

VELOX INDUSTRIES LIMITED

ANNUAL REPORT 2016-17

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian Economy seemed set to revive and consumer spending seemed poised to make a strong comeback. The favourable tailwinds notwithstanding, consumer sentiments remained low for most part of the first half of the financial year 2016-17. Consumption started to witness an uptrend with the festive season in the third quarter of the fiscal. However, this positive trend was interrupted as the government announced demonetization of high value bank notes on 8th November 2016 to curtail the shadow economy and crack down on the use of illicit and counterfeit cash to fund illegal activity and terrorism. The cancellation of 86% of the currency in circulation led to acute liquidity squeeze in the economy which resulted in a severe impact on consumption and trade, pushing demand into a downward spiral. The sudden nature of the announcement— and the prolonged cash shortages in the weeks that followed — created significant disruption throughout the economy for over three months.

OPPORTUNITIES AND THREATS

The year 2016-17 started on a positive note with India emerging as the fastest growing major economy in the world. The International Monetary Fund (IMF), in its Regional Economic Outlook for Asia and the Pacific at the beginning of the year, retained its growth forecast for India at 7.5%, largely driven by private consumption even as weak exports and sluggish credit growth weighed on the economy.

The above-normal monsoon in 2016 after three successive years of deficient rainfall, retail inflation falling to a six-month low and factory output improving after a quarter of decline brought hope of a recovery in demand and consumption.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company has not undertaken any major operational activities during the year.

OUTLOOK

With the vast opportunity available in the agriculture sector in India , your company is expected to start operations in the agriculture items in the coming years.

RISKS AND CONCERN

Generic competition, less margins is a concern. Regulatory constraints pose a threat. The Management is fully acquainted with these risks and concerns associated with the industry and continue to address them from time to time as required.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate internal control system commensurate with its size and complexity. The Internal Financial Control System of the Company is being regularly monitored by the Internal as well as external expert teams, including the Internal Auditor. Any deficiency in the controls is viewed seriously and corrective actions are taken to avoid repetition.

The financial statements are prepared in conformity with the established Accounting Standards and Principles.

FINANCIAL PERFORMANCE AND ANALYSIS

The Company has not undertaken any major activities during the year.

HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

The Company encourages the employees to upgrade their knowledge and skills. The training sessions on various working parameters are conducted in routine apart from allowing employees for outside specialized training, wherever required.

ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and as referred to in Section 133 of the Companies Act, 2013.

Statements in "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions are forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. The actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, finished goods prices, raw materials cost and availability, foreign exchange market movements, changes in Governmental regulations and tax structure, economic and political developments within India and the countries with which the Company has business. Therefore, the Company assumes no responsibility in respect of forward looking statements herein which may undergo change in future on the basis of subsequent developments, information or events.

VELOX INDUSTRIES LIMITED

(formerly Known as Khatau Exim Limited)

Regd. Office: The Submit Business Bay, 102-03, Level-1, Service Road,
Western Express Highway, Viley Parle (East), Mumbai - 400 052
Ph: 022-42288300, 08146995909 Email: khataueximltd@gmail.com

CIN No.L15122MH1983PLC029364

NOTICE

Notice is hereby given that the 34th Annual General Meeting of the Company will be held on Thursday, the 28th day of September, 2017 at 11.30 a.m. at Registered Office of the Company situated at The Submit Business Bay, 102-103, Level-1, Service Road, Western Express Highway, Viley Parle, East Mumbai, Maharashtra to transact the following business:

ORDINARY BUSINESS:

1. To Receive, Consider and adopt audited Balance Sheet as at 31st March, 2017, Statement of Profit and Loss for the year ended on that date and Directors' and Auditors' Report thereupon.
2. To appoint a Director in place of Sh. Sanjiv Jain (DIN No. 0201190), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To consider and, if fit, to pass with or without modification(s), the following resolution as Ordinary Resolution: -

"RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, M/s P. Shah & Co. , Chartered Accountants (Firm Registration No. 109710W) be and are hereby appointed as Statutory Auditors of the Company (in place of M/s A.F. Khasgiwala & Co., Chartered Accountants, the retiring Statutory Auditors), for a term of five consecutive years to hold office from the conclusion of this 34th Annual General Meeting until the conclusion of 39th Annual general Meeting to be held in calendar year 2022, subject to annual ratification by members at every Annual General Meeting on such remuneration as may be decided by the Audit Committee/Board of Directors.

SPECIAL BUSINESS: -

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of SEBI (LODR) regulations, 2015, Ms. Rashi Dewan (DIN: 00906699), an Additional Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Woman Director of the Company, to hold office for a term of five years w.e.f. 6th July, 2017."

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions of the Companies Act, 2013 ('Act') read with Rule Nos. 11 and 13 the Companies (Meeting of Board and its Powers) Rules, 2014, including any statutory modification(s), amendments or re-enactment thereof, the

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Articles of Association of the Company, other applicable laws, approvals, consents, sanctions and permissions, as may be necessary, consent and approval of the Company be and is hereby accorded to the Board of Directors ('the Board', which term shall be deemed to mean and include any Committee constituted by the Board) to grant loans and/or provide guarantees/securities and/or make investments for amounts exceeding 60% of the paid-up share capital, free reserves and securities premium account or 100% of free reserves and securities premium account but not exceeding Rs. 10 Crores (Rupees Ten Crores), over and above the aggregate of free reserves and securities premium account of the Company at any point of time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to negotiate and decide, from time to time, terms and conditions, to execute such documents, deeds, writings, papers and agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate and settle any questions, difficulty or doubt that may arise in this regard for the purpose of giving effect to this Resolution."

For VELOX INDUSTRIES LIMITED
(Formerly Khatau Exim Limited)

Sd/-
(SANJIV JAIN)
CHAIRMAN

PLACE: Mumbai

DATE: 04.09.2017

NOTES: -

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item No. 3 to 5 is annexed hereto. Relevant details, in terms of SEBI (LODR) Regulations, 2015, in respect of Director retiring by rotation and proposed to be re-appointed and other Directors proposed to be appointed are disclosed in the explanatory statement annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. A blank Proxy Form is enclosed with this notice and if intended to be used, the form duly completed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Annual General Meeting. Proxies submitted on behalf of Companies, Societies etc. must be supported by appropriate resolution/ authority as applicable.
4. The Members/ Proxies attending the meeting are requested to bring the enclosed Attendance Slip and deliver the same after filling in their folio number at the entrance of the meeting hall. Admission to the Annual General Meeting venue will be allowed only on verification of the signature(s) on the Attendance Slip.
5. Duplicate attendance slip shall not be issued at the Annual General Meeting venue. The same shall be issued at the Registered Office of the Company up to a day preceding the day of the Annual General Meeting.
6. Corporate Members are requested to send a duly certified copy of the Board resolution/ Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.

