

NOTICE

NOTICE is hereby given that the 6th Annual General Meeting of the Members of **KESAR MULTIMODAL LOGISTICS LIMITED** will be held on **12th September 2017 at 11 a.m.** at the Registered Office of the Company at Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai-400 020 to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Smt. M H Kilachand, who retires by rotation and being eligible offers herself for reappointment.
3. To consider and, if thought fit, to pass with or without modification/s, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, Chandabhoy & Jassoobhoy, Chartered Accountants, [Registration No.101647W] be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration as may be decided by the Board of Directors plus reimbursement of travelling and other out of pocket expenses incurred by them in performance of their duties and also service tax as may be applicable.”

SPECIAL BUSINESS:

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and any other applicable provisions of the Companies Act, 2013 (the Act), and the Rules made thereunder, including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the Articles of Association of the Company and the approval of the Members of the Company be and is hereby granted for the appointment of Shri J K Devgupta (DIN:00515391) as Whole-time Director of the Company with substantial powers of the management for a period of 1 year from 20.04.2016 to 19.04.2018, on a remuneration and on the terms and conditions as per Schedule V of the Act, and as specifically set out below:

A) Period: one year w.e.f. 20th April, 2017, with the liberty to either party to terminate the appointment on three months' notice in writing to the other

B) Salary: Rs.2,50,000/- per month i.e. Rs.30,00,000 per annum.

C) Perquisites:

1. Premium for personal accident insurance as per rules of the Company.
2. Free use of Company's car with driver and Mobile Phone with Sim Card for Company Work.
3. He would be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company.
4. No sitting fees would be paid for attending the Board / Board Meetings.

“**RESOLVED FURTHER THAT** the aforesaid remuneration would nevertheless be paid and allowed to Shri J K Devgupta as the minimum remuneration, within the overall ceiling limits specified in Schedule V to the Companies Act, 2013 or any amendments thereto from time to time, notwithstanding that in any financial year of the Company during the tenure of office of Shri J K Devgupta, the Company might have made no profits or its profits might be inadequate.”

Registered Office:

Oriental House, 7,
Jamshedji Tata Road,
Churchgate,
Mumbai-400020

By Order of the Board of Directors

Alok Singh
Company Secretary

30th May, 2017

Notes:

- a) A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
- b) A person can act as a proxy on behalf of members not exceeding fifty [50] and holding in the aggregate not more than ten percent [10%] of the total share capital of the Company carrying voting rights. A member holding more than ten percent [10%] 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.

ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 102 of the Companies Act, 2013

Item No.4:

Pursuant to Section 196, 197 and 198 of the Companies Act, 2013 the Board, at its meeting held on April 20, 2017 had appointed Shri J K Devgupta as an Whole Time Director of the Company, subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting on a remuneration as mentioned in the resolution.

The Company has received from Shri J K Devgupta:

- (i) consent in writing to act as Director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014;
- (ii) Intimation in Form DIR-8 in terms of Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail his services as Director. Accordingly, the Board recommends the resolution Nos. 5 in relation to appointment of Shri J K Devgupta as Whole Time Director, for the approval by the shareholders of the Company.

Except Shri J K Devgupta none of the Directors of the Company is in any way concerned or interested in the resolution.

Registered Office:

Oriental House, 7,
Jamshedji Tata Road,
Churchgate,
Mumbai-400020

By Order of the Board of Directors

**Alok Singh
Company Secretary**

30th May, 2017

DIRECTORS' REPORT

To
The Shareholders
Kesar Multimodal Logistics Ltd.

Dear Members,

Your Directors present to you the 6th Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2017.

STATE OF COMPANY'S AFFAIRS

The Company successfully completed construction of the 1st Phase of the project within 3 years in line with the provisions of the Concession Agreement with the Mandi Board, Government of Madhya Pradesh.

The Private Freight Terminal of the Project became operational on 19.04.2016 with loading of 1 rake of wheat and 1 rake of D.O.C. on the same day. Since then, the Company has handled 90 rakes till financial year ended 31st March, 2017. The Company handled various outward cargos such as wheat, de-oiled cake, paddy, sand and inward movements of cement.

The Inland Container Depot [ICD] of the Company has obtained all permissions including posting of Customs Officials and Electronic Data Inter-phase (EDI) connectivity with Customs for processing of Import/Export cargo documents. The Company will shortly move import/export containers by Rail/Road to/from the ICD.

The Cold Storage at the site is being patronized by local fruit and vegetable vendors and also traders for storing of seed potatoes, potatoes, coriander seeds, chickpeas, fruits etc.

FINANCIAL RESULTS

During the year under review, your Company achieved a turnover of Rs.4.20 crore and it has loss of Rs 22.75 crore, which is due to increase in financial cost and under utilization of its capacity being a new Greenfield entity. Hence, the Directors have not declared any dividend. Since the Company has commenced its operations from 19.04.2016 and no Statement of Profit and Loss was prepared for the previous year, comparative figures of previous year are not applicable.

SHARE CAPITAL

The Share Capital of the Company is held by the Consortium Members viz. Kesar Terminals & Infrastructure Ltd. [KTIL] and Kesar Enterprises Ltd. [KEL].

During the year under review, the Authorised Share Capital of the Company was increased from Rs.50.00 crore to Rs.79.00 crore, divided into 4.20 crore Equity Shares of Rs.10/- each amounting to Rs.42 crore and 3.70 crore Preference Shares of Rs.10/- each amounting to Rs.37 crore. The Paid up Share Capital of the Company is increased from Rs.51.44 crore to Rs.67.99 crore divided into 4.18 crore Equity Shares of Rs.10/- each amounting to Rs.41.80 crore and 2.619 crore Preference Shares of Rs.10/- each amounting to Rs.26.19 crore.

BOARD MEETINGS

During the year, 6 Board Meetings and 4 Audit Committee Meetings were held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Shri H R Kilachand ceased to be the Director of the Company with effect from 29.4.2016 on his resignation due to his engagement in other business activities. The Board placed on record its sincere appreciation for the valuable support and guidance given by Shri H R Kilachand to the Company during his tenure as Director of the Company.

Consequent to the resignation of Shri H R Kilachand, the Board had appointed Shri A S Ruia, Independent Director, as Chairman of the Company with effect from 29.4.2016.

Shri R H Kilachand was appointed as Director of the Company with effect from 29.4.2016.

Shri Sant Khare, Executive Director of the Company had resigned with effect from 21.10.2016. The Board placed on record its sincere appreciation for the support and guidance given by him to the Company during his tenure as Executive Director of the Company.

As per the provisions of the Companies Act, 2013, Smt. M H Kilachand retires by rotation and being eligible, offers herself for reappointment at the ensuing Annual General Meeting.

Consequent to the resignation of Shri Dilip Maharana as Company Secretary, in his place Shri Alok Singh was appointed as Company Secretary with effect from 14.11.2016 pursuant to Section 203 of the Companies Act, 2013.

All Independent Directors have given their declaration that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013.

BOARD EVALUATION / APPOINTMENT AND REMUNERATION POLICY FOR DIRECTORS AND SENIOR MANAGEMENT

Pursuant to the provisions of the Companies Act, 2013, The Independent Directors made the annual evaluation of performance of the Board, its Committees and of individual Directors.

The Board has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report. The details of the Nomination & Remuneration Policy are available on the website of the Company [www.kesarmultimodal.com/Investor's Corner/ Policies](http://www.kesarmultimodal.com/Investor's%20Corner/Policies).

MATERIAL CHANGES & COMMITMENTS BETWEEN END OF THE FINANCIAL YEAR & DATE OF THIS REPORT:

Based on the recommendation of the Nomination & Remuneration Committee on 29.4.2016 and subject to approval of the Shareholders, the Board had appointed Shri J K Devgupta as Whole-Time Director of the Company. Prior to his appointment, Shri Devgupta was working with the Company as Advisor.

Shri R H Kilachand had resigned as Director of the Company with effect from 30.05.2017 as he wanted to pursue further studies.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge, hereby state:

- i) that in preparation of the annual accounts for the financial year ended on 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that 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 loss for that period;
- iii) that 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;
- iv) that the Directors have prepared the Annual Accounts for the financial year ended on 31st March, 2017 on a going concern basis.
- v) that 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.
- vi) that the Directors have laid down proper internal financial controls in place and that such internal financial controls are adequate and were operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the Company has just commenced commercial operations, the particulars under Section 134(3)(m) of the Companies Act, 2013 with respect to conservation of energy, technology absorption and foreign Exchange Earnings and outgo is not given.

