667,743.10	5,588,565.27
	Finance costs	29	697,090.37	545,904.92
	Depreciation and amortization expense	13	4,085,417.00	816,715.00
	Total expenses		1,767,478,229.86	341,978,133.57
IV.	Profit before exceptional and extraordinary items and tax (II-III)		13,984,124.08	2,718,904.52
V.	Exceptional items		-	17,978.00
VIII.	Profit before tax (VI- VII)		13,984,124.08	2,700,926.52
IX.	Tax expense:			
	(1) Current tax		4,144,290.00	1,055,818.00
	(2) Deferred tax		39,940,616.00	-
X.	Total Tax Expenses		44,084,906.00	1,055,818.00
XI.	Profit for the year		(30,100,781.92)	1,645,108.52
XIV.	Profit (Loss) for the period (X + XIII)			
XV.	Earnings per equity share:			
	(1) Basic		(0.49)	0.03
	(2) Diluted		(0.49)	0.03

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Sheetal Samriya & Associates**

Chartered Accountants

ICAI Firm Registration No.: 011478C

Sd/-

Abhitesh Dubey

Proprietor

Membership No: 147923

Firm Reg. No: 011478C

Place: Vadodara

Date: 16.05.2017

For & On Behalf of the Board of

Kavit Industries Limited

Sd/-

Jayesh Thakkar

Managing Director

Sd/-

Bhavesh Desai

Director

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2017

(Amt. in Rs.)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<u>A) Cash flow from operating activities</u>		
Net profit before tax	13,984,124	2,700,927
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and Amortization Expense	4,085,417	816,715
Other non-operating income (Incl Written - off)	(1,589,869)	(4,257,183)
Interest expense	617,524	449,608
Preliminary Expenses W off	750,191	124,087
Income Tax Provision	4,144,290	1,032,084
Dividend Income	-	2,925
Operating Profit before Working Capital changes	13,703,097	(1,200,855)
<u>Changes in working capital:</u>		
Increase/(Decrease) in Inventories	(3,562,271)	(2,325,411)
Increase/(Decrease) in Trade receivables and Other Receivable	(1,176,520,682)	(203,835,491)
Increase/(Decrease) in Trade payable and Other Payables	1,111,173,470	322,615,374
Increase/(Decrease) in Other Current Liability	17,861,699	(7,336,733)
Increase/(Decrease) in provisions	5,563,863	595,536
Cash Generated from Operation	(31,780,824)	108,512,420
Direct Tax Paid (Net of Refunds)	-	-
Net Cash inflow from/ (outflow) from Operating activities (A)	(31,780,824)	108,512,420
<u>B) Cash flow from investing activities</u>		
Purchase /Sale of fixed assets	(275,019,572)	(1,362,075)
Purchase of Investments	5,137,882	20,427,286
Interest received	1,589,869	4,257,183
Dividend received	-	2,925
Net Cash inflow from/ (outflow) from Financing activities (B)	(268,291,821)	23,325,318
<u>C) Cash flow from financial activities</u>		
Proceeds / Repayment from Long Term Liability(Net)		(4,913,600)
Proceeds from Long Term Borrowing	207,777,712	36,835,500
Proceeds/ Repayment from Loans and Advances (Net)	86,596,663	(153,789,920)
Interest paid	(617,524)	(449,608)
Proceeds of Share Application money/Share Capital	(238,532)	(443,944)
Net Cash inflow from/ (outflow) from Financing activities (C)	293,518,319	(122,761,571)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(6,554,326)	9,076,167
Cash and Cash Equivalents at the beginning of the year	15,749,952	6,673,785
Cash and Cash Equivalents at the end of the year	9,195,626	15,749,952
<u>Components of Cash and cash equivalents</u>		
Cash on hand	2,361,143	201,574
With Banks '- on Current Account	6,834,484	15,548,379
Cash and Cash equivalents	9195,626	15,749,952

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **Sheetal Samriya & Associates**

Chartered Accountants

Sd/-

Abhitesh Dubey

Proprietor

Membership No: 147923

Firm Reg. No: 011478C

Place: Vadodara

Date: 16.05.2017

1) The Above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard on 'Cash Flow Statement (AS-3)' issued by the Companies Accounting Standard Rules 2006

2) Figures in bracket represent outflows.