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7. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. As a measure of economy, copies of the Annual Report will not be distributed at the venue of the Annual General Meeting. The Members are, therefore requested to bring their copies of the Annual Report to the meeting. Those members who have not received copies of Annual Report can collect their copies from the Corporate/ Registered Office of the Company.
9. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2017 to 28th September, 2017, both days inclusive.
10. The members are requested to inform changes, if any, in their Registered Address along with Pin Code Number to the Company at the Registered Office address.
11. Members desirous of seeking any information relating to the Accounts of the Company may write to the Company at the Registered Office address for the attention of Mr. Sanjiv Jain, Director, at least seven days in advance of the Meeting so that requisite information can be made available at the Meeting.
12. Electronic copy of the Annual Report and Notice of the 34th Annual General Meeting of the Company along with Attendance Slip and Proxy Form and instructions for e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice of the 34th Annual General Meeting of the Company along with Attendance Slip, Proxy Form and instructions for e-voting is being sent in the permitted mode.
13. In terms of section 107 and 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the Company is providing the facility to its Members holding shares in physical and dematerialized form as on the cut off date 21st September, 2017 to exercise their right to vote by electronic means on any or all of the business specified in the accompanying notice. Necessary information and instructions for e-voting is also enclosed.

THE INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER:

- (i) The voting period begins on 25th September, 2017 (9.00 a.m.) and ends on 27th September, 2017 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "COMPANY NAME – Velox Industries Limited" from the drop down menu and click on "SUBMIT"
- (v) Now enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

FOR MEMBERS HOLDING SHARES IN DEMAT FORM AND PHYSICAL FORM

PAN

Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field.
- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter A00000100 in the PAN field. DOB Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details

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Enter the Dividend Bank Details as recorded in your Bank demat account or in the company records for the said Details demat account or folio.

• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

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

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

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

(xii) Click on the EVSN of Velox Industries Limited which is provided in the e-voting document.

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

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

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

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

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

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

(xix) Note for Institutional Shareholders & Custodians:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

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

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and evoting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

13. Members who have not registered their e-mail address so far are requested to register their email addresses for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

Place: Mumbai

Date: 04.09.2017

For VELOX INDUSTRIES LIMITED
(formerly Khatau Exim Limited)

Sd/-

(SANJIV JAIN)

CHAIRMAN

VELOX INDUSTRIES LIMITED

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EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

In terms of the provisions of Section 139 of the Act, no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. The Act further prescribes that the Company has to comply with these provisions within the period specified under Section 96(1) of the Act, after three years from the date of commencement of the Act.

M/s A.F. Khasgiwala & Co., Chartered Accountants, (ICAI Firm Registration No. 105114W) have completed their term as per the provisions of the Act, the Company has to appoint a new Auditor in their place. Accordingly, Board of Directors at their meeting held on 4th September, 2017 have, subject to approval of shareholders in the forthcoming AGM, approved the appointment of M/s P. Shah & Co., Chartered Accountants (Firm Registration No. 109710W) as the Statutory Auditors of the Company in place of M/s A.F. Khasgiwala & Co. for a period of 5 years, to hold office from the conclusion of this 34th AGM till the conclusion of the 39th AGM to be held in the year 2022, subject to ratification by the members at every AGM, if so required under the Act.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 3 of the Notice.

The Board commends the Ordinary Resolution as set out at Item No. 3 of the Notice for approval by the Members.

Item No. 4

Ms. Rashi Dewan was appointed as an Additional Director w.e.f. 6th July, 2017. Her appointment is proposed for a term of five years from 6th July, 2017 to 5th July, 2022.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member along with the requisite deposit signifying its intention to propose the candidature of Ms. Rashi Dewan for the office of Independent Director of the Company. The Company has also received declaration from Ms. Rashi Dewan that she meets the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and also under of the SEBI (LODR) Regulations, 2015. Further, she has also confirmed that she is not disqualified from being appointed as Director under Section 164 of the said Act.

In the opinion of the Board, Ms. Rashi Dewan meets the criteria of independence as provided in the Section 149 read with Schedule IV of the Act for such appointment.

Brief resume of the Director, nature of their expertise in specific functional areas and names of companies in which she holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors interse as stipulated as required under Regulation 36 of SEBI (LODR) Regulations is appended below: -

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Name of Director	Ms. Rashi Dewan
Age	39 years
Nationality	Indian
Date of Appointment	6 th July, 2017
Shareholding in the Company	Nil
Qualifications	Graduate
Expertise in specific Functional Area	-
Directorships held in other listed companies / Chairmanships or Memberships of Committees in other listed Companies	Nil
Relationship inter-se between Directors	Nil
DIN	00906699

Keeping in view her expertise and knowledge, it will be in the interest of the Company that Ms. Rashi Dewan is appointed as Independent Woman Director.

A copy of the draft letter of appointment to be issued to the Appointee for appointment as an Independent Director setting out the terms and conditions shall be kept open for inspection by the Members at the Registered Office of the Company during usual business hours viz. 10.00 AM to 5.00 PM on any working day till the date of the Annual General Meeting. This Statement may also be regarded as a disclosure under the SEBI (LODR) Regulations, 2015.

Except for Ms. Rashi Dewan, her relatives who may be deemed to be interested in the respective resolution at item no. 4 of the Notice as it concerns her appointment as Independent Director, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Item No. 5

Pursuant to the provisions of Section 186(2) of the Companies Act, 2013 ('Act'), the Company shall not directly or indirectly: -

- (a) give any loan to any person or other body corporate;
- (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher.

