



10th Annual Report  
2017~18

**KESAR TERMINALS & INFRASTRUCTURE LIMITED**

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

## **MISSION**

“To provide world class services in **warehousing and other storage facilities** for domestic and exim **Bulk liquid and dry bulk cargo** of all kinds, on a pan India basis, upholding our core principle of **Trust and Excellence.**”

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# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

(Incorporated under the Companies Act, 1956)

CIN: L45203MH2008PLC178061

## **COMPANY INFORMATION**

### **BOARD OF DIRECTORS**

H R KILACHAND (Executive Chairman - w.e.f. 20.12.2017)  
A S RUIA (Independent Director - Chairman upto 20.12.2017)  
SMT. M H KILACHAND (Non-Executive Director upto 07.11.2017)  
J N GODBOLE (Independent Director)  
R S LOONA (Independent Director)  
J K DEVGUPTA (Non-Executive Director )  
SMT. NILIMA MANSUKHANI (Additional Director w.e.f. 21.05.2018)  
R H KILACHAND (Whole-Time Director upto 31.05.2017 &  
Non-Executive Director upto 31.03.2018)

### **CHIEF FINANCIAL OFFICER**

V J DOSHI

### **COMPANY SECRETARY**

ALOK SINGH (upto 14.02.2018)

### **BANKERS**

Yes Bank

### **AUDITORS**

Haribhakti & Co. LLP, Chartered Accountants

### **TERMINALS**

Kandla (Gujarat)

### **REGISTERED OFFICE**

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

### **REGISTRAR & TRANSFER AGENT**

SHAREX DYNAMIC (INDIA) PVT. LTD.  
Luthra Industrial Premises, Andheri Kurla Road,  
Safed Pool, Andheri (East), Mumbai – 400 072

### **AUDIT COMMITTEE MEMBERS**

A S RUIA (Chairman-Independent Director)  
J N GODBOLE (Member - Independent Director)  
R S LOONA (Member - Independent Director)  
H R KILACHAND (Member w.e.f. 20.12.2017-Executive Chairman)

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## NOTICE

**NOTICE** is hereby given that the 10th Annual General Meeting of the Members of **KESAR TERMINALS & INFRASTRUCTURE LIMITED** (CIN:L45203MH2008PLC178061) will be held on **Thursday 27th September, 2018 at 3:30 p.m. at M C Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20 Kaikhushuru Dubash Marg, Mumbai 400001** to transact the following business:

1. To receive, consider and adopt the audited Standalone and Consolidated Balance Sheet as at 31st March, 2018 and Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon,
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri J K Devgupta (DIN: 00515391), who retires by rotation and being eligible offers himself for reappointment.

### **SPECIAL BUSINESS:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment(s) thereof, for the time being in force) and SEBI (LODR) Regulations 2015, Smt. Nilima Mansukhani (DIN: 06964771) aged 66 years, who was appointed as an Additional Director in the category of an Independent Director by the Board of Directors at their meeting held on 21.05.2018 whose term is upto the conclusion of this meeting, be and is hereby appointed as an Independent Director of the Company to hold office for the 1st Term of 5 (five) consecutive years effective from 21.05.2018 up to the conclusion of the 15th Annual General Meeting of the Company to be held in the year 2023 and that she will not be liable to retire by rotation.”

5. To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including, any statutory amendment, modification or re-enactment thereof and other requisite approvals as may be necessary, and also subject to approval of the Central Government, if required, approval of the Shareholders be and is hereby granted for the appointment of Shri H R Kilachand (DIN: 00294835) as a Whole-Time Director designated as “Executive Chairman” of the Company, entrusted with substantial powers of the Management, for a period of 3 years from 20.12.2017 to 19.12.2020, on a remuneration as per Schedule V of the Act, and on terms and conditions as specifically set out below:

#### **I. SALARY:**

[A] In case, the Company has sufficient Net Profit (calculated as per Section 198 of the Act) in any financial year:

- a. Salary upto ₹4,00,000/- per month or ₹48,00,000/- per annum or in the scale as may be decided by the Board based on the performance of the Company subject to specified ceiling limit of the Net Profit;
- b. Incentives, not exceeding the specified ceiling limit of the Net Profit of the Company for each financial year or part thereof computed in the manner as laid down under Section 198 of the Companies Act, 2013 after deducting Salary & Perquisites as provided herein.

OR

[B] In case, the Company has no profits or its profits are inadequate:

Salary ₹ 7,00,000/- per month or ₹ 84,00,000/- per annum [or any higher limit as may be revised from time to time under the Act] inclusive of Perquisites as mentioned hereunder as Minimum Remuneration as per Schedule V.

#### **II. PERQUISITES:**

Shri H R Kilachand shall be entitled to House Rent Allowance not exceeding 60% of the salary, gas, electricity, medical reimbursement, leave travel concession for self and family, club fees, personal accident insurance, Company maintained car with driver, telephone and such other perquisites in accordance with

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income Tax Rules within the ceiling limits payable to Shri H R Kilachand, subject however to the limit of overall Minimum Remuneration as prescribed under Schedule V.

Shri H R Kilachand shall be further eligible to the following perquisites also which shall not be included in the computation of the ceiling limit on remuneration by way of salary, perquisites, allowances etc, in the event of the Company having no profits or its profits are inadequate.

- i. The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent it is not taxable under the Income Tax Act;
- ii. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- iii. Encashment of leave at the end of the tenure.

**"RESOLVED FURTHER THAT** Shri H R Kilachand shall be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company."

**"RESOLVED FURTHER THAT** the remuneration as per para I(B) above shall nevertheless be paid and allowed to Shri H R Kilachand as Executive Chairman as the minimum remuneration, but not exceeding overall ceiling limits specified in Section II of Part II of Schedule V to the Act or any amendments thereto from time to time, notwithstanding that in any financial year of the Company during the tenure of office of Shri H R Kilachand, the Company may have made no Profits or its Profits may be Inadequate."

**"RESOLVED FURTHER THAT** Shri H R Kilachand shall not be liable to retire by rotation as Director of the Company."

**"RESOLVED FURTHER THAT** the payment of above remuneration shall also be subject to Section V of Schedule V of the Act, which provides that subject to the provisions of Sections I, II & IV of Part II of Schedule V, Shri H R Kilachand shall draw remuneration from the Company and/or from Kesar Enterprises Ltd. [KEL] in which Shri Kilachand is appointed as Chairman & Managing Director, provided that the total remuneration drawn and retained by Shri Kilachand from both the Companies shall not exceed the higher maximum limit admissible from any one of the Companies."

**"RESOLVED FURTHER THAT** the amount of remuneration to be paid by each Company will be decided by the Board of both the Companies from time to time considering the higher maximum limit admissible from any one of the Company i.e. the Company or KEL."

6. To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, and as recommended by the Nomination & Remuneration Committee and the Board of Directors, consent of the Shareholders of the Company be and is hereby accorded & ratified for the appointment of Shri J K Devgupta (DIN 00515391) as a Whole-Time Director of the Company from 23.11.2017 to 13.2.2018 without any remuneration."

**"RESOLVED FURTHER THAT** Shri J K Devgupta be allowed reimbursement of expenses actually and properly incurred by him for the business of the Company during that period, if any."

**"RESOLVED FURTHER THAT** any one of the Directors or Shri V J Doshi, Compliance Officer be and is hereby authorised to do all such things as may be required to give effect to the above Resolutions including filing of various forms with the Registrar of Companies."

**Registered Office:**  
Oriental House, 7,  
Jamshedji Tata Road,  
Churchgate  
Mumbai-400020

**7th August, 2018**

By Order of the Board of Directors

**H R Kilachand**  
**Executive Chairman**  
**DIN: 00294835**

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## NOTES:

- a) **A member entitled to attend and vote at the annual general meeting (the “meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.**

- b) The register of members and share transfer books of the Company shall remain closed from **Thursday, 20th September 2018 to Thursday, 27th September 2018 (both days inclusive)** for the purpose of payment of dividend. The Shareholders are requested to inform of change in address, if any, at the earliest.
- c) The unclaimed final dividend for the year 2010-11 will be transferred to the Investor Education & Protection Fund on or before 02.09.2018.
- d) 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.
- e) The Securities and Exchange Board of India (“SEBI”) has mandated the submission of Permanent Account Number (“PAN”) by every participant in securities market. Members holding shares in electronic form are required to submit their PAN to the DP with whom they maintain their Demat accounts. Members holding shares in physical form should submit their PAN to the Company’s R & T Agent. SEBI has also mandated that while submitting shares for transfer with the Company, the transferee as well as transferor shall furnish a copy of their PAN card for registration.
- f) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
- g) 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. up to the date of the ensuing Meeting.
- h) 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.
- i) Members / Proxies should fill the Attendance Slip for attending the Meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification for attendance at the Meeting.
- j) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- k) The Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs, Government of India, has permitted companies to send official documents to their Members electronically as part of its green initiatives in Corporate Governance. To support the green initiative of the Ministry of Corporate Affairs, the Notice convening the AGM, Directors’ Report, Management Discussion and Analysis, Corporate Governance Report, Auditors’ Report, Financial Statements etc, is being sent by electronic mode to those Members whose email addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. Members who have not registered their email addresses so far are requested to register their email address with their Depository Participant only, for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. Hence kindly provide them your email address for seving by electronic mode the notice/ documents as part of the Green initiative in Corporate Governance. The said information / request can be sent by members to Sharex Dynamics (india) Pvt. Ltd. the Registrar and Trasfer Agents through email id sharexindia@vsnl.com or the company’s id headoffice@kesarindia.com.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## l) E-Voting:

In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 10th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The Company has signed an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their vote electronically.

### Process for E-Voting

The instructions for members for voting electronically are as under:-

- (i) The voting period will begin on **Monday, 24.09.2018 at 9:00 am** and end on **Wednesday, 26.09.2018 at 5:00 pm**. During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Thursday, 20.09.2018** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website **www.evotingindia.com**.
- (iii) Click on **“Shareholders”**.
- (iv) Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and **Click on Login**.
- (vi) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
<b>PAN</b>	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>• In case the sequence number is Less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL Letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li></ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on **“SUBMIT”** tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach **‘Password Creation’** menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



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- (xi) Click on the **EVS-180810019** for Kesar Terminals & Infrastructure Ltd. on which you choose to vote.
- (xii) On the voting page, you will see **“RESOLUTION DESCRIPTION”** and against the same the option **“YES/NO”** for voting. Select the option **YES** or **NO** as desired. The option **YES** implies that you assent to the Resolution and option **NO** implies that you dissent to the Resolution.
- (xiii) Click on the **“RESOLUTIONS FILE LINK”** if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on **“SUBMIT”**. A confirmation box will be displayed. If you wish to confirm your vote, click on **“OK”**, else to change your vote, click on **“CANCEL”** and accordingly modify your vote.
- (xv) Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on **“Click here to print”** option on the Voting page.
- (xvii) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on **Forgot Password** & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using **CDSL’s mobile app m-Voting** available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, URI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
  - After receiving the Login details a Compliance User should be created using the admin Login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The List of accounts Linked in the Login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at **www.evotingindia.com**, under help section or write an email to **helpdesk.evoting@cdslindia.com** or call on 18002 25533.
- xx) In case of members receiving the physical copy of Notice of AGM [for members whose email IDs are not registered with the Company / Depository participants(s) or requesting physical copy], you may please follow the above the steps.
- xxi) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- xxii) M/s. Ragini Chokshi & Co., Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Scrutinizer’s report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- xxiii) The Results declared along with the Scrutinizer’s report shall be placed on the Company’s website **www.kesarinfra.com** within 2 (two) working days of the passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## ANNEXURE TO THE NOTICE

### Explanatory Statement Pursuant to Section 102(1) of the Companies Act, 2013

#### Item No. 4: Appointment of Smt. Nilima Mansukhani as an Independent Director

Pursuant to the provisions of Sections 161 read with Schedule IV of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 and as per Articles 89 of the Articles of Association of the Company and SEBI (LODR) Regulations 2015, Smt. Nilima Mansukhani has been appointed as an Additional Director in the category of an Independent Director by the Board of Directors at their meeting held on 21.05.2018 whose term is upto the conclusion of the 10th Annual General Meeting [AGM].

Pursuant to Section 149 & 152 of the Companies Act 2013 and SEBI (LODR) Regulations, 2015 as amended, Smt. Nilima Mansukhani is proposed to be appointed to hold office as an Independent Director for the 1st term of 5 (five) consecutive years from 21.05.2018 till the conclusion of the 15th AGM of the Company to be held in the year 2023 and that she will not be liable to retire by rotation.

The Company has received from Smt. Nilima Mansukhani (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 that she is not disqualified under section 164(2) of the Act in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014; and (iii) Declaration that she meets the criteria of Independence as provided in Section 149(6) of the Act.

Brief resume of Smt. Nilima Mansukhani, nature of her expertise in specific functional areas and names of companies in which she holds Directorship and Membership / Chairmanship of Board Committees, shareholding and relationship between Directors inter-se is given below:

<b>Name of the Director</b>	Smt. Nilima Mansukhani
<b>Date of Birth</b>	01.11.1951
<b>Date of Appointment on the Board</b>	21.05.2018
<b>Qualification</b>	B.A.; M.A. [from Lucknow University]
<b>Expertise in Functional Area</b>	She is Ex-Chief Commissioner of Income Tax, Mumbai. She is a topper of 1975 Civil Services Exams. She had joined Indian Revenue Service (Income Tax) and served over 37 years in Income Tax Department at various levels across India. She has an expertise in Taxation matters.
<b>Number of Shares held in the Company</b>	--
<b>List of Directorship held in other Companies</b>	She is an Independent Director of Supreme Infrastructure India Ltd.
<b>Chairman/Member of the Committees of the Boards of Companies in which he / she is Director</b>	Member of Stakeholders Relationship Committee of Supreme Infrastructure India Ltd,

In the opinion of the Board, Smt. Nilima Mansukhani fulfils the conditions for her appointment as an Independent Director as specified in the Act and SEBI (LODR) Regulations, 2015 as amended from time to time.

Copies of the draft letter for appointment of Smt. Nilima Mansukhani as an Independent Director setting out the terms and conditions, is available for inspection at the Registered Office of the Company.

Smt. Nilima Mansukhani is interested in the resolution set out at No.4 of the Notice with regard to her appointment. The relatives of Smt. Nilima Mansukhani may be deemed to be interested in the resolutions set out at No.4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or his relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution.

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

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## Item No. 5: Appointment of Shri H R Kilachand as Executive Chairman

As approved by a resolution passed by the Nomination & Remuneration Committee of the Company on 20.12.2017 and also at the Board Meeting held on that day thereafter, the Directors have appointed Shri H R Kilachand as a Whole-Time Director designated as Executive Chairman of the Company entrusted with substantial powers of the Management, for a period of 3 years with effect from 20.12.2017 on a remuneration as per the provisions of Sections 196, 197 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including, any statutory amendment, modification or re-enactment thereof and other requisite approvals as may be necessary, and also subject to approval of the Central Government, if required, subject to your approval by a Special Resolution at this meeting.

As required, a statement is given hereunder containing the following information:

### I. General Information:

(1) Nature of industry: Service

(2) Date or expected date of commencement of commercial production:

The existing activities were transferred to the Company from Kesar Enterprises Ltd., as per the Court sanctioned Scheme of Arrangement for Demerger w.e.f. the Appointed Date 01.01.2009.

(3) Financial performance based on given indicators:

Financial performance is given in the attached Annual Accounts.

(4) Export performance and net foreign exchange collaborations

(5) Foreign investments or collaborators, if any.

**(4) & (5) above** - Not Applicable as there is no export / foreign investments or any foreign collaboration.

### II. Information about Shri H R Kilachand:

(1) Background details:

Shri H R Kilachand is the Chairman & Managing Director of the erstwhile Holding Company Kesar Enterprises Ltd. [KEL] since 1997 onwards. He has about 33 years of vast experience. He has contributed a lot in completion of the expansion & modernisation of Storage Terminals at Kandla and continues to see its growth as the Chairman of the Company. He is B. Com., C.B.M. & P.G.D.B.M., U.C.L.A. (U.S.A.).

(2) Past remuneration: He is appointed as a Whole-Time Director designated as Executive Chairman w.e.f. 20.12.2017.

(3) Recognition or awards:

(4) Job profile and his suitability: He has been appointed as a Whole-Time Director, designated as Executive Chairman of the Company entrusted with substantial powers of management, for a period of 3 years with effect from 20.12.2017. He is suitable for the job as he has contributed a lot in completion of the expansion & modernisation of Storage Terminals at Kandla and continues to see its growth.

(5) Remuneration proposed: It is mentioned in the proposed Special Resolution at item no.5 in the above notice.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

The remuneration is proposed with respect to trend in the industry, size of the Company, profile of the position and after considering the qualification, experience & past performance of Shri H R Kilachand.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Shri H R Kilachand is one of the Promoters of the Company and has no pecuniary relationship with the Company, directly or indirectly except to the extent of the remuneration receivable by him from the Company and his holding along with his family in the equity share capital of the Company.

