

3rd Annual Report / 2010-11



KESAR TERMINALS & INFRASTRUCTURE LTD.

KESAR TERMINALS & INFRASTRUCTURE LTD.

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KESAR TERMINALS & INFRASTRUCTURE LTD.

(Incorporated under the Companies Act, 1956)

COMPANY INFORMATION

BOARD OF DIRECTORS	:	H. R. KILACHAND (Chairman) SMT. M. H. KILACHAND A. S. RUIA K. KANNAN J. N. GODBOLE R. S. LOONA J. K. DEVGUPTA (Executive Director)
COMPANY SECRETARY	:	Bhautesh Shah
BANKERS	:	Allahabad Bank Yes Bank Ltd.
AUDITORS	:	M/s. Haribhakti & Co., Chartered Accountants
TERMINALS	:	Kandla (Gujarat)
REGISTERED OFFICE	:	Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai - 400 020.
REGISTRAR & TRANSFER AGENTS	:	SHAREX DYNAMIC (INDIA) PVT. LTD. Unit No. 1, Luthra Industrial Premises, Andheri Kurla Road, Andheri (East), Mumbai - 400 072.
AUDIT COMMITTEE MEMBERS	:	A. S. RUIA (Chairman of the Committee) K. KANNAN J. N. GODBOLE R. S. LOONA H. R. KILACHAND

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NOTICE

NOTICE is hereby given that the 3rd Annual General Meeting of the Members of **KESAR TERMINALS & INFRASTRUCTURE LIMITED** will be held on **Wednesday, 29th June, 2011** at **3:00 p.m.** at **M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400001** to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To declare final dividend on Equity Shares.
3. To appoint a Director in place of Shri A. S. Ruia, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Shri K. Kannan, who retires by rotation and being eligible offers himself for reappointment.
5. 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 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Haribhakti & Co., Chartered Accountants, 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 including auditing of the accounts of the Company.”

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass with or without modification/s, the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof) and the provisions of the Foreign Exchange Management Act (FEMA), Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 as amended, the Securities and Exchange Board of India (SEBI) Regulations and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India (GOI), the Reserve Bank of India (RBI), SEBI and any other competent or concerned authority and the provisions of the Memorandum and Articles of Association of the Company, the Listing Agreement entered into by the Company with the Stock Exchanges on which the Company's shares are listed and subject to necessary approvals, permissions, consent and sanctions of the concerned statutory and other authority(ies) and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consent and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”), which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution, the Board be and is hereby authorised on behalf of the Company with powers to delegate such authority to such person or persons as the Board may deem fit, to offer, issue and allot either in India or in the course of international offering(s), in one or more foreign markets, such number of Equity Shares, Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs), Qualified Institutional Placements (QIPs), Equity Shares (through Depository Receipt Mechanism), or any other Financial Instruments convertible into Equity Shares or otherwise, in the registered or bearer form, any security convertible in or linked to Equity Shares and / or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (hereinafter collectively referred to as “Securities”) or any one or combination of such Securities, in one or more tranches, whether rupee denominated or denominated in foreign currency, to foreign / resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), Foreign Institutional Investors, Indian / Multilateral Financial Institutions, Mutual Funds, Banks, Insurance Companies, Pension Funds, Qualified Institutional Buyers (QIB's), Non-Resident Indians and / or any other eligible investors/employees, whether they be holders of shares of the Company or

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not (collectively called the “Investors”) through Public Issue(s), Rights Issue(s) Preferential Issue(s), Private Placement(s) or a combination thereof through prospectus, offer document, offer letter, offer circular or otherwise, at such time or times, at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions including security, rate of interest etc. as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with Lead Managers, **upto an amount not exceeding Indian Rupees 25 crore (approximately) or equivalent foreign currency inclusive of such premium** as the Board at its absolute discretion may deem fit and appropriate.”

“RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practice and to provide for the tradability or free transferability thereof as per the prevailing practices and regulations in the capital market including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the GDRs during the duration of the Depository Receipts and the Board be and is hereby authorised at its absolute discretion, in such manner as it may deem fit, to dispose off such of the Securities as are not subscribed.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion, redemption or cancellation of any Securities or as may be necessary in accordance with the terms of the offering(s), all such shares ranking *pari passu* with the existing Equity Shares of the Company in all respects.”

“RESOLVED FURTHER THAT the pricing of the Securities shall be made subject to compliance with applicable laws and regulations and, further that the pricing of any GDRs/ FCCBs / ADRs that may be issued, shall be made at a price not less than the higher of the following two averages:

- i. The average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the six months preceding the relevant date;
- ii. The average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date;

The “relevant date” means the date thirty days prior to the date on which the meeting of the general body of shareholders is held, in terms of Section 81(1A) of the Companies Act, 1956, to consider the proposed issue.

“RESOLVED FURTHER THAT the issue to the holders of the Securities of the Equity Shares underlying the Securities shall be, *inter alia*, subject to the following terms and conditions:

- (a) in the event of the Company making a bonus issue by way of capitalisation of its profits or reserves prior to the allotment of the Equity Shares, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;
- (b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders and
- (c) in the event of merger, amalgamation, takeover or any other re-organisation or restructuring, the number of shares, the price and the time period as aforesaid shall be suitably adjusted.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Trustees, Bankers, Advisors and all such Agencies as may be involved or concerned in such offering(s) of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with such agencies and to seek the listing of such Securities on one or more National and / or International Stock Exchange(s).”

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“RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue and allotment of Securities or Equity Shares, as aforesaid, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary, desirable or expedient including the obtaining of permissions / approvals from various authorities as may be required and to settle any questions, difficulties or doubts that may arise in regard to any such offer, issue and allotment.”

“RESOLVED FURTHER THAT the acts, deeds, and things already done by the Board, or any persons designated by the Board, in this regard be and are hereby confirmed, approved and ratified.”

Registered Office:

Oriental House, 6th Floor,
7, Jamshedji Tata Road,
Churchgate,
Mumbai-400020.

16th May, 2011

By Order of the Board of Directors

Bhautesh Shah
Dy. Company Secretary

Notes:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- b) The register of members and share transfer books of the Company shall remain closed from Wednesday, 22.6.2011 to Wednesday, 29.6.2011 (both days inclusive) for the purpose of payment of the final dividend. The Shareholders are requested to inform of change in address, if any, at the earliest.
- c) The Members may lodge their shares for transfer / transmission with the office of M/s. SHAREX DYNAMIC (INDIA) PVT. LTD., the Registrar and Share Transfer Agents at Unit No.1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai 400072 or with the Company.
- d) All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays and Sundays between 11:00 a.m. and 1:00 p.m. upto the date of the ensuing Meeting.
- e) Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
- f) Members / Proxies should fill the Attendance Slip for attending the Meeting. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification for attendance at the Meeting.
- g) **The members of the Company are requested to provide their email address for serving by electronic mode the notice/documents as a part of the Green Initiative in Corporate Governance introduced by the Ministry of Corporate Affairs vide Circular No. 17/2011 & 18/2011 dated 21.4.2011 and 29.4.2011 respectively. The said information/request can be sent by members to M/s. SHAREX DYNAMIC (INDIA) PVT. LTD., the Registrar and Share Transfer Agents email id at sharexindia@vsnl.com or at the Company's email id at bhauteshshah@kesarindia.com (Please refer Page 42 & 43).**
- h) An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto.
- i) As per Clause 49(IV)(G) of the Listing Agreement, the information in detail about Shri A. S. Ruia and Shri K. Kannan, the retiring Directors at the ensuing Annual General Meeting, is given in para 2 of the Corporate Governance Report.

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ANNEXURE TO THE NOTICE

Explanatory Statement as required by Section 173 of the Companies Act, 1956

Item No. 6:

The proposed resolution is an enabling resolution, which relates to the proposal of the Company to offer, issue and allot either in India or in the course of an international offering in one or more foreign markets, by way of equity shares / depository receipts / foreign currency convertible bonds (FCCB) / fully convertible debentures / partly convertible debentures / qualified institutional placements (QIP's) or any other financial instruments convertible into or linked to equity shares or otherwise, or any one or combination of such securities, in one or more tranches through Public Issue(s), Rights Issue(s), Preferential Issue(s), Private Placement(s) or a combination thereof and on the terms and conditions as may be decided by the Board of Directors or any Committee thereof, at its absolute discretion, for an amount not exceeding Indian Rupees 25 crore (approximately) or equivalent foreign currency inclusive of premium payable on conversion, if any.

The objects of this issue is to enhance financial flexibility of the Company to fund the capital expenditure plans of the Company and/or to part finance expansion/modernization and/or acquisition/investments. The Company is exploring alternatives to mobilise resources from various available sources. Presently, it is proposed to raise a sum upto Indian Rupees 25 crore (approximately) or equivalent foreign currency.

The detailed terms and conditions for the offer will be determined in consultation with Advisors, Lead Managers, Underwriters and such other authority or authorities and agencies as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors. The pricing of the international offering(s), if any, will be free market pricing and may be at a premium or discount to the market price in accordance with international practice, subject to applicable rules, regulations etc. As the pricing of the offering(s) will be decided at a later stage, the exact number of securities or shares to be issued will depend upon the price so decided. For the aforesaid reasons, an enabling resolution is being proposed to give adequate flexibility and discretion to the Board to finalise the terms of the issue. However, it may be noted that according to the Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, (the FCCB Scheme) the pricing of GDR /FCCB issues should be made at a price not less than the higher of the following two averages:

- (i) The average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months preceding the relevant date;
- (ii) The average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during two weeks preceding the relevant date.

The relevant date means the date thirty days prior to the date of this Annual General Meeting.

Securities issued pursuant to the international offering(s), if any, will be listed on the Luxembourg Stock Exchange and / or London Stock Exchange and / or Singapore Stock Exchange and / or other Exchange(s) outside India and may be represented by Securities outside India.

The Special Resolution seeks to give the Board powers to issue Securities in one or more tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies, individuals or otherwise as the Board may at its absolute discretion deem fit. Section 81(1A) of the Companies Act, 1956 provides, *inter alia*, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such further shares shall be offered to the existing shareholders of the Company in the manner laid down in Section 81(1A) unless the shareholders in a general meeting decide otherwise.

The Listing Agreement entered into by the Company with the Bombay Stock Exchange/National Stock Exchange of India Ltd. on which the Company's shares are listed provides, *inter alia*, that the Company in the first instance should offer all the shares to be issued by the Company for subscription on a pro rata basis to the equity shareholders unless the shareholders in a general meeting decide otherwise.

The said Special Resolution, if passed, shall have the effect of allowing the Board on behalf of the Company to offer, issue and allot the Securities otherwise than on pro rata basis to the existing shareholders.

The Board of Directors believes that such issue is in the interest of the Company and therefore recommends the resolution for your approval. No Director of the Company is interested or concerned in the said resolution.