Pursuant to the provisions of Section 186(3) of the 'Act', where the giving of any loan or guarantee or providing any security or the acquisition of securities exceeds the limits specified in Section 186(2) of the 'Act', prior approval by means of a Special Resolution passed at a General Meeting is necessary. In terms of Rule No.11(1) of the Companies (Meeting of Board and its Powers) Rules ('Rules'), where a loan or guarantee is given or security has been provided by a company to its wholly-owned subsidiary or a joint venture, or

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acquisition is made by a holding company, by way of subscription of securities of its wholly-owned subsidiary, the requirement of Section 186(3) of the 'Act' shall not apply, however it will be included for the purpose of overall limit.

In the normal course of business, the Company may be required to give loans or guarantees or make investments in excess of the limits specified in Section 186(2) of the 'Act'. Accordingly, it is proposed to seek prior approval of Members vide an enabling Resolution to provide Loans, Guarantees and Make Investments upto a sum of Rs. 10 crores over and above the aggregate of free reserves and securities premium account of the Company at any point of time. None of the Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, whether financially or otherwise, concerned or interested, in the said resolution.

The Board of Directors recommend the Special Resolution as set out at Item No. 5 of the Notice for approval by the members.

Details of Director Seeking Re-appointment at the forthcoming Annual General Meeting of the Company (pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015)

Name of Director	Mr. Sanjiv Jain
Age	60 years
Nationality	Indian
Date of Appointment	14.02.2012
Shareholding in the Company	Nil
Qualifications	Graduate
Expertise in specific Functional Area	-
Directorships held in other listed companies / Chairmanships or Memberships of Committees in other listed Companies	Nil
Relationship inter-se between Directors	Nil
DIN	0201190

For VELOX INDUSTRIES LIMITED
(formerly Khatau Exim Limited)

Sd/-
(SANJIV JAIN)
CHAIRMAN

Place: Mumbai
Date: 04.09.2017

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ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholders may obtain additional Slip at the Venue of the meeting.

DP Id*		Folio No.	
Client Id*		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

Please register/ update my/ our under mentioned E-mail ID for sending all future Company's correspondence:

E-mail ID.....

Shareholder(s) Signature.....

I hereby record my presence at the 34th ANNUAL GENERAL MEETING of the Company held on Thursday, 28th September, 2017 at 11:30 AM at the Registered Office of the company i.e. The Submit Business Bay, 102-103, Level-1, Service Road, Western Express Highway, Villy Parle, East Mumbai 400 052, Maharashtra .

*Applicable for investor holding shares in electronic form.

Signature of Shareholder / Proxy

ADMISSION AT THE ANNUAL GENERAL MEETING VENUE WILL BE ALLOWED ONLY ON VERIFICATION OF THE MEMBERSHIP DETAILS AND SIGNATURES ON THE ATTENDANCE SLIP.

PROXY FORM

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

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Name of the member(s):		e-mail Id:	
Registered address:		Folio No/*Client Id:	
		*DP Id:	

I/We, being the member(s) of ----- shares of Velox Industries Limited, hereby appoint:

1).....of.....having e-mail id.....or failing him

2).....of.....having e-mail id.....or failing him

3).....of.....having e-mail id.....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th ANNUAL GENERAL MEETING of the Company held on Thursday, 28th September, 2017 at 11:30 AM at the Registered Office of the company i.e. The Submit Business Bay, 102-103, Level-1, Service Road, Western Express Highway, Villy Parle, East Mumbai 400 052, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions
	Ordinary Business
1.	Receive, consider and adopt the financial statements of the Company for the year ended 31 st March, 2017 and the report of the Auditor and Directors thereon.
2.	Re-appointment of Mr. Sanjiv Jain, Director who retires by rotation
3.	Appointment of Auditor and fixing their Remuneration.
	Special Business
4.	Appointment of Ms. Rashi Dewan as Independent Woman Director
5.	Approval of Higher Limits for making/granting Loans/Investments or Guarantees.

Signed this.....day of2017

Signature of shareholder

Affix
Rs.1.00
Revenue
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

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.

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DIRECTORS' REPORT

To,

Dear Shareowners,

Your Directors have great pleasure in presenting the Annual Report together with audited statement of accounts for the financial year ended 31st March, 2017.

FINANCIAL SUMMARY/STATE OF AFFAIRS

(Amount in Rs.)

Particulars:	Financial Year Ended 31st March, 2017	Financial Year Ended 31st March 2016
Income from operations	-	-
Other Income	-	1,194
Less : Expenses	4,94,543	3,96,554
Net Profit (+) / Loss (-)	(4,94,543)	(3,95,475)

During the financial year 2016-17, the Company has not conducted any major business activity.

DIRECTORS

In terms of the Companies Act, 2013 ('Act') Independent Directors are required to be excluded while computing the number of Directors to retire by rotation. Accordingly only the promoter directors have been considered for calculating the number of those who are to retire by rotation.

Sh. Sanjiv Jain, Director of the company is retiring by rotation at the forthcoming annual general meeting and being eligible offers himself for re-appointment. The Board recommends his reappointment.

Ms. Veena Dadwal ceased to be a Director of the Company w.e.f. 8th April, 2017 due to resignation. Ms. Rashi Dewan was appointed as an Independent Woman Director for a period of Five years w.e.f. 6th July, 2017. The Board has proposed appointment of Ms. Rashi Dewan for approval of shareholders in the ensuing AGM

The Company has received statements of declarations from the Independent Directors pursuant to Section 149 (6) of the Companies Act, 2013.

CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES

The equity shares of the company are listed at the BSE Limited, Mumbai and the Annual Listing fee for the financial year 2016-17 has been paid to the Stock Exchange within prescribed time.

During the year under review, no new shares were issued.

VELOX INDUSTRIES LIMITED

(formerly Known as Khatau Exim Limited)

Regd. Office: The Submit Business Bay, 102-03, Level-1, Service Road,
Western Express Highway, Viley Parle (East), Mumbai - 400 052
Ph: 022-42288300, 08146995909 Email: veloxindustriesltd@gmail.com

CIN No.L15122MH1983PLC029364

STATUTORY AUDITORS

Under Section 139 of the Companies Act, 2013 and the rules made there under, it is mandatory to rotate the Statutory Auditors on completion of the maximum term permitted under the said section. The Audit Committee of the Company has proposed, and on September 4, 2017, the Board of Directors of the Company has recommended the Appointment of M/s P. Shah & Co, Chartered Accountants (Firm Reg. No. 109710W) as the Statutory Auditors of the Company. M/s P. Shah & Co. will hold office for a period of Five Consecutive years from the conclusion of the 34th Annual general Meeting, till the conclusion of the 39th Annual General Meeting of the Company to be held in the year 2022, subject to the approval of the shareholders of the Company. The first year of Audit will be the Financial Statements for the Financial Year 2017-18.