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### **III. Other information:**

Reasons of loss or inadequate profits: Till date there is no loss or inadequate profits.

### **IV. Disclosures:**

- (1) The remuneration package of Shri H R Kilachand is mentioned in item no.5 of the above Notice.
- (2) Necessary disclosures are mentioned in the Director's Report under the heading "Corporate Governance", attached to the Annual Report:

Brief resume of Shri H R Kilachand is given below:

<b>DIN</b>	00294835
<b>Birth Date</b>	04.05.1960
<b>Nationality</b>	Indian
<b>Qualification</b>	B.Com. from University of Bombay; C.B.M. & P.D.B.M. from U.S.A.
<b>Experience</b>	<p>He had joined Kesar Enterprises Ltd. (KEL) on 8.8.1985 as "Executive". He was entrusted with the duties of Administration &amp; Co-ordination work of KEL and also to plan &amp; supervise projects for modernisation and expansion of KEL's activities. He contributed a lot in his first decade towards the growth of KEL. He had efficiently carried out the duties entrusted to him, including completion of the expansion &amp; modernisation of Sugar Factory, Distillery, ENA &amp; IMFL Plants, the Power Plant for Cogeneration and also a Second Storage Terminal at Kandla.</p> <p>On 6.3.1997, he was appointed as a "Joint Managing Director" of KEL. Subsequently, after the death of his father w.e.f. 14.8.1997, he has been working as a Chairman &amp; Managing Director of KEL.</p> <p>Since the demerger of Storage Division of KEL into the Company - Kesar Terminals &amp; Infrastructure Ltd. [KTIL] i.e. from 14.09.2010, he worked as the Executive Chairman of the Company for almost 2 terms of 3 years each i.e. till 29.04.2016. He had resigned as Executive Chairman of the Company with effect from 29.04.2016 for the reason of his engagement in other business activities. During that period, he contributed a lot in the growth of the Company. He could manage to get for the Company a Composite Logistic Hub Project at Madhya Pradesh through its Special Purpose Vehicle Company viz. Kesar Multimodal Logistics Ltd. (KMLL). Once again, he has been appointed as Executive Chairman of the Company w.e.f. 20.12.2017.</p>
<b>Shareholding in KTIL</b>	4,98,738 (4.56%) Shares Equity Shares.
<b>Relationship with other Director</b>	Nil
<b>List of other Directorship</b>	<p>Kesar Enterprises Limited;                      Kesar Multimodal Logistics Ltd. [KTIL];                      Kesar Corporation Pvt. Ltd.                      Indian Commercial Co. Pvt. Ltd.                      India Carat Private Limited;                      Kilachand Devchand &amp; Company Private Limited; &amp;                      Kilachand Devchand Commercial Private Limited.</p>

Section 197 provides that a Public Company may appoint a person as its Managing Director, if he is the Managing Director of not more than one other Company. Schedule V to the Companies Act, 1956, provides that, subject to the provisions of Sections I and II, a Managerial Person can draw remuneration from one or both Companies, provided that the total remuneration drawn from both the Companies does not exceed the higher maximum limit admissible from any one of the Companies of which he is a Managerial Person.

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.

Shri H R Kilachand shall be regarded as a Director not liable to retire by rotation.

The Company has not made any default in repayment of any of its debts in the preceding financial year before the date of appointment of Shri H R Kilachand.

M/s. Ragini Chokshi & Associates, the Secretary in Whole-time Practice has certified that the requirements of Schedule V have been complied with for the above appointment.

# Annual Report 2017-2018

Save and except Shri H R Kilachand and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at No.5 of the Notice.

In the interest of the Company as well as the shareholders, your Directors recommend the Special Resolution proposed at Item no.5 of the Notice for your approval.

## Items No.6: Appointment of Shri J K Devgupta as a Whole-Time Director

Pursuant to the provisions of Sections 196 and all other applicable provisions of the Companies Act, 2013 & the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Articles of Association of the Company and subject to approval of the Members of the Company and keeping in view the vast expertise and knowledge of Shri J K Devgupta, the Board of Directors had appointed Shri J K Devgupta as a Whole-Time Director of the Company, in his professional capacity, for a period of 1 year from 23.11.2017 to 22.11.2018.

The remuneration to Shri J K Devgupta was approved by the Nomination & Remuneration Committee and also by the Board of Directors of the Company at their meeting held on 23.11.2017 subject to approval of the Shareholders of the Company.

In view of the recent development in his family, Shri J K Devgupta resigned as a Whole-Time Director and continued his Directorship as a Non-Executive Director with effect from 13.02.2018. Shri J K Devgupta has not drawn his remuneration for the period from 23.11.2017 to 13.02.2018. Accordingly, the Nomination & Remuneration Committee and the Board of Directors have continued his Directorship as a Non-Executive Director with effect from 13.02.2018. The Company has filed necessary Form with the Registrar of Companies accordingly.

The Company had received from Shri J K Devgupta - (i) Consent to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) Intimation in Form DIR-8 that he is not disqualified under section 164(2) of the Act in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014.

A brief profile of Shri J K Devgupta is as under:

<b>DIN</b>	00515391
<b>Birth Date</b>	22.05.1946
<b>Nationality</b>	Indian
<b>Board Appointed</b>	On 23.11.2017 for 1 year
<b>Resignation</b>	As Whole-Time Director with effect from 13.02.2018.
<b>Qualification</b>	B.Tech from IIT Kharagpur
<b>Experience</b>	He has over 4 decades of varied Industrial experience involving marketing, technical services, manufacturing, supply & distribution, import & export and shipping including the Company. He has been associated with Companies like International Tractor Company of India [now Mahindra Tractors], Indian Oil Corporation, Chemical Terminal Trombay Ltd. a subsidiary of Tata power Limited etc.
<b>Relationship</b>	Key Managerial Personnel
<b>Shareholding</b>	140 Shares Equity Shares
<b>Relationship with other Director</b>	Nil
<b>List of other Directorship</b>	Nil

The proposed Special Resolution is to ratify the appointment of Shri J K Devgupta as a Whole-Time Director for the period 23.11.2017 to 13.02.2018 without payment of remuneration for the said period.

Save and except Shri J K Devgupta and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at No.6 of the Notice.

The Board recommends the Special Resolution as set out at No.6 of the Notice for your approval.

By Order of the Board of Directors

**Registered Office:**  
Oriental House, 7,  
Jamshedji Tata Road,  
Churchgate  
Mumbai-400020  
**7th August, 2018**

**H R Kilachand**  
**Executive Chairman**  
**DIN: 00294835**

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## DIRECTORS' REPORT

To,  
The Shareholders  
Kesar Terminals & Infrastructure Ltd.

Dear Members,

Your Directors present to you the 10th Annual Report and the audited Statement of Accounts of the Company for the year ended 31st March, 2018.

### STANDALONE FINANCIAL RESULTS

	(₹ in Lakh)	
	<b>2017-18</b>	2016-17
<b>Profit before interest, depreciation &amp; taxation</b>	<b>2360.41</b>	3205.51
Less: Interest and Finance Charges	<b>193.73</b>	239.70
Profit before Depreciation & taxation	<b>2166.68</b>	2965.81
Less: Depreciation	<b>169.82</b>	177.55
Add: Depreciation of Earlier Years	<b>-</b>	120.73
<b>Profit before tax</b>	<b>1996.86</b>	2667.53
<b>Less: Provision for Taxation</b>		
(i) Income Tax – Current ##	<b>205.98</b>	689.16
(ii) Income Tax – Deferred	<b>(152.41)</b>	(388.51)
<b>Profit after tax</b>	<b>1943.29</b>	2366.88
Other Comprehensive Income	<b>12.57</b>	(14.89)
<b>Profit including Other Comprehensive Income</b>	<b>1955.86</b>	2351.99

## Net of prior period tax provision written back ₹ 204.02 lakhs (Last year ₹ 114.04 lakhs)

For the year 2017-18, there is a profit after tax of ₹ 1955.86 lakh as against ₹ 2351.99 lakh in the previous year.

### DIVIDEND

The Directors are pleased to recommend a dividend of ₹ 1.00 per Equity Share (20%) of ₹ 5/- each on 1,09,26,475 Equity Shares of the Company for the year 2017-18 [previous year ₹ 0.50 per Equity Share (10%) of ₹ 5/- each]. The dividend payout will be ₹ 109.26 lakh, excluding dividend distribution tax of ₹ 22.46 lakh.

### WORKING FOR THE CURRENT YEAR 2017-18

During the year under review, your Company achieved a turnover of ₹4,163.21 lakh, as against ₹ 4,390.26 lakh in the previous year.

### SUBSEQUENT FINANCIAL YEAR 2018-19

For the financial year 2018-19, there could be some drop in revenue as new terminals have come up in Kandla thus augmenting storage capacities. The new terminals are offering lower rates to attract clients to their fold. As a consequence, the terminal users have been resisting even cost escalation related annual increase in rental charges and in fact have been insisting for a downward revision of service charges.

### EXPANSION / MODERNISATION

The Company has been exploring new avenues to optimize and expand its present capacity at its Terminals at Kandla. However, as the issue of transfer/ renewal of lease of land in favour of the Company post Demerger is yet to take place, no favourable response has been coming from Deendayal Port Trust (DPT) [formerly - Kandla Port Trust] for construction of new capacities. It is expected that the issues with KPT would be sorted out during the course of the year, in respect of renewal of lease of the particular plot of land where construction of additional tanks are planned.

The Company has about 10 acres of land on a long term lease basis at Kakinada port in Andhra Pradesh. The Company plans to put up both Dry Cargo Warehousing and Bulk Liquid Terminal facilities at Kakinada. Necessary statutory permissions are being obtained from various State Government and other statutory bodies for commencement of construction of proposed facilities

# Annual Report 2017-2018

The Company has revised its plan to put up a CFS (Container Freight Station) at Pipavav due to lower than expected container traffic at the port of Pipavav. The Company now plans to set up a Bonded Warehouse and empty container storage and repair facility at its site near the port gate to start a new income stream

## WHOLLY-OWNED SUBSIDIARY COMPANY

During the year under review, on acquisition of 25,000 Equity Shares [0.01%], the Company along with its Nominees holds 100% of the Equity Share Capital of Kesar Multimodal Logistics Ltd. (KMLL) with effect from 16.02.2018. Hence, KMLL has become a Wholly-Owned Subsidiary of the Company. The Annual Report of the Company does not contain the individual financial statements of KMLL, but contains the audited consolidated financial statements of the Company and KMLL. The Annual Accounts of the Subsidiary Company, along with the related information, is available for inspection at the Company's registered office. Particulars of KMLL contained in Form AOC-1 forms part of the notes to the financial statements annexed herewith.

## Consolidated Financial Statements

The Consolidated Financial Statements of the Company prepared as per Accounting Standard AS-21, consolidating the Company's accounts with its Subsidiary have also been included as part of this Annual Report.

## Composite Logistics Hub Project of the Wholly-Owned Subsidiary Company

KMLL has successfully completed the construction of the 1st Phase of the Project. The West Central Railway, Jabalpur, Madhya Pradesh has notified the Private Freight Terminal [PFT] of KMLL served by Powarkheda (PRKD) station of Bhopal Division as a Greenfield PFT. The Private Freight Terminal of KMLL has handled 48 rakes during the year ended 31.03.2018 inclusive of various outward cargos such as wheat, corn, de-oiled cake, paddy, sand, gunny bags, and inward cargos of cement.

The Hub covers an area of 88.3 acres, which includes development of an entire range of infrastructure including rail sidings for cargo and container movement, rail-side warehouses, Inland Container Depot (ICD), Cold Storage, food grains warehouse & development of common facilities for putting up agri-processing units. The facilities at the Hub permit transportation of food grains, soya extract, vegetables and fruits from this location to any location in India by rail within 24 hours. This location, which is situated at nearly the centre of the Indian Railway map, offers an opportunity to the manufacturers of bulk commodities, such as cement, steel, fertilizer etc. to quickly move their cargo from their manufacturing points to the Terminal for storage and onward distribution. The manufacturers of FMCG or white goods can also use the location as a desired central storage and distribution point for pan India distribution of their products as the GST has been implemented. The facilities at the Hub also permits rail transportation of ICD containers from surrounding areas to the major ports like JNPT, Mundra & vice-versa for both, exports & imports thereby saving costly road freight, besides reducing pollution of truck movement. KMLL has been appointed as the Custodian of the import / export of goods received at ICD of KMLL by the Office of the Principal Commissioner of Customs, Central Excise & Service Tax, Bhopal (Madhya Pradesh). KMLL has obtained all permissions for Inland Container Depot [ICD] including posting of Customs Officials and Electronic Data Inter-phase (EDI) connectivity with Customs for processing of Import/Export cargo documents. The Company has moved import / export containers by Rail / Road to / from the ICD. The Cold Storage is being patronized by local fruit and vegetable vendors and also traders for storing of seed potatoes, potatoes, coriander seeds, chickpeas, fruits etc.

KMLL has incurred substantial losses during the financial years ended 31.03.2017 & 31.03.2018. There was a cost overrun in the project on account of the additional facilities and increase in scope of work suggested / recommended by Railways. The project cost increased from about ₹ 149 crores to about ₹ 220 crores. The revised means of financing envisaged additional contribution from the Promoter of about ₹ 26 crores and additional debt of around ₹45 crores. Two of the 3 banks sanctioned their share of additional loans. However, the third bank did not sanction the term loan. Since the financial closure was not achieved, KMLL could not avail the additional loans from the banks. As a result, the additional loans sanctioned by the two banks also got lapsed and KMLL had to complete the requisite work from the promoter's contribution. Thus, a slow pick up of the business and a funding gap created by non sanction of the additional term loans by one bank, resulted in a shortage of funds. There was overdue of interest and principal amounts towards the Banks of KMLL. Consequently, KMLL had requested its Banks to restructure the Term Loans. In the Consortium meeting held on 20.11.2017, the Banks had invoked Strategic Debt Restructuring (SDR) wherein a part of the Term Loans were to be converted into equity share capital so that the Banks hold 51% of KMLL's shares post conversion. Later, in the Consortium meeting held on 17.01.2018, the Banks had confirmed that the SDR had been approved by the respective competent authorities of the majority of the Banks. However, on 12.02.2018, Reserve Bank of India [RBI] vide its circular No. RBI/2017-18/ 131/DBR.No.BP.BC.101/21.04.048/2017-18 withdrew the SDR



# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

Scheme with immediate effect and accordingly the account of KMLL had been classified as Non-Performing Asset [NPA]. However, KMLL is in the process of submitting its resolution plan to the Banks. The Management expects a significant improvement in its revenues and business in the near future. The Company continues to extend its continuous financial support to KMLL.

## **SHARE CAPITAL**

The Authorised Share Capital of the Company is ₹15,00,00,000/- divided into 2,50,00,000 Equity Shares of ₹ 5/- each aggregating to ₹ 12,50,00,000 and 25,00,000 Redeemable Preference Shares of ₹ 10/- each aggregating to ₹ 2,50,00,000. The Paid up Share Capital of the Company is 1,09,26,475 Equity Shares of ₹ 5/- each aggregating to ₹ 5,46,32,375.

## **BOARD AND AUDIT COMMITTEE MEETINGS**

During the year 5 Board Meetings and 4 Audit Committee Meetings were held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## **DIRECTORS & KEY MANAGERIAL PERSONNEL**

Pursuant to Section 152 of the Companies Act, 2013, Shri J K Devgupta, Non-Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. As per the SEBI (LODR) Regulations 2015, a brief profile of Shri Devgupta retiring by rotation forms part of the Notice of the 10th AGM.

In the meantime, during the year under review, pursuant to the provisions of Sections 196 of the Companies Act, 2013 & the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Articles of Association of the Company and subject to approval of the Members of the Company and keeping in view the vast expertise and knowledge of Shri J K Devgupta, on 23.11.2017, the Board of Directors had appointed Shri J K Devgupta as a Whole-Time Director of the Company, in his professional capacity, for a period of 1 year from 23.11.2017 to 22.11.2018. The remuneration to Shri J K Devgupta was approved by the Nomination & Remuneration Committee and also by the Board of Directors of the Company subject to approval of the Shareholders of the Company. In the light of the recent development in his family, Shri J K Devgupta resigned as a Whole-Time Director and continued his Directorship as a Non-Executive Director with effect from 13.02.2018. Shri J K Devgupta has not drawn his remuneration for the period from 23.11.2017 to 13.02.2018.

Shri R H Kilachand was appointed as Whole-time Director of the Company with effect from 29.4.2016. Subsequently, he had resigned as Whole-Time Director of the Company with effect from 31.05.2017 as he wanted to pursue his further studies, however, he continued only as a Non-Executive Director on the Board of the Company till 31.03.2018, when he resigned. The Board placed on record, its sincere appreciation for the valuable support and guidance given by Shri R H Kilachand to the Company during his tenure as Director of the Company.

