

K.M. INDUSTRIAL
INVESTMENTS LIMITED

Annual Report – 2015-16

35TH ANNUAL GENERAL MEETING

Registered Office:
19/C, Sarat Bose Road,
Kolkata- 700 020

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K M INDUSTRIAL INVESTMENTS LIMITED

Regd. Office: 19/C, Sarat Bose Road

Kolkata- 700 020

Ph: 033-40035242

Email id: info@kmiil.com, Website: www.kmiil.com

CIN: L67120WB1981PLC033287

Notice is hereby given that the 35th Annual General Meeting of the members of **K M INDUSTRIAL INVESTMENTS LIMITED** will be held at registered office of the Company at 19/C, Sarat Bose Road, Kolkata-700 020 on Thursday, September 29, 2016 at 11.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2016 and the report of the Directors and Auditors thereon.
2. The Board decided not to declare any dividend for the Financial Year ended 31st March, 2016.
3. To appoint a Director in place of Mrs. Sunita Bagrodia (DIN: 00425561) who retires by rotation and being eligible, offers herself for re-appointment.

4. To consider and if thought fit to pass with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, and all other provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of audit committee of the Board, the Company hereby approves the appointment of M/s Bagrodia K and Co., Chartered Accountants (Firm Registration No: 324606E) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the AGM of the Company to be held in the year 2021, subsequent to resignation of M/s SM Daga & Co., Chartered Accountants (Firm Registration No.: 303119E) at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

By Order of the Board of Directors

Sd/
Sandeep Bagrodia
Managing Director
(DIN: 00425649)

Place: Kolkata
Date: 11th August, 2016

NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY SO APPOINTED NEED NOT TO BE MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Pursuant to the provisions of Section 105 of the Companies Act, 2013 and rules framed there under, a person can act as a proxy on behalf of a member or members not exceeding 50 (Fifty) and holding in aggregate not more than 10% of the total share capital of the company carrying voting rights. Also, a member holding more than 10% of the total share capital of the company carrying voting rights, may appoint a single person as a proxy provided that such a person shall not act as a proxy for any other member or person.

1. The Member /Proxies should bring the Attendance Slip Sent herewith duly filled for attending the Meeting.
2. Members holding shares in physical form are requested to inform the following additional information to the Registrar and Transfer Agents viz., **Purva Shareregistry (India) Pvt. Ltd.** at Unit No. 9 Shiv Shakti Ind. Estt., J. R. Boricha marg, Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai 400 011
 - a. Email Id
 - b. PAN No
 - c. Unique Identification No.
 - d. Mother's Name
 - e. Occupation
 - f. In case of a minor (Guardian's Name and date of birth of the Member)
 - g. CIN (In case the member is a body corporate)
3. All the registers and relevant documents referred to in the accompanying explanatory statement are open to inspection at the Registered Office of the Company on all working days except holidays between 11.00 A.M – 1.00 P.M up to the date of Annual General Meeting.
4. The Register of Directors and Key Managerial Personnel (KMPs) and their shareholding maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.

5. Members desirous of obtaining any relevant information with regard to the accounts of the Company at the Meeting are requested to send their requests to the Company at least 7 (seven) days before the date of the Meeting, so as to enable the Company to keep the information ready.
6. Electronic copy of the notice of the 35th Annual General Meeting (AGM) inter alia including the process and manner for e-voting along with proxy form and attendance slip will be send to the members whose email-id is registered with the Company/ Depository Participant for communication purposes. However, the members who have not registered their email address shall be furnished with physical copy of the same in the permitted mode.
7. Shareholders are requested to affix their signatures at the space provided on the Attendance Slip and DP ID for easy identification of attendance at the meeting.
8. Shareholders who hold shares in dematerialized form are requested to bring their client ID and DP ID for easy identification of attendance at the meeting.
9. Corporate shareholders intending to send their authorized representatives are requested to serve a duly certified copy of the Boards Resolution authorizing their representatives to attend and vote at the AGM.
10. Shareholders are requested to notify immediately any change in their address to the Company Registrar and Transfer Agents viz., Purva Sharegistry (India) Pvt. Ltd. at Unit No. 9 Shiv Shakti Ind. Estt., J. R. Boricha marg, Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai 400 011 Contact No.: 022 23012518 E-Mail: busicomp@gmail.com
11. Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company shall remain closed from September 23, 2016 to September 29, 2016 (both days inclusive).
12. A member can opt for only one mode of voting i.e. either in person or through proxy at the meeting or through e-voting. If a member casts votes by both the modes, then voting done through e-voting shall prevail and voting through other means shall be treated as invalid.
13. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 19th August, 2016.
14. **Voting through electronic means**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the

Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM, remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 26th September, 2016 (9:00 am) and ends on 28th September, 2016 (5:00 pm). During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2016 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - i. Open e-mail and open PDF file viz. **K M Industrial Investments Limited** Notice with your Client ID or Folio No. as password. The said PDF file contains your user ID and Password for e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing following URL: <https://www.evoting.nsdl.com>
 - iii. Click on “Shareholder Login”.
 - iv. Put User ID and Password as initial password noted in step (i) above and Click Login.
 - v. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note the new password. We strongly recommend that you should not share your new password with any other persons and take utmost care to keep your password confidential.
 - vi. Home page of “e-voting” opens. Click on – Voting – Active Voting Cycles.
 - vii. Select “EVEN” (E -Voting Event Number) of **K M Industrial Investments Limited**

- viii. Now you are ready for e-voting as “Cast Vote” page opens.
 - ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - x. Upon confirmation, the message “Vote cast successfully” will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer on or before 28th September, 2016 (5.00 p.m) on e-mail id: agarwalvj18@gmail.com with a copy marked to e-voting@nsdl.com
- B. For Members holding shares in dematerialized form whose email IDs are not registered with the Company/Depository Participants, Members holding shares in physical form as well as those Members who have requested for a physical copy of the Notice and Annual Report, the following instructions may be noted:
- i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
EVEN (E Voting Event Number) USER ID PASSWORD
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2016.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password

by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Bijay agarwal (Practicing Company Secretary) (Membership No.ACS –A36489) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, which shall countersign the same and declare the result of the voting forthwith.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.kmiiil.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Calcutta Stock Exchange Limited.

Place: Kolkata

Dated: 11th August, 2016

By Order of the Board of Directors

Sd/-
Sandeep Bagrodia
Managing Director
(DIN: 00425649)

Director Profile (Seeking reappointment)

Name of Director	Mrs. Sunita Bagrodia
Age	47 years
Date of Appointment on the Board	22/08/1997
Expertise in specific field	She is a commerce graduate and possesses experience of over 8 years in the field of Capital Market, Financial Sector and Business Strategy
Chairman/ Member of the committee(s) of the Board of Directors of the Company	<ul style="list-style-type: none"> • Nomination and Remuneration Committee- Member • Audit Committee- Member
Chairman/ Member of the committee(s) of the Board of Directors of other Companies in which he/she is a Director	<p>Sandeep (India) Limited</p> <ul style="list-style-type: none"> • Nomination and Remuneration Committee- Member • Stakeholders Relationship Committee- Member
Shareholding in the Company	10,450 (0.33%)
Names of other Companies in which she holds Directorships	<ul style="list-style-type: none"> • SANDEEP (INDIA) LTD • SHILPI INDIA PVT LTD • KLINTON EXPORTS PVT LTD • NAMOKAR MERCHANDISE PVT LTD • FAIRLAWN HOMES PVT LTD

DIRECTORS' REPORT

For The Financial Year 2015-16

Dear Members,

Your Directors have pleasure in presenting their 35th Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended March 31st, 2016.

Financial Performance of the Company

(Amount in Rs.)

Particulars	2015-16	2014-15
Total Income	4,399,396.94	2,293,367.22
Total Expenses	3,746,248.90	2,063,655.57
Profit/ (Loss) before tax	6,53,148.04	229,711.65
Less: Provision For Tax	6,00,000.00	1,90,000.00
Tax adjustment for earlier years	(31,290.00)	38,711.00
Profit /(Loss) for the year	84438.04	1000.65
Basic/ Diluted Earnings Per Share	0.02	0.01

Dividend

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities and therefore, do not propose any dividend for the Financial Year ended March 31, 2016.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

The provisions of Section 125(5) of the Companies Act, 2013 do not apply on the company as no dividend has been declared during the year.

Public Deposits

Being a non-deposit taking Company, your Company has not accepted any deposits from the public within the meaning of the provisions of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.

Reserves

During the year Rs. 20,000/- was transferred from surplus to reserves.

Brief description of the Company's working during the year/State of Company's affair

The Company is registered as a Non-Banking Finance Company with Reserve Bank of India and is mainly engaged in Financing and investments as its principal business. There has been no change in the business of the Company during the financial year ended 31st March, 2016.

Change in the nature of business, if any

The company has not changed its nature of business during the current financial year.

Material Changes and Commitments

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report

Adequacy of Internal Financial Controls with reference to Financial Statements

The directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

Details of Subsidiary/Joint Ventures/Associate Companies

The Company does not have any Subsidiary, Joint Venture or an Associate Company.

Share Capital

Issue of equity shares with differential rights

The Company has not issued any of its securities with differential rights during the year under review.

Buy Back of Securities

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

Sweat Equity, Bonus Shares & Employee Stock Option Plan

The company has neither issued sweat equity or bonus shares nor has provided any stock option scheme to the employees.