RELATED PARTY TRANSACTIONS

There are no contracts or arrangements with related party referred Section 188(1) of the Companies Act, 2013, hence Form AOC -2 is not annexed.

CORPORATE SOCIAL RESPONSIBILITY

Section 135 of the Companies Act for constituting a committee for Corporate Social Responsibility does not apply to the Company. However, your Company has continued to play its role as a responsible corporate citizen, adding value to society and addressing the contemporary societal needs and challenges. The Corporate Social Responsibility philosophy ensures that while business objectives are met and shareholder value is enhanced, the Company equally focuses on engaging with the wider community and sustainably addressing environmental concerns in its sphere of operations.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as **Annexure "A"**.

FIXED DEPOSITS

The Company has not accepted any deposits from the public within the meaning of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

AUDITORS

Chandabhoy & Jassoobhoy, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for reappointment. Since, Chandabhoy & Jassoobhoy has been functioning as Auditors of the Company for the last 5 years as per Section 139 of the Companies Act, 2013, they have to be appointed for the 2nd term of 5 years. Necessary resolution for their appointment has been included in the Notice convening the ensuing Annual General Meeting.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Amit R Dadheech & Associates, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **Annexure- "B"**. There are no qualifications, reservations or remarks in the Secretarial Audit Report.

EMPLOYEE

None of the employees fall under the criteria mentioned in Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ACKNOWLEDGEMENT

Your Directors wish to place on record their grateful appreciation for the assistance and cooperation extended by the Banks, different offices of Government of Madhya Pradesh, Railways and Mandi Board for the wholehearted support extended during the year.

By Order of the Board of Directors

Mumbai
30th May, 2017

A S Ruia
CHAIRMAN
DIN: 00296622

<p>Form No. MGT-9 EXTRACT OF ANNUAL RETURN As on the financial year ended on 31/03/2017 of Kesar Multimodal Logistics Limited [Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management. and Administration) Rules, 2014]</p>
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I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	U74120MH2011PLC222597
ii)	Registration Date [DDMMYY]	30.9.2011
iii)	Name of the Company	Kesar Multimodal Logistics Limited
iv)	Category of the Company	Public Company
	Sub Category of the Company	Limited by Shares
v)	Address of the Registered Office and contact details	Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai 400020.Tel:022-22851737
vi)	Whether listed Company	No
vii)	Name and Address and Contact details of Registrar & Transfer Agent, if any	The Company manages the Share Transfer In House. Hence, this Clause Not Applicable.

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

Sr	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Not Applicable*	Not Available	---

* The Company has not yet commenced its commercial operations.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SL. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	Kesar Terminals & Infrastructure Limited	L45203MH2008PLC178061	Holding Company	99.99	2(46)
2	Kesar Enterprises Limited	L24116MH1933PLC001996	Associate Company	0.01	2(6)

VI. A 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	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	4,18,00,000	4,18,00,000	100	-	4,18,00,000	4,18,00,000	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)		4,18,00,000	4,18,00,000	100		4,18,00,000	4,18,00,000	100	-
B. Public Shareholding									
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs-									
Grand Total [A+B(1)+ B(2)+C]	-	4,18,00,000	4,18,00,000	100	-	4,18,00,000	4,18,00,000	100	-

(ii) Shareholding of Promoter-

Sr	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe	
1	Kesar Terminals & Infrastructure Ltd.	4,17,75,000	99.99	-	4,17,75,000	99.99	-	-
2	Kesar Enterprises Ltd.	25,000	0.01	-	25,000	0.01	-	(0.04)

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

SL No.		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
	At the beginning of the year	4,18,00,000	100	4,18,00,000	100
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Allotment	No changes	No changes	No changes	No changes
	At the end of the year	4,18,00,000	100	4,18,00,000	100

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

S N	For Each of the Top 10 Shareholders	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
	At the beginning of the year	4,17,75,000	99.99	4,17,75,000	99.99
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	4,17,75,000	99.99	4,17,75,000	99.99

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year	Not Applicable	Not Applicable	Not Applicable	Not Applicable
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease(e.g. allotment/transfer/ bonus/ sweat equity etc.	-	-	-	-
	At the end of the year	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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

Particulars	Secured Loan	Unsecured Loans	Deposits	Total
Opening				
Principal	86,98,61,593	15,54,00,000	-	1,02,52,61,593
Interest due but not paid	-	-	-	-
Interest accrued but not due	90,71,600	-	-	90,71,600
Changes during the year				
Additions	10,67,21,387	-	-	10,67,21,387
Reductions	3,08,57,538	-	-	3,08,57,538
Closing				
Principal	94,63,01,321	15,54,00,000	-	1,10,17,01,321
Interest due but not paid	30,30,113	-	-	30,30,113
Interest accrued but not due	54,65,608	-	-	54,65,608

XI. 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 Mr. Sant Khare, Executive Director [upto 21.10.2016] Total Amount Rs. [per annum]
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,33,871
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify...	-
5	Others, please specify	-
	Total (A)	3,33,871
	Ceiling as per the Act	Within the ceiling limit

B. Remuneration to other directors

SN	Particulars of Remuneration	Name of Directors		Total Amount
	Independent Directors	Shri A S Ruia	Shri J N Godbole	-
1	Fee for attending board & committee meetings	1,20,000	1,20,000	-
	Commission and Others, please specify	-	-	-
	Total (1)	1,20,000	1,20,000	2,40,000
2	Other Non-Executive Directors	Smt. M H Kilachand		
	Fee for attending board committee meetings	45,000	-	-
	Commission and Others, please specify	-	-	-
	Total (2)	45,000		45,000
	Total (B)=(1+2)			2,85,000
	Overall Ceiling as per the Act	Within the ceiling limit		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD

Sr	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	Nil	Nil	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	-	-	-	-
	(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	-	-	-	-

XII. 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	Not applicable	Not applicable	Nil	Not applicable	Not applicable
Punishment	Not applicable	Not applicable	Nil	Not applicable	Not applicable
Compounding	Not applicable	Not applicable	Nil	Not applicable	Not applicable
B. DIRECTORS					
Penalty	Not applicable	Not applicable	Nil	Not applicable	Not applicable
Punishment	Not applicable	Not applicable	Nil	Not applicable	Not applicable
Compounding	Not applicable	Not applicable	Nil	Not applicable	Not applicable
C. OTHER OFFICERS IN DEFAULT					
Penalty	Not applicable	Not applicable	Nil	Not applicable	Not applicable
Punishment	Not applicable	Not applicable	Nil	Not applicable	Not applicable
Compounding	Not applicable	Not applicable	Nil	Not applicable	Not applicable

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

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

**Kesar Multimodal Logistics Limited
Oriental House 7, Jamshedji Tata Road,
Churchgate, Mumbai - 40002**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kesar Multimodal Logistics Limited (CIN: U74120MH 2011PLC222597)** (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 our opinion thereon.

Based on our verification of **Kesar Multimodal Logistics Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Kesar Multimodal Logistics Limited for the financial year ended on 31st March, 2017 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(The Company being an Unlisted Public Limited Company, the provision relating to Securities Contracts (Regulation) Act, 1956 ('SCRA') and rules made thereunder were not applicable during the period the period under review)**
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(During the period under review, the Company has not entered into any transaction requiring compliances with the Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder)**
4. 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; - **(During the period under review, the Company has not entered into any transaction requiring compliances with the Foreign Exchange Management Act, 1999 and rules made thereunder)**
5. 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) Regulation, 2011; **(The Company being an Unlisted Public Company, the provisions relating to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011 were not applicable during the period the period under review);**
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(The Company being an Unlisted Public Company, the provision relating to**

- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 were not applicable during the period the period under review);**
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(The Company being an Unlisted Public Company, the provision relating to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 were not applicable during the period the period under review);**
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(The Company being an Unlisted Public Company, the provision relating to Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 were not applicable during the period the period under review);**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(The Company being an Unlisted Public Company, the provision relating to Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 were not applicable during the period the period under review);**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; **During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993)**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(The Company being an Unlisted Public Company, the provision relating to Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 were not applicable during the period the period under review);**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(The Company being an Unlisted Public Company, the provision relating to Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 were not applicable during the period the period under review); We have also examined compliance with the applicable clauses of the following:**
- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
 - ii. The Company being an Un-Listed Public Company, it was required enter into a Listing Agreement with Stock Exchange and thus the compliances relating to the same was not applicable to be Company during the period under review During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