Registered Office:

Oriental House, 6th Floor,
7, Jamshedji Tata Road,
Churchgate,
Mumbai-400020.
16th May, 2011.

By Order of the Board of Directors

Bhautesh Shah
Dy. Company Secretary

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DIRECTORS' REPORT

To
The Shareholders
Kesar Terminals & Infrastructure Ltd.

Dear Members,

Your Directors present to you the 3rd Annual Report and the audited Statement of Accounts for the year ended 31st March, 2011.

COMPLETION OF DEMERGER PROCESS

The Hon'ble High Court of Bombay on 12.3.2010 had passed an Order pursuant to Sections 391 to 394 of the Companies Act, 1956, sanctioning the Scheme of Arrangement by way of Demerger for transfer of the undertaking, business, activities and operations pertaining to the Storage Division / Undertaking of the erstwhile 100% Holding Company viz. Kesar Enterprises Ltd. [KEL] into the Company as a going concern with effect from the Appointed Date i.e. 1st January, 2009. Consequent to which on 1.6.2010, the Company had issued and allotted 47,53,113 Equity Shares of Rs.10/- each aggregating to Rs.4,75,31,130/- for consideration other than cash to every member of KEL, whose name appeared in the Register of Members of KEL on the Record Date i.e. 14.5.2010, in the ratio of 10:7 i.e. for every 10 Equity Shares of Rs.10/- each held in KEL, 7 Equity Shares of Rs.10/- each of the Company either in dematerialized or physical form. After the said allotment, the Share Capital of the Company is 52,53,113 Equity Shares of Rs.10/- each aggregating to Rs.5,25,31,130/-. The Company appreciates the support extended by the members for approving the Scheme of Arrangement for Demerger, its Directors and employees for the successful implementation and completion of the Demerger process.

LISTING OF SHARES

Subsequent to the completion of the Demerger process, the shares of the Company were listed at both the bourses i.e Bombay Stock Exchange (BSE) and National Stock Exchange of India Ltd. (NSE) on 22.12.2010. The Company got an overwhelming response on its debut at both the bourses. The shares of the Company reached an all time high of Rs.129.40 on the BSE and Rs.127.45 on the NSE in January, 2011.

FRACTIONAL SHARES

Pursuant to the shares allotted by KETIL to the shareholders of KEL on 1.6.2010, it resulted in some shareholders becoming entitled to fractional share. In accordance with the terms of the said Scheme, all such fractional shares were consolidated into 510 Equity shares which were allotted in favour of the Trustee of the Company, who in turn, sold the same in the open market through BSE. The proceeds from the sale of the said 510 shares were distributed / dispatched to all the eligible shareholders in the proportion to which they were so entitled.

FINANCIAL RESULTS

	(Rs.in Lac)	
	2010-11	2009-10
Profit before interest, depreciation & taxation	1106.90	1070.80
Less: Interest and Finance Charges	96.22	123.47
Profit before Depreciation & taxation (Cash Profit)	1010.68	947.33
Less: Depreciation	276.47	241.84
Profit before tax	734.21	705.49
Less: Provision for Taxation		
(i) Income Tax - Current	249.64	162.08
(ii) Income Tax – Deferred	(7.77)	110.03
Profit after tax and available for appropriation	492.34	433.38
Appropriation:		
Less:		
(i) Transfer to General Reserve	49.23	50.00
(ii) Interim Dividend on Equity Shares	78.80	-
(iii) Proposed Dividend on Equity Share	52.53	105.06
(iv) Corporate Tax on Dividends	21.61	17.45
Profit after appropriation	290.17	260.87
Add: Balance brought forward from previous year	341.95	81.08
Balance carried forward to Balance Sheet	632.12	341.95

For the year 2010-2011, there is a profit after tax of Rs.492.34 lac as against Rs.433.38 lac in the previous year.

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DIVIDEND

The Company has paid an Interim Dividend of 15% i.e Rs.1.50 per share during the year. The Directors are pleased to recommend a final dividend of 10% i.e Re. 1 per share. Thus the aggregate dividend for the year 2010-11 works out to 25% i.e Rs.2.50 per share (as against the dividend of 20% i.e Rs.2 per share declared in the previous year). The total payout will be Rs.131.33 lac, excluding dividend distribution tax of Rs.21.61 lac.

WORKING FOR THE CURRENT YEAR

The Company has done well during the year. The revenue generated was much higher at Rs.2052.18 lac as against Rs.1832.30 lac in the previous year. The increase was mainly on account of improvement in the average commercial utilization charges of tanks by 15% YoY from 75% to 90%. There was also upward revision in terminal tankage charges from select customers alongwith the collection of other ancillary charges being introduced.

SUBSEQUENT FINANCIAL YEAR 2011-2012

With the upturn in economic activities, the demand for tankage is on the rise leading to firming up of terminal cargo. Hence, the revenue of the Storage Terminals will go up further in the current financial year. The Company has also plans for putting up additional tanks in Terminal No.I subject to receipt of statutory clearances for which applications have already been submitted to the concerned authorities.

EXPANSION / MODERNISATION

The Company has taken possession of about 10 acres of land at Kakinada port in Andhra Pradesh and initial site development work has commenced. The Company plans to put up both dry cargo and bulk liquid cargo handling facilities at Kakinada shortly.

The Company has purchased about 16 acres of land at Pipavav port in Gujarat and is planning to put up a Bulk Liquid Storage Terminal and a Container Freight Station [CFS] at Pipavav subject to receipt of statutory clearances for which applications have already been submitted to the concerned authorities.

As informed earlier, the Company has been exploring opportunities for putting up Bulk Liquid Storage Terminals at other ports and also examining putting up other inland port based facilities such as Container Freight Station, Inland Container Depots and Multi Modal Hubs at different locations in the country.

DIRECTORS

Shri A. S. Ruia, Director and Shri K. Kannan, Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment. The brief profile pursuant to Clause 49 of the Listing Agreement of the Directors retiring by rotation at the ensuing Annual General Meeting and being eligible, for reappointment forms part of the Corporate Governance Report.

Pursuant to the provisions of Sections 198, 269, 309, 316, Schedule XIII read with Section III thereto and other applicable provisions, if any, of the Companies Act, 1956, approval of the Shareholders was granted for the appointment of Shri H. R. Kilachand as Whole-time Director designated as Executive Chairman of the Company with substantial powers of management, for a period of 3 years with effect from 14.9.2010 on a remuneration as approved by the Shareholders at the last Annual General Meeting.

Your Company was also informed that the shareholders of Kesar Enterprises Ltd. (KEL), the erstwhile Holding Company had appointed Shri H. R. Kilachand as Chairman & Managing Director for a period of 3 years with effect from 14.8.2010 at their Annual General Meeting held on 23.12.2010. However, the total remuneration drawn and retained by Shri H. R. Kilachand from both the Companies shall not exceed the higher maximum limit admissible from any one of the Companies i.e. the Company or KEL as per the provisions of the Companies Act.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act 2000, the Directors state as under:

- i) that in preparation of the annual accounts for the financial year ended on 31st March, 2011, 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 profit for that year;
- 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, 2011 on a going concern basis.

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MANAGEMENT DISCUSSION & ANALYSIS REPORT AND CORPORATE GOVERNANCE REPORT

The Management Discussion & Analysis Report, is annexed and forms part of this Annual Report.

The Company has complied with the Corporate Governance requirements as stipulated under Clause 49 of the Listing Agreement with the stock exchanges. A separate section on Corporate Governance, along with a certificate from the auditors confirming the compliance, is also annexed and forms part of the Annual Report.

INSIDER TRADING

In compliance with the SEBI regulation on prevention of Insider Trading, your Company has framed a comprehensive code which lays down guidelines and advises the Directors and employees of the Company on procedures to be followed and disclosures to be made, while dealing in securities of the Company.

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

Section 217(1)(e) of the Companies Act, 1956 with respect to conservation of energy, technology absorption is not applicable to the Company.

During the year under review, there were no foreign Exchange Earnings and outgo.

FIXED DEPOSITS

The Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act, 1956 during the year under review.

AUDITORS

M/s Haribhakti & Co., Chartered Accountants, who holds office until the conclusion of the ensuing Annual General Meeting and being eligible, offers themselves for reappointment.

INTERNAL CONTROL SYSTEM & INTERNAL AUDITORS

The Company has an adequate Internal Control System, all transactions are properly authorised, recorded and reported to the Management. The Company has Independent Auditors M/s. Ashok Jayesh & Co., Chartered Accountants to review critical areas of operations. The Audit Reports are reviewed periodically by the management and the Audit Committee of the Board and appropriate measures are taken to improve the process.

CORPORATE SOCIAL RESPONSIBILITY

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 (CSR) 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.

EMPLOYEES

Relation with the employees remained cordial throughout the year. None of the employees fall under the criteria mentioned in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and further amended Companies (Particulars of Employees) Amendment Rules, 2011.

ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance and cooperation extended by the Banks & Financial Institutions during the year under review. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the employees of the Company for its success.

By Order of the Board of Directors

H. R. KILACHAND
Chairman

Mumbai
16th May, 2011

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

SCENARIO IN INDIA

Bulk liquid Storage scenario

With the Indian Inc. story showing robust signs of development and the Indian GDP emerging as the second fastest growing major economy in the world, India is being looked upon as the most vibrant and diverse emerging market in terms of various sectors including the infrastructure sector which has shown an earmarked diversification in Storage Terminals, Container Freight Station, Cold Storage warehouses etc. The growth potential the sector has to offer is tremendous. Various State governments have showed interest in making their state a Commercial Hub for Port related and other allied activities. With the overall increase in economic activities and the expected increase in the domestic manufacture of petrochemicals and chemicals and export / import thereof, scenario seems promising resulting into an additional demand for tankage. Also taking a macro international outlook, the consumption of oils may it be crude or refined oil in the domestic market is bound to give a spur to the imports creating demand for Bulk liquid storage facility.

INDUSTRY STRUCTURE & DEVELOPMENT

Currently, the Company operates 2 bulk Liquid Chemical Terminals with a combined capacity of 127,000 Kilo Litres (KL) in 64 tanks at Kandla, Gujarat, which include specialized tanks, such as stainless steel tanks and tanks equipped with heating and insulation facilities and coated tanks which stores products like crystal phenol. The Company has plans to add capacities of about 7000 KL at its Terminal No.I in Kandla and have approached the concerned authorities for permissions.

OPPORTUNITIES & THREATS

With the Indian economy booming over a 8.5% plus mark, the oil, chemical, petroleum products supply are expected to be strong. The priority for the Company would be to increase the base of its existing installed capacity at its port locations. Many players have showed interest in the Indian Infrastructure Port story which has increased the number of players in the market thereby fueling a stiff competition which is definitely an existing threat to the business. The Company in order to overcome the competition has taken drastic steps for its expansion firstly by getting an allotment of about 10 acres of land at Kakinada in Andhra Pradesh followed by purchasing about 16 acres of land at Pipavav port in Gujarat to expand bulk liquid storage capacities to tap the growing demand for the same. It has also plans to set up a Container Freight Station at Pipavav and dry cargo storage at Kakinada.