Extract of the Annual Return

The extract of Annual Return in form no.MGT-9 as required under Section 92 of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, for the financial year ending March 31, 2016 is annexed herewith and forms part of this report.

Conservation of energy, Technology absorption and Foreign exchange earnings and Outgo

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review. The company does not have any Foreign Exchange transactions during the financial year.

Corporate Social Responsibility (CSR)

As the company does not have net worth of rupees five hundred crore or more, or turnover of rupees one thousand crores or more or a net profit of rupees five crore or more during any financial year, the disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable

Statutory Auditors

M/s **S. M. DAGA & CO.**, Chartered Accountants, have been re-appointed as Statutory Auditors of the company till the conclusion of the Annual General Meeting of the company to be held in the year 2017 (subject to ratification of their re- appointment at every AGM) and the Directors of the Company shall fix the remuneration from time to time in consultation with the Audit Committee

Auditors' Report

The observations made by the Auditors are self-explanatory and do not require any further clarification. Further, the explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by the auditor in his report shall be given

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, Meenakshi Agarwal was appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending 31st March, 2016. There is no qualification, reservation or adverse remark or disclaimer made by the company secretary in the secretarial audit report.

Internal Audit Report

M/s D. Sikaria & Co, Chartered Accountants, has submitted a report for the financial year 2015-16 based on the internal audit conducted during the year under review.

Directors:

A. Changes in Directors and Key Managerial Personnel

Pursuant to the Resolution of the Board of Directors passed at its meeting,

- Ms. Jyoti Nahata, Company Secretary was resigned from the Company w.e.f 31st July, 2015.

- Mr. Rajib Chakraborty has been appointed as Chief Financial Officer of the company w.e.f 26th May, 2015.
- Mr. Avijit Banerjee has been appointed as an Independent Director of the Company for a period of five years w.e.f 26th May, 2015.
- Mr. Sandeep Bagrodia has been appointed as Managing Director of the company for a period of five years w.e.f 26th May, 2015.

B. Declaration by an Independent Director(s) and re- appointment

Mr. N S Rajasekharan Nair and Mr. Avijit Banerjee, Independent Directors of the Company have confirmed that they fulfilled all the conditions of the Independent Directorship as laid down in sub-section (6) of Section 149 of the Companies Act, 2013 and the rules made there under and the same have been noted by the Board.

C. Formal Annual Evaluation

In compliance with the Schedule IV of the Companies Act 2013, a meeting of the Independent Directors of the company was held to review and evaluate the performance of the Non- Independent Directors and the chairman of the company taking into account the views of the Executive Directors and Non- Executive Directors, assessing the quality, quantity and timeliness of flow of information between the company management and the Board and also to review the overall performance of the Board.

Audit Committee

Composition of the Audit committee is in accordance with the requirements of section 177 of the Companies Act 2013 which is stated below

Name of the Director	Status whether Independent/ Non Independent
N S Rajasekharan Nair	Chairman & Independent Director
Sunita Bagrodia	Executive & Non Independent Director
Avijit Banerjee	Independent Director

Nomination and Remuneration Committee

Composition of the Nomination & Remuneration Committee is in accordance with the requirements of section 178(1) of the Companies Act 2013. The composition is as under:

Name of the Director	Status whether Independent/ Non Independent
N S Rajasekharan Nair	Chairman & Independent Director
Sunita Bagrodia	Executive & Non Independent Director
Avijit Banerjee	Independent Director

Stakeholder's Relationship Committee

Composition of the Stakeholder's Relationship Committee is in accordance with the requirements of the provisions of the Companies Act, 2013. The Composition is as under:-

Name of the Director	Status whether Independent/ Non Independent
N S Rajasekharan Nair	Chairman & Independent Director
Sandeep Bagrodia	Executive & Non Independent Director
Avijit Banerjee	Independent Director

Number of meetings of the Board of Directors

During the financial year ended 31st March, 2016, 5 (Five) Meetings of the Board of Directors of the Company was held on the following dates:

- 26/05/2015
- 31/07/2015,
- 12/08/2015,
- 06/11/2015
- 09/02/2016

The maximum time gap between two board meetings did not exceeded 120 days.

Order of Court

There was no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Details of establishment of vigil mechanism for directors and employees

The Company has adopted the whistle blower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics.

Managerial Remuneration

During the year Rs. 9,00,000 was paid as managerial remuneration to Mr. Sandeep Bagrodia, Managing Director of the Company.

Sexual Harassment of Women at Work Place

The Company has in place a policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. There were nil complaints received during the year under review.

Familiarisation Programme for Independent Directors

In terms of Reg. 25(7) of the SEBI (LODR) Regulations, 2015, your Company is required to conduct the Familiarisation Programme for Independent Directors (IDs) to familiarise them about their roles, rights, responsibilities in your Company, nature of the industry in which your Company operates, business model of your Company, etc., through various initiatives. The details of such familiarization programmes are available on your Company's website www.kmiil.com and a link to the said programmes have been provided elsewhere in this Annual Report.

Particulars of Loans, Guarantees or Investments

The provisions of section 186 in respect to Loans, Guarantees or Investments of the Companies Act, 2013 have been complied with

Particulars of Contracts or Arrangements with Related Parties

Your company has no material individual transactions with its related parties which are covered under section 188 of the Companies Act, 2013, which are not in the ordinary course of business and not undertaken on an arm's length basis during the financial year 2015-16.

Risk management policy

The company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

Corporate Governance Certificate

The Corporate Governance certificate from the auditor regarding compliance of conditions of corporate governance as stipulated by SEBI (LODR) Regulations, 2015 has been annexed with the report.

Corporate Governance Report and Management Discussion & Analysis Reports

The Corporate Governance Report and Management Discussion & Analysis Report has been annexed with the report.

Operational Review

The Company discloses standalone unaudited financial results on a quarterly basis, audited financial results on an annual basis. Your Company has complied with all the norms prescribed by the Reserve Bank of India (RBI) including the Fair practices, Anti Money Laundering and Know Your Customer (KYC) guidelines.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors confirm that—

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors have prepared the annual accounts on a going concern basis;
- e. the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively, and
- f. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NBFC Company

The Company is engaged in the Business of Non Banking Financial Institution and it has obtained a certificate of Registration from the Reserve Bank of India. The Company has not accepted any deposit from the public. The Company has complied with the prudential norms relating to the Income Recognition, Accounting Standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions -2007.

Acknowledgements

Your Directors would like to express their appreciation of the co-operation and assistance received from the shareholders, bankers and other business constituents during the year under review.

For and on behalf of the Board of Directors

**Sd/
Sandeep Bagrodia
Managing Director**

**Sd/-
Sunita Bagrodia
Director**

**Place: Kolkata
Date:28/05/2016**

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2016

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L67120WB1981PLC033287
2	Registration Date	16/01/1981
3	Name of the Company	K. M. Industrial Investments Limited
4	Category/ Sub-category of the Company	Company Limited by shares/ Indian Non Government Company
5	Address of the Registered office & contact details	S 208, Ideal Plaza, 11/1, Sarat Bose Road, Kolkata- 700020
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Purva Sharegistry (India) Private Limited Unit No. 9, Shiv Shakti Ind. Estate, J.R. Boricha Marg Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai- 400011 Tel: 022-2301 6761/8261, Fax: 022-2301 2517 Email ID: busicomp@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Other financial service activities	649	55.58%
2	Rent Income	681	25.91%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
N.A					

IV. SHARE HOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	126,700	126,700	3.96%	-	126,700	126,700	3.96%	0.00%
b) Central Govt	-	-	-	-	-	-	-	-	0.00%
c) State Govt(s)	-	-	-	-	-	-	-	-	0.00%
d) Bodies Corp.	-	8,500	8,500	0.27%	-	8,500	8,500	0.27%	0.00%
e) Banks / FI	-	-	-	-	-	-	-	-	0.00%
f) Any other	-	-	-	-	-	-	-	-	0.00%
Sub Total (A) (1)	-	135,200	135,200	4.23%	-	135,200	135,200	4.23%	0.00%
(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 (A)	-	135,200	135,200	4.23%	-	135,200	135,200	4.23%	0.00%

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	0.00%
b) Banks / FI	-	-	-	-	-	-	-	-	0.00%
c) Central Govt	-	-	-	-	-	-	-	-	0.00%
d) State Govt(s)	-	-	-	-	-	-	-	-	0.00%
e) Venture Capital Funds	-	-	-	-	-	-	-	-	0.00%
f) Insurance	-	-	-	-	-	-	-	-	0.00%
g) FIs	-	-	-	-	-	-	-	-	0.00%
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	0.00%
i) Others (specify)	-	-	-	-	-	-	-	-	0.00%
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3,000,000	-	3,000,000	93.75%	3,000,000	-	3,000,000	93.75%	
ii) Overseas	-	-	-	-	-	-	-	-	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	41,700	41,700	1.30%	-	41,700	41,700	1.30%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	23,100	23,100	0.72%	-	23,100	23,100	0.72%	0.00%
c) Others (specify)	-	-	-	-	-	-	-	-	0.00%
Non Resident	-	-	-	-	-	-	-	-	0.00%
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	0.00%
Foreign Nationals	-	-	-	-	-	-	-	-	0.00%
Clearing Members	-	-	-	-	-	-	-	-	0.00%
Trusts	-	-	-	-	-	-	-	-	0.00%
Hindu Undivided Family	-	-	-	-	-	-	-	-	0.00%
Sub-total (B)(2):-	3,000,000	64,800	3,064,800	95.78%	3,000,000	64,800	3,064,800	95.78%	0.00%
Total Public (B)	3,000,000	64,800	3,064,800	95.78%	3,000,000	64,800	3,064,800	95.78%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total	3,000,000	200,000	3,200,000	100.00%	3,000,000	200,000	3,200,000	100.00%	0.00%