STATUTORY AUDITORS REPORT

The Report of Statutory Auditors for the Financial Year 2016-17 is self-explanatory and does not require any explanation from the Board.

SECRETARIAL AUDITORS AND THEIR REPORT

The Secretarial Audit Report in the prescribed form MR- 3 is attached as `Annexure 1` and forms part of this report. There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report for the financial year 2016-17 which call for any explanation from the Board of Directors.

INTERNAL AUDITORS

The Internal Audit Department of the Company performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

MEETINGS OF BOARD

During the year, The Board of Directors met ten times on 21.05.2016, 12.08.2016, 24.08.2016, 29.08.2016, 15.09.2016, 26.09.2016, 03.10.2017, 14.11.2016, 24.01.2017 and 25.03.2017.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92 (3) of the Companies Act, 2013, extract of the Annual Return in Form MGT-9 is given in `Annexure 2` to this Report.

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PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to the provisions of Section 134(3)(g) of the Companies Act, 2013 (Act), particulars of loans/guarantees/ investments/securities given under Section 186 of the Act are given in the notes to the Financial Statements forming part of the Annual Report..

AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Board has constituted an Audit Committee to perform the functions as prescribed under the said section with two Independent Directors and one Non-Executive Director as the members of the Committee.

NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178 (1) of the Companies Act, the Company has constituted a committee under the name Nomination and Remuneration Committee to perform the functions as specified under the said section.

The Nomination and Remuneration committee has laid down the criteria as specified under Section 178 (3) of the Act and also carried out evaluation of every Director's performance.

RISK MANAGEMENT POLICY

The Company has developed a Risk Management Policy as per the provisions of the Companies Act, 2013 which is implemented and periodically reviewed by the Board of Directors.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to the company.

EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to applicable provisions of the Companies Act, 2013, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, *inter-alia*, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

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The performance evaluation of all the Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires.

The Directors expressed their satisfaction with the evaluation process.

VIGIL MECHANISM/WHISTLEBLOWER POLICY

In compliance with the provisions of Section 177(9) of the Companies Act 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, your Company has in place a 'Whistleblower Policy,' which provides an opportunity to the directors and employees to raise concerns about unethical and improper practices or any other wrongful conduct in or in relation to the Company. The Whistle- Blower Protection Policy aims to:

- Allow and encourage stakeholders to bring to the management notice concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies.
- Ensure timely and consistent organizational response.
- Build and strengthen a culture of transparency and trust.
- Provide protection against victimization.

The Audit Committee periodically reviews the existence and functioning of the mechanism. It reviews the status of complaints received under this policy on a quarterly basis. The Committee has, in its Report, affirmed that no personnel have been denied access to the Audit Committee.

RELATED PARTY TRANSACTIONS

During the year under review, there were no contracts or arrangements with any related parties as referred to in sub-section (1) of Section 188 of the Companies Act.

PARTICULARS OF REMUNERATION OF DIRECTORS

The Company has not paid any remuneration to any Director during the year.

CONSERVATION OF ENERGY, TECHNOLOGY, ADOPTION & FOREIGN EXCHANGE EARNING & OUTGO

Since the Company has not been carrying out any type of commercial activity during the year, there is no information relating to the conservation of the energy and Technology Adoption. There are no foreign exchange earnings or outgo by the Company.

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DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) that proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report as required under SEBI (LODR) Regulations, 2015 forms part of the Annual Report.

DIVIDEND

In the absence of adequate profits during the year under consideration, your directors express their inability to declare any dividend on shares.

RESERVES

Since company has not declared any dividend so no amount is to be transferred to any reserve.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business during the year under review.

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MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There is no order passed by the regulators or courts or tribunals that impact Company's affairs.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

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

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

The company does not have any subsidiary, joint venture or associate company.

DEPOSITS

The Company has not accepted any deposits from public during the year under review.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude to the Employees, Shareholders, Customers and Suppliers, for their support and cooperation during the year under review.

**By Order of Board of Directors
For VELOX INDUSTRIES LIMITED**

**Place: Mumbai
Date: 04.09.2017**

**Sd/-
(SANJIV JAIN)
CHAIRMAN**

VISHAL ARORA

B.COM. F.C.S., M.F.C. PGDIPR

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 No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

TO
THE MEMBERS,
VELOX INDUSTRIES LIMITED

I have conducted the Secretarial Audit of the compliance of applicable Statutory provisions and the adherence to good corporate practices by **VELOX INDUSTRIES LIMITED**. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **VELOX INDUSTRIES LIMITED** 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 my opinion, the company has, during the audit period covering the Financial Year ended on 31st March, 2017 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 **VELOX INDUSTRIES LIMITED** ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

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

1. Secretarial Standards issued by the institute of company secretaries of India.
2. The listing agreement and Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Bombay Stock Exchange Limited (BSE).

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations and Guidelines mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under

VISHAL ARORA

B.COM. F.C.S., M.F.C. PGDIPR

review are carried out in compliance with the provisions of the Act. The Company has complied with section 203 of Companies Act 2013 in relation to the appointment of KMP for the relevant financial year under review.

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

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

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.