***OTHER APPLICABLE LAWS:**

With respect to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable to the Company, subject to the observation stated below:

1. Employees State Insurance Act, 1948
2. Employees Provident Fund and Miscellaneous Provisions Act, 1952
3. Indian Contract Act, 1872
4. Professional Tax, 1975
5. Income Tax Act, 1961 to the extent of Tax Deducted at Source under various Section and T.D.S. Returns filed.
6. Indirect Tax Laws relating to collections, deductions, wherever applicable, payments
7. made and returns filed
8. Shops and Establishment Act.
9. Maharashtra Value Added Tax, 2002

10. Multi Modal transportation of Good Act 1993
11. Arbitration & Conciliation Act 1996
12. Carriage Road Act, 2007
13. Carriage of Goods by Air Act, 1972
14. Carriage of Goods by Sea Act, 1925
15. Railway Act, 1989
16. Central Motor Vehicle Rules, 1989
17. Motor Transport Workers Act, 1961
18. Fatal Accidents Act, 1855
19. National Highways Act, 1956
20. Control of National Highways (Land and Traffic) Act, 2002
21. Carriage by Road Act, 2007 - Details of Registration and compliance done if any
22. Road Transport Corporations Act, 1950 - Details of Registration and compliance done if any

****The Company has not provided the exhaustive list of applicable laws and compliance with the same and thus the above stated clause is not final and can be modified / changed accordingly.***

Observations on the applicable laws are as follows:

As per the information and explanation provided by the management above stated are the applicable laws to the Company. We have examined the compliance to the above stated laws and report as under:

1. During the period under review, there were delay in filing of e-forms with the Registrar of Companies, Mumbai, Maharashtra (ROC) for which the additional fees have been paid by the Company
2. During the period under review, the Company has made allotment of Zero Coupon Redeemable Preference Shares of Rs. 10/- each to M/s. Kesar Terminal Infrastructure Limited, Holding Company in various tranches and the compliance in relation to the same were duly carried out except for certain instances where the return of allotment was not filed within prescribed time for which the Company has paid additional fees to ROC.
3. The Company has also held the Extra Ordinary General Meeting of the members of the Company for Increase in Authorised Share Capital and Approval for Preferential Allotment of Zero Coupon Redeemable Preference Shares of Rs. 10/- each to M/s. Kesar Terminal Infrastructure Limited, Holding Company and compliance in relation to the same were duly carried out.

We further report that:

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period:

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

For Amit R. Dadheech & Associates

Sd/-

Amit R. Dadheech

M. No.: 22889; C.P. No.: 8952

Annexure A of Secretarial Audit Report

To,

**The Members,
Kesar Multimodal Logistics Limited
Oriental House 7, Jamshedji Tata Road,
Churchgate, Mumbai - 40002**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Amit R. Dadheech & Associates

**Amit R. Dadheech
M. No.: 22889; C.P. No.: 8952**

**May 30, 2017
Place: Mumbai**

INDEPENDENT AUDITOR'S REPORT

**To
The Members of
Kesar Multimodal Logistics Limited**

We have audited the accompanying financial statements of Kesar Multimodal Logistics Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017, and its loss and its cash flows 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 Companies Act, 2013, we give in the "Annexure A", a statement on matters specified in paragraphs 3 and 4 of the said 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, 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 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) The Company has provided requisite disclosures in its financial statements as to the holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note no. 16 to the Financial Statements.

**For Chandabhoy & Jassoobhoy
Chartered Accountants
Firm Registration No.: - 101647W**

**Bhupendra T. Nagda
Partner
Membership no.: F 102580**

Place : Mumbai
Date : May 30, 2017

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in para 1 of Independent Auditors' Report of even date to the members of Kesar Multimodal Logistics Limited on the financial statements for the year ended 31st March 2017

- i.
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The fixed assets of the Company have been physically verified by the management during the year under audit and no material discrepancies have been noticed. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c. According to the information and explanations given to us and based on the records examined by us, the title deeds of the immovable properties in the form of lease land and the constructions of facilities on the said land are held in the name of the Company by way of the Concession agreement and lease agreement entered into by the Company with the Madhya Pradesh State Agricultural Marketing Board.
- ii. The nature of operations of the Company does not require it to hold inventories. Hence, Clause 3(ii) of the Order is, therefore, not applicable to the Company for the year under audit.
- iii. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Clause 3(iii)(a), (b) and (c) of the Order is, therefore, not applicable to the Company for the year under audit.
- iv. According to the information and explanations given to us, the Company has not given any loan or guarantee or provided any security nor made any investments as specified in section 185 and 186 of the Act. Clause 3(iv) of the Order is, therefore, not applicable to the Company for the year under audit.
- v. The Company has not accepted any deposits during the year and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the Company.
- vi. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013.

- vii. a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing the undisputed statutory dues including provident fund, profession tax, income tax, service tax, cess, etc, with the appropriate authorities. According to the information and explanations given to us, no undisputed dues payable in respect of VAT, Provident Fund, Profession tax, Service tax, Works Contract Tax and Income tax were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no statutory dues outstanding on account of any dispute as at 31st March, 2017.
- viii. According to the information and explanations given to us and based on the records examined by us, the Company has not defaulted in repayment of dues to financial institutions, banks or Government as at the balance sheet date except interest payable on term loans of Rs.30,30,113/- which has since been paid after the close of the year. The Company has not issued any debentures.
- ix. According to the information and explanations given to us and the records of the Company examined by us, term loans availed during the year have been utilized for the purpose for which the loans were obtained. The Company has not raised any money by way of public offer during the year.
- x. Based on the audit procedures performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.
- xi. According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company and hence Clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Act where applicable and details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company has made private placement of preferential shares during the year. Based on our audit procedures performed and the information and explanations given by the management, the requirements of section 42 of the Companies Act, 2013 have been complied with and the amounts raised have been utilized for the purposes for which the funds were raised.

- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Clause 3(xv) of the Order is, therefore, not applicable to the Company during the year.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Clause 3(xvi) of the Order is, therefore, not applicable to the Company.

For Chandabhoy & Jassoobhoy
Chartered Accountants
Firm Registration No.: – 101647W

Bhupendra T. Nagda
Partner
Membership no.: F 102580

Place : Mumbai
Date : May 30, 2017

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in para 2(f) under 'Report on Other Legal and Regulatory Requirements' in of the Independent Auditors' Report of even date to the members of Kesar Multimodal Logistics Limited on the financial statements for the year ended 31st March 2017

Report on the Internal Financial Controls over Financial Reporting 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 Kesar Multimodal Logistics Limited Company Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 March 31, 2017, based on the essential components of internal control stated in the Guidance Note issued by ICAI.

**For Chandabhoy & Jassoobhoy
Chartered Accountants
Firm Registration No.: – 101647W**

**Bhupendra T. Nagda
Partner
Membership no.: F 102580**

Place : Mumbai
Date : May 30, 2017

KESAR MULTIMODAL LOGISTICS LIMITED

Balance Sheet as at 31st March, 2017

(Amount in ₹)

Particulars		Note No.	As at 31st March, 2017	As at 31st March, 2016
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share Capital	2	67,99,00,000	51,44,00,000
	(b) Reserves and Surplus	3	-22,75,24,487	-
2	Non-current liabilities			
	(a) Long Term Borrowings	4.1	1,02,99,92,967	89,20,97,254
	(b) Other Long Term Liabilities	4.2	5,11,20,000	-
	(c) Long Term Provisions	4.3	7,03,899	2,66,769
3	Current liabilities			
	(a) Trade Payables	5.1	1,57,27,503	36,13,788
	(b) Other Current Liabilities	5.2	17,35,21,515	25,50,98,988
	(c) Short Term Provisions	5.3	2,01,482	73,462
	TOTAL		1,72,36,42,879	1,66,55,50,261
II.	ASSETS			
	Non-current assets			
1	(a) Fixed Assets			
	(i) Tangible assets	6.1	1,57,12,35,388	1,19,07,794
	(ii) Intangible assets	6.1	18,04,966	6,66,692
	(iii) Capital work-in-progress	6.2	9,25,14,477	1,63,11,88,160
	(b) Long Term Loans and Advances	6.3	1,02,43,119	1,16,06,255
	(c) Other Non- Current Assets	6.4	77,63,376	72,44,341
2	Current assets			
	(a) Trade Receivables	7.1	43,17,611	-
	(b) Cash and Cash Equivalents	7.2	2,92,32,065	15,60,904
	(c) Short Term Loans & Advances	7.3	36,61,245	12,20,076
	(d) Other Current Assets	7.4	28,70,632	1,56,039
	TOTAL		1,72,36,42,879	1,66,55,50,261

Significant Accounting policies

1

The accompanying Notes form an integral part of the Financial Statements.