(ii) Shareholding of Promoters								
SI No.	ShareHolder's Name	ShareHolding at the beginning of the 31/03/2015			Shareholding at the end of the year 31/03/2016			% 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	SHREE SANDIP BAGRODIA	29450	0.92%	-	29450	0.92%	-	0.00%
2	SHREE SANT KUMAR BAGRODIA	23150	0.72%	-	23150	0.72%	-	0.00%
3	SAWAL RAM BAGRODIA (HUF)	20000	0.63%	-	20000	0.63%	-	0.00%
4	SHREE SANDEEP BAGRODIA	16300	0.51%	-	16300	0.51%	-	0.00%
5	SHREE SANDEEP BAGRODIA	12000	0.38%	-	12000	0.38%	-	0.00%
6	SHREE SANT KUMAR BAGRODIA	10700	0.33%	-	10700	0.33%	-	0.00%
7	MRS. SUNITA BAGRODIA	10450	0.33%	-	10450	0.33%	-	0.00%
8	SANDEEP(INDIA) LTD	8500	0.27%	-	8500	0.27%	-	0.00%
9	MRS. SEEMA BAGRODIA	4500	0.14%	-	4500	0.14%	-	0.00%
10	SAWAL RAM BAGRODIA	50	0.00%	-	50	0.00%	-	0.00%
11	SANT KUMAR BAGRODIA	50	0.00%	-	50	0.00%	-	0.00%
12	MRS. SAVITRI BAGRODIA	50	0.00%	-	50	0.00%	-	0.00%

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% change in share holding during the year
1	SHREE SANDIP BAGRODIA	29450	0.92		
	31/03/2016			29450	0.92
2	SHREE SANT KUMAR BAGRODIA	23150	0.72		
	31/03/2016			23150	0.72
3	SAWAL RAM BAGRODIA (HUF)	20000	0.62		
	31/03/2016			20000	0.62
4	SHREE SANDEEP BAGRODIA	16300	0.51		
	31/03/2016			16300	0.51
5	SHREE SANDEEP BAGRODIA	12000	0.38		
	31/03/2016			12000	0.38
6	SHREE SANT KUMAR BAGRODIA	10700	0.33		
	31/03/2016			10700	0.33
7	MRS. SUNITA BAGRODIA	10450	0.33		
	31/03/2016			10450	0.33
8	SANDEEP(INDIA) LTD	8500	0.27		
	31/03/2016			8500	0.27
9	MRS. SEEMA BAGRODIA	4500	0.14		
	31/03/2016			4500	0.14
10	SAWAL RAM BAGRODIA	50	0		
	31/03/2016			50	0
11	SANT KUMAR BAGRODIA	50	0		
	31/03/2016			50	0
12	MRS. SAVITRI BAGRODIA	50	0		
	31/03/2016			50	0

(iv). Shareholding Pattern of top ten Shareholders:							
SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Durgapur Construction Pvt. Ltd.						
	At the beginning of the year	01/04/2015		300,000	9.38%		
	Changes during the year			No change during the year			
	At the end of the year	31/03/2016				300,000	9.38%
2	Grant Suppliers (P) Ltd						
	At the beginning of the year	01/04/2015		300,000	9.38%		
	Changes during the year			No change during the year			
	At the end of the year	31/03/2016				300,000	9.38%
3	Mateswari Sales Pvt Ltd						
	At the beginning of the year	01/04/2015		300,000	9.38%		
	Changes during the year			No change during the year			
	At the end of the year	31/03/2016				300,000	9.38%
4	Devesh Commosale Pvt Ltd						
	At the beginning of the year	01/04/2015		250,000	7.81%		
	Changes during the year			No change during the year			
	At the end of the year	31/03/2016				250,000	7.81%
5	Wonderland Paper Suppliers Pvt. Ltd						
	At the beginning of the year	01/04/2015		200,000	6.25%		
	Changes during the year			No change during the year			
	At the end of the year	31/03/2016				200,000	6.25%
6	Anand Potato Cold Storage Pvt Ltd						
	At the beginning of the year	01/04/2015		150,000	4.69%		
	Changes during the year			No change during the year			
	At the end of the year	31/03/2016				150,000	4.69%
7	Bhagwat Marcom (P) Ltd						
	At the beginning of the year	01/04/2015		150,000	4.69%		
	Changes during the year			No change during the year			
	At the end of the year	31/03/2016				150,000	4.69%
8	Groundzero Vincorn (P) Ltd.						
	At the beginning of the year	01/04/2015		150,000	4.69%		
	Changes during the year			No change during the year			
	At the end of the year	31/03/2016				150,000	4.69%
9	Kamalraj Housing (P) Ltd						
	At the beginning of the year	01/04/2015		150,000	4.69%		
	Changes during the year			No change during the year			
	At the end of the year	31/03/2016				150,000	4.69%
10	Moonlight Vinimay Pvt Ltd						
	At the beginning of the year	01/04/2015		150,000	4.69%		
	Changes during the year			No change during the year			
	At the end of the year	31/03/2016				150,000	4.69%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Sunita Bagrodia						
	At the beginning of the year	01/04/2015		10,450	0.33%		
	Changes during the year			No change during the year			
	At the end of the year	31/03/2016				10,450	0.33%
2	Sandeep Bagrodia						
	At the beginning of the year	01/04/2015		57,500	1.80%		
	Changes during the year			No change during the year			
	At the end of the year	31/03/2016				57,500	1.80%

V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (in Rs)
	Name	Sandeep Bagrodia	
	Designation	Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	900,000	900,000
	(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	8,940	8,940
5	Others, please specify		-
	Total (A)	908,940	908,940

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors	Total Amount (Rs)
1	Independent Directors		
	Fee for attending 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		

There was no remuneration paid to the other Directors i.e Independent Directors and other Non-Executive Directors of the Company.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs)
		Name	Rajib Chakraborty	Jyoti Nahata	
	Designation	CEO	CFO	CS	
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	30,000	29,699	59,699
	(b) Value of perquisites u/s 17(2) Income-tax Act,	-	-	-	-
	(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	-	30,000	29,699	59,699

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)
There was no penalty, punishment and compounding of offences with respect to the company, its Directors and other officers.					

Date: 28th May, 2016

Place: Kolkata

For and on behalf of Board of Directors

Sd/-
Sandeep Bagrodia
Managing Director
DIN 00425649

Sd/-
Sunita Bagrodia
Director
DIN 00425561

Form No. MR-3
Secretarial Audit Report
(For The Financial Year Ended 31st March, 2016)

[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,
K.M. Industrial Investments Limited
S 208, Ideal Plaza,
11/1 Sarat Bose Road, Kolkata- 700020

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by K. M. INDUSTRIAL INVESTMENTS 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 and expressing my opinion thereon.

Based on our verification of the 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, I hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2016, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by The Company for the period ended on 31st March, 2016 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) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - 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;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. 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;
- (v) The Reserve Bank of India Act, 1934 and the rules, regulations and guidelines, the company being a Non- Banking Financial Company (NBFC).

I 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 the Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I 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.

Sd/-

Place: Kolkata
Date: 28.05.2016

Meenakshi Agarwal
CP NO: 8292

MANAGEMENT DISCUSSION AND ANALYSIS

Business Environment

Industry Overview, Risks and Concerns

K M Industrial Investments Limited is mainly engaged in Trading / Dealing in Shares as its principal business. **K M Industrial Investments Limited** is a Non Banking Financial Company, and adheres to all RBI Regulations & Rules.

The Company Invests in equities through the secondary markets and provides Loans & Advances to Corporate, Individuals etc.

Performance review

The management is pleased to report that company's business plan is progressing as per the management's satisfaction. Details shall be made at the appropriate time.

Cautionary Note

Certain statements in "Management Discussions and Analysis" section may be forward looking and are stated as required by law and regulations. Many factors, both external and internal, may affect the actual results which could be different from what the Directors envisage in terms of performance and outlook.

For and on behalf of the Board of Directors

**Sd/
Sandeep Bagrodia
Managing Director**

**Sd/-
Sunita Bagrodia
Director**

**Place: Kolkata
Date:28/05/2016**

MD & CFO CERTIFICATION

The Board of Directors
K M Industrial Investments Limited,
S 208, Ideal Plaza,
11/1 Sarat Bose Road, Kolkata- 700020

May 28, 2016

We, Sandeep Bagrodia, Managing Director (MD) and Rajib Chakraborty, Chief Financial Officer (CFO) of **K M Industrial Investments Limited** both certify to the Board that we have reviewed the financial statements and the cash flow statement of the Company for the Financial Year ended on 31st March, 2016 and to the best of our knowledge and belief, we certify that –

- a. 1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) 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.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2016, which is fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We hereby indicated to the auditors and the Audit committee,
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd/
Sandeep Bagrodia
Managing Director (MD)

Sd/
Rajib Chakraborty
Chief Financial Officer (CFO)

CERTIFICATE ON COMPLIANCE

To,
The Members of
K M Industrial Investments Limited

We have examined the compliance of conditions of Corporate Governance by **K M INDUSTRIAL INVESTMENTS LIMITED** for the year ended 31 March 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1st December, 2015 to 31st March, 2016.