Smt. M H Kilachand ceased to be a Director of the Company with effect from 07.11.2017 on her resignation, as she was unable to continue on the Board. The Board placed on record, its sincere appreciation for the valuable support and guidance given by Smt. M H Kilachand to the Company during her tenure as Director of the Company.

Shri H R Kilachand was appointed as a Whole-Time Director designated as Executive Chairman of the Company with effect from 20.12.2017 for a period of 3 years from 20.12.2017 to 19.12.2020 on a remuneration as mentioned at item no.5 of the Notice of the 10th AGM.

Shri Alok Singh, Company Secretary had resigned with effect from 14.02.2018.

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

Pursuant to the provisions of Regulation 25 of the SEBI (LODR) Regulations 2015, the Company has formulated a programme for familiarising the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various initiatives. The details of the aforementioned programme are available at the Company's website [www.kesarinfra.com/Investor'sCorner/Policies](http://www.kesarinfra.com/Investor'sCorner/Policies)



# Annual Report 2017-2018

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

Smt. Nilima Mansukhani has joined the Board as an Additional Director in the category of an Independent Director with effect from 21.05.2018 whose appointment is proposed at item no.4 of the Notice of the 10th AGM for approval of the Shareholders.

Shri Navlesh Kumar has been appointed as a Chief Executive Officer [CEO] of the Company with effect from 18.04.2018 and has been appointed as the Key Managerial Person [KMP] with effect from 21.05.2018 pursuant to Section 203 of the Companies Act, 2013.

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

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

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

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (i) that in preparation of the annual accounts for the financial year ended on 31st March, 2018, 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 period.
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) that the Directors have prepared the annual accounts for the financial year ended on 31st March, 2018 on a going concern basis.
- (v) that the Directors have laid down proper internal financial controls in place and that such internal financial controls are adequate and were operating effectively.
- (vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **RELATED PARTY TRANSACTIONS**

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

A policy of Related Party Transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company [www.kesarinfra.com/ Investor's Corner/Policies](http://www.kesarinfra.com/Investor's%20Corner/Policies).

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

## **EXTRACT OF ANNUAL RETURN**

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

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

## **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 Regulation 34 of the SEBI (LODR) Regulations, 2015. A separate section on Corporate Governance, along with a certificate from the auditors confirming the compliances, 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. During the year under review, the Company adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the Code of Conduct for Prohibition of Insider Trading in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

### **SEXUAL HARASSMENT POLICY**

The Company has constituted an Internal Complaint Committee (ICC) for prevention and redressal of complaints/grievances on the sexual harassment of women at work places. As part of this policy, during the year under review, the Company had arranged a session on Women's Safety by Madhukar Katragadda, Major (Retd). During the year under review no incident had taken place.

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

The particulars under Section 134(3)(m) of the Companies Act, 2013 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 (Previous year Nil) and Foreign Exchange Outgo stood at ₹ 1,39,348/- (Previous Year ₹ 7,50,330/).

### **INSURANCE**

The Company has taken adequate insurance for all its properties.

### **FIXED DEPOSITS**

As per the Companies Act, 2013, the Company is not eligible to raise Fixed Deposits in terms of Section 73 of the Act. Hence, the Company has not accepted / renewed any Fixed Deposits.

### **AUDITORS**

M/s. Haribhakti & Co. LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office till conclusion of the Annual General Meeting to be held in the calendar year 2019. As per the recent amendment, the appointment of M/s. Haribhakti & Co. LLP, Chartered Accountants is not required to be placed before the Shareholders for their ratification.

### **AUDITORS' REPORT**

There are no qualifications, reservations or remarks in the Auditors Report.

### **INTERNAL CONTROL SYSTEM & INTERNAL AUDITORS**

The Company has an adequate Internal Control System. All transactions are properly authorized, recorded and reported to the Management. The Company has Independent Internal 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.

### **SECRETARIAL AUDIT**

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

# Annual Report 2017-2018

## CORPORATE SOCIAL RESPONSIBILITY

As the Company meets with one of the criteria of Section 135(1) of the Companies Act, 2013, it has constituted a CSR Committee. The composition and functions of the CSR Committee has been detailed in the Corporate Governance Report. The Company has undertaken CSR activities in accordance with Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as **Annexure-“C”**.

## EMPLOYEES

Relation with the employees remained cordial throughout the year. Your Directors place on record their sincere appreciation for the excellent spirit and commendable progress showcased by the entire team of the Company working at its Terminals and Offices.

The information required pursuant to Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees on the payroll of the Company in India, is provided as **Annexure- “D”** which forms part of this report.

The information required pursuant to Section 197 read with Rule 5(2)&(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

## ACKNOWLEDGEMENT

Your Directors wish to place on record their grateful appreciation for the assistance and co-operation extended by the Banks, Financial Institutions, Customers and the wholehearted support extended by the shareholders during the year.

For and on behalf of the Board of Directors

**H R Kilachand**  
**Executive Chairman**  
DIN: 00294835

Mumbai  
7th August, 2018

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

Annexure "A"

## Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

As on financial year ended 31-03-2018

[Pursuant to Section 92(3) of the Companies act, 2013 read with  
[The Companies (Management and Administration) Rules, 2014]

#### A. REGISTRATION AND OTHER DETAILS:

CIN:-	L45203MH2008PLC178061
Registration Date:	21.01.2008
Name of the Company:	Kesar Terminals & Infrastructure Limited
Category / Sub-Category of the Company	Public Company
Address of the Registered office and contact details:	Limited by Shares
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai 400020

#### B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

SL No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
a	Storage & Handling Services of Liquid Chemicals	52109	100%

#### C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SL. No.	NAME AND ADDRESS OF THE Company	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held
1	Kesar Multimodal Logistics Limited	U74120MH2011PLC222597	Subsidiary Company	100%

#### D. SHARE HOLDING PATTERN

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-04-2017]				No. of Shares held at the end of the year 31-03-2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(1). INDIAN</b>									
<b>(a). individual</b>	1697316	123110	1820426	16.661	1787133	33293	1820426	16.661	0
(b). Central Govt.		0				0			0
(c). State Govt(s).		0				0			0
(d). Bodies Corpp.	4727245	0	4727245	43.264	4727245	0	4727245	43.264	0
(e). FIINS / BANKS.		0				0			0
(f). Any Other		0				0			0
<b>Sub-total (A) (1):-</b>	<b>6424561</b>	<b>123110</b>	<b>6547671</b>	<b>59.925</b>	<b>6514378</b>	<b>33293</b>	<b>6547671</b>	<b>59.925</b>	<b>0</b>
<b>(2). FOREIGN</b>									
(a). Individual NRI / For Ind		0				0			0
(b). Other Individual		0				0			0
(c). Bodies Corporates		0				0			0
(d). Banks / FII		0				0			0
(e). Qualified Foreign Investor		0				0			0
(f). Any Other Specify		0				0			0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-04-2017				No. of Shares held at the end of the year 31-03-2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>Total shareholding of Promoter (A) = (A) (1)+(A)(2)</b>	<b>6424561</b>	<b>123110</b>	<b>6547671</b>	<b>59.925</b>	<b>6514378</b>	<b>33293</b>	<b>6547671</b>	<b>59.925</b>	<b>0</b>
<b>(B) (1). PUBLIC SHAREHOLDING</b>									
(a). Mutual Funds	0	145	145	0.001	0	145	145	0.001	0.000
(b). Banks / FI	19589	1008	20597	0.189	7025	1008	8033	0.074	-0.115
(c). Central Govt.	0	0	0	0.000		0			0.000
(d). State Govt.	530384	0	530384	4.854		0			-4.854
(e). Venture Capital Funds		0				0			0.000
(f). Insurance Companies	0	0	0	0.000	527196	0	527196	4.825	4.825
(g). FIs	0	0	0	0.000	35000	0	35000	0.320	0.320
(h). Foreign Venture Capital Funds		0				0			0.000
(i). Others (specify)		0				0			0.000
<b>Sub-total (B)(1):-</b>	<b>549973</b>	<b>1153</b>	<b>551126</b>	<b>5.044</b>	<b>569221</b>	<b>1153</b>	<b>570374</b>	<b>5.22</b>	<b>0.176</b>
<b>2. Non-Institutions</b>									
<b>(a). BODIES CORP.</b>									
(i). Indian	697608	2019	699627	6.403	699299	2019	701318	6.419	0.016
(ii). Overseas		0				0			0.000
<b>(b). Individuals</b>									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2204295	331603	2535898	23.209	2295792	308782	2604574	23.837	0.628
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	264889	0	264889	2.424	275391	0	275391	2.520	0.096
(c). Other (specify)									
Non Resident Indians	120496	291	120787	1.105	145375	291	145666	1.333	0.228
Overseas Corporate Bodies	52982	0	52982	0.485		0			-0.485
Foreign Nationals		0				0			0
Clearing Members	153495	0	153495	1.405	81481	0	81481	0.746	-0.659
Trusts		0				0			0
Foreign Boodies - D R		0				0			0
<b>Sub-total (B)(2):-</b>	<b>3493765</b>	<b>333913</b>	<b>3827678</b>	<b>35.031</b>	<b>3497338</b>	<b>311092</b>	<b>3808430</b>	<b>34.855</b>	<b>-0.176</b>
<b>Total Public Shareholding (B)=(B) (1)+ (B)(2)</b>	<b>4043738</b>	<b>335066</b>	<b>4378804</b>	<b>40.075</b>	<b>4066559</b>	<b>312245</b>	<b>4378804</b>	<b>40.075</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>		<b>0</b>				<b>0</b>			<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>10468299</b>	<b>458176</b>	<b>10926475</b>	<b>100.00</b>	<b>10580937</b>	<b>345538</b>	<b>10926475</b>	<b>100.00</b>	<b>0.00</b>

## KESAR TERMINALS & INFRASTRUCTURE LIMITED

### ii) Shareholding of Promoter-

Sr No.	Shareholder's Name	Shareholding at the beginning of the			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	KESAR CORPORATION PVT LTD	3014439	27.588	0	3014439	27.588	0	0
2	KESAR ENTERPRISES LTD.	1040000	9.518	0	1040000	9.518	0	0
3	MADHAVI HARSH KILACHAND	640348	5.861	0	640348	5.861	0	0
4	HARSH RAJNIKANT KILACHAND	468799	4.29	0	498738	4.564	0	0.274
5	INDIAN COMMERCIAL CO PVT LTD	338174	3.095	0	338174	3.095	0	0
6	SEEL INVESTMENT PVT LTD	319852	2.927	0	319852	2.927	0	0
7	ROHAN HARSH KILACHAND	275302	2.52	0	305241	2.794	0	0.274
8	ROHITA HARSH KILACHAND	273470	2.503	0	303409	2.777	0	0.274
9	RAJNIKANT A KILACHAND	105610	0.967	0	0	0	0	-0.967
10	HARSH RAJNIKANT KILACHAND HUF	39929	0.365	0	39929	0.365	0	0
11	HARSH R KILACHAND	4280	0.039	0	20073	0.184	0	0.145
12	INDIA CARAT PVT LTD	14780	0.135	0	14780	0.135	0	0
13	SHREEMATI AMBALAL KILACHAND	12631	0.116	0	12631	0.116	0	0
14	AMRISH RAJNIKANT KILACHAND	43	0	0	43	0	0	0
15	RAMILA RAJNIKANT KILACHAND	14	0	0	14	0	0	0

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

Sr. No	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the end of the Year			% of total Shares of the company
		No. of Shares at the beginning / end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of shares	
1	RAJNIKANT A KILACHAND	105610	0.967	01-04-2017				
				06-10-2017	-89817	*	15793	0.145
				12-01-2018	-15793	**	0	0
				31-03-2018			0	0
* Transmitted to Harsh Rajnikant Kilachand – Executor of the Estate of Late Rajnikant A Kilachand. ** Transmitted to Harsh R Kilachand – Karta of Rajnikant A Kilachand HUF.								
2	HARSH RAJNIKANT KILACHAND	468799	4.29	01-04-2017				
				23-03-2018	29939	*	498738	4.564
				31-03-2018			498738	4.564
* Acquired by way of Legacy without consideration from relative i.e. from the Executor-Harsh Rajanikant Kilachand of the Estate of Father Late Rajanikant A. Kilachand.								
3	ROHAN HARSH KILACHAND	275302	2.52	01-04-2017				
				23-03-2018	29939	*	305241	2.794
				31-03-2018			305241	2.794
* Acquired by way of Legacy without consideration from relative i.e. from the Executor-Harsh Rajanikant Kilachand of the Estate of Grand Father Late Rajanikant A. Kilachand.								
4	ROHITA HARSH KILACHAND	273470	2.503	01-04-2017				
				23-03-2018	29939	*	303409	2.777
				31-03-2018			303409	2.777
* Acquired by way of Legacy without consideration from relative i.e. from the Executor-Harsh Rajanikant Kilachand of the Estate of Grand Father Late Rajanikant A. Kilachand.								
5	HARSH R KILACHAND	4280	0.039	01-04-2017				
				12-01-2018	15793	*	20073	0.184
				31-03-2018			20073	0.184
* Transmitted from Late Rajnikant A Kilachand to Harsh R Kilachand – Karta of Rajnikant A Kilachand HUF.								

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## iv) Shareholding pattern of top ten Shareholders (other than Directors, promoters and Holders of GDRs and ADRs):

Sr. No	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the end of the Year			% of total Shares of the company
		No. of Shares at the beginning / end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of shares	
1	THE ORIENTAL INSURANCE COMPANY LIMITED	459488	4.205	01-04-2017				
	-Closing Balance			31-03-2018		No Change	459488	4.205
2	MENTOR CAPITAL LIMITED	364769	3.338	01-04-2017				
				07-04-2017	-2000	Sold	362769	3.32
	-Closing Balance			31-03-2018			362769	3.32
3	RAJU AJIT BHANDARI	86265	0.790	01-04-2017				
				08-09-2017	230	Buy	86495	0.792
				22-09-2017	-60	Sold	86435	0.791
				03-11-2017	-170	Sold	86265	0.79
				24-11-2017	700	Buy	86965	0.796
				01-12-2017	1000	Buy	87965	0.805
				08-12-2017	-1242	Sold	86723	0.794
				15-12-2017	-201	Sold	86522	0.792
				22-12-2017	-203	Sold	86319	0.79
	-Closing Balance			31-03-2018	-65	Sold	86254	0.789
4	NATIONAL INSURANCE COMPANY LTD	67708	0.620	01-04-2017				
	-Closing Balance			31-03-2018		No Change	67708	0.62
5	MUKESH BABU FINANCIAL SERVICES LIMITED	58240	0.533	01-04-2017				
	-Closing Balance			31-03-2018		No Change	58240	0.533
6	Gaurang Navinchandra Shah	0	0	01-04-2017				
		7354	0.067	14-07-2017	7354	Buy	7354	0.067
				21-07-2017	7646	Buy	15000	0.137
				25-08-2017	11362	Buy	26362	0.241
				30-09-2017	20248	Buy	46610	0.427
				06-10-2017	3390	Buy	50000	0.458
				13-10-2017	18	Buy	50018	0.458
				08-12-2017	2000	Buy	52018	0.476
				29-12-2017	810	Buy	52828	0.483
				05-01-2018	-810	Sold	52018	0.476
				12-01-2018	-2000	Sold	50018	0.458
				02-02-2018	3000	Buy	53018	0.485
	-Closing Balance			31-03-2018	3700	Buy	56718	0.519
7	PREMIER INVESTMENT FUND LIMITED	10400	0.095	01-04-2017				
				21-07-2017	6162	Buy	16562	0.152
				28-07-2017	10000	Buy	26562	0.243
				04-08-2017	8438	Buy	35000	0.32
	-Closing Balance			31-03-2018			35000	0.32
8	GIRISH KULKARNI	31812	0.291	01-04-2017				
	-Closing Balance			31-03-2018		No Change	31812	0.291
9	AKUM MERCANTILE COMPANY PRIVATE LIMITED	0	0	01-04-2017				
				21-07-2017	20000	Buy	20000	0.183
				28-07-2017	15	Buy	20015	0.183
				04-08-2017	8985	Buy	29000	0.265
	-Closing Balance			31-03-2018			29000	0.265
10	SANDEEP RAVINDRA SHAH	0	0	01-04-2017				
	-Closing Balance			31-03-2018		Buy	25000	0.229
				03-11-2017			25000	0.229



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the end of the Year			% of total Shares of the company
		No. of Shares at the beginning / end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of shares	
1	JAYANTO KUMAR DEVGUPTA	291	0.003	01-04-2017				
	-Closing Balance			31-03-2018		No Change	291	0.003
2	ANILKUMAR S RUIA	1456	0.013	01-04-2017				
	-Closing Balance			31-03-2018		No Change	1456	0.013