3) Previous year figures have been recast/restated where necessary

**For & On Behalf of the Board of
Kavit Industries Limited**

Sd/- Sd/-

Jayesh Thakkar Bhavesh Desai

Managing Director Director

Notes:**4. Share Capital**

Particulars	(Amt. in Rs.)	
	As at March 31,2017	As at March 31, 2016
Authorized Shares		
Equity Share Capital		
6,64,50,000 (March 31,2016: 65,00,000) Equity Shares of Rs.10/- each	66,45,00,000	66,45,00,000
Total	66,45,00,000	66,45,00,000

Issued , Subscribed and fully paid up shares		
Equity Share Capital		
6,19,33,333 (March 31,2016 : 6,19,33,333) Equity Shares of Rs. 10/- each	61,93,33,330.00	61,93,33,330.00
Total	61,93,33,330.00	61,93,33,330.00

The Company in the Annual General Meeting held on September 25, 2015 increased the authorized share capital from Rs. 46,45,00,000 to Rs. 66,45,00,000/-. However, the e-form SH-7 for increasing authorized Share Capital is yet to be filed. The company is in process to completing the said filing with the Registrar of Companies.

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year
(Amt. in Rs.)

Particulars	As at March 31,2017		As at March 31,2016	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs
Shares outstanding at the beginning of the year	6,19,33,333.00	61,93,33,330.00	4,64,50,000.00	46,45,00,000.00
Shares issued during the year- Bonus Issue	---	---	1,54,83,333.00	15,48,33,330.00
Shares extinguished pursuant to buy back	---	---	---	---
Shares outstanding at the end of the year	6,19,33,333.00	61,93,33,330.00	6,19,33,333.00	61,93,33,330.00

b) 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:

Particulars	As at (No. of Shares)	
	March 31,2017	March 31,2016
Equity Shares	-	-
Equity shares allotted as fully paid-up bonus shares	-	1,54,83,333.00

c) Disclosures of Shareholders holding more than 5% of the share Capital of the company

Name of Shareholder	As at March 31,2017		As at March 31,2016	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Raghuvir International Pvt. Ltd.	12838850	20.73	12000000	15.50
Shree Saibaba Exim Pvt. Ltd.	9738333	15.72	9333333	12.06
SIL Vercade Trading Pvt. Ltd.	5333333	8.61	5333333	6.89
Krystalklear Properties Pvt. Ltd.	5200000	8.40	5200000	6.72
Aprateem Trading Pvt. Ltd.	-	0.00	1000000	1.29
Ethan Constructions Pvt. Ltd.	-	0.00	4400000	5.68
Saint Infrastructure Pvt. Ltd.	4266666	6.89	4266666	5.51
Gill Entertainment Pvt. Ltd.	4133333	6.67	4133333	5.34
Golding Mercantile Pvt. Ltd.	3800000	6.14	-	-
Indivar Traders Pvt. Ltd.	3866666	6.24	3866666	4.99
Amrapali Aadya Trading & Investment Pvt. Ltd.	-	-	3800000	4.91

As per records of the company, including its register of Shareholders / Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial

ownership of shares.

d) Terms, Rights and restrictions attached to equity shares

Voting Right

Each holder of equity share having a par value of Rs.10 per equity share is entitled to one vote per equity share.

Rights as to Dividend

The Equity shareholders have right dividend when declared by the Board of Directors subject to approval in the ensuing Annual General Meeting.

Right pertaining to repayment of Capital

In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be according to the shareholders rights and interest in the company.

5. Reserves and Surplus

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Securities Premium account		
Balance as per last financial statements	4,51,66,670.00	20,00,00,000.00
Addition during the year	---	---
Utilised during the year	---	15,48,33,330.00
Closing Balance	4,51,66,670.00	4,51,66,670.00

General Reserve

Balance as per last financial statements	-	-
Addition during the year	-	-
Utilized during the year	-	-
Closing Balance	-	-

Surplus in Statement of Profit and loss

Balance as per last financial statements	(1,10,01,902.63)	(1,22,03,067.15)
Add: Net profit during the year	(3,03,39,313.92)	16,45,108.52
Less : Proposed final equity dividend		
Less :Tax on Proposed final equity dividend		
Less : transferred to general reserves		
Less: Depreciation Adjustment net off Deferred Tax Assets due to new companies act,2013.##		(4,43,944.00)
Addition during the year		
Net Surplus in the statement of profit and loss	(4,13,41,216.55)	(1,10,01,902.63)
Total Reserves and Surplus	38,25,453.45	3,41,64,767.37

Security Premium of Rs.15,48,33,330 has been utilized for the issue of Bonus Shares in the ratio of 1:3 per equity shares in the FY 2015-16.

6. Long Term Borrowings

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Secured Term Loans		
i) From Banks	---	---
ii) From Financial Institutions	18,00.00.000.00	---
iii) From NBFC	---	---
Sub-Total (a)	18,00.00.000.00	---
Unsecured Term Loans		
i) Loans and Advances from related parties		

From Directors	---	---
From Corporates	9,50,38,079.50	3,21,01,379.50
ii) Loans and Advances from Others		
From Corporates	2,24,02,362.00	2,23,75,850.00
From Others	45,39,587.00	3,97,25,087.00
Sub-Total (b)	12,19,80,028.50	9,42,02,316.50
Total Long Term Borrowings (a+b)	30,19,80,028.50	9,42,02,316.50

a) All the Unsecured loans are without any Interest and repayment schedule but are payable on demand.

b) All the Unsecured Loans are Subject to Balance Confirmation.

c) To be Fully repaid on or Before expiry of 24 Calendar Months of 1st Disbursement.