SEGMENT-WISE PERFORMANCE

The Company as on date operates in only one segment i.e Bulk liquid storage facility, the revenues for the current year stood at Rs.2052.18 lac as against Rs.1832.31 lac last year, displaying a 12% increase on YoY basis. The profit after tax also increased at 13.60% from Rs.433.38 lac last year to Rs.492.34 lac in the current year.

OUTLOOK

Diversification opportunities

Taking into view the promising growth the sector has to offer the Company has been reviewing each and every opportunity which is coming along its way. To strengthen its roots the Company is increasing its installed capacity and modernising the existing plants at Kandla. The Company has already increased its capacity to 127,000 KL. and will add capacity to its Kandla Terminal by 7000KL shortly. Additionally, the Company plans to develop bulk liquid terminal at Kakinada, Andhra Pradesh and at Pipavav, Gujarat. As the container volume at Pipavav is on the rise, the Company is also planning a container freight station at Pipavav. The Company is also looking to add inland storage facilities at land locked states including multimodal hubs.

RISKS AND CONCERNS

Every business is exposed to a certain amount of risk and concerns inherent in it which may cause its actual results to differ from its projected results. Some factors are regulatory and policy changes pertaining to the business, economic parameters, trade policy and geo-political factors, market risk, governmental clearances and approvals, credit risk which are difficult to foresee.

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INTERNAL CONTROL SYSTEM

The Company has an appropriate internal control system for its various functions with the ultimate objective of improving the efficiency of operations, better financial management and compliance with all regulations and applicable laws. The Company has an Internal Audit Cell and has also appointed an Internal Auditor [External]. All operating parameters are well defined and monitored periodically. The detail internal audit reports are discussed at length at various levels and thereafter the said reports are also placed before the Audit Committee for review and discussion.

FINANCIAL PERFORMANCE

The information relating to the financial performance of the Company is provided in the Directors' Report.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company thrives on the skill and exemplary contribution of its employees and workers which makes it the best in the industry in terms of service delivery to its customers. The Company has always taken steps to nurture continuous improvement followed by innovation and focused approach for smooth organizational work flow. The Company has added to its fold experienced manpower in line with future areas of growth. The Company employs 60 people.

CAUTIONARY STATEMENT

The above Management Discussion and Analysis Report contains "forward looking statements" within the meaning of applicable laws, and regulations and is futuristic in nature. All statements that address expectations or projections about the future, including, but not limited to statements about the Company's strategy for growth, market position, expenditures and financial results are forward looking statements. The Company's actual results, performance or achievement could thus differ materially from those projected in any such forward looking statements. Investors are requested to make their own independent judgments before taking any investment decisions and the Company assumes no responsibility.

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CORPORATE GOVERNANCE REPORT

1. Company's philosophy on Code of Governance:

The Company's philosophy on Corporate Governance aims at attainment of the highest levels of transparency, accountability and equity in the functioning of the Company and in all interactions with employees, shareholders, creditors, depositors and customers. The Company believes that its systems and actions must be endeavoured for enhancing corporate performance and maximizing shareholder value in the long term.

2. Board of Directors:

The Board of Directors consists of the following Directors. The Composition and Category of Directors is as follows:

Name of Directors	Category
Shri H. R. Kilachand	: Executive Chairman [Promoter Director]
Smt. M. H. Kilachand	: Non-Executive Promoter Director
Shri A. S. Ruia	: Non-Executive Independent Director
Shri K. Kannan	: Non-Executive Independent Director
Shri J. N. Godbole	: Non-Executive Independent Director
Shri R. S. Loona	: Non-Executive Independent Director
Shri J. K. Devgupta	: Executive Director

Attendance of each Director at 6 Board Meetings held during 1.4.2010 to 31.3.2011, the last Annual General Meeting held on 14.9.2010 and the number of other Directorship and Chairmanship / Membership of Committees of each Director in various companies are as follows:

Name of the Director	Attendance Particulars						No. of other Directorships and Committee Member / Chairmanship		
	Out of 6 Board Meetings	Out of 3 Audit Committee Meetings	Out of 3 Remuneration Committee Meeting	Out of 3 Share Transfer Committee Meeting	Sitting Fees paid (Rs.)	Last AGM	Other Directorships*	Committee Member#	Chairman-ships
Shri H.R. Kilachand	6	3	2	3	60,000	Yes	1	1	-
Smt. M.H. Kilachand	5	N.A.	N.A.	N.A.	60,000	Yes	1	-	-
Shri A. S. Ruia	6	3	3	3	1,80,000	Yes	2	2	-
Shri K. Kannan	5	2	3	N.A.	1,20,000	Yes	6	5	3
Shri J. N. Godbole	6	3	3	3	1,80,000	Yes	11	7	1
Shri R. S. Loona [w.e.f. 1.6.2010]	4	2	N.A.	N.A.	72,000	Yes	3	4	1
Shri. J. K. Devgupta [w.e.f. 11.5.2010]	4	N.A.	N.A.	N.A.	—	Yes	-	-	-

The Non-Executive Directors were paid Sitting Fees of Rs.6,72,000/- for attending the Board Meetings and the Committee Meetings held during 1.4.2010 to 31.3.2011.

* Excludes Directorships in Pvt. Ltd. Companies and Section 25 Companies.

As per Explanation (2) to Clause 49(c) (ii) of the Listing Agreement, Chairmanship / Membership of the Audit Committee and the Shareholders' Grievance Committee of Public Limited Companies is considered.

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Shareholding of Non-Executive Directors pursuant to Clause 49(IV)(E) sub clause (iv) of the Listing agreement is as under :

Name of Non-Executive Directors	Shares held in the Company
Smt. M. H. Kilachand	1,45,860
Shri A. S. Ruia	700
Shri K. Kannan	175
Shri J. N. Godbole	Nil
Shri R. S. Loona	Nil

Information on Directors retiring by rotation eligible for reappointment at the ensuing Annual General meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Shri Anilkumar S. Ruia	Shri K. Kannan
Date of Birth	17.12.1943	17.11.1939
Date of Appointment on the Board	21.1.2008	29.1.2010
Qualification	Sr. Cambridge	B.Com, ACA, ICWA
Expertise in Functional Area	He is an Industrialist and is highly respected for his knowledge and experience in sugar & distillery industry.	He has an accumulated 35 years of invaluable experience in the field of Banking & Finance and is a former Chairman & Managing Director of Bank of Baroda.
Number of Shares held in the Company	700	175
List of Directorship held in other Companies	Kesar Enterprises Ltd. The Kolhapur Sugar Mills Ltd. Ruarco Investments Pvt. Ltd. Ruia & Ruia Pvt Ltd. Bhavya Garments Pvt. Ltd.	Kesar Enterprises Ltd. Advani Hotels & Resorts (India) Ltd. Patel Engineering Ltd. Consolidated Construction Consortium Ltd. Prithvi Asset & Securitization Reconstruction Co. Ltd. Heritage Foods (India) Ltd.
Chairman/Member of the Committees of the Boards of Companies in which he is Director	Chairman:- Asset Management Committee and Remuneration Committee of Kesar Enterprises Ltd. Member:- Audit Committee; Shareholder/Investor Grievance Committee; and Share Transfer Committee of Kesar Enterprises Ltd.	Chairman-Audit Committee:- Advani Hotels & Resorts (India) Ltd. Patel Engineering Ltd. Chairman-Shareholder / Investor Grievance Committee:- Patel Engineering Ltd. Chairman-Remuneration Committee:- Advani Hotels & Resorts (India) Ltd. Member-Audit Committee:- Kesar Enterprises Ltd. Consolidated Construction Consortium Ltd. Prithvi Asset & Securitization Reconstruction Co. Ltd. Heritage Foods (India) Ltd. Member-Shareholder / Investor Grievance Committee:- Advani Hotels & Resorts (India) Ltd.

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Number of Board Meetings held and the dates on which held:

In all 6 Board Meetings were held during the year as per the minimum requirement. The dates on which the meetings were held are 11.5.2010, 1.6.2010, 11.8.2010, 14.9.2010, 18.11.2010 and 4.2.2011. The necessary information was made available to the Board from time to time.

3. Audit Committee:

The Company has constituted an Audit Committee in terms with Clause 49(II)(A) of the Listing Agreement and Section 292A of the Companies Act, 1956.

Pursuant to Section 292A of the Companies (Amendment) Act 2000, the role and responsibility of the Audit Committee includes inter alia :

- a. Overseeing the Companies financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending appointment / removal of external Auditor, fixation of Audit Fee and payment for any other services.
- c. Reviewing with the Management the annual and quarterly financial statements before submission to the Board for approval with particular reference to the matters specified in the Listing Agreement.
- d. Reviewing with the Management external & internal Auditors and adequacy of internal control systems.
- e. Reviewing adequacy of internal Audit function, including structure of internal audit department, staffing and seniority of official heading the Department, reporting structure, coverage and frequency of internal audit.
- f. Discussing with internal Auditors any significant findings and follow up thereon.
- g. Reviewing findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- h. Discussing with external auditors before the audit commences nature and scope of audit as well as to have post-audit discussion to ascertain any area of concern.
- i. Reviewing the Company's financial and risk management policies.
- j. Looking into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders and creditors.
- k. Other matters as set out in the Listing Agreement as and when required.

The Board constituted an Audit Committee in terms with Clause 49(II)(A) of the Listing Agreement and Section 292A of the Companies Act, 1956 on 11.5.2010. The Committee consists of 5 (five) directors. The Chairman of the Audit Committee is an Independent Director. The details of composition of the Audit Committee is as follows (1) Shri A. S. Ruia, Chairman of the Audit Committee and Non-Executive Independent Director; (2) Shri K. Kannan, Non-Executive Independent Director; (3) Shri J. N. Godbole, Non-Executive Independent Director; (4) Shri H. R. Kilachand, Executive Chairman and (5) Shri R. S. Loona, Non-Executive Independent Director [w.e.f 11.8.2010]. The Audit Committee met 3 (three) times during the year under review on 11.8.2010, 18.11.2010 and 4.2.2011.

The attendance of the members is shown in the table at Point 2. The said Directors are financially literate and have accounting or related financial management expertise.

The Company has a full-fledged Internal Audit Department which performs periodical internal audit of various functions of the Company. The reports of the Internal Audit Department are placed before the Audit Committee along with the comments of the Management on the action taken to remedy any deficiencies that may be observed on the working of the various departments of the Company. In addition the Company has appointed M/s. Ashok Jayesh & Associates, Chartered Accountants as [External], Internal Auditor.