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 of the conditions of the 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 the above mentioned Listing Agreement.

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

For S. M. DAGA & CO.

Chartered Accountants
Firm Registration No.303119E

Place: Kolkata
Date: 28th May, 2016

Sd/
Jeth Mal Daga
Partner
Membership No: - 52489

REPORT ON CORPORATE GOVERNANCE

OUR POLICY ON GOVERNANCE

The Company's philosophy of Corporate Governance is adopting highest standards of professionalism, honesty; integrity and ethical behavior to achieve business excellence and enhancing and maximizing shareholders value and protect the interest of stakeholders. The governance structure involves distribution of rights and responsibilities among different participants in the corporation (such as the board of directors, managers, shareholders, creditors, auditors, regulators, and other stakeholders).

BOARD OF DIRECTORS

The Board of Directors consists of professionals drawn from diverse fields, resulting in a wide range of skills and experience brought to the Board. The company has complied with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17(1) of Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 with respect to the composition of the Board i.e. combination of executive and non-executive directors with not less than fifty percent of the Board of Directors comprising of non-executive directors.

The Board of Directors duly met 5 (Five) times respectively on 26/05/2015, 31/07/2015, 12/08/2015, 06/11/2015, and 09/02/2016, in respect of which meetings proper Notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

The composition and category of directors, attendance of each Directorate the Board of Directors meetings during the financial year 2015-2016 and at the last Annual General Meeting is indicated below and other relevant details is as under:

Name	Category	Attendance		No. of other Directorships **	No. of Board Committees (other than K M INDUSTRIAL INVESTMENTS LTD)
		Board Meeting	Last AGM		
Sunita Bagrodia	Executive	5	Yes	1	2
Sandeep Bagrodia	Managing Director	5	Yes	1	1
N S Rajasekharan	Non-Executive Independent	5	Yes	Nil	Nil

	Director				
Avijit Banerjee	Non-Executive Independent Director	5	Yes	1	3

**Excluding directorship in, private companies, foreign companies and companies incorporated under Section 8 of the Companies Act, 2013

- 1) The Company did not have any pecuniary relationship and transaction with any of the Non- Executive Directors during the year under reference
- 2) All Independent Directors have confirmed that they meet the “independence” criteria as mentioned under Clause 49 of the Listing Agreement

Sunita Bagrodia retires by rotation at the forthcoming Annual General Meeting. She is eligible for re-appointment. Their particulars are enclosed as an Annexure to the Notice convening the ensuing Annual General Meeting.

✓ COMMITTEES OF THE BOARD

With an objective to have a more focused attention on various facets of business, better accountability and ensuring compliances, the Board has constituted under mentioned committees which complies with the requirements of the Companies Act, 2013 as well as SEBI (LODR) Regulations, 2015.

Audit Committee
Nomination and Remuneration Committee
Stakeholders Relationship Committee

Each of these Committees has been mandated to operate within a given framework.

AUDIT COMMITTEE

The Audit Committee consists of 3 members viz. N S Rajasekharan Nair, Sunita Bagrodia and Avijit Banerjee.

N S Rajasekharan Nair is the chairman of the Committee. The quorum for the Committee Meeting is two directors personally present.

The Audit Committee met four times during the year, i.e on 26/05/2015, 12/08/2015, 06/11/2015, and 09/02/2016.

Name	Category	No. of Meetings during the year 2015-16	
		Held	Attended
N S Rajasekharan Nair	Chairman & Independent Director	4	4

Sunita Bagrodia	Executive & Non Independent Director	4	4
Avijit Banerjee	Independent Director	4	4

Terms of Reference

This Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013, and Corporate Governance Norms (Regulation 18(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015).

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. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
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 and Auditor's Report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause I of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. 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;
7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of Internal Financial Controls and Risk Management Systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with Internal Auditors of any significant findings and follow up there on;
15. 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;
16. 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;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

STAKEHOLDERS RELATIONSHIP COMMITTEE

This Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013, and Corporate Governance Norms (Regulation 20(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015).

At present the Stakeholders Relationship Committee constitutes of 3 members viz. N S Rajasekharan Nair, Sandeep Bagrodia and Avijit Banerjee.

N S Rajasekharan Nair is the chairman of the Committee. The quorum for the Committee Meeting is two directors personally present.

The Committee met four times during the year, i.e on 26/05/2015, 12/08/2015, 06/11/2015, and 09/02/2016.

Name	Category	No. of Meetings during the year 2015-16	
		Held	Attended
N S Rajasekharan Nair	Chairman & Independent Director	4	4
Sandeep Bagrodia	Executive & Non Independent Director	4	4
Avijit Banerjee	Independent Director	4	4

Terms of Reference

The Committee monitors the Company's response to investor complaints. The Committee exercises the power to transfer of shares, non-receipt of dividend/notices/annual reports, etc

Name and designation of Compliance Officer:

Mr. Sandeep Bagrodia
S 208, Ideal Plaza,
11/1, Sarat Bose Road,
Kolkata- 700020
Tel.No. 033- 4003 5242
Email ID: info@kmil.com

Status Report of Investor Complaints for the year ended March 31, 2016

No of Complaints Received–Nil

No of Complaints Resolved–Nil

No of Complaints Pending– Nil

NOMINATION AND REMUNERATION COMMITTEE

This Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013, and Corporate Governance Norms (Regulation 19(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015).

At present the Nomination and Remuneration Committee constitutes of 3 members viz. N S Rajasekharan Nair, Sunita Bagrodia and Avijit Banerjee.

N S Rajasekharan Nair, Independent Director chairs the Committee Meeting. The quorum for the Committee Meeting is two directors personally present.

The Committee met twice during the year under reference i.e. on 31/07/2015 and 09/02/2016.

Name	Category	No. of Meetings during the year 2015-16	
		Held	Attended
N S Rajasekharan Nair	Chairman & Independent Director	2	2
Sunita Bagrodia	Executive & Non Independent Director	2	2
Avijit Banerjee	Independent Director	2	2

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are as follows:

1. Formulate the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
2. The Committee while formulating the policy will ensure that—
 - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
 - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
3. Formulation of criteria for evaluation of Independent Directors and the Board.
4. Devising a policy on Board diversity.
5. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and the Company shall disclose the Remuneration Policy and the evaluation criteria in its Annual Report.
6. Recommend & Review succession plans for Managing Director and approve succession plans for Senior Management
7. Such other matters as Board may from time to time request the Nomination and Remuneration Committee to examine and recommend / approve.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

In terms of Reg. 25(7) of the SEBI (LODR) Regulations, 2015 the Company is required to conduct the Familiarisation Programme for Independent Directors (IDs) to familiarise them about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various initiatives. The details of such familiarization programmes are available on the Company's website.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

Separate meeting of the Independent Directors was held as per the requirement of the Act and SEBI LODR Regulations, 2015. The Independent Directors reviewed the performance of the Board as a whole. The Directors also discussed about the Diversity of the Board.

REMUNERATION

During the year Rs. 9,00,000 was paid as managerial remuneration to Mr. Sandeep Bagrodia, Managing Director of the Company.

WHISTLE BLOWER POLICY (VIGIL MECHANISM)

The Company has established an effective Whistle Blower Policy and procedures for its directors and Employees to deal with instances of fraud and mismanagement, if any. The policy on Whistle Blower may be accessed on the Company's website

ANNUAL GENERAL MEETINGS:

The details of the Annual General Meetings held in the past three years and the special resolutions passed there are as follows:

Year	Date	Venue	Time	No of Special Resolution Passed
2012-13	16 th September, 2013	S 208, IDEAL PLAZA, 11/1 SARAT BOSE RD, KOLKATA - 700020	11.00 AM	-
2013-14	30 th September, 2014	S 208, IDEAL PLAZA, 11/1 SARAT BOSE RD, KOLKATA - 700020	11.00 AM	-
2014-15	30 th September, 2015	S 208, IDEAL PLAZA, 11/1 SARAT BOSE RD, KOLKATA - 700020	01.00 PM	-

No Postal Ballot was conducted during the financial year 2015-16.

DISCLOSURES

- i) There was no material individual transaction with related parties such as Promoter, Directors, Key Managerial Personnel, relatives or subsidiary that could have potential conflict of interest with the Company, during the year ended 31st March, 2016, except from those disclosed in the financial statements for the year ended March 31, 2016.
- ii) The Company follows the mandatory Accounting Standards prescribed by the Institute of Chartered Accountants of India and to the best of its knowledge there are no deviations in the accounting treatments that require specific disclosure.
- iii) The CEO/CFO certificate for the financial year ended March 31, 2016 is annexed hereto.

- iv) There have been no instances of non-compliance on any matter as regards the rules and regulations prescribed by the Securities and Exchange Board of India or any other statutory authority relating to capital markets during the years.
- v) The Company has a specific Whistle blower policy. A certificate from Auditor certifying the compliance by the Company with the provisions of Corporate Governance of the Listing Agreement is annexed hereto.
- vi) A qualified practicing Company Secretary conducted a Reconciliation of Share Capital Audit on quarterly basis reconciling the total Share Capital; all the shares are held in both physical and demat form.
- vii) The Internal Auditor regularly reviews and reports their audit findings to Audit Committee.
- viii) Pursuant to Regulation 40(9) of the SEBI Listing Regulations, 2015 with the Stock Exchange a Company Secretary-in Practice have issued certificates on half yearly basis, confirming due compliance of share transfer formalities by the Company.