PLACE: CHANDIGARH

DATE: 04/09/2017

(VISHAL ARORA)
COMPANY SECRETARY
FCS NO. 4566
CP NO.3645
"Annexure -A"

TO
THE MEMBERS,
VELOX INDUSTRIES LIMITED

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

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records, based on my audit.
2. I have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Whenever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws. Rules, regulations, standards are the responsibility of the management. My examination was limited to the extent of verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

PLACE: CHANDIGARH

DATE: 04/09/2017

--SD--
(VISHAL ARORA)
COMPANY SECRETARY
FCS NO. 4566
CP NO.3645

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

As on the financial year ended on 31st March, 2017
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L15122MH1983PLC029364
ii)	Registration Date	21/02/1983
iii)	Name of the Company	VELOX INDUSTRIES LIMITED (formerly Khatau Exim Ltd.)
iv)	Category / Sub-Category of the Company	Company having Share Capital
v)	Address of the Registered office and contact details	The Submit Business Bay,102-103, Level-1 Service Road, Western Express Highway, Viley Parle, East Mumbai, Maharashtra Tele:- +91-022-42288300 Email: khataueximltd@gmail.com
vi)	Whether listed company	Yes (Listed at BSE)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Alankit Assignments Ltd. 205-208 Anarkali Extension Jhandewalan Extension, New Delhi- 110055 Tel:- +91-11-42541965 Fax:- +91-11-41540064 E-mail: info@alankit.com Website: www.alankit.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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ services	% to Total turnover of the company
1	Foods and Beverages	101-110	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S.NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN/UIN	HOLDING/SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Zeus Trading Enterprise Pte. Ltd	-	Holding	68.61	2 (46)

(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIIs									
(h) Foreign Venture Capital Funds									
(i) Others (specify)									
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non Institutions									
a) Bodies Corp.									
i) Indian	-	27525	27525	11.05	-	27525	27525	11.05	Nil
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	19025	19025	7.64	-	19025	19025	7.64	Nil
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	31600	31600	12.70	-	31600	31600	12.70	Nil
c) Others (specify) Custodians/Clearing Members NRIs									
Sub-total (B)(2):-	-	78150	78150	31.38	-	78150	78150	31.38	Nil
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	78150	78150	31.38	-	78150	78150	31.38	Nil
C. Shares held by Custodian for GDRs & ADRs									
Grand total (A+B+C)	-	249000	249000	100	-	249000	249000	100	Nil

ii) Shareholding of Promoters

SL No	Shareholder Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of shares pledged /encunberred to total shares	No. of Shares	% of total Shares of the company	% of shares pledged /encunberred to total shares	
1	Zeus Trading Enterprise Pte. Ltd	170850	68.61	Nil	170850	68.61	Nil	Nil
	Total	170850	68.61	-	170850	68.61	-	-

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

Sl. No.	Name of the Promoter	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Zeus Trading Enterprise Pte. Ltd				
	At the beginning of the year	170850	68.61	170850	68.61
	Change during the year	Nil	Nil	Nil	Nil
	At the end of the year	170850	68.61	170850	68.61

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shukdev Finvest Private Limited	27,525	11.05	27,525	11.05
2.	Shalika Malhotra	10,700	4.30	10,700	4.30
3.	Lakshya kumar	10,500	4.22	10,500	4.22
4.	Meetu Singla	10,400	4.18	10,400	4.18
5.	Neha Verma	5150	2.07	5150	2.07
6.	Parminder Singh	2400	0.96	2400	0.96
7.	Harish bhimbraw	2400	0.96	2400	0.96
8.	Ravi Dewan	2400	0.96	2400	0.96

9.	Vijay Chandla	2300	0.92	2300	0.92
10.	Sachin Chhadawa	2250	0.90	2250	0.90

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Sanjiv Jain				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Change during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
2	Mr. Vijay Kumar Bhutna				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Change during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
3	Mr. Mehul Chandrakant Mehta				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Change during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
4	Ms. Veena Dadwal*				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Change during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
5	Mr. Lalit Goyal				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Change during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL
6	Mr. Gourav Kapoor				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Change during the year	NIL	NIL	NIL	NIL
	At the end of the year	NIL	NIL	NIL	NIL

*ceased to be a Director w.e.f. 08.04.2017 due to resignation

V. INDEBTEDNESS

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

	Secured loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	Nil	30,00,000	Nil	30,00,000
(ii) Interest due but not paid	Nil	Nil	Nil	Nil
(iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
(i) Principal Amount	Nil	30,00,000	Nil	30,00,000
ii) Interest due but not paid	Nil	Nil	Nil	Nil
(iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (I + II+ III)	Nil	30,00,000	Nil	30,00,000

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Remuneration
		Vijay Kumar Bhutna	
1.	Gross salary	Nil	Nil
	(a) Salary as per Provisions contained in section 17(1) of the Income tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil

	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961		
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil
5.	Others, please specify	Nil	Nil
	Total (A)	Nil	Nil
	Ceiling as per the Act	-	-

*ceased to be a Director w.e.f. 08.04.2017 due to resignation

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Veena Dadwal*	Mehul C Mehta		
	3. Independent Directors	Nil	Nil	-	Nil
	· Fee for attending board/ committee meetings				
	· Commission	Nil	Nil	-	Nil
	· Others, please specify	Nil	Nil	-	Nil
	Total (1)	Nil	Nil	-	Nil
	4. Other Non-Executive Directors	-	-	Sanjiv Jain	
	· Fee for attending board/ committee meetings				
	· Commission	-	-	Nil	Nil
	· Others, please specify	-	-	Nil	Nil
	Total (2)	-	-	Nil	Nil
	Total (B)=(1+2)	-	-	Nil	Nil
	Total Managerial Remuneration	-	-	Nil	Nil
	Overall Ceiling as per the Act	-	-	Nil	Nil

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

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company secretary	CFO	Total

1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	Nil	Nil	Nil
2	Stock Option	-	Nil	Nil	Nil
3	Sweat Equity	-	Nil	Nil	Nil
4	Commission - as % of profit - others, specify	-	Nil	Nil	Nil
5	Others, please specify	-	Nil	Nil	Nil
	Total	-	Nil	Nil	Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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



A. F. KHASGIWALA & CO.

CHARTERED ACCOUNTANTS

3/307, Rewa Chambers,
31, New Marine Lines,
Mumbai - 400 020.

Telefax : 2200 4167

Resi. : 2380 1118

Mobile : 9820601030

E-mail : a.f_khasgiwala@yahoo.co.in

a.fkhasgiwala@gmail.com

Independent Auditor's Report

To,
The Members of
Velox Industries Ltd.
(formerly known as Khatau Exim Ltd.)

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Velox Industries Limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

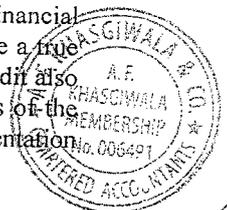
Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.