## E. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (In ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	180,854,165	5,123,666	-	185,977,831
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,542,909	168,968	21,400	1,733,277
<b>Total (i+ii+iii)</b>	<b>182,397,074</b>	<b>5,292,634</b>	<b>21,400</b>	<b>187,711,108</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	1,070,000	-	-	1,070,000
• Reduction	66,017,983	5,292,634	-	71,310,617
Net Change	64,947,983	5,292,634		70,240,617
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	116,206,012	-	-	116,206,012
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,243,078	-	21,400	1,264,478
<b>Total (i+ii+iii)</b>	<b>117,449,090</b>		<b>21,400</b>	<b>117,470,490</b>

## F. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

	Particulars of Remuneration	Shri H. R. Kilachand (wef 20.12.2017)	Shri R. H. Kilachand (upto 31.05.2017)	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	26,49,563	5,79,856	32,29,419
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit			
	- others, specify...			
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>26,49,563</b>	<b>5,79,856</b>	<b>32,29,419</b>
	Ceiling as per the Act			

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## B. Remuneration to other directors:

(In ₹)

SL No.	Particulars of Remuneration	Name of Directors			Total Amount
		Shri A S Ruia	Shri J N Godbole	Shri R S Loona	
1	Independent Directors	2,40,000	2,20,000	2,60,000	7,20,000
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>2,40,000</b>	<b>2,20,000</b>	<b>2,60,000</b>	<b>7,20,000</b>
2	<b>Other Non-Executive Directors</b>	<b>Shri J K Devgupta</b>	<b>Smt. M H Kilachand upto 07.11.2017</b>	<b>Shri R H Kilachand from 01.06.2017</b>	
	Fee for attending board committee meetings	80,000	20,000	60,000	1,60,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (2)</b>	<b>80,000</b>	<b>20,000</b>	<b>60,000</b>	<b>1,60,000</b>
	<b>Total (B)=(1+2)</b>	<b>320,000</b>	<b>2,40,000</b>	<b>320,000</b>	<b>8,80,000</b>
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

(In ₹)

SL No.	Particulars of Remuneration	Name of KMP		Total Amount
		CFO Shri V J Doshi	CS Shri Alok Singh upto 14.02.2018	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	80,89,218	9,84,351	90,73,569
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit			
	- others, specify...			
	Others, please specify	-	-	-
	<b>Total</b>	<b>80,89,218</b>	<b>9,84,351</b>	<b>90,73,569</b>

## G. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Authority [RD / NCLT/ COURT]
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
<b>C.</b>	<b>OTHER OFFICERS IN DEFAULT</b>					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

Annexure "B"

FORM NO MR-3

## SECRETARIAL AUDIT REPORT

FOR THE PERIOD 01.04.2017 TO 31.03.2018

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

To  
The Members,

**KESAR TERMINALS & INFRASTRUCTURE LIMITED**  
Oriental House, 7, Jamshedji Tata Road, Churchgate,  
Mumbai - 400020

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KESAR TERMINALS & INFRASTRUCTURE LIMITED (CIN: L45203MH2008PLC178061)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering **1st April, 2017 to 31st March, 2018**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period 1st April, 2017 to 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
  - d. The Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014; (Not Applicable to the Company during the Audit Period)
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - g. The Securities and Exchange Board of India (Delisting of equity shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - h. The Securities and Exchange Board of India (Buyback of Securities Regulations, 1998; (Not applicable to the Company during the Audit Period)
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

We are of the opinion that the management has complied with the following laws specifically applicable to the Company:

1. The Petroleum Rules, 1908.
2. The Manufacture, Storage & Import of Hazardous Chemicals Rules, 1989
3. Major Port Trust Act, 1963
4. Workmen's compensation Act, 1923.
5. Merchant Shipping Act, 1983
6. Factories Act, 1948
7. Industrial Disputes Act, 1947
8. Environmental Protection Act, 1986 and other Law, Rules, Regulations, bye-laws relating to Terminals & Ports.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India
- b) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015.

# Annual Report 2017-2018

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

1. The Company could not appoint a woman director within the prescribed time period as per Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014. i.e. immediate next Board meeting or three months from the date of such vacancy whichever is later. We were informed by the Company that the Company could not comply that as the Company was in search of a candidate who is fit for the post. However, the Company has complied with the said requirement after the period under Report.

**We further report that:**

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

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board as the case may be.

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

We further report that during the reporting period, following changes were took place in the management of the Company:

- i) Mrs. M. H. Kilachand had resigned from the post of Director from the Board with effect from 07.11.2017.
- ii) Mr. H. R. Kilachand was appointed as a Whole-Time Director designated as Executive Chairman for a period of 3 years with effect from 20.12.2017, subject to approval of the shareholders at the ensuing Annual General Meeting.
- iii) Mr. R. H. Kilachand had resigned as Executive Director with effect from 31.05.2017 and continued as a Non-Executive Director. Thereafter he resigned as Non-Executive Director with effect from 31.03.2018.
- iv) Mr. Alok Singh had resigned from the post of Company Secretary with effect from 14.02.2018.
- v) Mr. J. K. Devgupta being a Non-Executive Director of the company was also appointed as a Whole-Time Director with effect from 23.11.2017 for a period of one year, however, he resigned from post of the Whole-Time Director on 13.02.2018 and continued as a Non-Executive Director.

**For Ragini Chokshi & Co.  
(Company Secretaries)**

**Mr. Makarand Patwardhan**  
(Partner)

C.P. No. 9031/ACS No. 11872

Place: Mumbai  
Date: 07.08.2018

**'Annexure A'**

To  
The Members,  
**KESAR TERMINALS & INFRASTRUCTURE LIMITED**  
Oriental House, 7 Jamshedji Tata Road, Churchgate  
Mumbai - 400020

Our Report of even date is to be read along with this letter:

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

**For Ragini Chokshi & Co.  
(Company Secretaries)**

**Mr. Makarand Patwardhan**  
(Partner)

C.P. No. 9031/ACS No. 11872

Place: Mumbai  
Date: 07.08.2018

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1. A Brief Outline of the Company's CSR Policy, including overview of Projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs – CSR Policy is available at the weblink:[www.kesarinfra.com/Investor's Corner/Policies/](http://www.kesarinfra.com/Investor's%20Corner/Policies/). Overview of the Projects proposed / undertaken is provided below.
2. The composition of the CSR Committee of the Board of Directors as on 31st March, 2018

<b>Name of the member</b>	<b>Designation</b>
Shri J N Godbole(Independent Director)	Chairman
Shri R S Loona(Independent Director)	Member
Shri J K Devgupta, Member(Non Executive Director)	Member
Shri H.R Kilachand(Executive Chairman)	Member
Shri R H Kilachand, Member*	Member

Note: resigned w.e.f.31.03.2018

3. Average net profit of the Company for the last three years: Rs. 22.04 crores
4. Prescribed CSR expenditure (two percent of the amount as in item 3 above): Rs.0.44 crore approx.
5. Details of CSR spent during the financial year2017-18.
  - (a) Total amount to be spent for the financial year : Rs.0.44 crore approx.
  - (b) Amount unspent, if any: 0.39 crore.
  - (c) Manner in which the amount spent during the financial year2017-18 is detailed below:

<b>CSR expenses during the financial year 2017-18</b>	<b>Amount (In Rs.)</b>
Community Development	5,00,000 /-
<b>TOTAL</b>	<b>5,00,000 /-</b>

6. The Company for the financial year 2017-18 had spent Rs. 0.05 Crore for the CSR Activities. The balance amount of Rs.1.20 crores approx is lying unspent. The Committee at its meeting held on 01.03.2018 reviewed various proposals placed before them and awaited for additional information on certain proposals. In order to ensure that CSR projects undertaken by the Company are selected, implemented and monitored in a strategic and systematic manner, such that the impacts created can be sustainable. Accordingly, the balance amount of Rs.1.20 crores would be spent during the next financial year 2018-19 for its proper implementation.
7. The CSR Committee further states that the implementation and monitoring of the CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

**For and on behalf of the CSR Committee**

**J N Godbole**  
Chairman of the CSR Committee  
DIN: 00056830

Mumbai  
07.08.2018

# Annual Report 2017-2018

## Annexure “D”

**Particulars of Employees remuneration and other details in terms of Section 134(3)(q) read with Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2017-18:

<b>Executive Director</b>	
Shri H R Kilachand <sup>1</sup>	3.81:1
Shri R H Kilachand <sup>2</sup>	0.93:1
<b>Non Executive Director</b>	
Smt. M H Kilachand <sup>3</sup>	0.03:1
Shri J K Devgupta	0.13:1

2. The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year 2017-18:

<b>Executive Director</b>	
Shri H R Kilachand <sup>1</sup>	Nil
Shri R H Kilachand	Nil
<b>Non Executive Director</b>	
Smt. M H Kilachand	Nil
Shri J K Devgupta	Nil
<b>Key Managerial Personnel</b>	
Shri V J Doshi, Chief Financial Officer	17.67%
Shri Alok Singh, Company Secretary <sup>4</sup>	Nil

3. The percentage increase in the median remuneration of employees in the financial year was 3.14%.
4. The Company has 60 permanent employees on the rolls of the Company as on March 31, 2018
5. Average percentile increase in salaries of Employees, other than managerial personnel, during the year under review was (1.00%), whereas average percentile increase in salaries of Managerial Personnel during the year under review was Nil.
6. It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

<sup>1</sup>Shri H R Kilachand was appointed w.e.f. 20.12.2017

<sup>2</sup>Shri R H Kilachand was Executed Director upto 31.05.2017.

<sup>3</sup>Smt. M H Kilachand was Non Executive Director upto 7.11.2017.

<sup>4</sup>Shri Alok Singh has resigned w.e.f. 14.02.2018

For and on behalf of the Board of Directors  
of **Kesar Terminals & Infrastructure Limited**

**H R KILACHAND**  
Executive Chairman  
DIN: 00294835

Mumbai  
07.08.2018

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **BULK LIQUID STORAGE SCENARIO**

The Bulk Liquid storage and handling industry caters to the requirements of importers and exporters of bulk liquid commodities, such as petroleum products, crude oil, chemicals, petrochemicals, vegetable oils, molasses etc. The industry acts as a logistic partner for both primary manufacturers and downstream units in various industries, such as petrochemicals, chemicals, synthetic fiber manufacturing, edible / non-edible vegetable oil refinery, power generation, food processing, pharmaceuticals etc.

A phenomenal rise in the import and export of liquid bulk cargo is set to drive capacity growth at Indian ports. As this commodity has proved a major revenue earner for major ports such as Kandla and Mumbai ports, the government is increasingly focusing on developing infrastructure for facilitating greater throughput of liquid bulk cargo at various ports.

Alongwith crude and edible oils, the import of bulk liquid is bound to go on a rise on a year to year basis, continuing to be the major components of the country's import bill. Domestic refinery capacity additions and decline in domestic demand of Naphtha for fertilizer production, have led to increase in exports over the years. Bulk Chemicals (organic chemicals, inorganic chemicals & alkali chemicals) and Petrochemicals constitute 5% of liquid bulk trade.

### **INDUSTRY STRUCTURE & DEVELOPMENT**

Increase in domestic manufacturing activities and rise in per capita disposable income is resulting in a strong growth outlook for several key end use industries. This is going to positively impact the growth in the Indian liquid bulk industry. Going ahead, liquid bulk trade volumes are set to grow at a rapid pace. The Government's thrust towards domestic manufacturing is expected to redefine the product flow patterns. Increasing volumes will lead to shift from containerized movement to bulk movement, creating opportunities for liquid bulk handling at Indian ports.

Challenges faced in Bulk Liquid handling at Indian Ports are infrastructure capacity constraints of the ports. This results in higher turnaround times and longer waiting period for berthing leading to port congestion. The major ports across upper west coast (Kandla, Mumbai and JNPT) account for almost 50% of liquid bulk handled at major ports with average tankage capacity utilization at more than 95%.

### **OPPORTUNITIES & THREATS**

As earlier mentioned the Central Government is taking a number of progressive steps which would promote the growth of Indian liquid bulk industry.

The Company has plans to create facilities at 2 other ports viz. Kakinada in Andhra Pradesh and Pipavav in Gujarat.

### **Kesar Multimodal Logistics Ltd. [KMLL]**

The construction of the phase I of the subsidiary Company Kesar Multimodal Logistics Ltd., formed for the execution of the "Composite Logistics Hub" project on PPP basis at Powarkheda, Madhya Pradesh, was successfully completed within 3 years as per the Concession Agreement with Mandi Board of Government of Madhya Pradesh. The company expects to take up construction of next phase of the project in the year 2019-2020.

The Private Freight Terminal business of the Company did not grow as per expectation for reasons beyond the control of the Company. The necessary steps have been taken by the Company to augment revenue from this capital intensive facility of the project.

The Cold Storage facility experienced better patronization from traders for prolonged storage of seasonal cargo.

### **PERFORMANCE**

During the year under review, your Company generated total revenue of ₹ 2.51 crore as against ₹ 4.31 crore in the previous year. There was a loss of ₹ 26.72 crore as against the loss of ₹ 25.17 crore in the previous year, which is due to increase in financial cost and under utilization of its capacity being a new Greenfield entity.

### **RISKS AND CONCERNS**

Every business is exposed to a certain amount of risk and concerns some of which may be regulatory or change in policy 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. The Company derives its revenues from its Bulk Liquid Terminals at Kandla, Gujarat. Since, the Company is majorly dependent on these Terminals for its revenues, it is exposed to specific risks that are particular to its business and environment in which it operates. The Company manages these risks by following business and risk mitigation practices.



# Annual Report 2017-2018

## 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 detailed 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. Further, the Company has an Independent Internal Auditor [External] M/s Ashok Jayesh & Associates to check the Internal Audit functions of the Company.

## 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 firmly believes that trained and competent employees engaged by the company are the critical differentiators and provide competitive advantage for sustaining and growing the business in the intensified spiral of global competition. As such, the Company continues its focus on high performance, talent retention, employee engagement and focused approach for smooth organizational work flow.

## FORWARD LOOKING STATEMENT

The above Management Discussion and Analysis Report contains a "forward looking statement" 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.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## CORPORATE GOVERNANCE REPORT

### 1. Company's philosophy on Code of Governance:

The Company's philosophy on Corporate Governance stresses the importance of transparency, accountability and protection of shareholder interests. The Board oversees periodic review of business plans, monitors performance and ensures compliance of regulatory requirements.

### 2. Board of Directors:

The Composition of the Board of Directors is in conformity with the stipulation laid down in the Code of Corporate Governance prescribed by the Securities and Exchange Board of India (SEBI) (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Board includes reputed individuals with considerable professional expertise from fields like finance, legal, commercial, business administration and other related fields, who, not only bring a wide range of experience and expertise, but also impart the desired level of independence to the Board.

The Composition and Category of Directors is as follows:

Name of Directors	Category
Shri H R Kilachand (DIN:00294835)	Executive Chairman w.e.f. 20.12.2017
Shri A S Ruia (DIN: 00296622)	Independent Director
Smt. M H Kilachand (DIN: 00296504)	Non-Executive upto 07.11.2017
Shri J N Godbole (DIN: 00056830)	Independent Director
Shri R S Loona (DIN: 02305074)	Independent Director
Shri J K Devgupta (DIN: 00515391)	Non-Executive Director
Shri R H Kilachand (DIN:07241625)	Whole-Time Director upto 31.05.2017 Non-Executive Director upto 31.03.2018
Smt. Nilima Mansukhani (DIN:06964771)	Independent Director w.e.f. 21.05.2018

Attendance of each Director at the Board Meetings held during 01.04.2017 to 31.3.2018, the last Annual General Meeting held on 12.09.2017 and the number of other Directorships & Chairmanship/ Membership of Committees of each Director in various Companies & Shareholding of Non-Executive Directors are as under:

Name of the Director	No. of Shares held by Non Executive Directors	Attendance Particulars							No. of other Directorships and Committee Member / Chairmanship		
		Out of 5 Board Meetings	Out of 4 Audit Committee Meetings	Out of 2 Nomination & Remuneration Committee Meeting	Ind. Dir. Meetings	CSR Meeting	Sitting Fees paid (in ₹)	Last AGM	Other Directorships#	Committee Memberships\$	Committee Chairmanships
Shri H R Kilachand Promoter - Executive Chairman [w.e.f 20.12.2017]	4,98,738	1	1	N.A	N.A	1	--	No	2	4	-
Smt. M H Kilachand Promoter - Non-Executive [Upto 07.11.2017]	6,40,348	1	N.A	N.A	N.A	N.A	20,000	NO	1	-	-
Shri A S Ruia Independent Director	1,456	5	4	2	1		2,40,000	Yes	3	3	3
Shri J N Godbole Independent Director	Nil	4	3	2	1		2,20,000	Yes	7	9	4

# Annual Report 2017-2018

Name of the Director	No. of Shares held by Non Executive Directors	Attendance Particulars							No. of other Directorships and Committee Member / Chairmanship		
		Out of 5 Board Meetings	Out of 4 Audit Committee Meetings	Out of 2 Nomination & Remuneration Committee Meeting	Ind. Dir. Meetings	CSR Meeting	Sitting Fees paid (in ₹)	Last AGM	Other Directorships#	Committee Members\$	Committee Chairmanships
Shri R S Loona Independent Director	Nil	5	4	2	1	1	2,60,000	Yes	3	2	2
Shri R H Kilachand Promoter-Non-Executive [Upto 31.03.2018]	3,05,241	3	2	N.A	N.A	N.A	60,000	Yes	1	1	-
Shri J K Devgupta Non-Executive Director	291	5	N.A	N.A	N.A	1	80,000	Yes	-	-	-

# Excludes Private Limited Companies, Foreign Companies and Companies under Section 8 of Companies Act, 2013, trusts and alternate directorships as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

\$ Only Audit Committee and Stakeholders Relationship Committee have been considered as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

## Director seeking re-appointment

Shri J K Devgupta (DIN 00515391), who retires by rotation and being eligible offers himself for reappointment. Brief resume of Shri J K Devgupta have been given in the Notice convening the AGM.