MEANS OF COMMUNICATION

- (i) The Management Discussion and Analysis Report, in accordance with the SEBI (LODR) 2015 is annexed to the Directors' Report and forms part of this Annual Report being sent to all the members of the Company.
- (ii) The quarterly and annual yearly results were published in the newspaper. The results are also display on the website of the company.

GENERAL SHAREHOLDER INFORMATION

Date, time and venue of AGM	Monday 29th September, 2016 at 11:00 A.M. at the registered office of the Company.
Financial Year	1 st April, 2015 to 31 st March, 2016
Dates of Book Closure	September 23, 2016 to September 29, 2016 (Both the days inclusive)
Dividend Payment Date	Not Applicable

Financial Calendar Period	Board Meeting to approve quarterly financial results (Tentative Schedule)
First Quarter Results	-Mid August, 2016
Second Quarter Results	-Mid November, 2016
Third Quarter Results	-Mid February, 2017
Fourth Quarter & Annual Results	-End May, 2017

Listing on Stock Exchanges	The Calcutta Stock Exchange Limited
Listing Fees	Listing fees paid to the Calcutta Stock Exchange upto 31 st March, 2016.
Stock Code	CSE - 21096
Registered Office	S 208 IDEAL PLAZA, 11/1 SARAT BOSE RD, KOLKATA - 700020
Compliance officer & Contact Address	Sandeep Bagrodia S 208, Ideal Plaza, 11/1, Sarat Bose Road, Kolkata- 700020 Tel. No. 033- 4003 5242 Email ID: info@kmiil.com Website: www.kmiil.com

SHARE TRANSFER SYSTEM

Share transfers in physical form are processed by the Registrar and Transfer Agents, Purva Sharegistry (India) Pvt. Ltd and are approved by the Stakeholders Relationship Committee of the Company or the authorised signatories of the Company. Share transfers are registered and returned within 15 days from the date of lodgment if documents are complete in all respects. The depository system handles share transfers in dematerialised form.

Registrar and Transfer Agents:

Purva Sharegistry (India) Pvt. Ltd
9, Shiv Shakti Ind. Estt.
J.R. Boricha Marg
Lower Parel (E), Mumbai – 400011
Phone: 2301 6761/8261

Distribution of Shareholding as on March 31, 2016

Share holding of nominal value of	No. of shareholders	% of holders	Share (Amount)	% of Shareholding
Up to 5000	497	93.95%	150,700	0.47%
10,001 - 20,000	3	0.57%	48,300	0.15%
40,001 - 50,000	2	0.38%	95,000	0.30%

50,001 -1,00,000	3	0.57%	254,500	0.80%
1,00,001 and above	24	4.54%	31451500	98.29%
Total	529	100.00%	32,000,000	100.00%

Categories of Shareholders as at March 31, 2016

Sr. No	Description	No. of Shares	% to Capital
A.	Promoters & Promoters Group		
	- Individuals	1,26,700	3.96
	- Body Corporate	8,500	0.27
B.	Public Shareholding		
	-Institutions		
	Financial Institutions/Banks	Nil	Nil
	-Non-institutions		
	Body Corporate	30,00,000	93.75
	Individuals	64,800	2.03
	Total	3,200,000	100%

ADDRESS OF CORRESPONDENCE

Members may contact Mr. Sandeep Bagrodia Compliance Officer for all investor related matters at the registered office of the company at the following address:

K M INDUSTRIAL INVESTMENTS LTD

S 208, IDEAL PLAZA, 11/1 SARAT BOSE RD,

Kolkata- 700020

Tel. No. 033- 4003 5242

Email ID: info@kmil.com

Place - Kolkata

Date-28/05/2016

On behalf of the Board of Directors

Sd/-

SANDEEP BAGRODIA

Managing Director

DIN 00425649

DECLARATION

To,

The Members

K M INDUSTRIAL INVESTMENTS LTD

I, SANDEEP BAGRODIA, Managing Director & CEO of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the code of conduct.

K M INDUSTRIAL INVESTMENTS LTD

Sd/-

Sandeep Bagrodia

Chief Executive Officer

Place – Kolkata

Date: 28/05/2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF K.M. INDUSTRIAL INVESTMENTS LIMITED

Report on Financial Statements

We have audited the accompanying financial statements of **K.M. INDUSTRIAL INVESTMENTS LIMITED**, which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit & Loss, the Cash Flow Statement for the year ended on that date and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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, of the state of affairs of the company as at 31st March 2016; and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Companies (Auditors Report) order 2016 issued by Central government of India in terms of Sub Section(11) of Section 143 of the Act on the matters specified in paragraph 3 and 4 of the said order, we further report that-
 - i) a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) These fixed assets have been physically verified by the management and no discrepancies have been noticed between the book records and physical inventories.
 - c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.

- ii) The company has granted loan, secured or unsecured to companies, firm Limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act.
 - a) In our opinion and according to information and explanation given to us ,the terms and conditions of such loans granted are prima facie not prejudicial to the interest of the company.
 - b) In our opinion, repayments of loans are regular as per stipulation.
 - c) Clause (iii) (c) of the aforesaid order is not applicable.
- iii) According to records of the company examined by us and according to information and explanations given to us, in our opinion, the company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments , guarantee provided by it as applicable
- iv) The Company has not accepted deposits from the public within the provisions of section 73 to 76 or any other relevant provisions of the Companies Act 2013 and rules framed there under.
- v)
 - a) According to the records of the company examined by us and according to the information and explanations given to us, in our opinion the company has been regular in depositing undisputed statutory dues including Provident Fund, employees state insurance, income tax, sales tax, Service tax, duty of custom, duty of excise, value added tax, cess and any other material statutory dues as applicable with appropriate authorities.
 - b) According to the records of the company examined by us and according to information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax which have not been deposited on account of any dispute.
- vi) As per books and records maintained by the company and according to the information and explanations made available to us, the Company has not defaulted in repayment of any loan or borrowings to financial institutions, banks, Government or debenture holders.
- vii) During the course of our examination of the books of accounts carried out in accordance with the generally accepted auditing practices in India for the purpose of reporting the true and fair view of the financial statements, we have neither come across any incidence of fraud by the Company or on the company by its officers or employees noticed or reported during the year, nor have we been informed of any such case by the management.
- viii) The company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act 2013.

- ix) According to information and explanations given to us, all the transactions with related parties are in compliance with provisions of section 177 and section 188 of the Companies Act, 2013 wherever applicable. The details of related party transactions have been disclosed in financial statements as required under Accounting Standard (AS) 18, related party disclosure specified under section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rule, 2014.
 - x) In our opinion and according to information and explanations given to us, the Company has not entered into any non-cash transaction with its directors or persons connected with him. Accordingly the provision of clause 3(xv) of the order is not applicable.
 - xi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act,1934 and the same has been obtained. .
 - xii) Other items of the aforesaid order are not applicable to the company during the year under review.
- 2) As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With reference to adequacy of internal financial controls over financial reporting of the company and operating effectiveness of such control, refer to our separate report in Annexure “A”.

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

- i) The company does not have any pending litigations which would impact its financial position .
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company during the year ended 31st March, 2016.

For S. M. DAGA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No 303119E

11, Clive Row, Kolkata – 700001

Dated the 28th day of May, 2016

Sd/-

Partner

Membership No.052489

Annexure A to Independent Auditors' Report

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of **K.M. INDUSTRIAL INVESTMENTS LIMITED** on the standalone financial statements for the year ended 31st March, 2016.

Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of Section 143 of the Act.

1. We have audited the internal financial controls over financial reporting of **K.M. INDUSTRIAL INVESTMENTS LIMITED** (The Company) as at 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Controls

2. 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 Act.

Auditors' Responsibility

3. 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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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.

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

5. 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

6. 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

7. 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 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

8. 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 31st 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.

11, Clive Row, Kolkata – 700001

Dated the 28th day of May, 2016

For **S. M. DAGA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No 303119E

Sd/-
Partner
Membership No.052489

K.M. INDUSTRIAL INVESTMENTS LTD**Balance Sheet as at 31st March, 2016**

<u>Particulars</u>	Note No.	As at 31st March 2016				As at 31st March 2015			
		Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.
<u>EQUITY AND LIABILITIES</u>									
1. <u>SHAREHOLDERS' FUND</u>									
(a) Share Capital	2.1	32,000,000.00					32,000,000.00		
(b) Reserves and Surplus	2.2	<u>15,563,019.02</u>		47,563,019.02		<u>15,478,580.98</u>		47,478,580.98	
2. <u>CURRENT LIABILITIES</u>									
(a) Short Term Borrowings	2.3	450,000.00				677,000.00			
(b) Trade Payables	2.4	38,311.00				17,224.00			
(c) Short Term Provisions	2.5	685,040.00		1,173,351.00		1,564,160.00		2,258,384.00	
Total				<u>48,736,370.02</u>				<u>49,736,964.98</u>	
<u>ASSETS</u>									
1. <u>NON CURRENT ASSETS</u>									
(a) Fixed Assets	2.6	3,266,225.98				3,521,847.98			
(b) Non Current Investment	2.7	25,606,902.58				26,528,460.26			
(c) Long-Term Loans and Advances	2.8	<u>1,041,360.00</u>		29,914,488.56		<u>1,847,404.00</u>		31,897,712.24	
2. <u>CURRENT ASSETS</u>									
(a) Trade Receivables	2.9	-				25,103.51			
(b) Cash and Bank Balances	2.10	190,695.46				150,039.23			
(c) Short-term loans and advances	2.11	18,587,339.00				17,664,110.00			
(d) Other Current Assets	2.12	43,847.00				-			
				18,821,881.46		17,839,252.74			
Total				<u>48,736,370.02</u>				<u>49,736,964.98</u>	

Significant accounting policies

1

The notes are an integral part of Financial Statements

11, Clive Row, Kolkata -700 001.