Security Provided by

1) Corporate Guarantee-Rays Power Infra Pvt. Ltd.

2) Personal Guarantee- Mr. Ketan Mehta

3) First Exclusive Charge on the entire movable/immovable assets(including Project Land), all Current assets of the company throughout the tenure of the Facility.

7. Deferred Tax Liability (net)

Particulars	(Amt. in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Deferred Tax Liabilities		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	3,99,40,616.00	
Gross Deferred Tax Liabilities	3,99,40,616.00	-
Deferred Tax Assets		
Effect of Expenditure debited to statement of profit and loss account in the current year	-	
but allowed for tax purpose in the following years		
Gross Deferred Tax Assets	-	-
Net Deferred Tax Liability	3,99,40,616.00	-

8. Other Long Term Liabilities

Particulars	(Amt. in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Others	17,54,081.20	17,54,081.20
Total Long Term Liabilities	17,54,081.20	17,54,081.20

a) Others includes sundry creditors outstanding for more than 12 months.

9. Trade Payable

Particulars	(Amt. in Rs.)	
	As at March 31, 2017	As at March 31, 2016
a) Total outstanding dues to Micro and Small enterprise	---	---
b) Total outstanding dues of trade payables other Micro and Small enterprise	1,46,25,16,757.37	35,13,43,287.79
Total Trade Payable	1,46,25,16,757.37	35,13,43,287.79

a) Trade payables are for goods purchased and services taken during the normal course of business.

b) The Company has not received information from vendors regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosure relating to amount unpaid at the year end together with interest paid/payable under the Act have not been given.

10. Other Current Liabilities

Particulars	(Amt. in Rs.)	
	As at March 31, 2017	As at March 31, 2016

Current Maturities of Long-Term Loans		
Secured Term Loans		
From Banks	---	---
From Financial Institutions	---	---
From NBFC	---	---
Total (a)	---	---
Unsecured Term Loans		
i) Loans and Advances from related parties		
From Directors	---	2,044.04
From Corporates	1,42,69,747.25	1,35,60,247.25
ii) Loans and Advances from Others		
From Corporates	1,09,50,000.00	---
From Others		
Total (b)	2,52,19,747.25	1,35,62,291.29
Others		
Statutory Dues	8,64,681.80	3,62,177.30
Others	---	---
Total (c)	8,64,681.80	3,62,177.30
Interest Accrued but not Due on Borrowings	---	---
Total Other Current Liabilities	2,60,84,429.05	1,39,24,468.59

- a) Statutory dues includes VAT, Excise Duty, TDS, service tax & other statutory payables.
b) Other Current liabilities includes rent payable , interest payable and staff dues.

11. Short Term Borrowings

Particulars	(Amt. in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Secured		
Working capital facilities from Banks	---	---
Sub-Total (a)	---	---
Unsecured		
Deposits From Public	---	---
Loans From related parties	57,16,739.00	15,000.00
Loans From others	---	---
Sub-Total (b)	57,16,739.00	15,000.00
Total Short Term Borrowings (a+b)	57,16,739.00	15,000.00

12.Short Term Provision

Particulars	(Amt. in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Provision for Employee Benefits		
Provision for Gratuity	---	---
Leave Encashment	---	---
Others	---	---
Total (a)	---	---
Provision for Expenses	15,43,981.00	1,00,674.00
Provision for Income Tax	53,42,525.00	12,21,969.00
Total (b)	68,86,506.00	13,22,643.00
Total Short Term Provision (a+b)	68,86,506.00	13,22,643.00

- a) Provision for employee benefits includes provision of Gratuity, Bonus & leave encashment payable within 12 month
b) Others includes salary and other expense payable to staff