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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

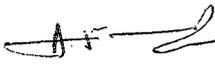
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
 - (e) on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (e) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial.



- ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
- iv. the Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For A.F.KHASGIWALA & CO.
Firm Registration No.; 105114W
Chartered Accountants


A.F. Khasgiwala.
Partner
(Membership No. 006491)



Place: Mumbai,
Dated : 30/05/2017



A. F. KHASGIWALA & CO.

CHARTERED ACCOUNTANTS

3/307, Rewa Chambers,
31, New Marine Lines,
Mumbai - 400 020.

Telefax : 2200 4167

Resi. : 2380 1118

Mobile : 9820601030

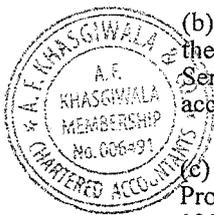
E-mail : a.f_khasgiwala@yahoo.co.in

a.fkhasgiwala@gmail.com

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) There has been no inventory at any point of time during the year, hence items (a), (b) and (c) of clause 3 (ii) of the Order not applicable .
- (iii) The Company has granted loans to two bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company
 - (b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
 - (c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues, including Provident Fund, , Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, VAT, Cess or any other material statutory dues, as applicable, with the appropriate authorities in India ;
(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Sales Tax , Wealth Tax, Service Tax, Customs Duty, Excise Duty, VAT or Cess which have not been deposited on account of any dispute.
- (c) The Company is not required to transfer any sums to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956(1 of 1956) and rules made thereunder , so there is the question of delay in transferring such sums does not arise .
- (viii) The accumulated losses of the Company at the end of year are not less than 50% of its net worth. The Company has incurred cash losses in the current financial year and had not incurred cash losses in the immediately preceding financial year.
- (ix) Based on our audit procedures and the information given by the management, we report that the Company has not raised any term loans during the year



- (x) In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution during the year.
- (xi) Based on our audit procedures and the information given by the management, we report that the Company has not raised any term loans during the year
- (xii) During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, no fraud on or by the Company has been noticed or reported during the year in the course of our audit .

For A.F.KHASGIWALA & CO.
Firm Registration No.; 105114W
Chartered Accountants



A.F. Khasgiwala.
Partner
(Membership No. 006491)



Place: Mumbai,
Dated : 30/05/2017



A. F. KHASGIWALA & CO.
CHARTERED ACCOUNTANTS

3/307, Rewa Chambers,
31, New Marine Lines,
Mumbai - 400 020.

Telefax : 2200 4167
Resi. : 2380 1118
Mobile : 9820601030
E-mail : a.f_khasgiwala@yahoo.co.in
a.fkhasgiwala@gmail.com

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Velox Industries Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A.F.KHASGIWALA & CO.
Firm Registration No.; 105114W
Chartered Accountants



A.F. Khasgiwala.
Partner
(Membership No. 006491)



Place: Mumbai,
Dated : 30/05/2017

VELOX INDUSTRIES LTD. (FORMERLY KNOWN AS KHATAU EXIM LIMITED)

BALANCE SHEET AS AT PERIOD ENDED 31, MARCH 2017

PARTICULARS	Note No.	As at 31.03.2017 (Rs.)	As at 31.03.2016 (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
a) Share Capital	I	2490000	2490000
b) Reserves & Surplus	II	(1740759)	(1246216)
c) Money received against share warrants		-	-
(2) Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deffered Tax Liabilities(Net)		-	-
(c) Other Long term liabilities		-	-
(3) Current Liabilities			
(a) Short term Borrowings	III	3000000	3000000
(b) Trade Payable	IV	28461009	28082567
(c) Other current liabilities	V	25000	16854
(d) Short term Provisions		-	-
TOTAL		32235250	32343205
II. ASSETS			
Non-Current Assets			
(1) (a) Fixed Assets			
(i) Tangible Assets		-	-
(ii) Intangible Assets		-	-
(iii) Capital work in Progress		-	-
(iv) Intangible Assets under Dervelopment		-	-
Accumulated depreciation		-	-
Net Block	TOTAL	-	-
(b) Non-Current investment	VI	44278	44278
(c) Long-term loans & advances	VII	15000000	-
(d) Long term loans & advances		-	-
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investment		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and Cash equivalents	VIII	13989770	29127841
(e) Short-term loans and advances	IX	3201202	3171086
(f) Other Current Assets		-	-
TOTAL		32235250	32343205

Significant Accounting Policies XI

For A.F. Khasgiwala & Co.
Firm Regn. No.105114W
Chartered Accountants

For Velox Industries Limited
(formerly Khatau Exim Limited)

(A.F. Khasgiwala)
Partner
Membership No.006491



Sa f f o s
Director

Vijay Chandra
Director

Place: Mumbai
Date: 30/05/2017

For VELOX INDUSTRIES LIMITED

For VELOX INDUSTRIES LIMITED

Aut L
Chief Financial Officer

[Signature]
Company Secretary

VELOX INDUSTRIES LTD. (FORMERLY KNOWN AS KHATAU EXIM LIMITED)

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED AS ON 31.03.2017

	Note No.	Year Ended 31.03.17 (Rs.)	Year Ended 31.03.2016 (Rs.)
Other Income		-	1,194
Total Revenue		-	1,194
EXPENSES			
Financial Cost	X	-	115
Other expenses	XI	494,543	396,554
TOTAL-B		494,543	396,669
Profit before exceptional & extraordinary items & Tax		(494,543)	(395,475)
Exceptional items			
Previous Year Income		-	-
Previous Year Expenses		-	-
Profit before extraordinary items and Tax		(494,543)	(395,475)
Extra ordinary Items:			
(a) Reversal of Previous year Provision		-	-
Profit before Tax		(494,543)	(395,475)
TAX EXPENSES:			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
Profit (Loss) for the period from continuing Operation		(494,543)	(395,475)
Earnings per equity share:			
(1)Basic		(1.99)	(1.59)
(2)Diluted		(1.99)	(1.59)

For A.F. Khasgiwala & Co.