## Board Meetings held and the dates thereof:

During the year, 5 Board Meetings were held on 30.05.2017, 12.09.2017, 23.11.2017, 20.12.2017, & 13.02.2018. The gap between any two consecutive meetings of the Board of Directors of the Company was not more than 120 days. None of the Directors hold the office of Director in more than the permissible number of Companies under the Act or Regulation 25 & 26 of the SEBI (LODR) Regulations, 2015.

The detail of Familiarization Programme imparted to Independent Directors is disclosed on the website of the Company viz. [www.kesarinfra.com](http://www.kesarinfra.com).

## Board Committees

The Board has constituted the required Committee(s) of Directors with delegation of powers. The Secretary of the Company acts as the Secretary to the Committees. Each Committee has its purposes, goals and responsibilities. These Committees comprise mainly of Independent Directors who as per the terms of reference oversee the Committee's function and executes its duties and responsibilities. The details of the Committees constituted by the Board are as under:

### 1. Audit Committee:

As per Section 177 of the Act & Regulation 18 of the SEBI (LODR) Regulations, the Company has constituted an Audit Committee.

#### (a) Terms of Reference

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
3. Approval of payment to the Statutory Auditors for any other services rendered by them.
4. Reviewing with the Management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:

## KESAR TERMINALS & INFRASTRUCTURE LIMITED

- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Section 134(3)(c) of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by the Management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft Audit Report, if any.
5. Reviewing, with the Management, the Quarterly Financial Statements before submission to the Board for approval.
  6. Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  7. Review and monitor the Auditor's independence and performance, and effectiveness of the audit process.
  8. Approval or any subsequent modification of transactions of the Company with related parties.
  9. Scrutiny of inter-corporate loans and investments.
  10. Valuation of undertakings or assets of the Company, wherever it is necessary.
  11. Evaluation of internal financial controls and risk management systems.
  12. Reviewing with the Management, the performance of the Statutory and Internal Auditors and adequacy of the internal control system.
  13. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  14. Discussion with the Internal Auditors of any significant findings and follow up there on.
  15. Reviewing the findings of any internal investigations by the internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  16. Discussions with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit to ascertain any area of concern.
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  18. To review the functioning of the Whistle Blower mechanism.
  19. Approval of appointment of the Chief Financial Officer (CFO) (i.e. Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
  20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**(b) Composition**

The Audit committee was reconstituted on 20.12.2017. As on 31.03.2018, the Audit Committee comprises of four (4) Directors of whom three (3) are Independent Directors and one (1) is Executive Director.

The Committee is chaired by an Independent Director.

Shri A S Ruia,	Independent Director	- Chairman
Shri J N Godbole,	Independent Director	- Member
Shri R S Loona,	Independent Director	- Member
Shri H R Kilachand [w.e.f.20.12.2017]	Executive Chairman	- Member

# Annual Report 2017-2018

## (c) Meetings & Attendance

During the year, 4 meetings of the Audit Committee were held on 30.05.2017, 12.09.2017, 23.11.2017 & 13.02.2018 with a time gap between 2 meetings of less than 120 days. The attendance of the Members is mentioned in the table of para 2 above. As required, the CFO, Internal Auditor & Statutory Auditors or their representatives remained present as an Invitee in such Meetings. The Company Secretary acts as the Secretary of the Audit Committee.

The Company has a full-fledged Internal Audit Department which performs a 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 Independent Internal Auditor [External].

Representatives of the Statutory Auditors M/s. Haribhakti & Co. LLP, Chartered Accountants and Independent Internal Auditor M/s. Ashok Jayesh & Associates, Chartered Accountants are invited for the meeting of the Audit Committee.

## 4. Nomination & Remuneration Committee:

The Nomination & Remuneration Committee was reconstituted on 20.12.2017. As on 31.03.2018 the Committee comprises of four (4) Directors. Three (3) are Independent Directors and one is a Executive Director. The Committee is chaired by an Independent Director. Two meetings of the Committee were held on 23.11.2017 & 20.12.2017. The composition of the Nomination and Remuneration Committee is in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. One-half of the Members of the Committee are Non-Executive Independent Directors.

Shri R S Loona,	Independent Director	– Chairman
Shri A S Ruia,	Independent Director	– Member
Shri J N Godbole,	Independent Director	– Member
Shri H R Kilachand [w.e.f.20.12.2017]	Executive Chairman	– Member

### The Key Objectives of the Committee are:

- To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- To evaluate the performance of the members of the Board and provide the necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to the Key Managerial Personnel and Senior Management, a reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To assist the Board in fulfilling responsibilities.
- To implement and monitor policies and processes regarding principles of corporate governance.

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

### Remuneration Policy for Directors

#### a) Remuneration to Executive Chairman / Director / Whole-Time Director / Managing Director, KMP and Senior Management Personnel:

The Remuneration/ Compensation / Commission / Incentive etc. to be paid to Executive Chairman / Director / Whole-time Director / Managing Director, KMP and Senior Management Personnel etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

**b) Remuneration to Non- Executive / Independent Director:**

The Non-Executive / Independent Director may receive compensation / commission as per the provisions of the Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

**Remuneration of Executive Director:**

The details of remuneration paid to the Executive Directors for the financial year ended 31.03.2018:

(in ₹)

Name	Remuneration inclusive of perquisites
H R Kilachand (w.e.f.20.12.2017)	26,49,563
R H Kilachand (upto 31.5.2017)	5,79,856

The details of remuneration paid to the Non-Executive Directors for the financial year ended 31.3.2018:

Name	Sitting Fees ₹	Commission	Total ₹
Shri A S Ruia	2,40,000	Nil	2,40,000
Smt. M H Kilachand	20,000	Nil	20,000
Shri J N Godbole	2,20,000	Nil	2,20,000
Shri R S Loona	2,60,000	Nil	2,60,000
Shri J K Devgupta	80,000	Nil	80,000
Shri R H Kilachand	60,000	Nil	60,000

**5. Share Transfer Committee**

In addition to the Stakeholders' Relationship Committee, the Board has constituted another committee referred as the Share Transfer Committee comprising of members from the senior management to approve the transfer of equity shares of the Company. The members of the Share Transfer Committee are Shri H R Kilachand, Executive Chairman, & Shri Vipul J Doshi, CFO. There were eleven meetings held during the year ended March 31, 2018. There are no pending share transfers as on 31.03.2018.

**6. Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee is constituted in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Stakeholders Relationship Committee was reconstituted on 20.12.2017. The Chairman of the Committee is a Non Executive Director.

**The Stakeholders Relationship Committee comprises of:**

Shri A S Ruia,	Independent Director	- Chairman
Shri R S Loona,	Independent Director	- Member
Shri H R Kilachand [w.e.f. 20.12.2017]	Executive Chairman	- Member

The function of the Stakeholders' Relationship Committee is to strengthen the investor relations. The Committee looks into redressal of shareholders' complaints and proper and timely attendance on the investor's grievances. The key responsibilities of the Committee are to look into: -

- (i) Redressal of Shareholders' / Investors' complaints.
- (ii) Non-receipt of dividend warrants, Annual Report of the Company; and
- (iii) Carrying out any other function as prescribed under in the SEBI Listing Regulations.

The Committee has periodic interactions with the representatives of the Registrar and Transfer Agent of the Company. During the financial year ended 31.3.2018 the Committee met once on 23.03.2018.

During the year ended 31.03.2018, the Company had received complaints / grievances from its Shareholders, which had been duly resolved to the satisfaction of the shareholders and none of them were pending as on 31.3.2018. Shri V J. Doshi was the Compliance Officer of the Company as on 31.03.2018.

# Annual Report 2017-2018

## 7. Corporate Social Responsibility [CSR] Committee:

As the Company meets with one of the criteria of Section 135(1) of the Companies Act, 2013, it has constituted a CSR Committee. The Committee was reconstituted on 20.12.2017. The composition of the CSR Committee formed to achieve the CSR objectives is as below:

Name of the Member	Composition
Shri J N Godbole [Independent Director]	Chairman
Shri R S Loona [Independent Director]	Member
Shri J K Devgupta Non Executive Director	Member
Shri H R Kilachand Executive Director(w.e.f 20.12.2017)	Member
Shri R H Kilachand	Member

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The Company has formulated the CSR policy, which is uploaded on the website of the Company viz [www.kesarinfra.com](http://www.kesarinfra.com).

## 8. Risk Management Committee [RMC]:

The Risk Management Committee is constituted to identify potential business and operational risks, lay down procedures to review the risk assessment and minimization procedures, and is responsible for framing, implementing and monitoring the risk management plan of the Company.

The Chairman of the Committee is a member of the Board of Directors of the Company. The Risk Management Committee comprises of :

Shri H R Kilachand – Chairman of the Committee  
 Shri J K Devgupta – Member  
 Shri R. H Kilachand - Member  
 Shri V J Doshi - Member

## 9. General Body Meetings:

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

AGM	Financial Year ended	Date	Location	Time
9th	31.03.2017	12.09.2017	M. C. Ghia Hall	3:30 p.m
8th	31.03.2016	03.08.2016	M. C. Ghia Hall	3:30 p.m
7th	31.03.2015	23.09.2015	M. C. Ghia Hall	3:30 p.m

ii. The following Special Resolutions were passed in the Annual General Meetings:

Date of AGM	Particulars of Special Resolution passed thereat
12.09.2017	Resolution u/s 20 of the Companies Act, 2013 authorising Company to charge for service of documents to members of the Company.
03.08.2016	1. Appointment of Shri R H Kilachand as Executive Director. 2. Alteration of Capital Clause of the Memorandum of Association for sub division of the face value of Equity Shares of the Company of ₹ 10/- per share to ₹ 5/- per share. 3. Resolution u/s.188 approving Related party transactions up to an amount not exceeding ₹ 79 crore from 01.04.2016 to 31.03.2017.
23.09.2015	Resolution u/s.188 approving Related party transactions up to an amount not exceeding ₹ 46 crore from 01.04.2014 to 31.03.2016.



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## 10. Disclosures:

- All transactions entered into during the financial year 2017-18 with Related Parties as defined under the Companies Act were in the ordinary course of business and on an arms length basis. The Material Related Party transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions with Kesar Multimodal Logistics Ltd as required under Section 134(3) of the Companies Act in Form AOC 2 is annexed to the Directors' Report. 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.
- There has been no instance of non-compliance by the Company on any matter related to the 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.
- 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.
- Whistle Blower Policy / Vigil Mechanism  
In staying true to our values of Strength, Performance and Perseverance, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any.  
The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. We confirm that during the financial year 2017-2018, no Employee of the Company was denied access to the Audit Committee.  
The details of Whistle Blower Policy are available on the website of the Company, [www.kesarinfra.com/Investor's Corner/Policies](http://www.kesarinfra.com/Investor's%20Corner/Policies)
- The Ethics Helpline can be contacted to report any suspected or confirmed incident of fraud/ misconduct on: **E-Mail:headoffice@kesaridia.com Tel: 022-22851737.**
- Certification: The requisite certification from the Executive Director and Chief Financial Officer (CFO) certifying inter alia that the Financial Statement do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs, as required under Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been placed before the Board of Directors of the Company and annexed to this report.
- The Company has complied with all applicable mandatory requirements of the SEBI (LODR) Regulations 2015. A certificate from M/s. Ragini Choshi & Co, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated there under is annexed to this Report.

## 11. Means of communication:

The Board takes on record the Unaudited Quarterly Financial Results and the Audited Financial Results in the prescribed format of the stock exchange and forthwith upload / 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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and also on the website of the Company, viz. [www.kesarinfra.com](http://www.kesarinfra.com) Management Discussion & Analysis report has been included as a part of the Annual Report.

## 12. General Shareholders information:

a.	Registered Office	:	Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai-400020.
b.	Plant Locations	:	Terminals I & II at Kandla, Gujarat.
c.	<b>Annual General Meeting</b>		
d.	Date	:	<b>27th September, 2018</b>
e.	Time	:	<b>3:30 p.m.</b>
f.	Venue		M.C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikushru Dubash Marg, Mumbai – 400 001.

# Annual Report 2017-2018

g.	Financial Year	:	2017-2018
h.	Next Financial Year ending	:	31st March, 2019
i.	Next Annual General Meeting	:	By 30th September, 2019
j.	<b>Financial Reporting for the year 2017-18</b> For 1st quarter ended 30th June, 2018 For 2nd quarter ending 30th September, 2018 For 3rd quarter ending 31st December, 2018 For 4th quarter ending 31st March, 2018	:	By 14th August, 2018 By 14th November, 2018  By 14th February, 2019 By 30th May, 2019
k.	Date of Book Closure	:	Thursday, 20th September, 2018 to Thursday, 27th September, 2018. (both days inclusive)
l.	Dividend Payment Date	:	The Dividend, if declared shall be paid on Friday, 12th October 2018
m.	Listing on Stock Exchange	:	Bombay Stock Exchange Ltd., Mumbai (BSE) National Stock Exchange of India Ltd., Mumbai(NSE) The Company has paid annual listing fees due to BSE and NSE for the year 2018-2019. BSE Scrip Code : 533289 NSE Symbol : KTIL
n.	Stock Exchange Code Number	:	BSE Scrip Code : 533289 NSE Symbol : KTIL
o.	Demat ISIN numbers in NSDL & CDSL	:	INE096L01025

## Address for correspondence by the Shareholders of the Company:

<b>M/s. Sharex Dynamic (India) Pvt. Ltd.</b>	<b>Kesar Terminals &amp; Infrastructure Limited.</b>
<b>Registrar &amp; Share Transfer Agents</b> Luthra Industria. Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072	Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai-400020
<b>Tel.:28515606/ 28515644</b> <b>Fax: 2851 28 85</b> <b>Email: sharexindia@vsnl.com</b>	<b>Tel: 22042396 / 22851737</b> <b>Fax: 22876162</b> <b>Email:djs@kesarindia.com</b>

## Share Transfer System:

The shares sent for transfer are registered and returned within the time limits Pursuant to the SEBI (LODR) Regulations 2015 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 the SEBI (Depositories and Participants) Regulation, 1996, certificates have also been received from the 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.

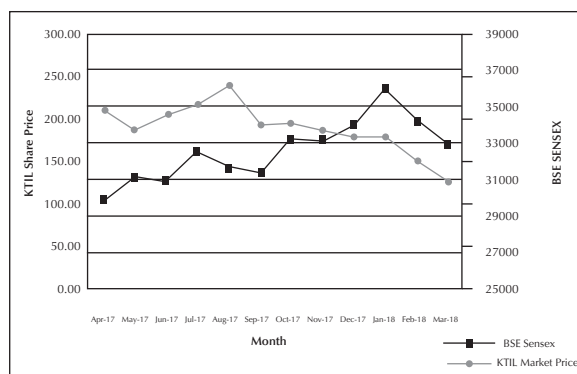
## Stock Market Data:

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

Month	BSE		NSE	
	High	Low	High	Low
April 2017	236.00	194.00	236.20	193.05
May 2017	212.50	186.00	212.85	186.20
June 2017	242.00	167.05	244.00	172.00
July 2017	235.00	202.00	241.00	201.20
August 2017	250.00	185.00	250.00	175.55
September 2017	249.90	190.00	249.40	192.65
October 2017	218.90	182.10	216.00	181.00
November 2017	214.90	179.20	215.00	177.25
December 2017	194.40	175.00	192.00	177.10
January 2018	214.00	177.10	218.00	177.00
February 2018	180.20	143.00	185.00	141.15
March 2018	156.20	121.10	154.30	121.10

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## Performance of the share Price of the Company in comparison to the BSE Sensex



### Distribution of shareholding as on 31st March, 2018:

Shareholding in Nominal Value of ₹	Share Holders		Share Amount	
	No.	% of Holders	₹	% to Total
Upto - 5,000	7,746	92.93	64,67,515.00	11.84
5,001 -10,000	304	3.65	21,86,690.00	4.00
10,001 - 20,000	136	1.63	18,94,210.00	3.47
20,001 - 30,000	51	0.61	12,13,525.00	2.22
30,001 - 40,000	21	0.25	7,33,880.00	1.34
40,001 - 50,000	21	0.25	9,58,870.00	1.76
50,001 - 1,00,000	31	0.37	20,31,765.00	3.72
1,00,001 - and above	25	0.30	3,91,45,920.00	71.65
<b>Total</b>	<b>8,335</b>	<b>100.00</b>	<b>5,46,32,375.00</b>	<b>100.00</b>

### Categories of Shareholders as on 31st March, 2018:

About 96.83% of the total shareholding in the Company representing 1,05,80,937 shares are held in dematerialized form.