As per our Report attached.

For and on behalf of the Board of Directors

For and on behalf of

Chandabhoy & Jassoobhoy

Chartered Accountants

Firm Registration No.101647W

Bhupendra T Nagda

Partner

Membership No.F 102580

A S Ruia

Chairman

DIN 00296622

R H Kilachand

Director

DIN 07241625

V J Doshi

Chief Financial Officer

Alok Singh

Company Secretary

Place :- Mumbai

Date : 30.05.2017

KESAR MULTIMODAL LOGISTICS LIMITED
Statement of Profit and loss for the year ended 31st March 2017
(Amount in ₹)

Particulars		Note No.	For the year ended 31st March, 2017
I.	Revenue From Operations	8	4,20,24,313
II.	Other Income	9	10,66,210
III.	Total Revenue (I + II)		4,30,90,523
IV.	Expenses:		
	Employee benefits expense	10.1	1,27,67,120
	Finance Cost	10.2	11,15,44,318
	Depreciation and amortization expense	6.1	7,87,70,485
	Other expenses	10.3	6,71,57,120
	Total Expenses		27,02,39,043
V.	Profit before tax (III-IV)		-22,71,48,520
VI.	Tax Expense:		
	(a) Current tax		-
	(b) Deferred tax		-
VII.	Profit for the year (V-VI)		-22,71,48,520
VIII.	Prior year adjustment of Income Tax		3,75,967
	Balance of Profit/-Loss carried to Balance Sheet (VII-VIII)		-22,75,24,487
VIII.	Basic & Diluted Earnings per equity share [Nominal value of shares ₹ 10 (Previous year: ₹ 10)]	17	(5.44)
	Significant accounting policies	1	

Note: Since the company has commenced its operations from 19.04.2016 and no statement of profit and loss was prepared for the previous financial year, comparative figures for previous year is not applicable.

The accompanying Notes form an integral part of the Financial Statements.

As per our Report attached.

For and on behalf of
Chandabhoy & Jassoobhoy
Chartered Accountants
Firm Registration No.101647W

For and on behalf of the Board of Directors

Bhupendra T Nagda
Partner
Membership No.F 102580

A S Ruia
Chairman
DIN 00296622

R H Kilachand
Director
DIN 07241625

V J Doshi
Chief Financial Officer

Alok Singh
Company Secretary

Place :- Mumbai
Date : 30.05.2017

KESAR MULTIMODAL LOGISTICS LIMITED

Cash Flow Statement for the year ended 31st March, 2017

(Amount in ₹)

	Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	NET PROFIT BEFORE TAX	(22,71,48,520)	-
	Non-cash adjustments to reconcile profit before tax to net cash flows:		
	Depreciation	7,87,70,485	
	Interest Income	(6,67,536)	
	Interest and Finance Charges	11,15,44,318	
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(3,75,01,253)	-
	Increase/(Decrease) in Working Capital		
	(Increase)/Decrease in Trade Receivables	(43,17,611)	-
	(Increase)/Decrease in other current assets	(27,28,450)	-
	(Increase)/Decrease in short term loans & advances	(17,91,132)	-
	(Increase)/Decrease in long term Loans & advances	8,32,481	-
	(Increase)/Decrease in other Non current assets	-	-
	Increase/(Decrease) in Trade Payables	1,21,13,715	-
	Increase/(Decrease) in other current liabilities	1,38,83,317	-
	Increase/(Decrease) in short term provisions	1,28,020	-
	Increase/(Decrease) in other Long Term liabilities	5,11,20,000	-
	Increase/(Decrease) in long term Provisions	4,37,130	-
	CASH (USED IN) / GENERATED FROM OPERATIONS	3,21,76,217	-
	Taxes (Paid)	(10,26,004)	-
	NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES	3,11,50,213	-
B.	CASH FLOW FROM INVESTING ACTIVITIES :		
	(Increase)/Decrease in other Non current assets		(70,01,779)
	(Increase)/Decrease in other current assets		13,77,879
	(Increase)/Decrease in short term loans & advances		(8,25,771)
	Increase/(Decrease) in other Long Term liabilities		(3,10,000)
	Increase/(Decrease) in long term Loans & advances		(5,30,655)
	Increase/(Decrease) in long term Provisions		(3,18,568)
	Increase/(Decrease) in other current liabilities		2,78,38,608
	Increase/(Decrease) in short term provisions		50,252
	Purchase of Fixed Assets /Decrease in CWIP Post Capitalisation	(13,34,76,070)	(20,27,57,447)
	Disposal of Fixed Asset	15,129	-
	Interest Received	1,62,358	20,10,069
	NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES	(13,32,98,583)	(18,04,67,413)
C.	CASH FLOW FROM FINANCING ACTIVITIES :		
	Proceeds from Long term Borrowings	10,67,21,387	15,73,72,972
	Proceeds towards issue of Preference Shares	16,55,00,000	9,64,00,000
	Interest Paid	(11,21,20,197)	(10,43,19,165)
	Repayment of Term Loan	(3,02,81,659)	-
	NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES	12,98,19,531	14,94,53,807
	NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	2,76,71,161	(3,10,13,606)
	OPENING BALANCE OF CASH AND CASH EQUIVALENTS	15,60,904	3,25,74,510
	CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	2,92,32,065	15,60,904
	COMPONENT OF CASH AND CASH EQUIVALENTS		
	Cash on hand	99,089	51,626
	With Bank on current Accounts	2,85,48,264	1,95,818
	Fixed Deposits with maturity of more than 3 months but less 12 months (Under lien with Dena Bank against Bank Guarantees issued by them)	5,84,712	13,13,460
	TOTAL CASH AND CASH EQUIVALENTS	2,92,32,065	15,60,904

i) Figures in brackets are outflows

ii) Since the company has commenced its operations from 19.04.2016 and no statement of profit and loss was prepared for the previous financial year and hence comparative figures with regard to Profit and Loss Account for previous year are not applicable.

For and on behalf of
Chandabhoy & Jassoobhoy
Chartered Accountants
Firm Registration No.101647W

For and on behalf of the Board of Directors

Bhupendra T Nagda
Partner
Membership No.F 102580

A S Ruia
Chairman
DIN 00296622

R H Kilachand
Director
DIN 07241625

V J Doshi
Chief Financial Officer

Alok Singh
Company Secretary

Place :- Mumbai
Date : 30th May, 2016

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2017

The Company was incorporated on 30th September, 2011 as a Special Purpose Vehicle to execute Concession Agreement entered on 24th October, 2011 between the Company and the Madhya Pradesh State Agricultural Marketing Board (Mandi Board) to set up a “Composite Logistics Hub” at Powarkheda, Madhya Pradesh, on Public Private Partnership (PPP) basis.

The company commenced its commercial operations from Rail Business, Warehousing and Cold Storage in current year. Operations are yet to commence in ICD business.

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation

The financial statements have been prepared to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

B. Use of Estimates

The preparation of financial statements are in conformity with generally accepted accounting principles which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to the accounting estimates is recognized prospectively in the current and future periods.

C. Revenue Recognition:

Revenue is recognized to the extent that is probable that the economic benefit will flow to the Company and revenue can be reliably measured.

Income from services is generally recognised (net of service tax as applicable) only when its collection or receipt is reasonably certain.

Insurance Claims are recognised only when the claim is passed.

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

D. Fixed Assets:

a) Fixed Assets (whether Tangible or Intangible) are stated at cost of acquisition less accumulated depreciation/ amortization/ impairment loss (if any), net of CENVAT (wherever claimed). The cost of fixed assets includes taxes,

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Notes forming part of the Financial Statements for the year ended 31st March, 2017

duties, freight, borrowing cost, concession premium and pre-operative costs if capitalization criteria are met and other incidental expenses incurred in relation to their acquisition/ bringing the assets for their intended use.

- b) Subsequent additional expenditure related to fixed assets are added only if they increase the future economic benefits from the existing assets beyond its previously assessed standard of performance.
- c) Concession Premium paid/payable by the Company to the Mandi Board for use of the land the land received under the concession agreement dated 24.10.2011 uptill the construction period is capitalized to the fixed assets. The balance concession Premium is being amortised over the balance period of the Concession Agreement. The lease period of the concession agreement is 33 years plus further extension of 15 years aggregating to 48 years.