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4. Remuneration Committee:

As required under Clause 49 of the Listing Agreement, on 11.5.2010, the Board constituted a Remuneration Committee. The Remuneration Committee consists of (1) Shri K. Kannan, Chairman of the Remuneration Committee and Non-Executive Independent Director; (2) Shri A. S. Ruia, Non-Executive Independent Director; (3) Shri J. N. Godbole, Non-Executive Independent Director; and (4) Shri H. R. Kilachand, Executive Chairman of the Company.

The brief terms of reference of this Committee includes consideration, review and approval of remuneration of Executive Directors/Chief Executive Officer, sitting fees payable to Non-Executive Directors with regard to performance standards and existing industry practices.

The Remuneration Committee met 3 (three) times during the year under review on 11.5.2010, 11.8.2010 and 18.11.2010. The attendance of the members is shown in the table at Point 2. On 11.8.2010, the Remuneration Committee as well as the Board of Directors of the Company approved appointment of Shri H. R. Kilachand as Whole-time Director designated as Executive Chairman of the Company with substantial power of management, for a period of 3 years with effect from 14.9.2010 on remuneration as per the provisions of the Companies Act, 1956 and Schedule XIII. Shri H. R. Kilachand, Executive Chairman was paid remuneration of Rs.33.68 lac (Salary Rs.9.46 lac, Contribution to Provident Fund and Superannuation Fund Rs.2.55 lac, perquisites Rs.5.67 lac and Incentive Rs.16 lac) during the year within the limits approved by the shareholders at the last Annual General Meeting of the Company held on 14.9.2010. Shri J. K. Devgupta, Executive Director appointed with effect from 11.5.2011 was paid remuneration of Rs.29.08 lac (Salary Rs.15.48 lac, Contribution to Provident Fund and Superannuation Fund Rs.4.18 lac and perquisites Rs.9.42 lac) as per the provisions of the Companies Act, 1956 read alongwith Schedule XIII and as approved by the shareholders at their Extraordinary General Meeting held on 24.5.2010.

On 18.11.2010, the Remuneration Committee as well as the Board of Directors of the Company approved appointment of Shri Sant Khare as the Chief Executive Officer w.e.f 8.11.2010. Shri Khare would be responsible for Projects, Marketing, Operations and Business Development activities of the Company.

The Non-Executive Directors were paid sitting fees of an aggregate amount of Rs.6,72,000/- as stated in Para 2 above.

5. Share Transfer Committee:

As required under Clause 49 of the Listing Agreement, on 11.5.2010, the Board constituted a Share Transfer Committee consisting of (1) Shri H. R. Kilachand, Chairman of the Share Transfer Committee; (2) Shri A S Ruia, Non-Executive Independent Director; and (3) Shri J. N. Godbole, Non-Executive Independent Director to review and approve transfer of shares, issue of duplicate share certificates and transmission of shares received from the heirs of deceased shareholders. The Committee shall meet regularly from time to time for the above purpose, to ensure a prompt return of securities to the shareholders.

The Share Transfer Committee met 3 (three) times during the year under review on 3.1.2011, 4.2.2011 and 17.2.2011. The attendance of the members is shown in the table at Point 2. Neither any share transfers nor any requests for demat was pending as on 31st March, 2011.

6. Shareholders / Investors Grievance Committee:

As required under Clause 49 of the Listing Agreement, on 11.5.2010, the Board constituted a Shareholders / Investors Grievance Committee consisting of (1) Shri A. S. Ruia, Chairman of the Committee and Non-Executive Independent Director; (2) Shri K. Kannan, Non-Executive Independent Director; and (3) Shri H. R. Kilachand, Executive Chairman. During the financial year ended 31st March, 2011, the Company had received one complaint from a Shareholder which has been duly resolved. Thus, no complaints are pending as on 31st March, 2011.

7. Compliance Officer:

As per Clause 47(a) of the Listing Agreement the Board appointed Shri J. K. Devgupta, Executive Director as the Compliance Officer w.e.f 1.6.2010. Subsequently, Shri Bhautesh Shah who was appointed by the Board w.e.f 17.9.2010 as the Dy. Company Secretary was appointed as the Compliance Officer in place of Shri J. K. Devgupta w.e.f 4.2.2011.

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8. General Body Meetings:

- i. Location and time where the last Annual General Meetings were held:

AGM / EGM	Financial Year ended	Date	Location	Time
AGM	31.3.2010	14.9.2010	M. C. Ghia Hall	3:30 p.m
EGM	-	24.5.2010	Registered Office	3:00 p.m.
AGM	31.3.2009	29.9.2009	Registered Office	3:30 p.m.

- ii. The following Special Resolution were passed in the previous AGM:

Date of AGM	Particulars of Special Resolution passed thereat
14-9-2010	<p>a) Resolution under Section 163 of the Companies Act, 1956 for keeping the Register of Members, Registers and Indexes of Debentureholders, Copies of Annual returns and other related books and documents prepared under Section 159 of the Companies Act, 1956 at the premises of the Company's Registrar & Share Transfer Agent, M/s Sharex Dynamic (India) Pvt Ltd.</p> <p>b) Resolution under Section 198, 269, 309, 316, Schedule XIII read with Section III and other applicable provisions of the Companies Act, 1956 relating to appointment and fixing remuneration of Shri H. R. Kilachand for a period of 3 years w.e.f 14.9.2010.</p>

- iii. No special resolution was passed last year through postal ballot.
- iv. No Special resolution requiring a Postal Ballot is being proposed at the ensuing Annual General meeting of the Company.

9. Disclosures:

- i. No transaction of material nature has been entered into by the Company with its Promoters, Directors, Management, their Subsidiaries or Relatives, etc. that may have a potential conflict with the interests of the Company. However, the Company has given in the notes to accounts, a list of related parties as per Accounting Standard 18 and the transactions entered into with them.
- ii. There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years. Hence, the question of penalties or strictures being imposed by SEBI or the Stock Exchanges or any Statutory Authority does not arise.
- iii. The company has laid down procedures to inform Board members about risk assessment and minimization. These procedures are periodically reviewed to ensure control of risk through a properly defined framework.

10. Means of communication:

The Board takes on record the Unaudited quarterly financial results and the Audited Financial results in the prescribed Proforma of the stock exchange and forthwith fax and send copies of the results to the Bombay Stock Exchange and National Stock Exchange of India Ltd. respectively where the shares of the Company are listed. The financial results of the Company are published in the "Free Press Journal" in English and "NavShakti" in Marathi newspapers within 48 hours of the conclusion of the meeting of the Board in which they are approved.

The results and all other official news releases are displayed on the websites of the Stock Exchanges: www.bseindia.com and www.nseindia.com and also on the website of the Company, viz. www.kesarinfra.com Management Discussion & Analysis report has been included as a part of the Annual Report.

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11. General Shareholders information:

- a. Registered Office : Oriental House, 6th Floor, 7, Jamshedji Tata Road, Churchgate, Mumbai-400020.
- b. Plant Locations : Terminals I & II at Kandla, Gujarat.
- c. Annual General Meeting
Date : 29th June, 2011.
Time : 3:00 p.m.
Venue : M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001.
- d. Financial Year : 2010-11
- e. Next Financial Year ending : 31st March, 2012
- f. Next Annual General Meeting : By 30th September, 2012
- g. Financial Reporting for the year 2011-12
For 1st quarter ended 30th June, 2011 : By 14th August, 2011
For 2nd quarter ending 30th September, 2011 : By 14th November, 2011
For 3rd quarter ending 31st December, 2011 : By 14th February, 2012
For 4th quarter ending 31st March, 2012 : By 15th May, 2012
- h. Date of Book Closure : Wednesday, 22.6.2011 to Wednesday, 29.6.2011 (both days inclusive)
Record Date : 16.2.2011 (for the purpose of Interim Dividend) and;
Dividend Payment Date : The Interim Dividend of Rs.1.50 for the year 2010-11 was paid to all the eligible shareholders on 21.2.2011 The Final Dividend, if declared shall be paid on 12.7.2011
- i. Listing on Stock Exchange : Bombay Stock Exchange Ltd., Mumbai (BSE) National Stock Exchange of India Ltd., Mumbai (NSE)
- j. Stock Exchange Code Number : BSE Scrip Code : 533289 NSE Symbol : KTIIL
- k. Demat ISIN numbers in NSDL & CDSL : INE096L01017

Address for correspondence by the Shareholders of the Company:

- M/s. Sharex Dynamic (India) Pvt. Ltd. : Kesar Terminals & Infrastructure Limited.
- (1) Registrar & Share Transfer Agents : Oriental House,
Unit No.1, Luthra Industrial Premises, 6th Floor,
Andheri Kurla Road, 7, J. Tata Road,
Safed Pool, Andheri (East), Churchgate,
Mumbai – 400 072 Mumbai-400020
- Tel : 28515606/28515644 : Tel: 22042396 / 22851737
Fax: 2851 28 85 : Fax: 22876162
Email: sharexindia@vsnl.com : Email: bhauteshshah@kesarindia.com

Code of Conduct

The Company has a Code of Conduct for its Board of Directors and Senior Management Personnel and the same is posted on the Company's website www.kesarinfra.com. All the Directors and Senior Management Personnel have affirmed compliance of the Code of Conduct. The declaration is signed by the Executive Chairman to that effect and is attached at the end of this report.

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Share Transfer System:

The shares sent for transfer are registered and returned within the time limits.

Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates on half yearly basis, have been issued by a Company Secretary in Practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) Regulation, 1996, certificates have also been received from Company Secretary in Practice for timely dematerialization of the shares of the Company and for conducting of Reconciliation of Share Capital Audit of the Company.

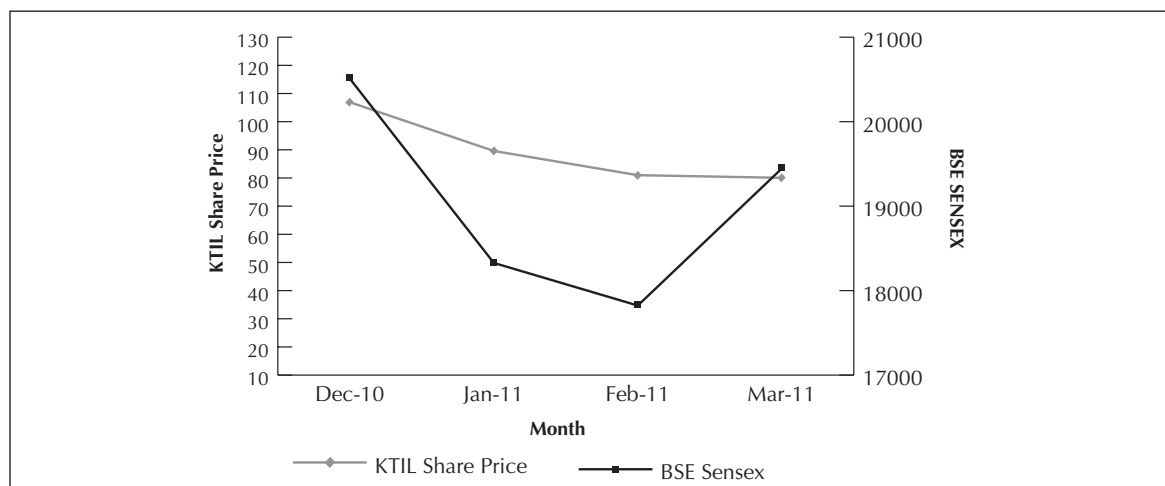
Stock Market Data:

The monthly high/low quotation of shares traded on BSE & NSE is as follows:

Month #	BSE		NSE	
	High	Low	High	Low
December 2010	111.00	82.00	106.00	80.00
January 2011	129.40	82.50	127.45	82.60
February 2011	97.80	69.25	96.50	70.10
March 2011	89.75	73.05	95.80	72.00

The shares of the Company got listed on both the Stock Exchanges on 22.12.2010 i.e in December hence, the data relating to the Scrip High/ Low are reflected from that period.