Dated, The 28th Day of May, 2016.

As per our Report Annexed
For S. M. DAGA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.303119E

Sd/-
PARTNER
Membership No.52489

Sd/-
SANDEEP BAGRODIA
MANAGING DIRECTOR
Sd/-
SUNITA BAGRODIA
DIRECTOR
Sd/-
RAJIB CHAKRABORTY
CHIEF FINANCIAL OFFICER

K.M. INDUSTRIAL INVESTMENTS LTD

Statement of Profit & Loss for the year ended 31st March, 2016

<u>Particulars</u>	<u>Note No.</u>	<u>For the year ended 31st March 2016</u>		<u>For the year ended 31st March 2015</u>	
		<u>Rs</u>	<u>p.</u>	<u>Rs</u>	<u>p.</u>
REVENUE					
(a) Revenue from Operations :	2.13		2,445,178.01		905,965.48
(b) Other Income	2.14		1,954,218.93		1,387,401.74
Total revenue			<u>4,399,396.94</u>		<u>2,293,367.22</u>
EXPENSES					
(a) Employee Benefits Expense	2.15		1,239,434.00		880,624.00
(b) Depreciation			255,622.00		371,091.00
(c) Other Expenses	2.16		2,251,192.90		811,940.57
Total expenses			<u>3,746,248.90</u>		<u>2,063,655.57</u>
Profit before Tax			653,148.04		229,711.65
Tax expenses					
(a) Current tax		600,000.00		190,000.00	
(b) Tax adjustment for earlier years		<u>-31,290.00</u>	568,710.00	<u>38,711.00</u>	228,711.00
Profit for the year			<u>84,438.04</u>		<u>1,000.65</u>
Significant accounting policies			1		

The notes are an integral part of Financial Statements

<p>11, Clive Row, Kolkata -700 001.</p> <p>Dated, The 28th Day of May, 2016.</p>	<p>As per our Report Annexed For S. M. DAGA & CO. CHARTERED ACCOUNTANTS Firm Registration No.303119E</p> <p>Sd/- PARTNER Membership No.52489</p>	<p>Sd/- SANDEEP BAGRODIA MANAGING DIRECTOR</p> <p>Sd/- SUNITA BAGRODIA DIRECTOR</p> <p>Sd/- RAJIB CHAKRABORTY CHIEF FINANCIAL OFFICER</p>
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K. M. INDUSTRIAL INVESTMENTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	<u>FOR THE YEAR ENDED 31ST MARCH, 2016</u>	<u>FOR THE YEAR ENDED 31ST MARCH, 2015</u>
	<u>Rs.</u>	<u>Rs.</u>
A. <u>CASH FLOW FROM OPERATING ACTIVITIES:</u>		
Net Profit before tax and extra ordinary items	653,148	229,712
<u>Adjustment for :</u>		
Depreciation	255,622	371,091
Foreign Exchange	NIL	NIL
Profit on sale of Fixed Assets	0	5,598
Profit on sale of Investments	1,325,114	(144,151)
Interest & Dividend	(2,659,396)	(1,047,915)
Operating Profit before working capital changes	(425,512)	(585,665)
<u>Adjustment for :</u>		
Trade receivable	25,104	132,597
Long Term Loans & Advances	806,044	(97,894)
Short Term Loans & Advances	(923,229)	(14,452,034)
Other Current Assets	(43,847)	35,792
Short Term Provisions	40,880	---
Inventories	NIL	NIL
Trade Payable	21,087	(86,675)
Cash Generated From Operations	(499,473)	(15,053,879)
Interest Paid	NIL	NIL
Direct Taxes Paid	(1,488,710)	(58,711)
Cash Flow Before Extra Ordinary Items	(1,988,183)	(15,112,590)
Extra Ordinary Items	NIL	NIL
Net Cash Flow From Operating Activities	(1,988,183)	(15,112,590)
B. <u>CASH FLOW FROM INVESTING ACTIVITIES:</u>		
Purchase of Fixed Assets	---	---
Sale of Fixed Assets	NIL	NIL
Acquisition of companies	NIL	NIL
Purchase of Investment	(2,808,982)	(18,042,702)
Sale of Investments	2,405,425	1,962,858
Interest Received	2,445,178	905,965
Dividend	214,218	141,950
Net Cash Flow from Investing Activities	2,255,839	(15,031,929)

Contd..

K. M. INDUSTRIAL INVESTMENTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016(Contd.)

	FOR THE YEAR ENDED 31ST MARCH, 2016 Rs.	FOR THE YEAR ENDED 31ST MARCH, 2015 Rs.
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Short Term Borrowings	(227,000)	200,000
Proceeds from Issue of Share Capital	0	30,000,000
Proceed from Long Term Borrowings	NIL	NIL
Re - Payment of Finance Loan Liabilities	NIL	NIL
Dividend Paid	NIL	NIL
Net Cash used in Financing Activities	<u>(227,000)</u>	<u>30,200,000</u>
Net increase in cash and cash equivalents	(A+B+C) 40,656	55,481
Cash & Cash Equivalent (Opening Balance)	150,039	94,558
Cash & Cash Equivalent (Closing Balance)	<u>190,695</u>	<u>150,039</u>

11, Clive Row, Kolkata -700 001.

Dated, The 28th Day of May, 2016.

As per our Report Annexed
For S. M. DAGA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.303119E

Sd/-
PARTNER
Membership No.52489

Sd/-
SANDEEP BAGRODIA
MANAGING DIRECTOR

Sd/-
SUNITA BAGRODIA
DIRECTOR
Sd/-
RAJIB CHAKRABORTY
CHIEF FINANCIAL OFFICER

K. M. INDUSTRIAL INVESTMENTS LIMITED

Notes on accounts for the year ended 31st March 2016

NOTE - 1

SIGNIFICANT ACCOUNTING POLICIES:

a) **FIXED ASSETS**

Fixed Assets are stated at cost less Depreciation. Depreciation on Fixed Assets for the year has been provided on written down value method at the rates determined based on useful life of respective assets as prescribed in Schedule II of the Companies Act, 2013.

b) **INVESTMENTS**

Investments are stated at cost. Provision for diminution in value of investment is made if the same is otherwise than temporary in nature.

c) **RECOGNITION OF INCOME & EXPENDITURE**

Items of Income & Expenditure are accounted for on accrual basis unless otherwise stated.

d) **EMPLOYEE BENEFITS**

Short Term Employee Benefit :

The undiscounted amount of Short Term Employee Benefits expected to be paid in exchange of service rendered by employee is recognised on actual basis in the Profit & Loss Account in the year when the employee actually renders the service.

Post Employment Benefit :

No post employment benefits are payable to any employee.

e) **TAXATION**

Current Tax is determined on the basis of tax payable for the year under Income Tax Act. Deferred Tax is calculated at current rate and is recognised on timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

K.M. INDUSTRIAL INVESTMENTS LTD

Notes on accounts for the year ended 31st March 2016

	As at		As at	
	<u>31st Mar 2016</u>		<u>31st Mar 2015</u>	
	Rs.	P.	Rs.	P.
Note 2.1				
<u>SHARE CAPITAL</u>				
<u>Authorised:</u>				
35,00,000 Equity Shares of Rs.10/- each		35,000,000.00		35,000,000.00
<u>ISSUED, SUBSCRIBED & PAID - UP</u>				
32,00,000 Equity Shares of Rs.10/- each fully paid up in cash		32,000,000.00		32,000,000.00
a) No. of shares outstanding at the beginning of the year		3,200,000		200,000
Equity Shares allotted during the year		0		3,000,000
No. of Shares outstanding at the end of the year		3,200,000		3,200,000

b) The Company has only one class of issued shares i.e. Equity Shares having per value of Rs.10/- per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after payment of all preferential amounts in proportion to their share holding.

c) The company does not have any Holding Company /ultimate Holding Company

d) Details of shareholders holding more than 5% shares in the Company.

<u>Equity Shares of Rs.10/- each fully paid</u>	<u>No. of shares</u>	<u>No. of shares</u>
Sawal Ram Bagrodia	20,000	20,000
Sant Kumar Bagrodia	33,850	33,850
Sandeep Bagrodia	57,750	57,750
Grant Suppliers Private Ltd.	300,000	300,000
Durgapur Construction Private Ltd.	300,000	300,000
Mateswari Sales Private Ltd.	300,000	300,000
Devesh Commosale Private Ltd.	250,000	250,000
Multifold Plastic Marketing Private Ltd.	200,000	200,000

e) No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.as at the Balance Sheet date.

f) No Securities convertible into Equity/Preference Shares issued by the Company during the year.