	Category of Shareholder	No of Shares Held	No of Shares in Demat Form	%
<b>A.</b>	<b>Promoter &amp; its Group - Indian</b>	18,20,426	17,87,133	16.661
<b>1.</b>	Individual / HUF			
	Bodies Corporate	47,27,245	47,27,245	43.264
	<b>Total Shareholding Promoter &amp; Group Total (A)</b>	<b>65,47,671</b>	<b>65,14,378</b>	<b>59.925</b>
<b>B.1</b>	<b>Public Shareholding – Institutions</b>			
a	Mutual Funds	145	0	0.001
b	Financial Institutions / Banks	8,033	7,025	0.074
c	Foreign Portfolio Investors	35,000	35,000	0.320
d	Venture Capital Fund	0	0	0.0
e	Insurance Companies	5,27,196	5,27,196	4.825
	<b>Sub-Total-B(1)</b>	<b>5,70,374</b>	<b>5,69,221</b>	<b>5.220</b>
<b>B.2</b>	<b>Non-Institutions</b>			
a	Individual Shareholders(share capital up to ₹ 2 lakhs.)	27,51,993	24,43,211	25.186
b	Individual Shareholders share capital above ₹ 2 lakhs.)	1,27,972	1,27,972	1.171
c	NBFCs Registered With RBI	4,750	4,750	0.043
d	Others - Clearing Members	9,23,715	9,21,405	8.454
	<b>Sub-Total-B(2)</b>	<b>38,08,430</b>	<b>34,97,338</b>	<b>34.855</b>
e	<b>Total (B)=B(1)+B(2)</b>	<b>43,78,804</b>	<b>40,66,559</b>	<b>40.075</b>
	<b>Total (A+B)</b>	<b>1,09,26,475</b>	<b>1,05,80,937</b>	<b>100.00</b>

There are no Outstanding ADR's / GDR's or any Convertible Instruments as on date.

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## Guidance to Shareholders:

1. The shareholders are requested to communicate their 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 15 above.
2. In case of lost / misplaced 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.
3. For expeditious transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed. SEBI vide its circular dated 27.04.2007 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 07.01.2010 has made it mandatory to furnish a copy of PAN in the following cases:-
  - a) Deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholders.
  - b) Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
  - c) 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.
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 72 of the Companies Act, 2013 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 of 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 encased their dividend warrants in respect of the dividend declared for the financial year 2010-2011 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
29.06.2011	2010-2011	Final @ 10%	02.09.2018
14.09.2012	2011-2012	Final @ 25%	13.11.2019
11.07.2013	2012-2013	Final @30%	10.09.2020

## KESAR TERMINALS & INFRASTRUCTURE LIMITED

Date of declaration	For the Year	Rate of Dividend	Due date of transfer to IEPF
12.02.2014	2013-2014	Interim @15%	12.04.2021
04.07.2014	2013-2014	Final @15%	04.09.2021
23.09.2015	2014-2015	Final@35%	23.11.2022
03.08.2016	2015-2016	Final@10%	03.10.2023
12.09.2017	2016-2017	Final@10%	17.11.2024

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 125 of the Companies Act, 2013 [erstwhile Section 205C of the Companies Act, 1956]. Thereafter, the shareholders will not be able to get the same from the Company.
11. Details of shares transferred to IEPF suspense account in the FY 2017-18:

Financial Year	No. of Shareholders	No. of Shares transferred to IEPF
2009-10	371	78991

# Annual Report 2017-2018

## CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Member's

**KESAR TERMINALS & INFRASTRUCTURE LIMITED.**

We have examined the compliance of conditions of Corporate Governance by **KESAR TERMINALS & INFRASTRUCTURE LIMITED**, for the year ended March 31, 2018, as stipulated in Regulation 17 to 27, Clauses (b) to (i) of Regulation 46 (2) and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

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 in all material respect complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

We further 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 **Ragini Chokshi & Co.**  
(Company Secretaries)

**Ragini Chokshi (Partner)**  
C.P . No. 1436/ FCS No. 2390

Place: Mumbai

Date : 07.08.2018

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## DECLARATION

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors/Management Personnel for the Financial Year 2017-18

Place: Mumbai  
Date: 07.08.2018

H R Kilachand  
Executive Chairman  
DIN: 00294835

## CERTIFICATION

Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors  
Kesar Terminals & Infrastructure Limited

Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that:

1. We have reviewed Financial Statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief :
  - (i). these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - (ii). These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we 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 we have taken or propose to take to rectify these deficiencies.
4. 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 they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over Financial Reporting.

V J Doshi  
Chief Financial Officer

H. R. Kilachand  
Executive Chairman  
DIN:00294835

Place : Mumbai  
Date : 07.08.2018



# Annual Report 2017-2018

## INDEPENDENT AUDITOR'S REPORT

### To the Members of Kesar Terminals and Infrastructure Limited

#### Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Kesar Terminals and Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Ind AS Financial Statements").

#### Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the (state of affairs) financial position, profit or loss (financial performance including other comprehensive income) cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's Responsibility

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

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

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

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

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

### **Other Matter**

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended March 31, 2017 and March 31, 2016 dated May 30, 2017 and May 30, 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
  - e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 32 on Contingent Liabilities to the standalone Ind AS financial statements;
    - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

**Sumant Sakhardande**

Partner

Membership No.34828

Place : Mumbai

Date : June 13, 2018

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## ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Kesar Terminals and Infrastructure Limited on the standalone financial statements for the year ended March 31,2018]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties recorded as fixed assets in the books of account of the Company are held in the name of the Company except for the details given below:

Land/ Building	Total number of cases	Leasehold/ Freehold	Gross Block as on March 31, 2018	Net Block as on March 31, 2018
Land	3	Leasehold	Nil	Nil

The Leasehold land has been transferred from Kesar Enterprises Limited to the Company on account of scheme of demerger sanctioned by Hon'ble High Court of Bombay. However Kandla Port Trust has raised a demand towards transfer fees for which Company has filed a writ petition with Hon'ble High Court of Gujarat. Refer Note no. 32 to the notes to financial statements.

- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) The Company has granted unsecured loans to its Subsidiary company, covered in the register maintained under Section 189 of the Act.
- (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that, the terms and conditions of the aforesaid loans granted by the Company are not prejudicial to the interest of the Company.
- (b) The said interest free loan is repayable on demand after April 1, 2018. Accordingly paragraph 3(iii)(c) of the Order is not applicable to the Company.
- (iv) Based on information and explanation given to us and on the basis of legal opinion obtained by the Company, in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government of India has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, cess and any other material statutory dues applicable to it, however, there have been slight delay in few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

## KESAR TERMINALS & INFRASTRUCTURE LIMITED

- (b) According to the information and explanation given to us, the dues outstanding with respect to, income tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount ₹	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,561,034	Assessment Year 2014-15	Commissioner of Income Tax (Appeals)

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution & bank and does not have any loan or borrowing from Government or debenture holder.
- (ix) The Company has not raised money by way of public issue offer / further public offer during the year. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised.
- (x) 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 by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

**Sumant Sakhardande**

Partner

Membership No.34828

Place : Mumbai

Date : June 13, 2018

# Annual Report 2017-2018

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Kesar Terminals and Infrastructure Limited on the standalone financial statements for the year ended March 31, 2018]

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

We have audited the internal financial controls over financial reporting of Kesar Terminals and Infrastructure Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Place : Mumbai  
Date : June 13, 2018

For **Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.103523W / W100048  
**Sumant Sakhardande**  
Partner  
Membership No.34828

# Annual Report 2017-2018

## Balance Sheet as at 31st March, 2018

Particulars	Note No.	(in ₹)		
		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
<b>I. ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, plant and equipment	5	297,279,956	308,986,334	287,604,059
(b) Capital Work in Progress		3,767,698	832,752	26,283,233
(c) Intangible Assets		432,848	-	-
(d) Financial Assets				
(i) Investments	6	842,263,521	727,739,389	538,547,268
(ii) Others	7	147,177,056	147,168,272	148,791,247
(e) Deferred Tax Assets (net)	8	52,908,149	38,183,656	-
(f) Other Non- Current Assets	9	-	-	4,754
<b>2 Current assets</b>				
(a) Inventories	10	1,015,645	1,156,787	1,022,810
(b) Financial Assets				
(i) Trade Receivables	11	36,360,629	47,774,045	42,637,709
(ii) Cash and cash equivalents	12	13,064,173	58,396,119	9,886,163
(iii) Bank Balances other than cash and cash equivalents	13	3,827,380	5,567,397	2,557,894
(iv) Other Financial Assets	14	316,003	280,361	255,821
(c) Other Current Assets	15	4,096,678	3,721,604	2,509,274
<b>TOTAL</b>		<b>1,402,509,736</b>	<b>1,339,806,716</b>	<b>1,060,100,232</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity Share Capital	16	54,632,375	54,632,375	52,531,130
(b) Other Equity	17	1,120,613,667	931,603,735	704,828,369
<b>2 Liabilities</b>				
<b>A Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	18	78,126,073	117,056,691	87,574,461
(b) Provisions	19	4,675,548	6,533,040	5,877,855
(c) Deferred Tax Liabilities (net)	20	-	-	1,455,813
<b>B Current liabilities</b>				
(a) Financial Liabilities				
(i) Trade payables	21	39,375,512	32,978,067	25,093,949
(ii) Other Financial Liabilities	22	40,732,653	72,075,483	99,750,972
(b) Other Current Liabilities	23	18,774,054	29,994,123	19,165,278
(c) Provisions	24	1,591,120	5,731,838	4,486,667
(d) Current Tax Liabilities (Net)	25	43,988,734	89,201,364	59,335,738
<b>TOTAL</b>		<b>1,402,509,736</b>	<b>1,339,806,716</b>	<b>1,060,100,232</b>
Significant accounting policies	2			

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Haribhakti & Co. LLP

Chartered Accountants

ICAI FRN NO.103523W / W100048

Sumant Sakhardande

Partner

Membership No. 034828

Place: Mumbai

Date: 13th June, 2018

For and on behalf of the Board of Directors

H R Kilachand

Executive Chairman

DIN 00294835

A S Ruia

Director

DIN 00296622

V J Doshi

Chief Financial Officer

Place: Mumbai

Date: 13th June, 2018



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## Statement of Profit and loss for the year ended 31st March, 2018

Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(in ₹)			
<b>I. Revenue:</b>			
Revenue From Operations	26	416,321,472	439,026,256
Other Income	27	34,570,665	27,495,105
<b>Total Revenue</b>		<b>450,892,137</b>	<b>466,521,361</b>
<b>II. Expenses:</b>			
Employee benefits expense	28	68,471,067	77,850,346
Finance Cost	29	19,373,068	23,969,733
Depreciation and amortization expense	5	16,982,094	17,755,433
Other expenses	30	146,379,289	92,265,983
<b>Total Expenses</b>		<b>251,205,518</b>	<b>211,841,495</b>
<b>III. Profit before Exceptional items &amp; Tax (I-II)</b>		199,686,619	254,679,866
<b>IV. Excess depreciation of earlier years</b>		-	12,072,762
<b>V. Profit before tax (III-IV)</b>		199,686,619	266,752,628
<b>VI Tax Expense:</b>			
(a) Current tax [including prior year tax provision written back ₹ 20,401,627 (Previous year ₹ 11,404,374)]		20,598,373	68,915,626
(b) Deferred tax including MAT credit entitlement		(15,240,680)	(38,851,329)
<b>VII Profit for the year (V-VI)</b>		<b>194,328,926</b>	<b>236,688,331</b>
<b>VIII Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss.		1,772,620	(2,277,335)
(ii) Income tax relating to items that will not be reclassified to profit or loss.		(516,187)	788,140
<b>IX Total Comprehensive Income for the Period (VII + VIII)</b>		<b>195,585,359</b>	<b>235,199,136</b>
<b>X Basic &amp; Diluted Earnings per equity share</b> [Nominal value of shares ₹ 5]	46	17.79	21.66
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Haribhakti & Co. LLP

Chartered Accountants

ICAI FRN NO.103523W / W100048

Sumant Sakhardande

Partner

Membership No. 034828

Place: Mumbai

Date: 13th June, 2018

For and on behalf of the Board of Directors

H R Kilachand

Executive Chairman

DIN 00294835

A S Ruia

Director

DIN 00296622

V J Doshi

Chief Financial Officer

Place: Mumbai

Date: 13th June, 2018

# Annual Report 2017-2018

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	(in ₹)	
	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>NET PROFIT BEFORE TAX</b>	<b>199,686,619</b>	<b>254,679,866</b>
<b>Non-cash adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation	16,982,094	17,755,432
Dividend Income	(500)	(501)
Interest Income	(29,998,866)	(24,469,034)
Interest and Finance Charges	19,373,068	23,969,733
Credit Balance written back	(3,671,433)	-
Other Comprehensive Income	1,772,620	(2,277,335)
Provision for Doubtful debts	(232,928)	104,824
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>203,910,674</b>	<b>269,762,985</b>
<b>Movements in working capital:</b>		
Decrease / (Increase) in Inventories	141,142	(133,977)
Decrease / (Increase) in Trade Receivables	11,646,344	(5,239,511)
Decrease / (Increase) in Other Current Financial Assets	(35,642)	(1,107,020)
Decrease / (Increase) in Other non current Financial assets	(433,898)	15,990
Decrease / (Increase) in Other current assets	(375,074)	1,311,779
Decrease / (Increase) in Other non current assets	(419,676)	1,671,633
Increase / (Decrease) in Trade Payables	6,397,445	7,884,118
Increase / (Decrease) in Other Current Liabilities	(14,720,069)	10,828,846
Increase / (Decrease) in Current Provision	(469,285)	1,245,171
Increase / (Decrease) in Non Current Provision	(1,857,492)	655,185
<b>CASH GENERATED FROM OPERATIONS</b>	<b>203,784,469</b>	<b>286,895,199</b>
Taxes (Paid)	(65,811,004)	(40,119,415)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>137,973,465</b>	<b>246,775,784</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets including Intangible Assets & CWIP	(8,643,508)	(1,614,466)
Purchase of Investments	(86,650,000)	(189,192,120)
Interest Received	2,969,523	24,277,641
Dividend Received	500	501
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>	<b>(92,323,485)</b>	<b>(166,528,444)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Repayment of Borrowings	(76,071,819)	(97,117,887)
Proceeds from Borrowings	9,800,000	100,100,000
Dividend Paid	(5,496,069)	(4,008,749)
Dividend Distribution Tax Paid	(1,112,189)	(1,069,413)
Interest Paid	(19,841,866)	(25,320,053)
<b>NET CASH (USED IN) FINANCING ACTIVITIES</b>	<b>(92,721,943)</b>	<b>(27,416,102)</b>
<b>NET INCREASE /( DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(47,071,963)</b>	<b>52,831,238</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>63,963,516</b>	<b>11,132,278</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>16,891,553</b>	<b>63,963,516</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
CASH AND CASH EQUIVALENTS	13,064,173	58,396,119
OTHER BANK BALANCES *	3,827,380	5,567,397
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>16,891,553</b>	<b>63,963,516</b>

\* Other Bank balances included Unclaimed Dividend which company can utilise only towards settlement of the respective unclaimed dividend  
Note : Figures in brackets are outflows

The accompanying notes are an integral part of the financial statements

As per our report of even date attached  
For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI FRN NO.103523W / W100048

For and on behalf of the Board of Directors

H R Kilachand  
Executive Chairman  
DIN 00294835

A S Ruia  
Director  
DIN 00296622

Sumant Sakhardande  
Partner  
Membership No. 034828

V J Doshi  
Chief Financial Officer

Place: Mumbai  
Date: 13th June, 2018

Place: Mumbai  
Date: 13th June, 2018

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

Equity Share Capital (Equity shares of ₹ 5 each issued, subscribed and fully paid)

Particulars	Numbers	Amount in ₹
<b>Balance as at the April 1, 2016</b>	5,253,113	52,531,130
Changes in equity share capital during the year 2016-2017	5,673,362	2,101,245
<b>Balance as at March 31, 2017</b>	10,926,475	54,632,375
Changes in equity share capital during the year 2017-2018	-	-
<b>Balance at the March 31, 2018</b>	<b>10,926,475</b>	<b>54,632,375</b>

(In ₹)

Particulars	Reserve and Surplus		Total Other Equity
	General Reserves	Retained Earnings	
<b>Balance at the April 1, 2016</b>	299,600,000	405,228,369	704,828,369
<b>Total Comprehensive income for the year</b>			
Profit for the year		236,688,331	236,688,331
Other Comprehensive Income		(1,489,195)	(1,489,195)
Issue of share capital	(2,101,245)	-	(2,101,245)
Final Dividend Paid		(5,253,113)	(5,253,113)
Dividend Distribution Tax Paid		(1,069,413)	(1,069,413)
<b>Balance as at March 31, 2017</b>	<b>297,498,755</b>	<b>634,104,980</b>	<b>931,603,735</b>
<b>Total Comprehensive income for the year</b>			
Profit for the year		194,328,926	194,328,926
Other Comprehensive Income		1,256,433	1,256,433
Final Dividend Paid		(5,463,238)	(5,463,238)
Dividend Distribution Tax Paid		(1,112,189)	(1,112,189)
<b>Balance as at March 31, 2018</b>	<b>297,498,755</b>	<b>823,114,912</b>	<b>1,120,613,667</b>

The accompanying notes are an integral part of the financial statements

**As per our report of even date attached  
For Haribhakti & Co. LLP**

**Chartered Accountants  
ICAI FRN NO.103523W / W100048**

**Sumant Sakhardande  
Partner  
Membership No. 034828**

**Place: Mumbai  
Date: 13th June, 2018**

**For and on behalf of the Board of Directors**

**H R Kilachand  
Executive Chairman  
DIN 00294835**

**A S Ruia  
Director  
DIN 00296622**

**V J Doshi  
Chief Financial Officer**

**Place: Mumbai  
Date: 13th June, 2018**

# Annual Report 2017-2018

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### 1 Background

The Company was incorporated on 21st January 2008. 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 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 Storage Undertaking into the Company, 4,753,113 Equity Shares of ₹. 10 each, fully paid up are issued and allotted on 1st June 2010 by the Company to the shareholders of Kesar Enterprises Limited (KEL) in the ratio of 10:7 i.e. for every 10 shares in KEL, 7 shares in the company.