13.Fixed Assets

Particulars	Tangible Assets		Intangible Assets		Plant & Machinery	Furniture & Fixtures	Office Equipments		Computers	Weight
Bridge	Freehold Land	Laboratory Equipment	Building	Air conditioner			Total (A)	Software		
Cost or Valuation					CCTV		Total (B)		Grand Total (A+B)	
At April 1,2016.										
Additions	12,94,309	82,86,551	3,28,12,161	3,18,492	6,87,434	1,78,040	4,25,938	6,59,405	1,98,612	4,49,07,092
Adjustments	21,500	21,500	4,49,28,592	-	56,924	63,390	-	-	-	27,49,87,572
Disposal	34,86,760	-	27,13,80,498	-	-	-	-	-	-	-
At 31 March, 2017	32,000	32,000	27,50,19,572	-	-	2,41,430	4,25,938	6,59,405	1,98,612	31,98,94,664
	-	-	-	-	-	-	-	-	-	-
	47,81,069	82,86,551	30,41,92,659	3,18,492	7,44,358	1,68,659	4,01,732	6,26,435	1,88,681	2,21,54,390
	53,500	53,500	31,99,48,164	-	-	15,429	872	-	10,372	40,82,770
	-	43,09,260	1,54,75,494	3,03,780	6,74,245	-	-	-	-	-
	6,777	6,777	2,21,61,167	-	7,667	-	-	-	-	-
	-	6,61,084	33,87,346	-	-	-	-	-	-	-
	2,647	2,647	40,85,417	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
	-	49,70,344	1,88,62,840	3,03,780	6,81,912	1,84,088	4,02,604	6,26,435	1,88,681	2,62,37,160
	9,424	9,424	2,62,46,584	-	-	-	-	-	-	-
Net Block										
At 31 March, 2016	12,94,309	39,77,291	1,73,36,667	14,712	13,189	9,381	24,206	32,970	9,931	2,27,52,702
	14,723	14,723	2,27,67,425	-	-	-	-	-	-	-
At 31 March, 2017	47,81,069	33,16,207	28,53,29,819	14,712	62,446	57,342	23,334	32,970	9,931	29,36,57,504
	44,076	44,076	29,37,01,580	-	-	-	-	-	-	-

14. Investments

Particulars	(Amt. in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Non-Current Investments		
In Subsidiary Companies (At Cost, Trade, Unquoted)		
Other Investment		
Investment in shares	50,76,094.20	50,75,544.20
Aggregate Value of unquoted investment	50,76,094.20	50,75,544.20
Current Investments (valued at lower of cost and fair value)	---	---
Aggregate Value of quoted investment	50,76,094.20	50,75,544.20

a) Investment in shares includes investments in various corporates & private limited companies. Investment are stated at cost.

15. Long Term Loans and Advances (Unsecured, Considered Good)

Particulars	(Amt. in Rs.)	
	As at March 31, 2017	As at March 31, 2016
i) Loans and Advances to related parties		
To Corporates	1,15,77,000.00	1,15,77,000.00
To Non Corporates	2,61,000.00	2,61,000.00
Sub-Total (a)	1,18,38,000.00	1,18,38,000.00
ii) Other Loans and Advances		
To Corporates	43,24,54,394.00	43,24,54,394.00
To Non Corporates	13,31,000.00	13,31,000.00
Others	2,40,059.85	2,40,059.85
Sub-Total (b)	43,40,25,453.85	43,40,25,453.85
Total Loans and Advances (a+b)	44,58,63,453.85	44,58,63,453.85

a) Other includes includes balances with statutory Authority, electricity deposits & lease rent deposits & others.

16. Other Non-Current Assets

Particulars	(Amt. in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Outstanding for a period exceeding six months from the date they are due for payment	---	1,70,92,812.12
Statutory Dues	32,50,292.54	27,22,095.54
Others	76,24,944.25	73,19,849.25
Total Other Non-Current Assets	1,08,75,236.79	2,71,34,756.91

a) Others includes Deposit & Miscellaneous Expenditure.

17. Inventories

Particulars	(Amt. in Rs.)	
	As at March 31, 2017	As at March 31, 2016
Raw Material	6,97,875.00	10,18,536.00
Finished Goods	71,99,840.51	33,16,909.00
Work in Progress	---	---
Total Inventories	78,97,715.51	43,35,445.00

18.Trade Receivables

(Amt. in Rs.)		
Particulars	As at	As at
	March 31, 2017	March 31, 2016
(Unsecured and Considered Good)		
Outstanding for a period exceeding six months from the due date of payment	1,39,71,12,418.10	22,05,91,735.75
Doubtful	---	---
Others	---	---
Considered good	---	---
Total Trade Receivables	1,39,71,12,418.10	22,05,91,735.75

19.Cash and Cash Equivalents

(Amt. in Rs.)		
Particulars	As at	As at
	March 31, 2017	March 31, 2016
Balances with Bank		
- On Current Account	68,34,483.54	1,55,48,378.52
Cheques/ Drafts on hand	---	---
Cash on hand	23,61,142.82	2,01,573.56
Total Cash and Cash Equivalents	91,95,626.36	1,57,49,952.08
Other Bank Balances		
Bank Deposits with remaining maturity of less than 12 months		
Total Cash and Bank Balances	91,95,626.36	1,57,49,952.08

3. Cash on hand was not available to us for verification

4. Details of specified Bank Notes (SBN) held and transacted The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 pursuant to the requirement of notification G.S.R. 308 dated 30th March, 2017 as mentioned below:

(. In Thousands)

	SBN	Other Denomination Notes	Total
Closing Cash in Hand as on 08th November, 2016	818.50	563.92	1,382.42
Add: Permitted Receipts	0	1,797.40	1,797.40
Less: Permitted Payments	0	0	0
Less: Amount Deposited in Banks	818.50	1,107.22	1,925.72
Closing cash in Hands as on 30th December, 2016	0	1,254.10	1,254.10

20.Short Term Loans and Advances (Unsecured, Considered Good)

(Amt. in Rs.)		
Particulars	As at	As at
	March 31, 2017	March 31, 2016
Loans and Advances due by directors, relatives of directors and related parties *	54,28,695.66	2,93,14,625.66
Security Deposits to related parties	---	---
Other Loans and Advances	28,62,89,390.00	33,79,53,450.00
Balance with Govt. authorities	---	---

Prepaid Expenses	---	---
Advances to Vendors	31,02,376.00	---
Total Short Term Loans and Advances	29,48,20,461.66	36,72,68,075.66

***Loans and Advances due by directors, relatives of directors and related parties:**

Advances given to Key Management Personnel	-	-
Advances given to relatives of Directors	-	-
Advances given to related parties- Corporates	1,96,695.66	2,93,27,300.00
Advances given to related parties- Non Corporates	52,32,000.00	-

21.Other Current Assets (Unsecured and Considered good)

(Amt. in Rs.)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Duties and Taxes Receivables	6,15,058.10	---
Others	60,67,971.00	53,22,749.00
Total Other Current Assets	66,83,029.10	53,22,749.00

22.Revenue from Operations

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31, 2017	March 31, 2016
Trading Sales- Edible Oil	1,53,03,86,499.90	18,14,500.00
Trading Sales- Garments	32,147.26	25,95,156.84
Trading Sales- Solar Module	2,63,89,500.00	28,06,50,000.00
Trading Sales- Agriculture products	19,67,65,890.00	-
Trading Sales-Electricity	40,25,701.00	-
Total	1,75,75,99,738.16	28,50,59,656.84
Other Operating Revenues#	2,17,50,811.72	5,45,76,956.70
Total Revenue	1,77,93,50,549.88	33,96,36,613.54

Other Operative Revenue include Trading of Equity Shares and Marketing Services provided by the company

23.Other Income

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31, 2017	March 31, 2016
Interest Income	5,16,148.00	7,58,901.02
Dividend Income	-	2,925.00
Miscellaneous Income	5,787.00	41,416.00
Other non-operating income	15,89,869.06	42,57,182.53
(net of expenses directly attributable to such income incl Written off)		
Total Other Income	21,11,804.06	50,60,424.55

24.Cost of Raw Materials Consumed

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31, 2017	March 31, 2016
Opening Stock of Raw Materials	10,18,536.00	8,98,626.00
Add: Purchases of Raw Materials	-	11,56,299.22
Less: Closing Stock of Raw Materials	6,97,875.00	10,18,536.00
Total Cost of Raw Material Consumed	3,20,661.00	10,36,389.22

25.Purchase of Stock-in-Trade

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31, 2017	March 31, 2016
Trading Purchase	1,73,34,61,429.60	27,49,21,600.00
Purchase of Services	1,83,00,238.00	3,68,32,706.55

Purchase of Packing Material	34,10,401.34	74,68,510.62
Purchase of Shares	23,70,755.96	1,59,66,802.99
Total Purchase of Stock in Trade	1,75,75,42,824.90	33,51,89,620.16

a) Trading Purchase includes purchase of solar module, edible oil, agricultural products and others.

26.Changes of Finished Good, Work-in-Progress

Particulars	(Amt. in Rs.)	
	Year Ended March 31,2017	Year Ended March 31,2016
<u>Opening Inventory</u>		
Finished Goods	33,16,909.00	6,30,100.00
Work in Progress	-	4,81,308.00
Sub Total (a)	33,16,909.00	11,11,408.00
<u>Closing Inventory</u>		
Finished Goods	71,99,840.51	33,16,909.00
Work in Progress	-	-
Sub Total (b)	71,99,840.51	33,16,909.00
Total Changes in Finished good and Work in process	(38,82,931.51)	(22,05,501.00)

27.Employee Benefit Expenses

Particulars	(Amt. in Rs.)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
Salaries, Wages and Bonus	20,18,675.00	10,06,440.00
Staff welfare expenses	28,750.00	-
Total Employee Benefit Expenses	20,47,425.00	10,06,440.00