Firm Regn. No.105114W

Chartered Accountants

(A.F. Khasgiwala)

Partner

Membership No.006491

Place: Mumbai

Date: 30/05/2017



For Velox Industries Limited

(formerly Khatau Exim Limited)

Director

For Velox Industries Limited

(formerly Khatau Exim Limited)

Director

For VELOX INDUSTRIES LIMITED

For VELOX INDUSTRIES LIMITED

Chief Financial Officer

Company Secretary

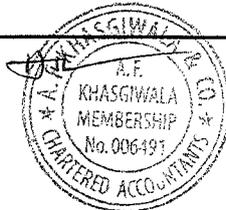
**NOTES FORMING PART OF BALANCE SHEET
AND STATEMENT OF PROFIT AND LOSS**

PARTICULARS	As at 31.03.2017	As at 31.03.2016
	(Rs.)	(Rs.)
Note No. I		
SHARE CAPITAL		
a) Authorised		
10 00,000 Equity Shares of Rs.10/- each (Previous Year 10,00,000 Equity Shares of Rs.10/- Each)	10000000	10000000
	<u>10000000</u>	<u>10000000</u>
b) Issued, Subscribed & Paid Up		
Balance as per Last Balance Sheet:	2490000	2490000
Addition during the year Nil (Previous Year NIL)		-
2,49,000 (Previous Year 2,49,000) Equity Shares of Rs.10/-each fully called up and paid up.		
	<u>2490000</u>	<u>2490000</u>
Shareholders holding more than 5% shares		
M/s Zeus Trading Enterprise Pte Ltd., Singapore	170850 (68.61%)	170850 (68.61%)
M/s Shukdev Finvest Private Limited	27525 (11.05%)	27525 (11.05%)
NOTE NO II		
RESERVES & SURPLUS		
(a) General Reserve		
As per Last Balance Sheet	60	60
Add: Transfer during the year	-	-
(b) Profit & Loss Account		
As per Last Balance Sheet	(1,246,276)	(850,801)
Add: Transfer from Profit & Loss Account	(494,543)	(395,475)
	<u>(1,740,759)</u>	<u>(1,246,216)</u>

For VELOX INDUSTRIES LIMITED

Jayant H

Chief Financial Officer



For VELOX INDUSTRIES LIMITED

[Signature]
Company Secretary

Santosh E

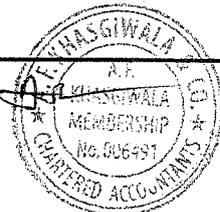
Vijay Kulkarni

**NOTES FORMING PART OF BALANCE SHEET
AND PROFIT AND LOSS ACCOUNT**

PARTICULARS	AS AT	AS AT
	31.03.2017	31.03.2016
	Rs.	Rs.
CURRENT LIABILITIES		
Note No. III		
a) Short term Borrowings		
Unsecured		
- Others	3,000,000	3,000,000
TOTAL	3,000,000	3,000,000
Note No. IV		
b) Trade Payable:		
Total outstanding dues to small scale Industrial undertakings	79,033	50,591
Total outstanding dues to other undertakings	28,381,976	28,031,976
TOTAL	28,461,009	28,082,567
Note No. V		
Other Current Liabilities:		
Audit Fee Payable	25,000	16,854
TDS Payable	-	-
TOTAL	25,000	16,854
Note No. VI		
Non-Current Assets		
Non-Current investment:		
Investment in Equity Instruments (Quoted)		
PAL CREDIT & CAPITAL LTD., (No. of Shares 2600, Face Value Rs. 10/-) (Market Value Rs.2.34/- per share) valuing to Rs.6,084/-	44,278	44,278
TOTAL	44,278	44,278
Note No-VII		
Long Term Loans & Advances (Unsecured but Considered Good)		
(a) Capital Advances		
- Others	15,000,000	-
TOTAL	15,000,000	-

FOR VELOX INDUSTRIES LIMITED

Chief Financial Officer



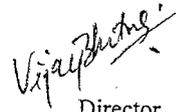
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Santosh S.

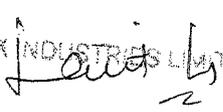
Vijaykumar

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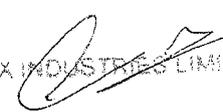
FOR VELOX INDUSTRIES LIMITED

Note No. VIII		
Cash and Cash equivalents		
Cash balance in hand	13,940,367	28,960,367
Bank balances with Scheduled Banks :	49,403	167,474
TOTAL	13,989,770	29,127,841
Note No. IX		
Short-term loans and advances		
(a) Advances to other parties	3,043,525	3,046,325
(b) Rent Security	15,000	15,000
(c) TDS Receivable	-	-
(d) Advance Service Tax	11,654	36,779
(e) Service Tax Receivable	58,041	-
(f) Mat Credit Entitlement	72,982	72,982
TOTAL	3,201,202	3,171,086
For A.F. Khasgiwala & Co.		
Firm Regn. No.105114W	For Velox Industries Limited	For Velox Industries Limited
Chartered Accountants	(formerly Khatau Exim Limited)	(formerly Khatau Exim Limited)
		
(A.F. Khasgiwala)	Director	Director
Partner		
Membership No.006491		
Place: Mumbai		
Date: 30/05/2017		



For VELOX INDUSTRIES LIMITED


Chief Financial Officer

For VELOX INDUSTRIES LIMITED


Company Secretary

	As at 31.03.17 (Rs.)	As at 31.03.2016 (Rs.)
Note No.-X		
FINANCE COST		
Bank Charges & Others	-	115
Commission & Brokerage		
Forex Fluctuations-Expenses (gain)		
TOTAL	-	115
Note No -XI		
OTHER EXPENSES		
ADMINISTRATIVE & OTHER EXPENSES		
Audit Fees	25,000	8,427
--Certification Fees	-	-
Rent	100,000	130,000
Rate fee & Taxes	260,128	207,984
Commision & Brokerage	-	-
Legal & Professional Charges	57,905	26,000
Printing & Stationary	-	-
Directors Fees	-	-
Travelling & Conveyance	20,000	-
Balance written off	-	3
Misc. Office Exp.	-	-
Staff Salary	-	-
TOTAL	463,033	372,414
SELLING & DISTRIBUTION EXPENSES		
Advertisement & Publicity	31,510	24,140
TOTAL	31,510	24,140
For A.F. Khasgiwala & Co. Firm Regn. No.105114W Chartered Accountants		
<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p>(A.F. Khasgiwala) Partner Mambership No.006491</p> <p>Place: Mumbai Date: 30/05/2017</p> </div> <div style="width: 30%; text-align: center;">  </div> <div style="width: 30%;"> <p>For Velox Industries Limited (formerly Khatau Exim Limited)</p> <p style="text-align: center;"><i>Sa. J. S.</i> Director</p> </div> <div style="width: 30%;"> <p>For Velox Industries Limited (formerly Khatau Exim Limited)</p> <p style="text-align: center;"><i>Vijay D. Chitambar</i> Director</p> </div> </div>		