K.M. INDUSTRIAL INVESTMENTS LTD

<u>Particulars</u>	As at		As at	
	<u>31st March 2016</u>		<u>31st March 2015</u>	
	Rs.	P.	Rs.	P.
<u>Note 2.2- Reserves and surplus</u>				
<u>Reserve Fund</u>				
Brought forward from last year	2,695,000.00		2,695,000.00	
Add: Transferred from Surplus	20,000.00		--	
	2,715,000.00		2,695,000.00	
<u>Surplus</u>				
Brought forward from last year	12,783,580.98		12,782,580.33	
Add: Transferred from statement of profit & loss	84,438.04		1,000.65	
	12,868,019.02		12,783,580.98	
Less : Amount transferred to Reserve Fund	20,000.00		--	
	12,848,019.02		12,783,580.98	
Total :	15,563,019.02		15,478,580.98	
<u>Note 2.3- Short Term Borrowings</u>				
Deposit from Parties	450,000.00		677,000.00	
Total	450,000.00		677,000.00	
<u>Note 2.4- Trade Payables</u>				
Payables	38,311.00		17,224.00	
Total	38,311.00		17,224.00	
<u>Note 2.5- Short Term Provisions</u>				
Provision for Taxation	600,000.00		1,520,000.00	
Income Tax Payable	38,572.00		-	
Contingent Provisions Against Standard Assets	46,468.00		44,160.00	
Total	685,040.00		1,564,160.00	

K.M. INDUSTRIAL INVESTMENTS LTD

Note 2.6- Fixed assets

Sl. No	Description of assets	Gross Block				Depreciation				Net Block												
		As at 31.03.2015		Addition		Deduction		As at 31.03.2016		Upto 31.03.2015		For the year		Adjustment during the year		Upto 31.03.2016		As at 31.03.2016		As at 31.03.2015		
		Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	
1	LAND	2,397,155.00		---		-		2,397,155.00		-				-						2,397,155.00		2,397,155.00
2	BUILDING	1,589,489.98		---		-		1,589,489.98		1,210,564.00		18,468.00		-		1,229,032.00				360,457.98		378,925.98
3	FURNITURE	1,500,000.00		---		-		1,500,000.00		754,233.00		237,154.00		-		991,387.00				508,613.00		745,767.00
	Total	5,486,644.98		---		-		5,486,644.98		1,964,797.00		255,622.00		-		2,220,419.00				3,266,225.98		3,521,847.98
	Previous Year	5,516,630.80		---		---		5,516,630.80		1,451,273.35		166,820.24		-		1,618,093.59				3,898,537.21		

K. M. INDUSTRIAL INVESTMENTS LIMITED

As At 31st
March, 2016
Rs. P.

As At 31st
March, 2015
Rs. P.

Note - 2.7

INVESTMENTS

Long Term other than trade

QUOTED (FULLY PAID - UP)

<u>Particulars</u>	<u>Face Value</u>	<u>Quantity</u>	<u>Amount</u>	<u>Quantity</u>	<u>Amount</u>
A. SHARES					
Aditya Birla Nuvo Ltd.	10	213	198,398.92	213	198,398.92
CESC Ltd.	10	83	755.40	83	755.40
EIH Ltd.	2	344	24,810.75	344	24,810.75
Enkay Projects Ltd.	10	50	500.00	50	500.00
Garwire Shipping Corpn. Ltd.	10	500	8,400.00	500	8,400.00
Glaxo India Ltd.	10	350	154,263.00	350	154,263.00
Tata Investments Ltd.	10	1,950	300,584.15	1,950	300,584.15
Gati Ltd.	2	1,000	96,301.00	1,000	96,301.00
Indian Hotels Ltd.	1	2,407	292,815.17	2,407	292,815.17
Sterlite Technologies Ltd.	2	1,000	114,190.00	1,000	114,190.00
K.C. Textile Ltd.	10	50	500.00	50	500.00
MIPCO Seamless Rings (Co.) Ltd.	10	25	250.00	25	250.00
Sandeep (I) Ltd.	10	21300	117,294.50	21300	117,294.50
TISCO Ltd.	10	1665	473,398.85	1665	473,398.85
S.S. Organics Ltd.	10	1000	30,750.00	1000	30,750.00
Swastic Vinayak Synthetic	1	10000	10,000.00	10000	10,000.00
Tata Davy Ltd.	10	50	1,525.00	50	1,525.00
Unit Trust Of India (Master Shares)	10	6679	108,537.00	6679	108,537.00
Winsome Breweries Ltd.	10	-	-	4300	43,000.00
Bank of Maharashtra	10	-	-	4000	279,979.62
Dena Bank	10	-	-	300	43,109.00
Fortis Healthcare Ltd.	10	1000	170,609.96	1000	170,609.96
Kesar Enterprises Ltd.	10	-	-	9300	575,820.10
Tantia Construction Ltd.	10	-	-	1000	129,497.10
Uflex Ltd.	10	1000	283,428.72	1000	283,428.72
Unitech Ltd.	2	1000	84,688.00	1000	84,688.00
United Phosphorus Ltd.	2	500	104,357.00	500	104,357.00
Govind Rubber Ltd.	10	3000	75,460.00	3000	75,460.00
J. M. Financial	1	2000	34,363.00	2000	34,363.00
NMDC	1	400	64,495.74	400	64,495.74
			<u>2,750,676.16</u>		<u>3,822,081.98</u>

Contd...

K. M. INDUSTRIAL INVESTMENTS LIMITED

Note - 2.7

INVESTMENTS (Contd.)

Long Term other than trade

QUOTED (FULLY PAID - UP)

		<u>As At 31st</u>		<u>As At 31st</u>	
		<u>March, 2016</u>		<u>March, 2015</u>	
		<u>Rs.</u>	<u>P.</u>	<u>Rs.</u>	<u>P.</u>
	B/F...		2,750,676.16		3,822,081.98
Century Textile Ltd.	10	500	245,899.00	200	73,437.00
Gas Authority of India Ltd.	10	750	112,485.00	750	112,485.00
Bombay Dyeing & Mfg. Ltd.	2	2000	172,063.61	2000	172,063.61
Tata Tele Services Ltd.	10	3400	54,140.03	3400	54,140.03
ITC Ltd.	1	3320	344,516.08	3320	344,516.08
J K Cement Ltd.	10	800	144,169.44	1300	144,169.44
NTPC Ltd.	10	2400	417,382.67	1900	417,382.67
Viceroy Hotel Ltd.	10	-	-	2000	204,562.40
J.K.Lakshmi Cement Ltd.	5	1000	75,763.00	1000	75,763.00
Bellary Steel Ltd.	1	45000	135,647.15	45000	135,647.15
IFCI Ltd.	10	1000	96,039.36	1000	96,039.36
NOCIL Ltd.	10	1000	37,089.56	1000	37,089.56
Western India Shipyard Ltd.	2	-	-	5000	170,242.55
Development Credit Bank	10	2000	157,593.00	2000	157,593.00
Hindustan Oil Exploration Ltd.	10	-	-	600	233,664.63
NIIT Ltd.	2	1000	73,203.00	1000	73,203.00
Upper Ganges Sugar Ltd.	10	-	-	2600	221,073.39
Electrosteel Steels Ltd.	10	50000	500,000.00	50000	500,000.00
Ashok Leyland Ltd.	1	1,500	78,179.00	1000	36,379.00
Finotex Chemicals Ltd.	10	10000	1,341,084.82	10000	1,341,084.82
Mysore Bank Ltd.	10	50	29,037.00	50	29,037.00
State Bank of Travankore	10	10	6,071.00	10	6,071.00
Supreme Infrastructure India Ltd.	10	48950	12,732,983.20	48950	12,732,983.20
TVS Motor Ltd.	1	500	111,392.00	500	111,392.00
Vakrangee Ltd.	1	-	-	8150	1,024,585.39
Balrampur Chini		3000	284,922.00	-	-
Bharat Forge		650	639,658.50	-	-
Britania Ltd.		100	296,555.00	-	-
Dhampur Sugar		5000	327,383.00	-	-
IDFC		1000	66,287.00	-	-
Oudh Sugar		4500	240,373.00	-	-
Schneider Infra			85,303.00	-	-
			<u>21,555,895.58</u>		<u>22,326,686.26</u>
 <u>B. CORPORATE BOND</u>					
NTPC Ltd. (Bonus Bond)	12.5	2400	---	---	---
			---	---	---
 <u>C. MUTUAL FUND UNITS :</u>					
Osian Art Fund		10000	800,000.00	10000	800,000.00
 <u>D. UNQUOTED</u>					
Aditya Birla Private Equity Fund I	100	10000	751,007.00	10000	901,774.00
Aditya Birla Real Estate Fund I	100000	25	2,500,000.00	25	2,500,000.00
			<u>3,251,007.00</u>		<u>3,401,774.00</u>
GRAND TOTAL : (A + B + C+ D)			<u>25,606,902.58</u>		<u>26,528,460.26</u>
Aggregate Market Value of Quoted Investments			<u>20,655,981.24</u>		<u>6,548,386.03</u>
NAV of Mutual Fund Units					

K.M. INDUSTRIAL INVESTMENTS LTD

Particulars	As at		As at	
	31st March 2016		31st March 2015	
	Rs.	P.	Rs.	P.
Note 2.8- Long Term Loans & Advances				
(Unsecured considered good)				
Security deposit		298,575.00		298,575.00
Payment of Income Tax		672,785.00		1,548,829.00
Service Tax		70,000.00		--
Total		1,041,360.00		1,847,404.00

Note 2.9- Trade Receivables

(Unsecured, considered good)				
Debts outstanding for a period within six months from due date		-		25,103.51
Total		-		25,103.51

Note 2.10- Cash & Bank Balances

Cash & Cash Equivalent				
Balances with bank		152,170.98		110,765.75
Cash on hand (As certified by Management)		38,524.48		38,273.48
Other balances:				
Dividend Account		-		1,000.00
Total		190,695.46		150,039.23