28.Other Expenses

Particulars	(Amt. in Rs.)	
	Year Ended March 31,2017	Year Ended March 31,2016
Advertisement Expenses	19,200.00	1,12,562.00
Audit Fees	14,826.00	86,200.00
Brokerage & Commission	2,33,687.68	36,944.82
Custodian Fees	3,00,562.50	-
Conveyance Expenses	22,102.90	-
Discount & Kasar	3,17,987.24	-
Demat Charges	4,970.94	-
Donation Expenses	12,160.00	-
Electricity Expenses	1,94,136.00	-
Factory Expense	1,29,942.00	-
Freight & Carting Charges	11,17,721.00	33,000.00
Filling Charges	28,800.00	-
Insurance Expenses	20,318	-
Internet & Telephone Expense	1,55,662.00	7,200.00
Labour & Wages Charges Expenses	50,000.00	70,000.00
Legal & Professional Fees	5,45,579.55	1,93,781.48
Licence Fees	3,100.00	3,050.00
Listing Fees	2,29,000.00	3,70,558.00
Miscellaneous & Preliminary Expenses W-off.	7,50,191.00	5,81,194.00
Municipal Tax	49,099.00	-
Office Building Maintenance Expenses	2,15,983.00	-
Office & Miscellaneous Expenses	2,15,405.55	2,36,397.53
Other Direct Expenses	4,199.00	34,545.86
E-Voting Charges	5,750.00	-
Packing Expenses	18,585.00	-
Post and Courier Expenses	48,362.00	570.00
Power & Fuel Charges	-	48,664.02
Printing & Stationery Expenses	7,93,073.00	56,774.00
Profit & Loss on Trading of F&O	1,46,197.43	29,79,573.21

Registration & Filling Fees	-	19,732.35
Rent, Rates & Taxes	75,000.00	4,17,000.00
Repairs & Maintenance	1,07,440.00	16,380.00
Repairs & Maintenance- Computers	10,175.00	-
Shop Expenses	1,52,695.00	-
Service Tax	14,359	-
Sales Promotion Expenses	93,654.70	7,938.00
Security Expenses	1,42,742.00	-
Security Transaction Tax	5,022.00	-
Storage Expenses	1,29,375.00	-
Tender Expense	-	1,26,250.00
Transportation Expenses	2,23,795.00	-
Travelling Expenses	66,884.61	2,13,250.00
Total Other Expenses	66,67,743.10	55,88,565.27

Payment to Auditors

Particulars	Year Ended	Year Ended
	March 31,2017	March 31,2016
As Auditors :		
Audit Fees	50,000.00	50,000.00
In Other Capacity		
Other Services (Certification Fees)	10,000.00	10,000.00
Reimbursement of Expenses		
Total Payment to Auditors	60000.00	60000.00

29.Finance Charges

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31,2017	March 31,2016
Interest expense	6,17,524.00	4,49,607.88
Bank Charges	79,566.37	96,297.04
Total Finance Charges	6,97,090.37	5,45,904.92

30.Earnings Per Share

(Amt. in Rs.)

Particulars	Year Ended	Year Ended
	March 31,2017	March 31,2016
Basic Earnings per Share		
Net Profit as per statement of Profit and Loss Account	(3,01,00,781.92)	16,45,108.52
Weighted average number of equity shares in calculating basic EPS	6,19,33,333	6,19,33,333
Basic Earnings Per Share	(0.49)	0.03
Diluted Earnings per Share		
Net Profit as per statement of Profit and Loss Account	(3,01,00,782)	16,45,109
Weighted average number of equity shares in calculating basic EPS	-	-
Total no of Shares outstanding (Weighted average) (including dilution)	6,19,33,333	6,19,33,333
Dilutive Earnings per Share	(0.49)	0.03

Notes Forming Part of the Consolidated financial statements

1. General Information

Kavit Industries Limited (Formerly known as Atreya Petrochem Limited) is Public Limited Company incorporated in India under the provisions of the Companies Act, 1956. The Company's strength lies in the trading of Edible Oil, Garments, Agriculture Produce and Various other Products of Consumer Goods.

2. Basis of preparation and presentation of consolidated financial statements

(a) Accounting Convention

The Accounts of the Company are prepared under the Historical Cost Convention on the Accrual Basis of Accounting in accordance with the Generally Accepted Accounting Principles in India ("GAAP") and in compliance with the mandatory Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, as amended, and with the relevant provisions of the Companies Act, 1956. The Consolidated financial statements are presented in Indian Rupees rounded off to the nearest rupees.

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of consolidated financial statements and the results of operations during the reporting periods. Examples of such estimate include future obligations under employee benefit plans, income taxes, useful lives of fixed assets and intangible assets, impairment of assets, provision for doubtful debts etc. Management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable. Actual results could vary from these estimates. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognized in the period in which such results are known/ materialized. Effect of material changes is disclosed in the notes to the consolidated financial statements.

The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisitions of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non-current classification of assets and liabilities.