E. Impairment of Assets:

The carrying amounts of assets / cash generating units at each balance sheet date are reviewed for impairment of assets. If any indication of such impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which the asset is identified as impaired. Impairment loss recognised in prior years is reversed when there is indication that an Impairment loss recognised for an asset no longer exists or has decreased.

F. Depreciation:

- a) Depreciation on Plant and Machinery and Building has been provided on Straight Line Method based on remaining useful lives of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- b) Depreciation on other assets has been provided on Written Down Value Method based on remaining useful lives of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- c) For assets purchased / disposed off during the year, depreciation has been provided on pro-rata basis with reference to the useful life of the asset period, at the applicable rates.
- d) Depreciation on assets, whose actual cost does not exceed Rs.5,000 is provided at the rate of hundred percent.
- e) Premium on Leasehold Land/Concession Premium is amortised over the period of the lease/Concession period.
- f) In case where fixed assets is having useful life more than lease/concession period, depreciation has been provided over the lease/concession period remaining from the year of capitalization.
- g) Depreciation on Intangible Assets representing computer software has been provided on Written Down Value Method based on remaining useful life. The useful life as estimated by the management for computer software is 6 years.

G. Capital Work-in-Progress:

These are stated at cost to date relating to projects in progress, incurred during construction / pre-operative period.

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Notes forming part of the Financial Statements for the year ended 31st March, 2017

The expenditure (Net of income) incurred during the construction/ pre-operative period is included under Capital Work-in-Progress and the same is allocated to the respective fixed assets on the completion of their construction.

H. Borrowing Cost:

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

I. Retirement and other employee benefits:

- i. Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contribution is charged to the Statement of Profit and Loss in the year when the contributions to the respective fund is due. There are no other obligations other than the contribution payable to the respective fund.
- ii. Gratuity and Leave Encashment liability is defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method, at the end of each financial year.
- iii. Compensated absences are provided for based on actuarial valuation on projected unit credit method.
- iv. Obligation is measured at the present value of the future cash flows using a discount rate that is based on the prevailing yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
- v. Actuarial gains/losses are charged to Statement of profit and loss and are not deferred.
- vi. Other short term employee benefits are recognized as an expense on accrual basis.

J. Provisions:

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

K. Income Tax:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax assets and liabilities are determined based on the difference between the financial statements and tax basis of assets and liabilities, as measured by the enacted / substantively enacted tax rates. Deferred tax Expense / Income is the result of changes in the net deferred tax assets and liabilities.

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Notes forming part of the Financial Statements for the year ended 31st March, 2017

Deferred tax assets are recognised only if there is a reasonable or virtual certainty backed by convincing evidence of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and are appropriately adjusted to reflect the amount that is reasonably or virtually certain to be realised.

L. Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year (net of prior period items) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss after tax (net of prior period items) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

M. Contingent Liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

N. Leases:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

O. Cash and cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand.

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Notes forming part of the Financial Statements for the year ended 31st March, 2017

2. SHARE CAPITAL

PARTICULARS	As at 31st March, 2017		As at 31st March, 2016	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹10/- each	4,20,00,000	42,00,00,000	4,20,00,000	42,00,00,000
Zero Coupon Redeemable Preference Shares of ₹ 10/- each	3,70,00,000	37,00,00,000	1,10,00,000	11,00,00,000
Issued, Subscribed & Paid up				
Equity Shares of ₹10/- each	4,18,00,000	41,80,00,000	4,18,00,000	41,80,00,000
Zero Coupon Redeemable Preference Shares of ₹10/- each	2,61,90,000	26,19,00,000	96,40,000	9,64,00,000
Total	6,79,90,000	67,99,00,000	5,14,40,000	51,44,00,000

(a) Reconciliation of the number of Shares outstanding at beginning and at end of the reporting period

	Year ended 31st March, 2017		Year ended 31st March, 2016	
	Number	₹	Number	₹
Equity Shares				
Shares outstanding at the beginning of the year	4,18,00,000	41,80,00,000	4,18,00,000	41,80,00,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,18,00,000	41,80,00,000	4,18,00,000	41,80,00,000
Preference Shares				
Shares outstanding at the beginning of the year	96,40,000	9,64,00,000	-	-
Shares Issued during the year	1,65,50,000	16,55,00,000	96,40,000	9,64,00,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,61,90,000	26,19,00,000	96,40,000	9,64,00,000

(i) The Company has Equity Shares having a par value of ₹10 per Share. Each Holder of Equity Shares is entitled to one vote per Share.

(ii) Zero Coupon Redeemable Preference Shares of ₹ 10/- each issued to promoter/promoter group on preferential basis are at Zero Coupon Rate redeemable at par after 15 years from the date of allotment either in single or multiple tranches, as may be decided by the Board of Directors of the Company. The shares shall, in the event of winding-up or repayment of capital, carry a preferential right to repayment of capital over the Equity Share Capital of the Company; but shall not be entitled to participate in the surplus asset and profit remaining after repayment of the entire capital upon winding-up. The shares shall carry a right to vote only on resolutions placed, which directly affect their right attached thereto and any resolution for the winding up of the Company or of the repayment or reduction of its Equity or Preference Share Capital. On a poll, the voting right of the Preference Shareholder shall be proportionate to its share in the paid-up Preference Share Capital of the Company. The voting rights of the Equity Shareholder and the Preference Shareholder shall be proportionate to their respective share in the paid-up capital of the Company.

(b) Details of Shareholdings of Holding, Subsidiary or Ultimate holding Company including it's Associate Companies

PARTICULARS	As at 31st March, 2017		As at 31st March, 2016	
	Number of Shares Held	₹	Number of Shares Held	₹
Equity Shares				
Kesar Terminals & Infrastructure Limited (Holding Company)	4,17,75,000	41,77,50,000	4,17,75,000	41,77,50,000
Kesar Enterprises Limited (Associate Company)	25,000	2,50,000	25,000	2,50,000
Preference Shares				
Kesar Terminals & Infrastructure Limited (Holding Company)	2,61,90,000	26,19,00,000	96,40,000	9,64,00,000

(c) Details of Shareholders holding more than 5% Shares in the Company

PARTICULARS	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Kesar Terminals & Infrastructure Limited (Holding Company)	4,17,75,000	99.94%	4,17,75,000	99.94%
Preference Shares				
Kesar Terminals & Infrastructure Limited (Holding Company)	2,61,90,000	100%	96,40,000	100%

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2017

3. RESERVES & SURPLUS

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
(a) Surplus		
Opening balance	-	-
(+) Net Profit/(-) Loss for the current year	-22,75,24,487	-
Closing Balance	-22,75,24,487	-

4.1 LONG TERM BORROWINGS

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
a) Secured Borrowings		
Term loans from Banks		
Project Loans	87,45,92,967	73,66,97,254
Primary Security : Secured by way of 1st charge on all fixed assets excluding Land (since the land is given by the Mandi Board under the concession agreement) of the proposed composite logistics hub at Powerkheda, Madhya Pradesh on paripassu basis.		
Collateral security : 2nd charge over all current assets (present & future) of the proposed Composite Logistics Hub at Powerkheda, Madhya Pradesh on paripassu basis.		
Corporate Guarantee : Corporate guarantee of Kesar Terminals & Infrastructure Limited (Holding Company).		
Terms of Repayment: Term Loans are repayable in 16 to 28 equal quarterly installments after the moratorium period ranging from 3 to 4 years (previous year 2 to 3 years) from the date of first disbursement of the respective term loans.		
Rate of interest: Rate of Interest is in the range of 10.50% to 12.70% (PY 10.50% to 13.25%)		
Out of total Secured Borrowings of ₹ 94,63,01,321 (Previous Year ₹86,98,61,593), borrowings of ₹ 7,17,08,354 (Previous Year ₹ 13,31,64,339) having current maturities, have been disclosed in Note no. 5.2		
b) Unsecured Borrowings		
Loan from Holding Company	15,54,00,000	15,54,00,000
Interest free, repayable on demand after 12 Months		
Total	1,02,99,92,967	89,20,97,254

4.2 OTHER LONG TERM LIABILITIES

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
Mandi Board Premium Payable(Current Maturities of Rs.1,27,80,000/- have been disclosed in Note no.5.1)	5,11,20,000	-
Total	5,11,20,000	-