Note 2.11- Short Term Loans & Advances

(Unsecured, considered good)				
<u>Loans</u>				
To Sundry Parties		18,587,339.00		17,664,110.00
Total		18,587,339.00		17,664,110.00

Note 2.12- Other Current Assets

Interest Receivable		43,847.00		-
		43,847.00		-

K.M. INDUSTRIAL INVESTMENTS LTD

Particulars	For the period ended		For the year ended	
	31st March 2016		31st March 2015	
	Rs.	P.	Rs.	P.
Note 2.13- Revenue from Operations				
Interest	2,445,178.01		905,965.48	
Total	2,445,178.01		905,965.48	
Note 2.14- Other income				
Hire charges	600,000.00		600,000.00	
Dividend received from long term investments	214,218.93		141,950.65	
Profit on sale of Investment (Long term - Investment)		-	144,151.09	
Rent (net)	1,140,000.00		501,300.00	
Total	1,954,218.93		1,387,401.74	
Note 2.15- Employee benefits expenses				
Salaries and bonus	289,199.00		107,781.00	
Director's Remuneration	900,000.00		720,000.00	
Staff Welfare Expenses	50,235.00		52,843.00	
Total	1,239,434.00		880,624.00	
Note 2.16- Other expenses				
Rates and Taxes	30,885.00		14,850.00	
Securities Transaction Tax	4,643.00		18,538.00	
Repairs & Maintenance	24,637.00		37,790.00	
Bank Charges	16,379.17		31,580.27	
Contingent provision against Standard Assets	2,308.00		35,792.00	
Travelling Expenses	62,194.00		62,408.00	
Auditor's Remuneration				
- As Audit Fees	17,250.00		16,854.00	
Telephone Charges	14,461.81		17,706.79	
Listing Fees	28,090.00		143,200.00	
Filing Fees	22,200.00		254,574.00	
Printing & Stationery	1,639.00		1,590.00	
Legal & Professional Charges	538,544.00		22,538.00	
Postage & Telegram	2,343.00		1,202.00	
Miscellaneous Expenses	113,978.20		64,563.00	
Fixed Assets discarded		-	5,598.23	
Brokerage		-	25,000.00	
Loss on sale of investments	1,325,114.72		-	
Custodian Fees	31,655.00		-	
Loss in Share Dealings	861.00		2,917.00	
Advertisement	9,420.00		3,552.00	
Maintenance charges	4,590.00		51,687.28	
Total	2,251,192.90		811,940.57	

K.M. INDUSTRIAL INVESTMENTS LTD

2.17 In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value state, in the ordinary course of business unless otherwise stated. The provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.

2.18 <u>Earning Per Share</u>	<u>31.03.2016</u>	<u>31.03.2015</u>
Net Profit after Tax (Rs.)	84438.04	1000.65
No. of Equity Shares	3200000	3200000
Basic & Diluted Earning per share (Rs.)	0.02	0.01

2.19 Disclosure pertaining to Micro, Small & Medium Enterprises (As per information available with the Company).

<u>Sl.No.</u>	<u>Particulars</u>	<u>31.03.2016</u>	<u>31.03.2015</u>
1	Principal amount due outstanding	--	--
2	Interest due on (1) above and unpaid	--	--
3	Interest paid to the supplier	--	--
4	Payments made to the supplier beyond the appointed day during the year.	--	--
5	Interest due and payable for the period of delay.	--	--
6	Interest accrued and remaining unpaid	--	--
7	Amount of further interest remaining due and payable in succeeding year.	--	--

2.20 Information about business segments (Identified on the basis of risk & return)

<u>Particulars</u>	<u>Year</u>	<u>Rent & allied services</u>		<u>Investing activities</u>		<u>Total</u>	
		Rs.	P.	Rs.	P.	Rs.	P.
SEGMENT REVENUE							
Sales (Including gain on sale of investments)	2015-16	1,740,000		2,659,397		4,399,397	
	2014-15	1,101,300		1,192,067		2,293,367	
Segment Expenses (Including Depreciation)	2015-16	255,623		1,332,927		1,588,550	
	2014-15	371,091		57,247		371,091	
Segment Results (Profit after considering other income and before taxation)	2015-16	1,484,377		1,326,470		2,810,847	
	2014-15	692,406		1,134,820		1,827,226	
Other Unallocated Expenses (net of Income)	2015-16					2,157,699	
	2014-15					1,635,318	
Profit before Tax	2015-16					653,148	
	2014-15					229,712	
Segment Assets	2015-16	3,869,344		44,194,241		48,063,585	
	2014-15	3,994,462		44,193,674		48,188,136	
Unallocated Assets	2015-16					672,785	
	2014-15					1,548,829	
Total Assets	2015-16					48,736,370	
	2014-15					49,736,965	
Segment Liabilities	2015-16	526,883		46,468		573,351	
	2014-15	694,224		44,160		694,224	
Unallocated Liabilities	2015-16					600,000	
	2014-15					1,520,000	
Total Liabilities	2015-16					1,173,351	
	2014-15					2,258,384	

K. M. INDUSTRIAL INVESTMENTS LIMITED

2.21 Related party disclosure :

- a) Key Management Personnel :
i) Sandeep Bagrodia (Managing Director)
ii) Sunita Bagrodia (Director)
iii) Rajib Chakraborty (CFO)

b) Transaction with Key Management personnel	<u>31.03.2016</u>	<u>31.03.2015</u>
<u>Remuneration</u>	Rs.	Rs.
Sandeep Bagrodia	900,000.00	720,000.00
Jyoti Nahata	29,699.00	59,781.00
Rajib Chakraborty	30,000.00	0.00
<u>Other Benefits</u>		
Sandeep Bagrodia	8,940.00	52,843.00

2.23 Figures of the previous year re - arranged or re - grouped wherever found necessary to make them comparable with current year figures.

11, Clive Row, Kolkata -700 001.

Dated, The 28th Day of May,2016.

As per our Report Annexed
For S. M. DAGA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.303119E

Sd/-
PARTNER
Membership No.52489

Sd/-
SANDEEP BAGRODIA
MANAGING DIRECTOR
Sd/-
SUNITA BAGRODIA
DIRECTOR
Sd/-
RAJIB CHAKRABORTY
CHIEF FINANCIAL OFFICER

K M INDUSTRIAL INVESTMENTS LIMITED

Regd. Office: 19/C, Sarat Bose Road

Kolkata- 700 020

Ph: 033-40035242

Email id: info@kmiil.com, Website: www.kmiil.com

CIN: L67120WB1981PLC033287

ATTENDANCE SLIP	Folio/DP ID & Client ID No.:
I/We hereby record my/our presence at the 35 th Annual General Meeting of the Company to be held on Thursday, 29 th September, 2016 at 11.00 A.M at its registered office at 19C, Sarat Bose Road , Kolkata- 700 020, West Bengal	Name :
	Address :
	Joint holders Name :
	Shares

.....
Name of Proxy (in BLOCK LETTERS)

Signature of Shareholder/Proxy Present

Notes: Members/Proxy holders who wish to attend the Annual General Meeting (AGM) must bring their Admission Slips to the AGM and hand over the same duly signed at the entrance. Duplicate Admission Slips will not be issued at the venue.

ELECTRONIC VOTING PARTICULARS

EVEN (E-voting Event Number)	USER ID	PERMANENT ACCOUNT NUMBER (PAN)
105009		

Please read instructions given in the Notice of the Annual General Meeting carefully before voting electronically.

The e-Voting facility will be available during the following voting period:

Commencement of e-voting: From <Monday, 26.09.2016 at 9.00 AM >

End of e-Voting: Up to <Wednesday, 28.09.2016 at 5.00 PM >

K M INDUSTRIAL INVESTMENTS LIMITED

Regd. Office: 19/C, Sarat Bose Road

Kolkata- 700 020

Ph: 033-40035242

Email id: info@kmil.com, Website: www.kmil.com CIN: L67120WB1981PLC033287

PROXY FORM

MGT-11

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

Name of the shareholder:

Registered address:

E-mail ID:

Folio No. / Client ID:

DP ID:

I / we, being the shareholder(s) of shares of the above named company, hereby appoint

Name _____ Address _____

Email Id _____ Signature _____ or failing him

Name _____ Address _____

Email Id _____ Signature _____ or failing him

Name _____ Address _____

Email Id _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on Thursday, 29th September, 2016 at 11.00 AM at its registered office at 19/C, Sarat Bose Road, Kolkata- 700 020 West Bengal and at any adjournment thereof in respect of such resolutions as are indicated below.

Resolution No.	Resolutions	Optional	
		For	Against
1.	To receive, consider and adopt the Balance Sheet as on 31st March 2016, the Audited Profit and Loss Account for the year ended 31st March 2016 and the Report of the Board of Directors and the Auditors Report thereon		
2.	The Board decided not to declare any dividend for the Financial Year ended 31 st March, 2016.		
3.	To appoint a Director in place of Mrs. Sunita Bagrodia (DIN: 00425561), who retires by rotation and being eligible, offers herself for reappointment.		
4.	To approve the appointment of M/s Bagrodia K and Co., Chartered Accountants as Statutory Auditor of the company.		

Signed this day of 2016

Member's Folio /DP ID & Client ID No.

Signature of Shareholder(s).....

Signature of Proxy holder (s)

Affix 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.