(b) Tangible Assets, Depreciation

- i. Tangible assets are stated at Cost less Accumulated Depreciation, Impairment loss, if any, ascertained as per the Accounting Standard 28 (Impairment of Assets). Cost comprises the Purchase Price and any such costs attributable for the purpose of bringing the asset to its working condition for its intended use.
- ii. Tangible Assets under construction, Advances paid towards acquisition of Tangible Assets and Cost of Assets not ready for use as at the year end, are disclosed as Capital Work-In Progress.
- iii. Tangible Assets below Rs.10000 are fully depreciated in the year of acquisition.

(c) Investment

Investments of long term-nature are stated at cost, less adjustment for any diminution, other than temporary, in the value thereof. Current Investments are stated at lower of cost or market value.

(d) Inventory

- i. Finished and Semi-Finished Products produced and purchased by the company are carried at Cost and net realisable value, whichever is lower.

- ii. Work in Progress is carried at lower of cost and net realisable value.
- iii. Raw Material is carried at lower of cost and net realisable value.
- iv. Stores and Spares parts are carried at cost. Necessary provision is made and expensed in case of identified obsolete and non moving items.

Cost of Inventory is generally ascertained on the 'Weighted average' basis. Work in progress, Finished and semi finished products are valued at on full absorption cost basis.

Cost Comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity. Packing Material is considered as finished goods. Consumable stores are written off in the year of Purchase.

(e) Employee Benefits

Provision for Gratuity, Leave Encashment and bonus has not been made as none of the employee have completed the minimum qualified period of services.

(f) Impairment of Assets

At each balance sheet date, the management reviews the carrying amounts of each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets. Cash flows used to determine value in use are derived from annual budgets and strategic plans of the cash generating units.

(g) Revenue Recognition

Sale are recognized on when substantial risks and rewards of ownership in the goods are transferred to the buyer i.e. delivery as per terms of sale.

(h) Other Income

Interest Income and income from Investments are accounted on accrual basis.

Dividend Income is recognized when the right to receive dividend is established.

(i) Foreign Currency Transactions

Transactions in Foreign Currency and Non-Monetary Assets are accounted for at the Exchange Rate prevailing on the date of the transaction. All monetary items denominated in Foreign Currency are converted at the Year-End Exchange Rate. The Exchange Differences arising on such conversion and on settlement of the transactions are recognized as income or as expenses in the year in which they arise.

(j) Taxes on Income

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

Deferred Tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets.

Deferred Tax Assets are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(k) Cash & Cash Equivalent

Cash & Cash Equivalent for the purpose of cash flow statement comprises of cash at bank and in hand and short term investments/ bank deposits with an original maturity of three months or less. Cash on hand as on 31st March, 2017 was not available for verification.

(l) Provisions

A Provision is recognized when company has a present obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(m) Balance Confirmation:

Sundry Creditors, Unsecured loans, other liabilities, loans and advances, sundry debtors, and other current assets are subject to confirmation.

(n) Micro Small & Medium Enterprise:

The Company is in the process of compiling the relevant information. Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by us.

(o) Claims, Demands and Contingencies :

Details of disputed and/ or contingent Liabilities are as follows:

(Amt. in Rs.)			
Particulars	Assessment Year/ Financial Year	As on 31.03.2017	As on 31.03.2016
Income Tax	A.Y.-1995-96	4,000.00	4,000.00
Income Tax	A.Y.-1999-00	16,74,000.00	16,74,000.00
Income Tax	A.Y.-2000-01	1,41,41,000.00	1,41,41,000.00
Income Tax	A.Y.-2003-04	13,000.00	13,000.00
Income Tax	A.Y.-2004-05	13,000.00	13,000.00
Income Tax	A.Y.-2014-15	22,08,86,856.00	0.00
Excise Duty	F.Y.- 2016-17	19,000.00	0.00

(p) Employees Benefits:

In the opinion of the Management, the Provident Fund and ESI act are not applicable, hence no provision have been made for the same.

(q) Earning & Expenditure in Foreign Currency :

(Amt. in Rs.)		
Particulars	F.Y.2016-17	F.Y. 2015-16
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Expenditure	NIL	NIL

(r) Auditors Remuneration :

(Amt. in Rs.)		
Particulars	F.Y. 2016-17	F.Y. 2015-16
As statutory Audit	40,000.00	40,000.00
As Tax Audit	10,000.00	10,000.00
As Taxation matter	10,000.00	10,000.00
Others	0.00	0.00

(s) Related party disclosures :

List of related parties with whom transaction have taken place.