The Company is mainly engaged in the business of renting of liquid storage tanks at Kandla and is in process of commencing its operation at Pipavav and Kakinada Port.

### 2. Significant Accounting Policies

#### A. Statement of Compliance with Ind-AS

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind-AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2016 with restatement of previous year figures presented in this financial statements. Accordingly, the financial statements have been prepared in accordance with Ind-AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

The Company has adopted all the applicable Ind-AS and the adoption was carried out in accordance with Ind-AS 101 First time adoption of Indian Accounting Standards.

The transition was carried out from Generally Accepted Accounting Principles in India which comprised of applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant applicable provisions of the Companies Act, 1956, and the Companies Act, 2013 to the extent applicable ("Previous GAAP").

These financial statements for the year ended 31st March, 2018 are the first financial statements of the Company prepared in accordance with Ind-AS. The date of transition to Ind-AS is 1st April, 2016. Reconciliations and descriptions of the effect of the transition have been summarized in Note No. 4) All the Ind-AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

#### B. Basis of Measurement

The financial statements have been prepared on historical cost basis except the following:

- Certain financial assets and liabilities are measured at fair value;
- Assets held for sale- measured at fair value less cost to sell;
- Defined benefit plans- plan assets measured at fair value.

#### C. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period and cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period and there is no

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**D.** The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees.

**E. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of the revenue and expenses during the reporting period and disclosures of contingent liabilities as of the date of the financial statements. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in notes to the financial statements.

**Key accounting estimates :**

**a) Income taxes :**

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

**b) Defined Benefit Obligation :**

The cost of the defined benefit gratuity plan and defined benefit leave encashment plan, the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates, rates of employee turnover. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

**c) Fair value measurement of financial instruments :**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**F. Revenue Recognition:**

Revenue from services is recognised on accrual basis and when the consideration is reliably determinable and no significant uncertainty exists regarding the collection of the consideration.

Revenue is measured at the fair value of the consideration received or receivable. The amount recognised as revenue is exclusive of Service Tax, Sales Tax and Value Added Taxes (VAT), GST (Goods and Services Tax) and is net of discounts.

Insurance Claims are recognised only when the claim is admitted/expected to be admitted and there is no uncertainty on receiving the claim.

# Annual Report 2017-2018

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

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

### G. Property, Plant and Equipment

- a) Property, Plant and Equipment (whether Tangible or Intangible) are initially measured at cost of acquisition less accumulated depreciation/ amortization/ impairment loss (if any), net of CENVAT (wherever claimed). The cost of fixed assets includes taxes, duties, freight, borrowing cost, concession premium and pre-operative costs if capitalization criteria are met and other incidental expenses incurred in relation to their acquisition/ bringing the assets for their intended use.
- b) Subsequent additional expenditure related to property plant and equipment are added only if they increase the future economic benefits from the existing assets beyond its previously assessed standard of performance.
- c) On transition to Ind-AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP as the deemed cost of the property, plant and equipment.

### H. Depreciation:

- a) Depreciation on Plant and Machinery and Building has been provided on Straight Line Method based on remaining useful lives of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- b) Depreciation on other assets has been provided on Written Down Value Method based on remaining useful lives of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- c) For assets purchased / disposed off during the year, depreciation has been provided on pro-rata basis with reference to the useful life of the asset period, at the applicable rates.
- d) The estimated useful life of the assets are as given below :

Description of Asset	Useful Life
Computers	3 to 6 years
Office Equipment	5 Years
Furniture & Fixtures	10 Years
Roads	5 Years
Buildings	30 Years
Plant & Machinery	25 Years
Vehicles	8 Years
Leasehold Land	30 Years

- e) Depreciation on assets, whose actual cost does not exceed ₹ 5,000 is provided at the rate of hundred percent and is fully depreciated in the year of acquisition.
- f) Premium on Leasehold Land/Concession Premium is amortised over the period of the lease/Concession period.
- g) Depreciation on Intangible Assets representing computer software has been provided on Written Down Value Method based on remaining useful life. The useful life as estimated by the management for computer software is 6 years.
- h) The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed at each financial year end.
- i) On transition to Ind-AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP.

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### I. Capital Work-in-Progress:

These are stated at cost to date relating to projects in progress, incurred during construction / pre-operative period (Net of income) incurred during the construction/ pre-operative period and the same is allocated to the respective fixed assets on the completion of their construction.

### J. Inventories:

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### K. Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying 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.

### L. Employee benefits:

#### Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be fully paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

#### Post-Employment Benefits

##### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

##### Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective IT authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

### M. Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

#### - Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

#### - Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.



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## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax relating to items recognized outside profit or loss are recognized outside profit or loss/either in other comprehensive income or in equity.

### **Minimum Alternate Tax (MAT)**

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit become eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and is shown as MAT credit entitlement. The Company review the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period

### **N. Earnings Per Share:**

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

### **O. Provisions:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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.

### **P. Contingent Liabilities and Contingent asset :**

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

Contingent assets are neither recognized nor disclosed, in the financial statements except there is a virtual certainty to receive the same.

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

### **Q. Leases:**

Leases are classified as finance lease whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

**Leased assets:** Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is fully depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

### **R. Cash and cash equivalents:**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

### **S. Impairment of Non-Financial Assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. An impairment loss is recognised in the profit or loss. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. A reversal of an impairment loss is recognised immediately in profit or loss.

### **T. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial Instruments are further divided in two parts viz. Financial Assets and Financial Liabilities.

## **Part I - Financial Assets**

### **a Initial recognition and measurement**

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

#### **Financial Asset at amortised cost:**

Financial Asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

#### **Financial Asset at FVTOCI (Fair Value through Other Comprehensive Income):**

A Financial Asset is classified as at the FVTOCI if following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows (i.e. SPPI) and selling the financial assets

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### **Financial Assets at FVTPL (Fair Value through Profit or Loss):**

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

#### **Equity investments:**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Investment in subsidiaries is carried at cost in the financial statements.

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### d) Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

1. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
2. Financial assets that are debt instruments and are measured as at FVTOCI
3. Trade receivables or any contractual right to receive cash or another financial asset
4. Loan commitments which are not measured as at FVTPL
5. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on: - Trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk rather; it recognises impairment loss allowance based on 12 months ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the

# Annual Report 2017-2018

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

statement of profit and loss.

### Part II - Financial Liabilities

#### a) Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables.

#### b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

##### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss is designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains / loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

##### Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities under borrowings. The dividends on these preference shares, if any are recognised in the profit or loss as finance cost.

##### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### c) De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### U. Foreign Currency Transactions

Transactions in foreign currencies are accounted at the initially recorded exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the year-end rates. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in statement of profit and loss. In case of forward contracts (non speculative), the premium or discount being the differences between the forward exchange rate and the exchange rate at the inception of the contract is recognized as expense or income over the life of the contract. The exchange difference either on settlement or translation is recognized in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are reported using the exchange rate prevalent at the date of transaction.

### W. Segment Reporting

The Company is mainly engaged in Liquid Storage Business in India and there is no other reportable business and geographical segment as required by Indian Accounting Standard 108.

### X. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is netted off with the related costs, which they are intended to Compensate. Where the grant relates to fixed asset, it is shown separately as deferred revenue expenses.

The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

## 3. FIRST TIME ADOPTION OF IND-AS

For all periods up to March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) Indian GAAP ("IGAAP"). These standalone financial statements of Kesar Terminals and Infrastructure Limited for the year ended March 31, 2018 have been prepared in accordance with Ind-AS. This is the first set of Financial Statements in accordance with Ind-AS. For the purpose of transition from the IGAAP to Ind-AS, the Company has followed guidance provided in Ind-AS 101 - First Time Adoption of Indian Accounting Standards, w.e.f. April 01, 2016 as the transition date.

The transition to Ind-AS has resulted in changes in the presentation of the financial statements, disclosures in

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## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

the notes, accounting policies and principles. The accounting policies set out in Note 2 have been applied in preparing the standalone financial statements for the year ended on March 31, 2018 as well as for March 31, 2017 for comparative information. In preparing these financial statements, opening balance sheet was prepared as at 1 April 2016. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended March 31, 2017.

Exemptions on first time adoption of Ind-AS availed in accordance with Ind-AS 101, have been described below:

### **Exemptions availed on first time adoption of Ind-AS 101**

Ind-AS 101 allows certain optional exemptions and mandatory exemptions on first time adoption of Ind-AS from the retrospective application of certain provisions of Ind-AS. The Company has accordingly applied the following exemptions:

#### **Ind-AS optional exemptions:**

##### **(i) Property, Plant and Equipment and Intangible Assets**

Ind-AS 101 permits, a first time adopter to elect to continue with the carrying values for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind-AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind-AS 38 Intangible Assets and Investment properties covered by Ind-AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, Investment properties and intangible assets at their previous GAAP carrying value.

#### **Ind-AS mandatory exceptions:**

##### **(i) Estimates**

An entity's estimates in accordance with Ind-AS at the date of transition to Ind-AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind-AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind-AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

##### **(ii) Classification and measurement of financial assets**

Ind-AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind-AS.

Accordingly, the Company has determined the classification of financial assets based on the facts and circumstances that exist on the date of transition.



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### 4 Reconciliations Between Previous GAAP and Ind-AS

The following reconciliations provides the effect of transition to Ind-AS from IGAAP in accordance with Ind-AS 101:

#### A. Reconciliation of equity

(in ₹)

PARTICULARS	As at April 1, 2016			As at March 31, 2017		
	Indian GAAP	Effects of transition to Ind-AS	Ind-AS	Indian GAAP	Effects of transition to Ind-AS	Ind-AS
<b>I. ASSETS</b>						
<b>1 Non-current assets</b>						
(a) Property, plant and equipment	287,604,059		287,604,059	308,986,334		308,986,334
(b) Capital Work in Progress	26,283,233		26,283,233	832,752		832,752
(c) Intangible Assets	-		-	-		-
(d) Financial Assets	-		-	-		-
(i) Investments	514,155,000	24,392,268	538,547,268	679,655,000	48,084,389	727,739,389
(ii) Others	163,557,763	(14,766,516)	148,791,247	161,934,788	(14,766,516)	147,168,272
(e) Deferred Tax Assets (net)	-		-	(35,783,257)	73,966,913	38,183,656
(f) Other Non- Current Assets	4,754		4,754	-		-
<b>2 Current assets</b>						
(a) Inventories	1,022,810		1,022,810	1,156,787		1,156,787
(b) Financial Assets						
(i) Trade Receivables	43,507,866	(870,157)	42,637,709	48,749,025	(974,980)	47,774,045
(ii) Cash and cash equivalents	9,886,163		9,886,163	58,396,119		58,396,119
(iii) Bank Balances other than cash and cash equivalents	2,557,894		2,557,894	5,567,397		5,567,397
(iv) Other Financial Assets	255,821		255,821	280,361		280,361
(c) Other Current Assets	2,509,274		2,509,274	3,721,604		3,721,604
<b>TOTAL</b>	<b>1,051,344,637</b>	<b>8,755,596</b>	<b>1,060,100,232</b>	<b>1,233,496,910</b>	<b>106,309,806</b>	<b>1,339,806,716</b>
<b>II. EQUITY AND LIABILITIES</b>						
<b>1 Equity</b>						
(a) Equity Share Capital	52,531,130		52,531,130	54,632,375		54,632,375
(b) Other Equity	658,846,219	45,982,150	704,828,369	825,293,929	106,309,806	931,603,735
<b>2 Liabilities</b>						
<b>A Non-current liabilities</b>						
(a) Financial Liabilities						
Borrowings	87,574,461		87,574,461	117,056,691		117,056,691
(b) Provisions	5,877,855		5,877,855	6,533,040		6,533,040
(c) Deferred Tax Liability	32,361,490	(30,905,677)	1,455,813	-		-
<b>B Current liabilities</b>						
(a) Financial Liabilities						
(i) Trade payables	25,093,949		25,093,949	32,978,067		32,978,067
(ii) Other Financial Liabilities	99,750,972		99,750,972	72,075,483		72,075,483
(b) Other Current Liabilities	19,165,278		19,165,278	29,994,123		29,994,123
(c) Provisions	10,807,545	(6,320,878)	4,486,667	5,731,838		5,731,838
(d) Current Tax Liabilities (Net)	59,335,738		59,335,738	89,201,364		89,201,364
<b>TOTAL</b>	<b>1,051,344,637</b>	<b>8,755,596</b>	<b>1,060,100,232</b>	<b>1,233,496,910</b>	<b>106,309,806</b>	<b>1,339,806,716</b>

# Annual Report 2017-2018

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

- The Company has invested in 0% Cumulative Redeemable Preference Shares for 15 years. Under Ind-AS, preference shares are classified as Investment based on the nature and terms of the contract. Interest on the said investment is recognised using the effective interest method with interest rate of 10.50%. Thus the said preference share investment is reduced by ₹ 74,535,600 as on 01.04.2016 and ₹ 203,326,480 as on 31.03.2017 with a corresponding increase in Investment in Equity Capital of Subsidiary under the head Non Current Financial Investments.
- Interest free Loan given to subsidiary has been recognised at fair value as per INDAS by taking effective rate of Interest @10.50%. Accordingly Interest amount of ₹ 14,766,516 as on 01.04.2016 (₹ 14,766,516 as on 31.03.2017) included in the said loan is reduced from Loan and added to Investment in Equity Capital of Subsidiary under the head Non Current Financial Investments.
- Fair value of the corporate guarantee given to subsidiary is taken at 0.50% per annum on outstanding loan exposure in respect of which such guarantee is given. Accordingly ₹ 9,321,060 as on 01.04.2016 and ₹ 14,186,149 is adjusted in retained earnings and added to Investment in Equity Capital of Subsidiary under the head Non Current Financial Investments.
- Deferred Tax Asset is recognised due to timing differences arising in Income Tax out of fair Valuation of investment in Preference Shares of Subsidiary and Loan given to subsidiary. Accordingly ₹ 30,905,677 as on 01.04.2016 and ₹ 73,966,913 as on 31.3.2017 has been added to Differed Tax Assets as well as retained earnings.
- Under Ind-AS, impairment allowance has been determined based on Expected Credit Loss model (ECL). Accordingly, trade receivables have been reduced by ₹ 870,157 as on 01.04.2016 and ₹ 974,980 as on 31.3.2017 which is 2% of Trade Receivable with a corresponding decrease in retained earnings.
- Provision for proposed dividend made as per GAAP as on 31.03.2016 is written back since it is no longer an adjusting event.