KESAR MULTIMODAL LOGISTICS LIMITED

4.3 LONG TERM PROVISIONS

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
Provision for employee benefits		
Gratuity (Unfunded) (Also refer Note no. - 13)	2,65,453	99,670
Leave encashment (Unfunded) (Also refer Note no. - 13)	4,38,446	1,67,099
Total	7,03,899	2,66,769

5.1 Trade Payables

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
Trade Payables	1,57,27,503	36,13,788
Total	1,57,27,503	36,13,788

5.2 OTHER CURRENT LIABILITIES

(Unsecured, Considered good)

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
(a) Current maturities of Long Term Borrowings	7,17,08,354	13,31,64,339
(b) Current maturities-Mandi Board Premium Payable	1,27,80,000	-
(c) Advance from Customers	18,000	-
(d) Trade Payables (For Capital Goods)	7,66,44,924	11,00,73,850
(e) Trade Payables - (For Expenses)	7,77,008	-
(f) Statutory dues payable	3,83,759	8,99,445
(g) Interest Accrued but not due on Loans	54,65,608	90,71,600
(h) Interest Accrued and due on Loans	30,30,113	-
(i) Security Deposits from Lessee (Interest Free)	3,10,000	3,10,000
(j) Outstanding Expenses	24,03,749	15,79,754
Total	17,35,21,515	25,50,98,988

5.3 SHORT TERM PROVISIONS

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
Provision for employee benefits		
Gratuity (Unfunded) (Also refer Note no.- 13)	479	157
Leave Encashment (Unfunded) (Also refer Note no.- 13)	2,01,003	73,305
Total	2,01,482	73,462

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2017

6.1 Fixed Assets (Owned, unless stated otherwise)

(Amount in ₹)

Particulars	Gross Block			Accumulated Depreciation					Net Block
	Balance as at 1st April, 2016	Additions	Disposals	Balance as at 31st March, 2017	Balance as at 1st April, 2016	Depreciation charge for the Year	Disposals	Balance as at 31st March, 2017	Balance as at 31st March, 2017
(a) Tangible Assets									
Land/Site Development		38,08,73,200	-	38,08,73,200	-	82,23,695	-	82,23,695	37,26,49,505
Buildings		59,29,31,801	-	59,29,31,801	-	2,08,47,471	-	2,08,47,471	57,20,84,330
Plant and Equipment	17,72,198	10,26,21,350	-	10,43,93,548	1,82,351	62,86,501	-	64,68,852	9,79,24,697
Plant and Equipment (Railway Siding)	-	53,34,47,287	-	53,34,47,287	-	3,20,83,946	-	3,20,83,946	50,13,63,341
Electrical Intallations	1,00,08,031	2,59,67,018	-	3,59,75,049	29,89,688	82,06,426	-	1,11,96,114	2,47,78,935
Vehicles	3,64,426	2,00,000	-	5,64,426	1,58,822	1,93,962	-	3,52,784	2,11,642
Computers	24,50,334	7,13,121	-	31,63,455	12,27,810	7,88,692	-	20,16,503	11,46,953
Furniture & Fixtures	2,10,528	23,010	-	2,33,538	13,438	51,999	-	65,437	1,68,101
Office Equipments	21,91,842	-	19,530	21,72,312	5,17,456	7,51,373	4,401	12,64,428	9,07,884
Total of Tangible Assets	1,69,97,359	1,63,67,76,787	19,530	1,65,37,54,616	50,89,565	7,74,34,064	4,401	8,25,19,228	1,57,12,35,388
(b) Intangible Assets									
Computer Software	18,83,510	24,74,695	-	43,58,205	12,16,818	13,36,421	-	25,53,239	18,04,966
Total of Tangible & Intangible (a+b)	1,88,80,869	1,63,92,51,482	19,530	1,65,81,12,821	63,06,383	7,87,70,485	4,401	8,50,72,467	1,57,30,40,354
(c) Capital Work In Progress (Refer Note No.6.2)	1,63,11,88,160	9,90,34,917	1,63,77,08,600	9,25,14,477	-	-	-	-	9,25,14,477
Total (a+b+c)	1,65,00,69,029	1,73,82,86,399	1,63,77,28,130	1,75,06,27,298	63,06,383	7,87,70,485	4,401	8,50,72,467	1,66,55,54,831

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Notes forming part of the Financial Statements for the year ended 31st March, 2017

Note 6.1 Fixed Assets (Owned, unless stated otherwise) (FOR THE YEAR ENDED 31ST MARCH, 2016)

(Amount in ₹)

Particulars	Gross Block			Accumulated Depreciation					Net Block
	Balance as at 1st April, 2015	Additions	Disposals	Balance as at 31st March, 2016	Balance as at 1st April, 2015	Depreciation charge for the Year	Disposals	Balance as at 31st March, 2016	Balance as at 31st March, 2016
(a) Tangible Assets									
Plant and Equipment	16,11,136	1,61,062	-	17,72,198	77,574	1,04,777	-	1,82,351	15,89,847
Electrical Intallation	99,86,451	21,580	-	1,00,08,031	5,47,078	24,42,610	-	29,89,688	70,18,343
Vehicles	3,64,426	-	-	3,64,426	65,471	93,351	-	1,58,822	2,05,604
Computers	16,62,177	7,88,157	-	24,50,334	3,84,439	8,43,371	-	12,27,810	12,22,524
Furniture & Fixtures	-	2,10,528	-	2,10,528	-	13,438	-	13,438	1,97,090
Office Equipments	87,650	21,13,842	9,650	21,91,842	38,742	4,86,275	7,561	5,17,456	16,74,386
Total of Tangible Assets	1,37,11,840	32,95,169	9,650	1,69,97,359	11,13,304	39,83,822	7,561	50,89,565	1,19,07,794
(b) Intangible Assets									
Computer Software	16,91,367	1,92,143	-	18,83,510	3,41,399	8,75,419	-	12,16,818	6,66,692
Total of Tangible & Intangible (a+b)	1,54,03,207	34,87,312	9,650	1,88,80,869	14,54,703	48,59,241	7,561	63,06,383	1,25,74,486
(c) Capital Work In Progress (Refer Note No.6.2)	1,32,47,47,599	30,64,40,561	-	1,63,11,88,160	-	-	-	0	1,63,11,88,160
Total (a+b+c)	1,34,01,50,806	30,99,27,873	9,650	1,65,00,69,029	14,54,703	48,59,241	7,561	63,06,383	1,64,37,62,646

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2017

6.2 Capital Work in Progress

The Company has entered into a Concession Agreement with the Madhya Pradesh State Agricultural Marketing Board (Mandi Board), whereby the Company will set up a "Composite Logistics Hub" at Powarkheda, Madhya Pradesh, on Public Private Participation (PPP) basis. All the expenses incurred in relation to the afore-mentioned project are grouped under "Capital Work In Progress" and have been capitalised on the commencement of the operations. ICD, Truck Parking Area and Railway Warehouse 2 are still under construction and yet to put to use. Hence the same is still shown as Capital Work in Progress. Detailed break-up is given below:

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
Opening Balance	1,63,11,88,160	1,32,47,47,599
Add:- Incurred during year :-		
(a) Project Development Fees (Including Concession Premium)	7,68,46,183	87,270
(b) Civil & Construction Work	1,33,24,699	10,76,07,446
(c) Cold Storages Work	24,48,999	4,55,03,560
(d) Other Project Expenses		
-Concession /Codal Fees	-	1,79,54,980
-Private Freight Terminal Fees to Railways	-	12,22,307
-Legal Consultancy & Professional Fees	11,43,000	-
-Software expenses	-	5,53,000
-Labour Cess	-	10,00,000
-Site Expenses	-	18,88,850
-Others	-	30,47,480
(e) Employee Cost	-	74,62,806
(f) Finance Cost		
- Interest on Term Loan	52,72,036	10,44,02,796
(g) Other Pre-operative admin cost		
(i) Directors' Sitting fees	-	3,47,416
(ii) Auditors Remuneration		
- Audit Fees	-	1,50,000
-Out of pocket expenses	-	2,450
(iii) Other Administrative expenditure		
- Legal & Professional Fees	-	35,16,730
-Communication Expenses	-	3,41,625
-Travelling & Conveyance	-	20,10,804
-Electricity Charges	-	23,87,804
-Security Charges	-	10,88,368
-Rates & Taxes	-	5,00,736
-Others	-	36,30,889
(h) Depreciation	-	48,59,241
Less : i) Expensed out during the year	(11,91,004)	-
ii) Preoperative Income		
-Interest on Fixed Deposit	-	(7,24,576)
-Cold Storage Rent	-	(2,42,331)
-Warehouse Rent	-	(21,59,090)
Sub-Total	9,78,43,913	30,64,40,561
Less : Capitalised during the year	1,63,65,17,596	-
Total	9,25,14,477	1,63,11,88,160