Performance of the share price of the Company in comparison to the BSE SENSEX:



Distribution of shareholding as on 31st March, 2011:

Shareholding in Nominal Value of		Share Holders		Share Amount	
Rs.	Rs.		% of Holders	In Rs.	% to Total
Upto -	5,000	4682	91.13	4640190	8.84
5,001 -	10,000	234	4.55	1682310	3.20
10,001 -	20,000	99	1.93	1364250	2.60
20,001 -	30,000	35	0.68	866530	1.65
30,001 -	40,000	23	0.45	790330	1.50
40,001 -	50,000	6	0.12	265260	0.50
50,001 -	1,00,000	29	0.56	1966360	3.74
1,00,001 -	and above	30	0.58	40955900	77.97
Total		5138	100.00	52531130	100.00

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Categories of Shareholders as on 31st March, 2011:

About 94.21% of the total shareholding in the Company representing 49,48,863 shares are held in dematerialized form.

	Category of Shareholder	No of Shares Held	No of Shares in Demat Form	% of Shareholding
A.	Promoter & its Group - Indian			
1.	Individual / HUF	875268	815815	16.662
	Bodies Corporate	2272709	2265603	43.264
	Total Shareholding Promoter & Group Total (A)	3147977	3081418	59.926
B. 1	Public Shareholding – Institutions			
a	Mutual Funds	840	0	0.016
b	Financial Institutions / Banks	762	276	0.015
c	Insurance Companies	533940	533940	10.164
	Sub-Total-B(1)	535542	534216	10.195
2	Non-Institutions			
a	Bodies Corporate	304924	303881	5.805
b	Individual Shareholders	1200003	964821	22.843
c	Others -Clearing Members	1132	1132	0.022
	Non Resident Indians	63535	63395	1.209
	Sub-Total-B(2)	1569594	1333229	29.879
	Total (B)=B(1)+B(2)	2105136	1867445	40.074
	Total (A+B)	5253113	4948863	100.00

Guidance to Shareholders:

- The shareholders are requested to communicate bank details, the change of address, if any, directly to M/s Sharex Dynamic (India) Pvt. Ltd., the Registrar & Share Transfer Agent of the Company located at the addresses mentioned in para 11 above.
- In case of lost / misplacement of share certificates, shareholders should immediately lodge a FIR / Complaint with the police and submit with the Company original / certified copy of FIR / acknowledged copy of the complaint and inform the Company to stop transfer of the said shares.
- For expeditious transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed. Wherever applicable, registration number of power of attorney should also be quoted in the transfer deed at the appropriate place. SEBI vide its circular dated 27.4.2007 has made it mandatory for transactions involving transfer of shares in physical form the transferee(s) is required to furnish a copy of PAN card to the Company / RTAs for registration of such transfer of shares. SEBI vide its circular dated 7.1.2010 has made it mandatory to furnish a copy of PAN in the following cases:-
 - Deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholders.
 - Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
 - Transposition of shares – when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

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4. The Shareholder, whose signature has undergone any change over a period of time, is requested to lodge their new specimen signature duly attested by a bank manager.
5. Any Shareholder of the Company who has multiple folios in identical names are requested to apply for consolidation of such folios and send the relevant share certificates to the Company.
6. **Nomination:** Section 109A of the Companies Act, 1956 provides facility for making nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his / her nominee without having to go through the process of obtaining succession certificate / probate of the will etc. it would therefore be in the best interest of shareholders holding shares in physical form registered as a sole holder to make such nominations. Shareholders, who have not availed of the nomination facility, are requested to avail the same by submitting the nomination form. This form will be made available on request. Shareholders holding shares in demat form are advised to contact their DP's for making nominations.
7. As required by SEBI, shareholders may furnish details of their bank account number and name and address of the bank for incorporating the same in the dividend warrants. This would avoid wrong credits being obtained by unauthorized persons.
8. Shareholders, holding shares in electronic format are requested to deal only with their depository participants in respect of any change of address, nomination facility and furnishing bank account number etc.
9. Shareholders, who have not encashed their dividend warrants in respect of the dividend declared for the financial year 2009-2010 onwards, are requested to contact the Company and surrender their warrants for revalidation for payment. Shareholders are therefore requested to verify their records and send claims, if any, for the relevant years. The details of declared dividends are as under:

Date of declaration	For the Year	Rate of Dividend	Due date of transfer to IEPF
14.9.2010	2009-2010	Final @ 20%	12.11.2017
4.2.2011	2010-2011	Interim @15%	4.4.2018

10. Shareholders may note that unclaimed dividend for a period of seven years from the date it becomes due for payment, shall be transferred to "Investor Education and Protection Fund" (IEPF) in terms of Section 205C of the Companies Act, 1956. Thereafter, the shareholders will not be able to get the same.

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AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of
Kesar Terminals & Infrastructure Limited

We have examined the compliance of conditions of Corporate Governance by Kesar Terminals & Infrastructure Limited, for the year ended on 31st March 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For and on behalf of
Haribhakti & Co.
Chartered Accountants
FRNNO.103523W

N.N. Jambusaria
Partner
Membership No.38979

Place: Mumbai
Date: 16th May, 2011

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DECLARATION

In accordance with Clause 49 of the Listing agreement with the Stock Exchanges, the Company has laid down a Code of Conduct for its Board of Directors and Senior Management.

I hereby declare that all the Directors and Senior Management have confirmed compliance with the Code of Conduct as adopted by the Company.

H. R. Kilachand
Executive Chairman

Mumbai, 16th May, 2011

CERTIFICATION

The Board of directors
Kesar Terminals & Infrastructure Limited

We, have reviewed financial statements and the cash flow statement of Kesar Terminals & Infrastructure Ltd. for the year ended 31st March, 2011 and that to the best of their knowledge and belief, we state that:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to taken to rectify these deficiencies.
- (d) we have indicated to the auditors and the Audit committee
 - (i) there have been no significant changes in internal control over financial reporting during the year;
 - (ii) there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

H. R. Kilachand J. K. Devgupta
Executive Chairman Executive Director

Mumbai, 16th May, 2011

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Auditors' Report

To

The Members of Kesar Terminals & Infrastructure Limited

1. We have audited the attached Balance Sheet of Kesar Terminals & Infrastructure Limited ('the Company') as at March 31, 2011, the Profit and Loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, (as amended), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the paragraph 3 above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The balance sheet, the profit and loss account and the cash flow statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet, the profit and loss account and the cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v. On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2011;
 - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
 - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For **Haribhakti & Co.**
Chartered Accountants
FRN No.103523W

N.N.Jambusaria
Partner
Membership No.38979

Place: Mumbai
Date: May 16, 2011

KESAR TERMINALS & INFRASTRUCTURE LTD.

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of the Auditors' Report of even date to the members of Kesar Terminals & Infrastructure Limited on the financial statements for the year ended 31st March 2011

- (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 and no material discrepancies have been noticed. However, few discrepancies were identified on such verification and said discrepancies have been properly dealt with in the books of accounts. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
- (ii) (a) The inventory (of Stores & Spares) has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) As per information and explanations given to us, the Company has neither granted nor taken loan, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the sub-clauses (b),(c),(d),(f) and (g) of clause (iii) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct weaknesses in internal control system of the company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

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- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, wealth-tax, service tax and other material statutory dues applicable to it.
- Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act,1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, wealth-tax, service tax, sales-tax and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) As the Company is registered for a period less than five years, clause (x) of paragraph 4 of the Companies (Auditor's Report) Order, 2003, (as amended), is not applicable to the company for the current year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank. Company has not issued any debentures.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xvi) In our opinion, the term loans have been applied for the purpose for which the loans were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year.

KESAR TERMINALS & INFRASTRUCTURE LTD.

- (xx) The Company has not raised any money by public issue during the year. As per Scheme of Demerger approved by the Hon'ble High Court, Bombay on 12th March 2011, the Company has issued and allotted 47,53,113 shares to the eligible shareholders of Kesar Enterprises Limited on 1st June 2010.
- (xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For **Haribhakti & Co.**
Chartered Accountants
FRN No.103523W

N.N.Jambusaria
Partner
Membership No.38979

Place: Mumbai
Date: May 16, 2011

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BALANCE SHEET as at 31st March, 2011

	Schedule No.	As at 31st March 2011 Amount Rs.	As at 31st March 2010 Amount Rs.
Sources of Funds:			
1. Shareholders' Funds			
(a) Share Capital	1	52,531,130	5,000,000
(b) Share Capital Suspense Account		—	47,531,130
(c) Reserves and Surplus	2	175,656,772	141,715,776
		<u>228,187,902</u>	<u>194,246,906</u>
2. Loan Funds:			
(a) Secured Loans	3	72,323,626	99,240,598
(b) Unsecured Loans	4	1,235,822	6,533,572
		<u>73,559,448</u>	<u>105,774,170</u>
3. Deferred Tax Liability (Net) (Refer Note 5 of Schedule 18)		35,094,168	35,871,520
Total		<u>336,841,518</u>	<u>335,892,596</u>
Application of Funds:			
1. Fixed Assets:	5		
(a) Gross Block		517,454,203	510,906,311
(b) Less: Depreciation/Land Premium written off		211,184,363	190,010,823
(c) Net Block		306,269,840	320,895,488
(d) Capital Work-in-Progress including capital advances		18,291,349	12,499,568
		<u>324,561,189</u>	<u>333,395,056</u>
2. Investments	6	5,000	5,000
3. Current Assets, Loans and Advances:			
(a) Inventories	7	1,097,605	967,198
(b) Sundry Debtors	8	26,178,099	40,184,305
(c) Cash and Bank Balances	9	13,792,249	5,409,230
(d) Other Current Assets	10	1,131,028	1,068,237
(e) Loans and Advances	11	9,691,536	8,025,072
		<u>51,890,517</u>	<u>55,654,042</u>
Less: Current Liabilities and Provisions:	12		
(a) Current Liabilities		29,184,986	33,446,267
(b) Provisions		10,430,202	19,715,235
		<u>39,615,188</u>	<u>53,161,502</u>
Net Current Assets		<u>12,275,329</u>	<u>2,492,540</u>
Total		<u>336,841,518</u>	<u>335,892,596</u>
Notes forming part of the Accounts	18		

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

As per our Report attached.