For VELOX INDUSTRIES LIMITED
J. S.
Chief Financial Officer

For VELOX INDUSTRIES LIMITED
Vijay D. Chitambar
Company Secretary

CASH FLOW STATEMENT

VELOX INDUSTRIES LTD. (FORMERLY KNOWN AS KHATAU EXIM LIMITED)

	Year ended 31.03.2017	Year ended 31.03.2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extra-Ordinary Items	(494543)	(395475)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES AND	(494543)	(395475)
ADJUSTMENTS FOR:		
i) Trade & Other Receivables	-	226,132
ii) Inventories	-	-
iii) Loan & advances	(15,030,116)	6727
iv) Change in other current liabilities	386,588	-
vii) Working Capital Borrowing	-	-
v) Income taxes (Including Advance Tax/TDS)	-	-
Net Cash flow from operating Activities	(14643528)	232859
	(15138071)	(162616)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Cash from investing activities	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Cash flow from Financing Activities	-	-
	(15138071)	(162616)
Net increase in Cash or Cash Equivalents	(15138071)	(162616)
Opening Cash & Cash Equivalents	29127841	29290458
Closing Cash & Cash Equivalents	13989770	29127841

AUDITORS CERTIFICATE

We have verified the above Cash Flow Statement of Velox Industries Limited (formerly Khatau Exim Limited), derived from the audited financial statements for the year ended 31st March, 2015 and found the same drawn in accordance therewith and also with requirements of Clause 32 of the Listing Agreement with the Stock Exchange.

For A.F. Khasgiwala & Co.
Firm Regn. No.105114W
Chartered Accountants

(A.F. Khasgiwala)
Partner
Membership No.006491



For Velox Industries Limited
(formerly Khatau Exim Limited)

Director

Director

Place: Mumbai
Date: 30/05/2017

For VELOX INDUSTRIES LIMITED

Chief Financial Officer

For VELOX INDUSTRIES LIMITED

Company Secretary

VELOX INDUSTRIES LIMITED
(FORMERLY KNOWN AS KHATAU EXIM LIMITED)

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

NOTE NO. IX

1. SIGNIFICANT ACCOUNTING POLICIES:

- a. **ACCOUNTING CONCEPTS:** The Company follows Mercantile System of Accounting and recognises Income and Expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.
 - b. **INVESTMENTS:** Investments being of long-term nature are stated at their cost of acquisition.
 - c. **PROVISION FOR TAXATION:** Provision for current income tax is based on the taxable profits of the Company computed in accordance with the provisions of the Income Tax Act, 1961.
 - d. **CONTINGENT LIABILITIES & COMMITMENTS:** Contingent Liabilities & Commitments (to the extent not provided for) - Nil.
2. The Company has invested Rs. 44,278/- in quoted equity shares of Pal Credit & Capital Ltd. The market value of such securities is Rs. 6,084 (2,600 equity shares amounting to Rs. 2.34 per share).
3. The necessary provision for current taxation has been made by the Company in terms of the provisions of the Income Tax Act, 1961.



For VELOX INDUSTRIES LIMITED
[Signature]
Chief Financial Officer

For VELOX INDUSTRIES LIMITED
[Signature]
Company Secretary

VELOX INDUSTRIES LIMITED
(FORMERLY KNOWN AS KHATAU EXIM LIMITED)

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

NOTE NO. IX

4. In consideration of prudence and on account of the uncertainty involved with regards to future taxable profits, the Company has neither recognized a deferred tax asset (comprising of unabsorbed depreciation and carry forward of business losses) nor a deferred tax liabilities (being the timing difference on account of depreciation) as at 31st March 2017.
5. In the opinion of the Board, Current Asset, Loan and Advances are approximately of the value stated, if realized, in the ordinary course of business. Provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.
6. Related Party Disclosures:
List of Related Parties and Relationships: NIL
7. No sitting fees has been paid to the Directors for attending board meetings during the year.
8. The Government of India vide its Press Release dated 8th November, 2016, has cancelled the legal tender character of the High Denomination Bank notes of Rs. 500 and Rs.1000 denominations with effect from the expiry of 8th November, 2016. Further, Disclosure of Cash as required by MCA vide notification dated 30th March, 2017 is as under:

	SBNs (Old Notes)	Notes in other denomination	Total
Closing cash in hand as on 08.11.2016	0	13890367	13890367
(+) Permitted Receipts	0	100000	100000
(-) Permitted Payments	0	50000	50000
(-) Amount deposited in banks	0	0	0
Closing cash in hand as on 31.12.2016	0	13940367	13940367

For VELOX INDUSTRIES LIMITED

Chief Financial Officer



Sa. A.S.
x

Vijay Chitambar
x

[Handwritten signature]

For VELOX INDUSTRIES LIMITED

Company Secretary

8. EARNINGS PER SHARE: Earnings per share is calculated by dividing the profit/(loss) attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The numbers used in calculating the basic and diluted Earning per Share are as follows:

PARTICULARS	31.03.2017	31.03.2016
Net Profit/(Loss) (A)	(4,94,543)	(3,95,480)
Weighted Average number of equity shares outstanding during the period (B)	2,49,000	2,49,000
Basic & Diluted Earnings per share of Rs.10/- each. (A/B)	(1.98)	(1.59)

9. Previous year's figures have been regrouped/rearranged, wherever necessary, to conform to the current year's classification, keeping in view the Revised Schedule-VI.



+ Secy F.S.

Vijay Kumar

For VELOX INDUSTRIES LIMITED

Chief Financial Officer

For VELOX INDUSTRIES LIMITED

Company Secretary