Notes forming part of the Financial Statements for the year ended 31st March, 2017

6.3 LONG TERM LOANS AND ADVANCES

(Unsecured, Considered good)

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
Advances to Suppliers for Capital Goods	-	5,30,655
Security Deposits		
- Project Deposit with Western Central Railway, Jabalpur for private freight terminal	99,00,000	99,00,000
- Electricity Deposit	3,42,119	11,74,600
- Telephone Deposit	1,000	1,000
Total	1,02,43,119	1,16,06,255

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6.4 OTHER NON-CURRENT ASSETS

(Unsecured, Considered good)

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
Fixed Deposits with maturity of more than 12 months (₹ 25,000/- Under lien with Sales Tax Department, ₹ 70,00,000 under lien with Dena Bank for establishing bank guarantee in favour of MP State Agricultural Marketing Board(Mandi Board,))	70,25,000	70,25,000
Interest on Bank Fixed Deposit accrued but not due	7,38,376	2,19,341
Total	77,63,376	72,44,341

7.1 TRADE RECEIVABLES

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
Unsecured, Considered good		
(a) Outstanding for a period exceeding six months from the date they are due for payment	11,36,184	-
(b) Others	31,81,427	-
Total	43,17,611	-

7.2 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
a. Balance with Scheduled Banks in Current Accounts	2,85,48,264	1,95,818
b. Cash on hand	99,089	51,626
c. Other Bank Balances		
Fixed Deposits with maturity of less than 12 months (Under lien with Dena Bank for establishing Bank Guarantee in favour of ITC Ltd and Customs)	5,84,712	13,13,460
Total	2,92,32,065	15,60,904

7.3 SHORT TERM LOANS & ADVANCES

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
Tax Deducted at Source	12,31,975	5,81,938
Prepaid Expenses	13,54,007	3,61,138
Advance to Vendors for Expenses	10,75,263	2,05,000
Advance to Employees	-	72,000
Total	36,61,245	12,20,076

7.4 OTHER CURRENT ASSETS

Particulars	As at 31st March, 2017	As at 31st March, 2016
	(Amount in ₹)	(Amount in ₹)
Interest on Bank Deposits accrued but not due	7,151	21,008
Other Receivable	-	1,35,031
Service Tax Input Credit	28,63,481	-
Total	28,70,632	1,56,039

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2017

8 REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2017
	(Amount in ₹)
Sale of Services	4,20,24,313
Total	4,20,24,313

9 OTHER INCOME

Particulars	For the year ended 31st March, 2017
	(Amount in ₹)
(a) Interest on	
(i) Fixed Deposits	6,20,617
(ii) Others	46,919
(b) Miscellaneous Income	3,98,674
Total	10,66,210

10.1 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March, 2017
	(Amount in ₹)
(a) Salaries and Wages	1,19,07,283
(b) Contribution to Provident Fund	4,85,035
(c) Contribution to Gratuity Fund (refer note no. 13)	1,66,105
(d) Staff Welfare Expenses	2,08,697
Total	1,27,67,120

10.2 FINANCE COSTS

Particulars	For the year ended 31st March, 2017
	(Amount in ₹)
(a) Interest Expense	10,65,88,611
(b) Other Borrowing Costs	
(i) Finance Charges	49,25,750
(ii) Others including Bank Charges	29,957
Total	11,15,44,318

10.3 OTHER EXPENSES

Particulars	For the year ended 31st March, 2017
	(Amount in ₹)
(a) Transportation, Labour and Handling Charges	2,98,50,060
(b) Power & Fuel	35,57,104
(c) Equipment Hire Charges	81,22,078
(d) Repairs :	
(i) Plant & Machinery	52,52,592
(ii) Buildings	3,37,467
(iii) Others	1,98,339
(e) Insurance	5,23,915
(f) Rates & Taxes	13,60,940
(g) Selling agent Commission & Brokerage	5,31,798
(h) Legal & Professional Fees	61,68,200
(i) Directors Sitting Fees	6,30,000
(j) Auditors Remuneration	
(i) Audit Fees	2,25,000
(ii) Out Of Pocket Expenses	6,039
(k) Travelling Expenses	26,15,005
(l) Bad Debts/Advances Written off	1,92,991
(m) Security Service Charges	12,93,259
(n) Issue Expenses for Redeemable Preference Shares	16,62,628
(o) Miscellaneous Expenses	46,29,705
Total	6,71,57,120

Since the company has commenced its operations from 19.04.2016 and no statement of profit and loss was prepared for the previous financial year and hence comparative figures for previous year is not applicable.

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2017

11. CAPITAL COMMITMENTS:

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 14,02,64,321/- (Previous Year: ₹ 17,05,21,972/-).

12. CONTINGENT LIABILITIES:

Nature of claim/Demands	As at 31 st March, 2017 (Amount in ₹)	As at 31 st March, 2016 (Amount in ₹)
Guarantee:		
Performance Bank Guarantee		
- Given to Madhya Pradesh State Agricultural Marketing Board (Mandi Board) to set up a "Composite Logistics Hub" at Powarkheda in Madhya Pradesh,	7,00,00,000	7,00,00,000
- Given to Principal Commissioner of Customs & Central Excise, Bhopal	50,00,000	50,00,000
- Given to Commissioner, Food Civil Supplies & Consumer Protection, Bhopal.	-	81,34,600
- Given to a Customer, ITC Limited	5,00,000	-
Total	7,55,00,000	8,31,34,600

13. EMPLOYEE BENEFITS

Defined Contribution Plans

Particulars	As at 31 st March, 2017 (Amount in ₹)	As at 31 st March, 2016 (Amount in ₹) *
Employers Contribution to Provident Fund	4,85,035	2,92,214
Total	4,85,035	2,92,214

* recognised in Capital Work In Progress

Defined Benefit Plan

- i) Gratuity (Non-funded)
- ii) Leave Encashment (Non-funded)

i) Gratuity (Non-funded)

In accordance with Accounting Standard (AS 15) (Revised 2005), actuarial valuation was performed by independent actuaries in respect of the aforesaid defined benefit plan.

(a) The amounts recognized in the balance sheet are as follows:

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 st March, 2017 (Amount in ₹)	For the year ended on 31 st March, 2016 (Amount in ₹)
Present Value of Unfunded obligations	2,65,932	99,827
Fair Value of plan assets	-	-
Net liability	2,65,932	99,827

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2017

Amount in balance sheet		
Liabilities	2,65,932	99,827

(b) The amounts recognized as Employee cost are as follows:

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March, 2017 (Amount in ₹)	For the year ended on 31st March, 2016 (Amount in ₹) *
Current service cost	98,592	1,20,624
Interest on obligation	7,986	21,346
Expected return on plan assets	-	-
Net actuarial losses (gains) recognized in year	59,527	(3,08,971)
Total included in employee benefit expense	1,66,105	(1,67,001)
Actual return on plan assets	-	-

* recognised in Capital Work In Progress

(c) Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March, 2017 (Amount in ₹)	For the year ended on 31st March, 2016 (Amount in ₹)
Opening defined benefit obligation	99,827	2,66,828
Service costs	98,592	1,20,624
Interest costs	7,986	21,346
Actuarial losses (gains)	59,527	(3,08,971)
Benefits paid	-	-
Closing defined benefit obligation	2,65,932	99,827

(d) Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March, 2017 (Amount in ₹)	For the year ended on 31st March, 2016 (Amount in ₹)
Opening fair value of plan assets	-	-
Amount of last year taken credit in funds	-	-
Expected return on plan assets	-	-
Actuarial gains / (losses)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Closing fair value of plan assets	-	-

(e) Principal actuarial assumptions at the balance sheet date (expressed as weighted average):

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March, 2017 (Amount in ₹)	For the year ended on 31st March, 2016 (Amount in ₹)
Discount rate	7.71%	8.00%

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2017

Salary escalation rate	8.00%	8.00%
Attrition rate	1.00%	1.00%
Expected return on plan assets	Not Applicable	Not Applicable

(f) Amounts for the current and previous year are as follows:

Particulars	For the year ended on 31 st March, 2017 (Amount in ₹)	For the year ended on 31 st March, 2016 (Amount in ₹)
Defined benefit obligation	2,65,932	99,827
Plan assets	-	-
Surplus/ (deficit)	(2,65,932)	(99,827)

(g) Experience Adjustment:

Particulars	For the year ended on 31 st March, 2017 (Amount in ₹)	For the year ended on 31 st March, 2016 (Amount in ₹)
On plan Liability (Gains)/ Losses	45,767	(3,08,971)
On plan Assets Gains/ (Losses)	-	-

(ii) Leave Encashment (Non-funded)

In accordance with Accounting Standard (AS 15) (Revised 2005), actuarial valuation was performed by independent actuaries in respect of the aforesaid defined benefit plan.