For and on behalf of the Board of Directors

For and on behalf of
Haribhakti & Co.
Chartered Accountants

H. R. Kilachand J.K.Devgupta
Executive Chairman Executive Director

N.N. Jambusaria
Partner
Membership No. 38979

Bhautesh Shah
Dy. Company Secretary

Place :- Mumbai
Date :- 16th May, 2011

Place :- Mumbai
Date :- 16th May, 2011

KESAR TERMINALS & INFRASTRUCTURE LTD.

PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2011

	Schedule No.	Current Year Amount Rs.	Previous Year Amount Rs.
1. Income:			
Sales and Services (Net)	13	205,218,078	183,230,919
Other Income	14	2,003,696	1,901,156
Total		<u>207,221,774</u>	<u>185,132,075</u>
2. Expenditure:			
Manufacturing and Other Expenses	15	52,456,494	41,422,713
Staff Cost	16	44,075,083	36,629,165
Interest and Finance Charges	17	9,621,646	12,347,254
Depreciation		27,647,317	24,184,065
Total		<u>133,800,540</u>	<u>114,583,197</u>
3. Profit Before Tax		73,421,234	70,548,878
4. Provision for Taxation			
(i) Income Tax - Current		24,963,908	16,207,741
(ii) Income Tax -Deferred		(777,354)	11,003,003
5. Net Profit for the year		<u>49,234,680</u>	<u>43,338,134</u>
6. Appropriations:			
Less:			
(i) Transferred to General Reserve		4,923,468	5,000,000
(ii) Interim Dividend on Equity Shares		7,879,670	—
(iii) Proposed Final Dividend on Equity Shares		5,253,113	10,506,226
(iv) Corporate Tax on Dividend		2,160,901	1,744,953
7. Profit after appropriation		<u>29,017,528</u>	<u>26,086,955</u>
Add: Balance brought forward from previous year		34,194,733	8,107,778
Balance Carried Forward to Balance Sheet		<u>63,212,261</u>	<u>34,194,733</u>
Basic and diluted earning per share (Rs.)		9.37	8.25
Face Value of Share (Rs.)		10.00	10.00
Notes forming part of the Accounts	18		

The schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account.

As per our Report attached.

For and on behalf of the Board of Directors

For and on behalf of
Haribhakti & Co.
Chartered Accountants

H. R. Kilachand J.K.Devgupta
Executive Chairman Executive Director

N.N. Jambusaria
Partner
Membership No. 38979

Bhautesh Shah
Dy. Company Secretary

Place :- Mumbai
Date :- 16th May, 2011

Place :- Mumbai
Date :- 16th May, 2011

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SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011

	As at 31st March 2011 Amount Rs.	As at 31st March 2010 Amount Rs.
SCHEDULE: 1		
SHARE CAPITAL		
Authorised:		
1,25,00,000 (Previous Year : 60,00,000) Equity Shares of Rs. 10/- each	125,000,000	60,000,000
25,00,000 (Previous Year : NIL) Redeemable Preference Shares of Rs. 10/- each	25,000,000	-
Total	<u>150,000,000</u>	<u>60,000,000</u>
Issued, Subscribed and Paid up:		
52,53,113 (Previous Year : 500,000) Equity Shares of Rs. 10/- each fully paid up	52,531,130	5,000,000
Of the above;		
47,53,113 (Previous Year : NIL) Equity Shares have been issued for consideration other than cash under a scheme of Demerger		
Total	<u>52,531,130</u>	<u>5,000,000</u>
SCHEDULE: 2		
RESERVES AND SURPLUS		
General Reserve:		
Opening Balance	107,521,043	-
Add: On Account of Demerger	-	102,521,043
Add:- Transferred from Profit and Loss account	4,923,468	5,000,000
	<u>112,444,511</u>	<u>107,521,043</u>
Profit and Loss Account	63,212,261	34,194,733
Total	<u>175,656,772</u>	<u>141,715,776</u>
SCHEDULE: 3		
SECURED LOANS		
(A) TERM LOANS:		
Allahabad Bank (Term Loan - Storage Expansion) (Secured by way of First Hypothecation charge on all plant & machinery & current Assets) [Refer Note 6 of Schedule 18]	67,491,751	96,417,415
(B) VEHICLE LOANS:		
(Secured by way of Hypothecation of the vehicles purchased out of the said loans) [Refer Note 6 of Schedule 18]	4,831,875	2,823,183
Total	<u>72,323,626</u>	<u>99,240,598</u>
SCHEDULE: 4		
UNSECURED LOANS		
(a) Short Term Deposits:		
From Others [Repayable within one year Rs. 12,35,822 (Previous Year : Rs.53,88,748)]	1,235,822	6,533,572
Total	<u>1,235,822</u>	<u>6,533,572</u>

KESAR TERMINALS & INFRASTRUCTURE LTD.

SCHEDULE: 5 FIXED ASSETS

(Rs.)

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	At Cost or book value as on 1-Apr-10	Additions during the Year	Sales/ deductions and adjustments during the Year	At Cost or book value as on 31-Mar-11	Upto 1-Apr-10	For the Year	Written back on assets sold or discarded	Total Depreciation/ Land Premium written off	As on 31-Mar-11	As on 31-Mar-10
Land										
Free hold Land	38,510,546	-	-	38,510,546	-	-	-	-	38,510,546	38,510,546
Lease hold Land Premium	567,000	-	-	567,000	442,575	18,900	-	461,475	105,525	124,425
Leasehold Land	1,826,902	-	-	1,826,902	1,425,997	60,897	-	1,486,894	340,008	400,905
Building, Roads etc.	40,904,448	-	-	40,904,448	1,868,572	79,797	-	1,948,369	38,956,079	39,035,876
Plant and Machinery	38,020,470	-	431,333	37,589,137	11,980,383	2,575,722	361,925	14,194,180	23,394,957	26,040,087
Electric Installations	399,461,837	8,092,377	3,636,975	403,917,239	160,887,489	20,139,755	2,885,997	178,141,247	225,775,992	238,574,348
Laboratory Equipments	10,776,163	-	-	10,776,163	6,676,679	1,927,418	-	8,604,097	2,172,066	4,099,484
Weigh Bridges	120,577	-	120,577	-	115,111	760	115,871	-	-	5,466
Tube and Artisan Wells and Water Supply	4,930,449	685,032	167,800	5,447,681	2,036,105	244,810	166,689	2,114,226	3,333,455	2,894,344
Motor Cars, Lorries and Cycles	156,359	-	2,550	153,809	98,142	2,911	2,549	98,504	55,305	58,217
Furniture, Fixtures and Equipments	4,900,271	4,355,297	45,509	9,210,059	940,604	1,296,849	45,502	2,191,951	7,018,108	3,959,667
Drainage	9,752,055	932,159	3,112,229	7,571,985	4,908,877	1,310,053	2,895,244	3,323,686	4,248,299	4,843,178
Total	1,883,682	-	-	1,883,682	498,861	69,242	-	568,103	1,315,579	1,384,821
Total	510,906,311	14,064,865	7,516,973	517,454,203	190,010,823	27,647,317	6,473,777	211,184,363	306,269,840	320,895,488
Previous Year Total	438,937,904	73,049,137	1,080,730	510,906,311	166,730,030	24,184,065	903,272	190,010,823	-	-

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As at
31st March 2011
Amount Rs.

As at
31st March 2010
Amount Rs.

SCHEDULE: 6 INVESTMENTS

LONG TERM INVESTMENTS (AT COST) (UNQUOTED)

In fully paid Equity Shares of Co-operative Bank:

200 Shares of Rs. 25/- each of Jain Sahakari Bank Ltd.

	5,000	5,000
Total	5,000	5,000

SCHEDULE: 7 INVENTORIES

(At Lower of Cost or Net Realisable value)

Stores and Spares

	1,097,605	967,198
Total	1,097,605	967,198

SCHEDULE: 8 SUNDRY DEBTORS (UNSECURED AND CONSIDERED GOOD)

(A) Debts outstanding for a period exceeding six months:

(B) Other Debts

(A) Debts outstanding for a period exceeding six months:	2,281,797	7,097,564
(B) Other Debts	23,896,302	33,086,741
Total	26,178,099	40,184,305

SCHEDULE: 9 CASH AND BANK BALANCES

Cash on Hand

Bank Balances with Scheduled Banks:

In Current Accounts

In Fixed Deposit Accounts

In Unclaimed Dividend Accounts with Scheduled Banks

Cash on Hand	50,779	1,519,870
Bank Balances with Scheduled Banks:		
In Current Accounts	3,333,623	3,779,360
In Fixed Deposit Accounts	10,110,000	110,000
In Unclaimed Dividend Accounts with Scheduled Banks	297,847	-
Total	13,792,249	5,409,230

SCHEDULE: 10 OTHER CURRENT ASSETS

Interest Accrued on Fixed Deposits with Banks

Interest accrued on Staff Loans

Interest Accrued on Fixed Deposits with Banks	91,525	13,877
Interest accrued on Staff Loans	1,039,503	1,054,360
Total	1,131,028	1,068,237

KESAR TERMINALS & INFRASTRUCTURE LTD.