Sr. No.	Name of the party	Relationship with the party	Nature of Transaction
1	Mr. Jayesh Thakkar	Director	Remuneration
2	Kavit Green Energy Private Limited	Subsidiary Company	Investment
3	Pacific Finstock Limited	Sister Concern	Loans & Advances
4	Kavit Edible Oil Limited	Sister Concern	Sale & Purchase Transaction
5	Prabhav Industries Limited	Sister Concern	Loans & Advances

(t) Details of specified Bank Notes (SBN) held and transacted The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 pursuant to the requirement of notification G.S.R. 308 dated 30th March, 2017 as mentioned below:

(. In Thousands)

	SBN	Other Denomination Notes	Total
Closing Cash in Hand as on 08th November, 2016	818.50	563.92	1,382.42
Add: Permitted Receipts	0	1,797.40	1,797.40
Less: Permitted Payments	0	0	0
Less: Amount Deposited in Banks	818.50	1,107.22	1,925.72
Closing cash in Hands as on 30th December, 2016	0	1,254.10	1,254.10

Kavit Industries Limited

(CIN: L23100GJ1990PLC014692)

Reg Office: Village Tundav, Tal.Savli, Vadodara – 391 775,Gujarat

Email Id: kavitindustrieslimited@gmail.com Website: www.kavitindustries.in

Telephone No: 0265-2361100 / 0265-2362200

FORM No.MGT-11

PROXY FORM

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

CIN : L23100GJ1990PLC014692
Name of Company : Kavit Industries Limited
SCRIP ID : KAVITIND
SCRIP CODE : 524444
Registered Office : Village Tundav, Tal. Savli, Vadodara – 391 775.
Gujarat
E-mail : kavitindustrieslimited@gmail.com
Website : www.kavitindustries.in
Tel No. : 0265-2361100 / 0265-2362200
Fax : 0265-2361551

Name of the member(s) : _____

Registered Address : _____

E-mail ID : _____

Folio/ DP ID /Client ID No. : _____

I/We being the member(s) of _____ shares of **Kavit Industries Limited** hereby appoint:

1.Name: _____
Address: _____
Email Id: _____ Signature: _____ or failing him/her;

2.Name: _____
Address: _____
Email Id: _____ Signature: _____ or failing him/her;

3.Name: _____
Address: _____
Email Id: _____ Signature: _____ or failing him/her;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on Friday, September 29, 2017 at 10.30 AM its Registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional	
Ordinary Business:		For	Against
1.	To receive, consider and adopt the Financial Statements including Audited Balance Sheet, Statement of Profit and Loss account and Cash Flow Statement for the year ended March 31, 2017 along with the Reports of the Auditors and Board thereon		
2.	To ratify the appointment of M/s Sheetal Samriya & Associates, Chartered Accountants (FRN: 011478C) as Statutory Auditors of the Company.		
3.	To appoint a Director in place of Mr. Chirag Thakkar (DIN. 06844583), who retires by rotation and being eligible, offers himself for re-appointment.		
Special Business:			
4.	Appointment of Mr. Monish Malhotra as a Non Executive Independent Director of the Company.		
5.	Appointment of Mr. Salil Patel as a Non-Executive Independent Director of the Company.		
6.	Appointment of Mr. Kartik Mistry as a Non Executive Independent Director of the Company.		
7.	Manner of Service of Documents in the specified Mode.		

* It is optional to put an 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

Note: Notwithstanding the above, the Proxies can vote on such other items which may be tabled at the meeting by the members present.

Signed this _____ day of _____ 2017

Member's Signature _____

Signature of Proxy holder _____

Signature of Proxy holder (2nd) _____

Affix Re 1
Revenue
Stamp

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

KAVIT INDUSTRIES LIMITED

ATTENDANCE SLIP

CIN : L23100GJ1990PLC014692
Name of Company : Kavit Industries Limited
SCRIP ID : KAVITIND
SCRIP CODE : 524444
Registered Office : Village Tundav, Tal. Savli, Vadodara – 391 775,
Gujarat
E-mail : kavitindustrieslimited@gmail.com
Website : www.kavitindustries.in
Tel No. : 0265-2361100 / 0265-2362200
Fax : 0265-2361551

I certify that I am a registered shareholder/proxy for the registered shareholder of the company. I hereby record my presence at the Annual General Meeting of the Company to be held on Friday, September 29, 2017 at 10.30 AM at Kavit Industries Limited, Village Tundav, Tal. Savli, Vadodara – 391 775, Gujarat and at any adjournment thereof.

FOLIO NO.(Shares in Physical mode)	
DP ID	
Client ID No.	
No. of Shares Held	

Notes:

1. Member/proxy holders wishing to attend the meeting must bring the attendance Slip to the meeting and handover at the entrance duly signed.
2. Members/proxy holders desiring to attend the meeting are requested to bring their copy of the Annual Report for reference at the Meeting.

Signature of Member/Proxy

Date:

(This Attendance Slip Duly Filled to be Handed over At the Entrance of The Meeting Hall)

Route map for Venue of Annual General Meeting