(a) The amounts recognized in the balance sheet are as follows:

Particulars	Defined Benefit (Privilege Leave Encashment)	
	For the year ended on 31 st March, 2017 (Amount in ₹)	For the year ended on 31 st March, 2016 (Amount in ₹)
Present Value of Unfunded obligations	2,72,413	1,08,584
Fair Value of plan assets	-	-
Net liability	2,72,413	1,08,584
Amount in balance sheet Liabilities	2,72,413	1,08,584

(b) The amounts recognized as Employee cost are as follows:

Particulars	Defined Benefit (Privilege Leave Encashment)	
	For the year ended on 31 st March, 2017 (Amount in ₹)	For the year ended on 31 st March, 2016 (Amount in ₹) *
Current service cost	63,460	76,663
Interest on obligation	8,687	27,338
Expected return on plan assets	-	-
Net actuarial losses (gains) recognized in year	91,682	15,176
Total included in employee benefit expense	1,63,829	1,19,177
Actual return on plan assets	-	-

* recognised in Capital Work In Progress

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2017

(c) Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Defined Benefit (Leave Encashment)	
	For the year ended on 31 st March, 2017 (Amount in ₹)	For the year ended on 31 st March, 2016 (Amount in ₹)
Opening defined benefit obligation	1,08,584	3,41,719
Service costs	63,460	76,663
Interest costs	8,687	27,338
Actuarial losses (gains)	91,682	15,176
Benefits paid	-	(3,52,312)
Closing defined benefit obligation	2,72,413	1,08,584

(d) Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Defined Benefit (Leave Encashment)	
	For the year ended on 31 st March, 2017 (Amount in ₹)	For the year ended on 31 st March, 2016 (Amount in ₹)
Opening fair value of plan assets	-	-
Amount of last year taken credit in funds	-	-
Expected return on plan assets	-	-
Actuarial gains / (losses)	-	-
Contributions by employer	-	-
Benefits paid	-	-
Closing fair value of plan assets	-	-

(e) Principal actuarial assumptions at the balance sheet date (expressed as weighted average):

Particulars	Defined Benefit (Leave Encashment)	
	For the year ended on 31 st March, 2017 (Amount in ₹)	For the year ended on 31 st March, 2016 (Amount in ₹)
Discount rate	7.71%	8.00%
Salary escalation rate	8.00%	8.00%
Attrition rate	1.00%	1.00%
Expected return on plan assets	Not Applicable	Not Applicable

(f) Amounts for the current and previous year are as follows:

Particulars	For the year ended on 31 st March, 2017 (Amount in ₹)	For the year ended on 31 st March, 2016 (Amount in ₹)
Defined benefit obligation	2,72,413	1,08,584
Plan assets	-	-
Surplus/ (deficit)	(2,72,413)	(1,08,584)

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2017

(g) Experience Adjustment:

Particulars	For the year ended on 31 st March, 2017 (Amount in ₹)	For the year ended on 31 st March, 2016 (Amount in ₹)
On plan Liability (Gains)/ Losses	77,689	15,176
On plan Assets Gains/ (Losses)	-	-

14. SEGMENT REPORTING:

In the opinion of the Management and based on consideration of dominant source and nature of risks and returns, the company's activities during the year revolved around single segment namely, "Composite Logistics Hub". Considering the nature of company's business and operations, there are no separate reportable segments (Business and/or Geographical) in accordance with the requirement of Accounting Standard 17.

15. RELATED PARTY DISCLOSURES UNDER ACCOUNTING STANDARD 18:

Names of related parties and nature of related party relationships:

Name of Related Parties

- a) Kesar Terminals & Infrastructure Limited - Holding Company
- b) Key Management Personnel and relatives of such personnel:

Key Management Personnel:

Mr. H R Kilachand	Director (upto 29.04.2016)
Mrs. M H Kilachand	Director
Mr. Rohan H Kilachand	Director (w.e.f. 29.04.2016)
Mr. S G Khare	Whole time Director (upto 21.10.2016)

Relatives of Key Management Personnel:

Mrs. Nidhi Rohan Kilachand	Wife of Director
Ms. Rohita H Kilachand	Daughter of Director

- c) Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence:

Kesar Enterprises Limited
Kesar Corporation Pvt. Ltd.
Indian Commercial Co. Pvt. Ltd.
Kilachand Devchand & Co. Pvt. Ltd.
India Carat Pvt Ltd
Kilachand Devchand Commercial Pvt. Ltd.
Seel Investment Pvt. Ltd.

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2017

Disclosure of transactions between the Company and related parties and the status of outstanding balance as on 31st March, 2017:

Nature of Transaction	For the year ended 31 st March, 2017 (Amount in ₹)	For the year ended 31 st March, 2016 (Amount in ₹)
KESAR TERMINALS & INFRASTRUCTURE LIMITED		
(a) Transactions		
Long Term Borrowings taken/(repaid)	-	6,97,02,369
Issue of Preference Shares	16,55,00,000	9,64,00,000
(b) Balance Outstanding at the year end		
Long term Loans	15,54,00,000	15,54,00,000
Equity Share Capital	41,77,50,000	41,77,50,000
Preference Share Capital	26,19,00,000	9,64,00,000

Nature of Transaction	For the year ended 31 st March, 2017 (Amount in ₹)	For the year ended 31 st March, 2016 (Amount in ₹)
KESAR ENTERPRISES LIMITED		
(a) Transactions		
Purchase of Fixed Asset	2,00,000	2,10,528
Expenses Reimbursement	2,82,400	6,23,330
(b) Balance Outstanding at the year end		
Share Capital	2,50,000	2,50,000
Payable towards Reimbursement of Expense/Purchase of Fixed Asset	-	2,57,076
M H KILACHAND Transactions		
Director Fees	45,000	15,000
S G KHARE (Upto 21.10.2016)		
(a) Transactions		
Remuneration	3,33,871	6,00,000
(b) Balance Outstanding at the year end	Nil	50,000

16. DETAILS OF SPECIFIED BANK NOTES (SBN)

The Details of specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

(Amount in ₹)

Particulars	SBNs	Other denomination notes	Total
Closing Cash in Hand as on 08.11.2016	91,000	2,31,936	3,22,936
(+) Permitted Receipts	-	5,42,341	5,42,341
(-) Permitted Payments	-	3,43,279	3,43,279
(-) Amounts deposited in Banks	91,000	70,000	1,61,000
Closing Cash in Hand as on 30.12.2016	-	3,60,998	3,60,998

KESAR MULTIMODAL LOGISTICS LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2017

17. EARNINGS PER SHARE (EPS):

Particulars	For the year ended 31 st March 2017
Basic & Diluted EPS:	
a) Net profit attributable to Equity Shareholders (₹)	-22,75,24,487
b) Weighted average number of Equity Shares Outstanding (Nos.)	4,18,00,000
Basic & Diluted EPS (₹)	(5.44)
Face Value per Share (₹)	10

18. ADDITIONAL INFORMATION:

Particulars	As at 31 st March, 2017 (Amount in ₹)	As at 31 st March, 2016 (Amount in ₹)
(a) Expenditure in foreign currency	-	-
(b) Earnings in foreign currency	-	-

19.

Based on the information available with the Company regarding the status of the suppliers as defined under the Micro Small and Medium Enterprise Development Act 2006 (the 'MSMED'), no amounts payable to creditors are outstanding for more than 45 days as per the terms & conditions of the order.

20.

Previous year figures have been regrouped or re-arranged wherever necessary.

For and on behalf of the Board of Directors

A S Ruia
Chairman
DIN 00296622

R.H.Kilachand
Director
DIN 07241625

V J Doshi
Chief Financial Officer

Alok Singh
Company Secretary

Place: Mumbai

Date: 30.05.2017