	As at 31st March 2011 Amount Rs.	As at 31st March 2010 Amount Rs.
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SCHEDULE: 11 LOANS AND ADVANCES

(Unsecured, Considered Good unless otherwise stated)

Advances recoverable in cash or in kind or for value to be received	2,695,547	1,771,102
Loans & Advances to Employees	494,275	741,127
Deposit with Government & Others	6,501,714	5,512,843
Total	9,691,536	8,025,072

SCHEDULE: 12 CURRENT LIABILITIES AND PROVISIONS

(A) Current Liabilities:

Sundry Creditors

(a) Total outstanding dues of Micro, Medium and Small Enterprises (Refer Note 10 of Schedule 18)	-	-
(b) Total outstanding dues of creditors other than Micro, Medium and Small Enterprises	5,676,923	8,410,458
Statutory Dues	3,779,902	4,940,149
Others	4,620,325	2,249,386
Due to Kesar Enterprises	14,809,989	17,742,958
Advances from Dealers/Customers	-	103,316
Unclaimed Dividends	297,847	-
	29,184,986	33,446,267

(B) Provisions:

Corporate Tax on Dividend	852,186	1,744,953
Provision for Income Tax [Net of Advance Tax of 4,18,38,661 (Previous Year : Rs1,44,85,326)	1,175,868	3,565,296
Provision for Gratuity (Refer Note 3 of Schedule 18)	1,357,035	2,274,760
Provision for Leave Encashment	1,792,000	1,624,000
Proposed Final Dividend on Equity Shares	5,253,113	10,506,226
	10,430,202	19,715,235
Total	39,615,188	53,161,502

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SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Current Year Amount Rs.	Previous Year Amount Rs.
SCHEDULE: 13		
SALES AND SERVICES		
Storage and Handling [TDS Rs. 50,67,066 (Previous Year : Rs. 99,82,523)]	205,218,078	183,230,919
Total	<u>205,218,078</u>	<u>183,230,919</u>

SCHEDULE: 14		
OTHER INCOME		
Dividends on Long Term Investment	450	-
Interest		
On Fixed Deposits [TDS Rs. 22,986 (Previous Year Rs. 8,678)]	243,874	137,053
Others	59,655	45,530
Sundry Receipts	576,712	1,633,811
Credit Balances written back	1,121,664	-
Profit on Sale of Fixed Assets	1,341	84,762
Total	<u>2,003,696</u>	<u>1,901,156</u>

SCHEDULE: 15		
MANUFACTURING AND OTHER EXPENSES		
Storage and Handling Charges	5,419,736	5,500,309
Power and Fuel	6,219,297	4,263,203
Repairs:		
Plant and Machinery	10,167,044	11,237,216
Buildings	376,718	-
Others	2,346,348	1,750,553
Rent	6,237,764	4,875,098
Insurance	1,084,855	909,618
Rates and Taxes	1,579,428	226,790
Selling Agents' Commission & Brokerage	1,535,833	804,214
Legal and Professional Charges	2,000,216	2,235,312
Miscellaneous Expenses	9,743,353	5,837,815
Charity and Donations	29,961	-
Directors' Fees	672,000	135,900
Auditors' Remuneration:		
Audit Fees	150,000	180,250
In Other Capacities:		
For Certification	-	48,288
For Other Matters	-	15,769
Out of Pocket Expenses	47,842	36,335
Discount given	3,926,562	2,811,891
Loss on Assets discarded/scrapped	919,537	-
Deferred Revenue Expenditure written off	-	554,152
Total	<u>52,456,494</u>	<u>41,422,713</u>

KESAR TERMINALS & INFRASTRUCTURE LTD.

	Current Year Amount Rs.	Previous Year Amount Rs.
SCHEDULE: 16		
STAFF COST		
Salaries, Wages & Bonus	36,993,330	29,379,481
Provision For Gratuity (Refer Note 3 of Schedule 18)	1,878,593	2,676,402
Company's Contribution to Provident and Other Funds	4,524,881	3,819,413
Workmen and Staff Welfare Expenses	678,279	753,869
Total	44,075,083	36,629,165

SCHEDULE: 17		
INTEREST & FINANCE CHARGES		
On Fixed Loans	8,967,193	11,766,192
Finance Charges	126,037	-
Others	528,416	581,062
Total	9,621,646	12,347,254

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SCHEDULE: - 18

NOTES FORMING PART OF THE ACCOUNTS

Background

Company was incorporated on 21st January 2008, and on 12th March 2010, the Hon'ble High Court of Bombay had passed an order pursuant to Section 391 to 394 of the Companies Act 1956, sanctioning the Scheme of Arrangement by way of Demerger for transfer of the Storage Division of the Kesar Enterprises Limited (KEL) into the Company as a going concern with effect from 1st January 2009 (Appointed Date).

Pursuant to the Scheme of Demerger, in consideration of the transfer of the Storage Undertaking into the Company, 47,53,113 Equity Shares of Rs. 10/- each, fully paid up are issued and allotted on 1st June 2010 by the Company to the shareholders of KEL in the ratio of 10:7 i.e. for every 10 shares in KEL , 7 shares in the company.

Significant Accounting Policies

A. Basis of preparation

The financial statements have been prepared to comply with all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. 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 and except for the changes in accounting policy discussed more fully below, are consistent with those used in the previous year.

B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

C. Revenue Recognition

Income is generally recognised 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 except Freehold Land are stated at cost of acquisition less accumulated depreciation. Cost includes interest on borrowings specific or otherwise, used for funding Fixed Assets, till the date of commissioning.
- b) Leasehold Land and Premium on Leasehold Land is amortised over the period of lease.

E. Depreciation

- a) Depreciation on Plant & Machinery has been provided on higher of Depreciation over estimated useful life and Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956.
- b) For all other assets, depreciation is provided on higher of Depreciation over estimated useful life and Written Down Value Method at the rates specified in Schedule XIV of the Companies Act, 1956.
- c) For assets added / disposed off during the year, depreciation has been provided on pro-rata basis with reference to the 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.

F. Capital Work-in-Progress

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

KESAR TERMINALS & INFRASTRUCTURE LTD.

G. 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 recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

H. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments Long Term Investments are stated at cost.

I. Inventories

Stores and Spares are valued at cost.

J. 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.

K. Retirement and other employee benefits

- i. Retirement benefits in the form of Provident Fund and Superannuation Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- 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.
- iii. Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.
- iv. Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

L. 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* enacted in India. 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 bases 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.

Deferred tax assets are recognised only if there is a 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.

M. Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period 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.

N. Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; 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.

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NOTES TO ACCOUNTS

1. Capital Commitments

Estimated amounts of contracts remaining to be executed on capital account and not provided for Rs.9,07,328 (Previous Year : Rs. 15,60,958).

2. Contingent Liabilities on account of Demands/Claims against the Company not acknowledged as debts and not provided for Rs.53,42,469 (Previous Year : Rs. NIL)

3. Employee Benefit

Defined Benefit Plan (Gratuity Fund)

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

Gratuity Fund is managed by Life Insurance Corporation of India (LIC), however, transfer of funds from KEL Gratuity Trust to KTEL Gratuity Trust pertaining to the employees of the company is in process.

Figures in Rs.

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
Change in Defined Benefit Obligation:		
Past Service Cost	87,31,000	59,78,000
Service cost	5,74,302	4,92,181
Interest cost	6,84,681	4,62,174
Actuarial (gain) / loss	6,72,989	22,00,287
Benefits paid	(3,44,972)	(4,01,642)
Present value of the defined benefit obligations (A)	1,03,18,000	87,31,000
Change in Plan Asset:		
Opening plan assets, at fair value (Estimated)	64,56,240	59,78,000
Expected return on plan assets	6,14,553	4,78,240
Actuarial gain / (loss)	(5,61,174)	
Contributions	27,96,318	4,01,642
Benefits paid	(3,44,972)	(4,01,642)
Fair value of plan assets (B)	89,60,965	64,56,240
Cost for the year ended:		
Service cost	5,74,302	4,92,181
Interest cost	6,84,681	4,62,174
Expected return on plan assets	(6,14,553)	(4,78,240)
Actuarial gain / (loss)	12,34,163	22,00,287
Total net cost recognized as Gratuity in P&L	18,78,593	26,76,402
Reconciliation of Benefit Obligations & Planned Assets for the period:		
Present value of the defined benefit obligations (A)	1,03,18,000	87,31,000
Fair value of plan assets (B)	89,60,965	64,56,240
Net asset / (liability) recognized in Balance Sheet	13,57,035	22,74,760
Investment details of plan assets:		
The plan assets are invested with LIC		
Assumptions:		
Discount rate	8.00%	8.00%
Salary escalation rate	5.50%	5.50%
Estimated rate of return on plan assets	8.00%	8.00%

KESAR TERMINALS & INFRASTRUCTURE LTD.

4. Segment Reporting: - The Company is mainly engaged in Storage Business. Further, company's major operations are at Kandla and there is no other reportable business and geographical segment as required in accordance with AS 17.
5. The Company has accounted for Deferred Tax in accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. The Details of changes in Deferred Tax Assets and Liabilities are as under:

Figures in Rs.

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
Deferred Tax Liability		
Accumulated Depreciation	(Rs. 3,52,18,326)	(Rs. 3,68,39,524)
Total Deferred Tax Liability	(Rs. 3,52,18,326)	(Rs. 3,68,39,524)
Deferred Tax Assets		
Expenses deductible on payment	Rs. 1,24,158	Rs. 9,68,004
Total Deferred Tax Assets	Rs. 1,24,158	Rs.9,68,004
Deferred Tax Asset / (Liability)	(Rs. 3,50,94,168)	(Rs. 3,58,71,520)

6. Term Loan from Allahabad Bank for storage expansion is secured by way of first charge on all Fixed Assets and Current Assets both present & future of Storage & Handling Division at Kandla as per the security documents executed by Kesar Enterprises Ltd. However, as per the Court Order, necessary steps are being taken to create the said charge in the name of the Company. Vehicle Loan for company vehicles are secured by way of hypothecation of vehicles. However, security documents are executed by Kesar Enterprises Ltd. As per the Court Order, necessary steps are being taken to create the said charge in the name of the Company.
7. Pursuant to Scheme of De-merger as stated above, Leasehold lands presently in the name of Kesar Enterprises Ltd., are in the process of being transferred in the name of the Company.
8. Related party disclosures under Accounting Standard 18:

Names of related parties and nature of related party relationships:

Name of Related Parties

- a) Key Management Personnel and relatives of such personnel :

Key Management Personnel

Mr. H.R.Kilachand

Chairman

Mrs. M.H.Kilachand

Promoter Director

Relatives of Key Management Personnel

Mr. Rohan H. Kilachand

Son of Chairman

Ms. Rohita H. Kilachand

Daughter of Chairman

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

Kilachand Devchand commercial Pvt. Ltd.

Kesar Enterprises Limited

Indian Commercial Co. Pvt. Ltd.

Kesar Corporation Pvt. Ltd.

Kilachand Devchand & Co. Pvt. Ltd.

Duracel Investments & Finance Pvt. Ltd.

Seel Investment Pvt. Ltd.

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Disclosure of transactions between the Company and related parties and the status of outstanding balance as on 31st March, 2011:

Figures in Rs.

Nature of Transaction	Kesar Enterprises Limited	H.R.Kilachand	M.H.Kilachand	Indian Commercial Co. Pvt. Ltd.
Sharing of Common Expenses	1,27,07,332	-	-	-
Rent Paid	-	-	-	1,20,000
Managerial Remuneration	-	33,68,272	-	-
Director Fees	-	60,000 (Up to 11-08-2010)	60,000	-
Balance Outstanding as on 31st March, 2011.				
Sundry Creditors	1,48,09,989	-	-	30,000
Security Deposits	-	-	-	45,00,000

9. Supplementary statutory information

Figure in Rs.

	For the year ended March 31, 2011	For the year ended March 31, 2010
(a) Expenditure in foreign currency	NIL	NIL
(b) Earnings in foreign currency (Accrual basis)	NIL	NIL

(c) Managerial Remuneration paid/payable to Executive Chairman as per Special Resolution passed by the Shareholders of the company at their Annual General Meeting held on 14-09-2010 and as per Sections 198 (4) & 309 (3) of the Companies Act, 1956, is as under:

Figure in Rs.

	For the year ended March 31, 2011	For the year ended March 31, 2010
I Salary	9,45,600	-
II Contribution to Provident Fund & Superannuation Fund	2,55,312	-
III Perquisites	5,67,360	-
IV Incentives	16,00,000	-
Total	33,68,272	-

(d) Managerial Remuneration paid/payable to Executive Director as per Special Resolution passed by the Shareholders of the company at their Extraordinary General Meeting held on 24-05-2010 and as per Sections 198 (4) & 309 (3) of the Companies Act, 1956, is as under:

Figure in Rs.

	For the year ended March 31, 2011	For the year ended March 31, 2010
I Salary	15,48,226	-
II Contribution to Provident Fund & Superannuation Fund	4,18,021	-
III Perquisites	9,42,282	-
Total	29,08,529	-

KESAR TERMINALS & INFRASTRUCTURE LTD.

10. 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 suppliers are outstanding for more than 45 days as per the terms & conditions of the order.
11. Quantitative details as required pursuant to the provisions of para3,4C and 4D of part II of Schedule VI of the Companies Act 1956 are not applicable as the company is not a manufacturing unit.
12. The common corporate expenses incurred at Corporate Head Office at Mumbai for the year have been allocated as per the Sharing Agreement between KEL and the company. The amount allocated to the company is Rs. 1,27,07,332/-.
13. The Depreciation on Assets constructed at Lease hold land of Kandla Port Trust (KPT) has been charged as per the rates prescribed Schedule XIV as the management expects that the lease will be renewed by the KPT based on past practice.
14. Previous year figures have been regrouped and recasted wherever necessary.

For and on behalf of the Board of Directors

H.R. KILACHAND
Executive Chairman

BHAUTESH SHAH
Dy. Company Secretary

J.K. DEVGUPTA
Executive Director

Mumbai, 16th May, 2011

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Cash Flow Statement for the year ended 31st March,2011

	(Rs) Current Year	(Rs) Previous Year
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	73,421,234	70,548,878
Adjustments for :		
Depreciation	27,647,317	24,184,065
Dividend Income	(450)	-
Interest Income	(303,529)	(182,583)
Interest and Finance Charges	9,621,646	12,347,254
Profit on sale of Fixed Assets/ Investments	(1,341)	(84,763)
Assets Discarded/Scrapped	919,537	-
Miscellaneous Expenditure written off	-	554,152
Credit Balances Written Back	(1,121,664)	-
Discount given to Debtors	3,926,562	2,811,891
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	114,109,312	110,178,894
Adjustments for :		
Inventories	(130,407)	1,914,245
Trade and Other Receivables	10,079,644	(14,072,400)
Other Current Assets	14,857	4,383
Loans & Advances	(1,666,464)	6,221,083
Trade Payables	(3,751,255)	3,615,288
Other Current Liabilities	(325,932)	17,718,304
CASH (USED IN)/GENERATED FROM OPERATIONS	118,329,755	125,579,797
Taxes (Paid)/ Refunds	(27,353,337)	(14,485,326)
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES	90,976,418	111,094,471
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets/Capital Work-in-Progress	(19,856,645)	(76,933,056)
Sale/Scrap of Fixed Assets	15,001	262,220
Interest Received	225,881	182,583
Dividend Received	450	-
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	(19,615,313)	(76,488,253)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Addition/ (Repayment) of Term Loans	(28,925,664)	(25,909,391)
Increase/ (Decrease) in Short Term Borrowings	(3,289,058)	3,223,399
Dividends Paid	(21,141,718)	-
Interest Paid	(9,621,646)	(12,347,253)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(62,978,086)	(35,033,245)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	8,383,018	(427,027)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	5,409,230	5,836,257
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	13,792,249	5,409,230

Note : Figures in brackets are outflows.

For and on behalf of
Haribhakti & Co.
Chartered Accountants
N.N.Jambusaria
Partner
Membership No. 38979
Place :- Mumbai
Date :- 16th May, 2011

For and on behalf of the Board of Directors

H. R. Kilachand J.K.Devgupta
Executive Chairman Executive Director

Bhautesh Shah
Dy. Company Secretary

Place :- Mumbai
Date :- 16th May, 2011

KESAR TERMINALS & INFRASTRUCTURE LTD.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(Submitted in items of Part IV of Schedule VI to the Companies Act, 1956)

I. REGISTRATION DETAILS

REGISTRATION NO. : U45203MH2008PLC178061

STATE CODE: 11

BALANCE SHEET DATE : 31 03 2011

DATE MONTH YEAR

II. CAPITAL RAISED DURING THE YEAR

(Amount in Rs.)

PUBLIC ISSUE
 N I L

RIGHT ISSUE
 N I L

BONUS ISSUE
 N I L

PRIVATE PLACEMENT
 N I L

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

SOURCES OF FUNDS

TOTAL LIABILITIES
336841518

PAID-UP CAPITAL
52531130

SECURED LOANS
72323626

APPLICATION OF FUNDS

NET FIXED ASSETS
324561189

ACCUMULATED LOSSES
 N I L

TOTAL ASSETS

336841518

RESERVES AND SURPLUS
175656772

DEFERRED TAX LIABILITY
35094168

UNSECURED LOANS
1235822

INVESTMENTS

5000

NET CURRENT ASSETS
12275329

MISCELLANEOUS EXPENDITURE

 N I L

IV. PERFORMANCE OF THE COMPANY

TOTAL INCOME
207221774

PROFIT/(LOSS) BEFORE TAX
73421234

EARNING PER SHARE (IN RS.)
9.37

TOTAL EXPENDITURE

133800540

PROFIT/(LOSS) AFTER TAX
49234680

Dividend Rate %
25

V. GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (As per monetary terms)

ITEM CODE NO. (ITC CODE) N O T A V A I L A B L E

PRODUCT DESCRIPTION S T O R A G E & H A N D L I N G S E R V I C E S
O F L I Q U I D C H E M I C A L S

Annual Report 2010-2011

Dear Shareholder,

Sub: “GO GREEN” initiative of the Ministry of Corporate Affairs (“MCA”), Government of India

The Ministry of Corporate Affairs (“MCA”), Government of India, has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by companies vide circular no. 17/2011 dated 21.04.2011 and circular no. 18/2011 dated 29.04.2011, in terms of which a company would have ensured compliance with the provisions of Section 53 of the Act, if services of documents have been made through electronic mode. The companies are now permitted to send various notices /documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders.

This move by the Ministry is welcome since it will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. The Company thus proposes to send all documents to the Shareholders like General Meeting Notices (including AGM), Audited Financial Statements, Directors’ Report, Auditors’ Report, etc. henceforth to the shareholders in electronic form in lieu of the physical form.

Shareholders holding shares in Physical form are requested to furnish your email id for the purpose of serving of documents by the Company in the electronic mode **in the form attached on the next page at the address of our (RTA) M/s SHAREX DYNAMIC (INDIA) PVT LTD. Unit-1, Luthra Ind Premises, Safed Pool, Andheri Kurla Road, Andheri East, Mumbai 400072.**

Shareholders holding shares of the Company in electronic form and do not have any email id registered in your Demat Account with the Depository. You are requested to furnish your email id in **your Demat Account with your Depository-Participant (DP)** for the purpose of serving of documents by the Company in the electronic mode.

Shareholders holding shares of the Company in electronic form and have registered your email-id, in the records of the Depositories viz NSDL/CDSL and which has been made available to us as per the records maintained at the depository. **Please inform any changes in your email-id to your depository participant (DP) only,** for the purpose of serving of documents by the Company in the electronic mode.

As a member of the Company, In case you desire to receive documents stated above in physical form, you will be entitled to be furnished, free of cost, a printed copy of the Annual Report of the Company, upon receipt of a requisition from you, at any time. Please write to us, quoting your Registered Folio Number at Registered Office of the Company or email to bhauteshshah@kesarindia.com or to our Registrar & Share Transfer Agents M/s Sharex Dynamic (India) Pvt. Ltd.

The Annual Report of the Company would also be made available on the Company’s website at www.kesarinfra.com.

We are sure that you will welcome the “Green Initiative” taken by the MCA and your company’s desire to participate in the same.

We look forward to your support in this initiative.

KESAR TERMINALS & INFRASTRUCTURE LTD.

To,
Sharex Dynamic (India) Pvt. Ltd.,
Unit No. 1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Andheri (East),
Mumbai – 400072

Unit : Kesar Terminals & Infrastructure Limited

Dear Sir,

Sub: “GO GREEN” initiative of the Ministry of Corporate Affairs (“MCA”), Government of India

We are happy to note that our Company has taken up this initiative. We give below our email-id, for the purpose of serving of documents like General Meeting Notices (including AGM), Audited Financial Statements, Directors’ Report, Auditors’ Report, etc. by the Company in electronic mode.

Name of the Shareholder(S) :

Folio-No. :

Email id(s): :

Thanking you,

Yours faithfully.

Signature(s) of the Shareholders.

Dated :

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KESAR TERMINALS & INFRASTRUCTURE LTD.

Registered Office : Oriental House, 6th Floor, 7, Jamshejji Tata Road,
Churchgate, Mumbai 400 020.

ATTENDANCE SLIP

Please fill and hand it over at the entrance of the Meeting Hall

I hereby record my presence at the 3rd Annual General Meeting of the Company, to be held on Wednesday, 29th June, 2011 at 3:00 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001.

Client ID*	DP ID No.*
------------	------------

Folio No.	No. of Shares
-----------	---------------

Name and Address of the Member:

Signature of Member or Proxy or Representative

* Applicable for investors holding shares in electronic form.

KESAR TERMINALS & INFRASTRUCTURE LTD.

Registered Office : Oriental House, 6th Floor, 7, Jamshejji Tata Road,
Churchgate, Mumbai 400 020.

PROXY FORM

I/We in the district of
of being a Member/Members of Kesar Terminals &
Infrastructure Ltd. hereby appoint
of in the district of
..... or failing him/her
of or failing him/her
of as my/our your proxy to vote for me/us and on
my/our behalf at the 3rd Annual General Meeting of the Company, to be held on Wednesday,
29th June, 2011 at 3:00 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 3rd Floor,
18/20, Kaikhushru Dubash Marg, Mumbai 400 001 or at any adjournment thereof.

Client ID*	DP ID No.*
------------	------------

Folio No.	No. of Shares
-----------	---------------

Signed this day of, June, 2011.



(Signature)

* Applicable for investors holding shares in electronic form.

NOTE : The Proxy in order to be effective should be duly filled up, stamped, signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the company.

BOOK -POST



If undelivered please return to:

KESAR TERMINALS & INFRASTRUCTURE LTD.

Oriental House,
7, Jamshedji Tata Road,
Churchgate, Mumbai 400 020.