### B. Reconciliation of Total Comprehensive Income for the year ended 31.03.2017

(in ₹)

Particulars		Indian GAAP	Effects of transition to Ind-AS	Ind-AS
I.	Revenue From Operations	439,026,256		439,026,256
II.	Other Income	3,802,985	23,692,120	27,495,105
III.	<b>Total Revenue (I + II)</b>	<b>442,829,241</b>	<b>23,692,120</b>	<b>466,521,361</b>
IV.	<b>Expenses:</b>			
	Employee benefits expense	80,127,681	(2,277,335)	77,850,346
	Finance Cost	23,969,733		23,969,733
	Depreciation and amortization expense	17,755,433		17,755,433
	Other expenses	92,161,157	104,826	92,265,983
	<b>Total Expenses</b>	<b>214,014,004</b>	<b>(2,172,509)</b>	<b>211,841,495</b>
V.	<b>Profit before Exceptional items &amp; Tax (III-IV)</b>	<b>228,815,237</b>	<b>25,864,629</b>	<b>254,679,866</b>
VI.	Excess depreciation of earlier years	12,072,762		12,072,762
VII.	<b>Profit before tax (V-VI)</b>	<b>240,887,999</b>	<b>25,864,629</b>	<b>266,752,628</b>
VIII.	<b>Tax Expense:</b>			
	(a) Current tax [including prior year tax provision written back ₹ 11,404,374]	68,915,626		68,915,626
	(b) Deferred tax	3,421,767	(42,273,096)	(38,851,329)
IX.	<b>Profit for the year (VII-VIII)</b>	<b>168,550,606</b>	<b>68,137,725</b>	<b>236,688,331</b>
X.	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss.	-	(2,277,335)	(2,277,335)
	(ii) Income tax relating to items that will not be reclassified to profit or loss.	-	788,140	788,140
XI.	<b>Total Comprehensive Income for the Period (IX + X)</b>	<b>168,550,606</b>	<b>66,648,530</b>	<b>235,199,136</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

**a. Other Income**

Other Income Includes Implied Interest on Investment in preference shares of subsidiary company arising out of fair valuation amounting ₹ 4,050,515 at interest rate of 10.50%, Implied interest of ₹ 14,766,516 arising out of fair valuation of loan given to KMLL at 10.50% and Implied guarantee commission of ₹ 4,865,089 on corporate guarantee given to KMLL.

**b. Provision for Expected Credit Loss**

As per Ind-AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts is increased by ₹ 104,526 and the same is recognised in "Other Expenses" during the financial year 2016-17.

**c. Other comprehensive income (OCI)**

Concept of other comprehensive income did not exist under Indian GAAP. Under Ind-AS, all items of income and expenses recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income or expenses that are not recognised in profit or loss but are shown in the statement of profit and loss as 'Other comprehensive income' includes remeasurement of defined employee benefits plans. The amount related to remeasurement of defined employee benefit plan of ₹ 2,277,335 is presented as part of OCI during the financial year 2016-17. Deferred Tax liability arising consequent to the same is also presented under OCI.

**d. Deferred Tax**

Deferred Tax Asset is recognised due to timing differences arising in Income Tax out of fair Valuation of investment in Preference Shares of Subsidiary. Accordingly net deferred Tax assets of ₹ 43,061,237 is created for 2016-17. Also deferred Tax liability amounting to ₹ 788,140 created on ₹ 2,277,335 which is shown under other comprehensive income due to remeasurement of employee benefit expenses as per the requirement of IND-AS.

**C. Adjustments to the statement of Cash Flows.**

The transition from Indian GAAP to Ind-AS had no significant impact on cash flows generated by the Company

(in ₹)

Particulars	Indian GAAP	Effects of transition to Ind-AS	Ind-AS
Net cash flow from operating activities	246,775,784		246,775,784
Net cash flow from investing activities	(166,528,444)		166,528,444)
Net cash flow from financing activities	(27,416,102)		(27,416,102)
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>52,831,238</b>		<b>52,831,238</b>
Cash and cash equivalents at April 1, 2016	11,132,278		11,132,278
<b>Cash and cash equivalents at March 31, 2017</b>	<b>63,963,516</b>		<b>63,963,516</b>

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## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

### 5. FIXED ASSETS (Owned, unless stated otherwise)

(In ₹)

PARTICULARS	Gross Block			Accumulated Depreciation			Net Block Balance as at 31st March, 2018
	Balance as at 1st April, 2017	Additions/ Adjustment	De- duc- tion/ Dis- posals	Balance as at 1st April, 2017	Depre- ciation / amortization charge for the year	On Disposal/ Adjustment	
(a) <b>Property, Plant and Equipments</b>							
(i) Land							
(1) Free Hold Land	49,831,576	-	-	49,831,576	-	-	49,831,576
(2) Lease Hold Land	25,904,541	-	-	25,904,541	1,188,591	-	23,872,768
(3) Lease Hold Land Premium	11,017	-	-	11,017	-	11,017	-
<b>Total</b>	<b>75,747,134</b>	<b>-</b>	<b>-</b>	<b>75,747,134</b>	<b>1,188,591</b>	<b>-</b>	<b>73,704,344</b>
(ii) Buildings (on Leased Land)	33,697,685	-	-	33,697,685	2,108,266	-	28,855,380
(iii) Plant and Equipment	207,794,396	3,160,909	-	210,955,305	10,909,978	-	188,854,332
(iv) Furniture and Fixtures	2,304,345	-	-	2,304,345	452,448	-	1,212,157
(v) Office Equipments	1,969,262	775,782	-	2,745,044	864,956	-	1,239,830
(vi) Vehicles	5,228,945	1,254,323	-	6,483,268	1,373,153	-	3,413,913
<b>Total (a)</b>	<b>326,741,767</b>	<b>5,191,014</b>	<b>-</b>	<b>331,932,781</b>	<b>16,897,392</b>	<b>-</b>	<b>297,279,956</b>
(b) <b>Capital Work In Progress</b> (Refer Note No.33)	832,752	2,934,946	-	3,767,698	-	-	3,767,698
(c) <b>Intangible Assets</b>							
Computer software	-	517,550	-	517,550	84,702	-	432,848
<b>Total (a+b+c)</b>	<b>327,574,519</b>	<b>8,643,510</b>	<b>-</b>	<b>336,218,029</b>	<b>16,982,094</b>	<b>-</b>	<b>301,480,502</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2018**

**NOTE 5 FIXED ASSETS (Owned, unless stated otherwise) (FOR THE YEAR ENDED 31ST MARCH, 2017)**

(In ₹)

PARTICULARS	Gross Block			Accumulated Depreciation		Net Block	
	Balance as at 1st April, 2016	Additions	Adjustment	Deduction/ Disposals	Balance as at 1st April, 2016	Balance as at 31st Mar, 2017	Balance as at 1st April, 2016
(a) <b>Property, Plant and Equipments</b>							
(i) Land							
(1) Free Hold Land	49,831,576	-	-	-	-	-	49,831,576
(2) Lease Hold Land	35,592	25,868,949	-	-	843,182	-	25,061,359
(3) Lease Hold Land Premium	11,017	-	-	-	11,017	-	11,017
	<b>49,878,184</b>	<b>25,868,949</b>	-	-	<b>854,199</b>	-	<b>49,878,184</b>
(ii) Buildings (on Leased Land)	21,624,923	-	12,072,762 *	-	2,734,039	-	21,624,924
(iii) Plant and Equipment	206,996,855	797,541	-	-	11,190,995	-	206,996,855
(iv) Furniture and Fixtures	2,146,095	158,250	-	-	639,740	-	2,146,095
(v) Office Equipments	1,729,056	240,206	-	-	640,258	-	1,729,056
(vi) Vehicles	5,228,945	-	-	-	1,696,202	-	5,228,945
<b>Total</b>	<b>287,604,058</b>	<b>27,064,946</b>	<b>12,072,762</b>	-	<b>17,755,433</b>	-	<b>287,604,059</b>
(b) <b>Capital Work In Progress</b> (Refer Note No 33)	26,283,233	418,468	-	25,868,949	-	-	26,283,233
<b>Total (a+b)</b>	<b>313,887,292</b>	<b>27,483,414</b>	<b>12,072,762</b>	<b>25,868,949</b>	<b>17,755,433</b>	-	<b>313,887,293</b>

**Note** : \*Represent reversal of Depreciation on account of change in method of depreciation on Buildings from WDV (Written Down Value) to SLM (Straight Line Method).

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## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### 6. NON CURRENT FINANCIAL ASSETS - INVESTMENTS

(In ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
<b>Trade Investments (valued at cost)</b>			
<b>Unquoted Equity Instruments</b>			
<b>(a) Investment in Subsidiary Company</b>			
41,800,000 Equity Shares ( March 31, 2017 : 41,775,000 and April 1, 2016 : 41,775,000) of ₹ 10/- each fully paid in Kesar Multimodal Logistics Limited	418,000,000	417,750,000	417,750,000
Extent of Holding:- 100% ( March 31, 2017 : 99.94% and April 1, 2016 : 99.94%) of total issued and paid up Equity Share Capital of Kesar Multimodal Logistics Limited			
34,830,000 Zero Coupon Redeemable Preference Shares (March 31, 2017: 26,190,000 and April 1, 2016 : 9,640,000) of ₹ 10/- each fully paid in Kesar Multimodal Logistics Limited.	89,812,483	62,938,728	21,864,400
Extent of Holding:- 100% (March 31, 2017 : 100% and April 1, 2016 : 100%) of total issued and paid up Zero Coupon Redeemable Preference Share Capital of Kesar Multimodal Logistics Limited			
Contribution towards Equity Capital (Gurantee and Interest on Preference Shares and unsecured Loan)	334,446,038	247,045,661	98,927,868
<b>(b) Other Investments (valued at cost)</b>			
<b>Investments in Equity Instruments</b>			
200 Shares of ₹.25 each fully paid in Jain Sahakari Bank Ltd ( March 31, 2017: 200 Shares and April 1, 2016 : 200 Shares)	5,000	5,000	5,000
{Aggregate amount of Unquoted Investments is ₹ 842,263,521 (March 31, 2017: 727,739,389 and April 1, 2016 : 538,547,268)}			
<b>Total</b>	<b>842,263,521</b>	<b>727,739,389</b>	<b>538,547,268</b>

### 7. NON-CURRENT FINANCIAL ASSETS - OTHERS

Unsecured, Considered good

(a) Security Deposits	2,383,046	2,290,393	2,300,812
(b) Loans and Advances to Employees	-	26,200	31,770
(c) Loan to Subsidiary Company	144,682,185	140,633,484	140,633,484
(d) Fixed Deposits with maturity of more than 12 months (Held as lien/security with various bank)	-	3,543,236	5,214,869
(e) Interest accrued on Deposits	111,825	674,959	610,312
<b>Total</b>	<b>147,177,056</b>	<b>147,168,272</b>	<b>148,791,247</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### 8. DEFERRED TAX ASSETS (NET) INCLUDING MAT CREDIT ENTITLEMENT

(In ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(a) Deferred Tax Assets			
Expenses allowable on payment basis for Tax purposes	1,554,614	4,418,610	-
Fair Valuation of Investments	79,695,368	73,966,913	-
	<b>81,249,982</b>	<b>78,385,523</b>	-
(b) Deferred Tax Liability			
Impact of difference between Tax Depreciation & Depreciation / Amortisation charged as per Companies Act.	34,234,779	40,201,867	-
(c) Mat Credit Entitlement	5,892,946	-	-
<b>Net Deferred Tax Assets (a-b+c)</b>	<b>52,908,149</b>	<b>38,183,656</b>	-

### 9. OTHER NON-CURRENT ASSETS

#### Unsecured, Considered good

Interest accrued on staff loan	-	-	4,754
<b>Total</b>	-	-	<b>4,754</b>

### 10. INVENTORIES

#### Stores and spares

(Valued at Lower of Cost and Net Realisable Value)	1,015,645	1,156,787	1,022,810
<b>Total</b>	1,015,645	1,156,787	1,022,810

### 11. CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

#### Unsecured, Considered good

(a) Outstanding for a period exceeding six months from the date they are due	2,290,184	-	32,973
(b) Others	34,812,498	48,749,026	43,474,893
Less: Expected Credit Loss	(742,053)	(974,981)	(870,157)
<b>Total</b>	<b>36,360,629</b>	<b>47,774,045</b>	<b>42,637,709</b>



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## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### 12. CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(In ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(a) Balance with Banks			
(i) on Current Accounts	13,024,304	58,357,030	8,076,823
(ii) on Fixed Deposits Accounts with original maturity of less than 3 months	-	-	1,400,000
(b) Cash on hand	39,869	39,089	409,340
<b>Total</b>	<b>13,064,173</b>	<b>58,396,119</b>	<b>9,886,163</b>

### 13. CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THEN CASH AND CASH EQUIVALENTS

(a) Balance with Banks on unclaimed Dividend Accounts	1,388,235	1,421,066	1,246,115
(b) Fixed Deposits with original maturity of more than 3 months but less than 12 months	2,439,145	4,146,331	1,311,779
<b>Total</b>	<b>3,827,380</b>	<b>5,567,397</b>	<b>2,557,894</b>

### 14. OTHERS FINANCIAL ASSETS

#### Unsecured , Considered Good

(a) Other advances recoverable in cash or kind	20,873	149,391	71,327
(b) Loans and Advances to Employees	295,130	130,970	184,494
<b>Total</b>	<b>316,003</b>	<b>280,361</b>	<b>255,821</b>

### 15. OTHER CURRENT ASSETS

#### Unsecured, Considered good

(a) Interest accrued on staff loans	-	4,754	64,762
(b) Interest accrued on Deposits	545,849	397,637	207,779
(c) Gratuity	753,577	-	-
(d) Prepaid expenses	2,365,470	2,165,247	1,014,408
(e) GST / Services Tax Receivable	431,782	1,153,966	1,222,325
<b>Total</b>	<b>4,096,678</b>	<b>3,721,604</b>	<b>2,509,274</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### 16. SHARE CAPITAL

(In ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Authorised</b>			
25,000,000 (March 31, 2017: 25,000,000, April 1, 2016: 12,500,000) Equity Shares of ₹ 5 each (March 31, 2017: ₹ 5 each :April 1, 2016: ₹ 10 each)	125,000,000	125,000,000	125,000,000
2,500,000 (March 31, 2017 : 2,500,000, April 1, 2016: 2,500,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each (March 31, 2017: ₹ 10 each : April 1, 2016: ₹ 10 each)	25,000,000	25,000,000	25,000,000
<b>Issued, Subscribed &amp; Fully Paid up</b>			
10,926,475 (March 31, 2017: 10,926,475, April 1, 2016 : 5,253,113) Equity Shares of ₹ 5 each (April 1, 2016: ₹ 10 each) fully paid up	54,632,375	54,632,375	52,531,130
<b>Total</b>	<b>54,632,375</b>	<b>54,632,375</b>	<b>52,531,130</b>

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

PARTICULARS	As at 31st March, 2018		As at 31st March, 2017		As at 1st April 2016	
	Number	₹	Number	₹	Number	₹
Shares outstanding at the beginning of the year	10,926,475	54,632,375	5,253,113	52,531,130	5,253,113	52,531,130
Shares issued during the year	-	-	-	-	-	-
Allotment of Shares on account of sub division	-	-	5,253,113	-	-	-
Issue on account of Bonus Shares	-	-	420,249	2,101,245	-	-
Shares bought back during the year	-	-	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>10,926,475</b>	<b>54,632,375</b>	<b>10,926,475</b>	<b>54,632,375</b>	<b>5,253,113</b>	<b>52,531,130</b>

#### (b) Terms / rights attached to Equity Shares

i) The Company has only one class of equity shares having a par value of ₹ 5 per share (March 31, 2017 : ₹ 5 per share and April 1, 2016 : ₹ 10 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their holdings.

ii) During the current year , the amount of Final dividend ₹ 1 (previous year ₹ 0.50) per Equity Share has been declared and paid .

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## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### (c) Details of each Equity Shareholder holding more than 5% of Shares

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kesar Corporation Pvt Limited	3,014,439	27.59%	3,014,439	27.59%	1,449,250	27.59%
Kesar Enterprises Limited	1,040,000	9.52%	1,040,000	9.52%	500,000	9.52%
M H Kilachand	640,348	5.86%	640,348	5.86%	307,860	5.86%

### (d) Aggregate Number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particulars	Year (Aggregate No. of Shares)				
	2016-17	2015-16	2014-15	2013-14	2012-13
<b>Equity Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	420,249	-	-	-	-
Shares bought back	-	-	-	-	-

### 17. OTHER EQUITY

PARTICULARS	(In ₹)		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April 2016
<b>(a) General Reserve</b>			
Opening Balance	297,498,755	299,600,000	299,600,000
(+) Transfers	-	-	-
(-) Capitalisation on account of Bonus shares	-	(2,101,245)	-
<b>Closing Balance</b>	<b>297,498,755</b>	<b>297,498,755</b>	<b>299,600,000</b>
<b>(b) Retained Earnings</b>			
Opening balance	635,594,175	405,228,369	405,228,369
(+) Net Profit for the current year	194,328,926	236,688,331	-
(-) Dividend Paid	5,463,238	5,253,113	-
(-) Dividend Distribution Tax	1,112,189	1,069,413	-
(-) Transfer to Reserves	-	-	-
<b>Closing Balance</b>	<b>823,347,674</b>	<b>635,594,175</b>	<b>405,228,369</b>
<b>(c) Other Comprehensive Income</b>			
Opening balance	(1,489,195)	-	-
(+) Addition during the year	1,256,433	(1,489,195)	-
<b>Closing Balance</b>	<b>(232,762)</b>	<b>(1,489,195)</b>	<b>-</b>
<b>Total</b>	<b>1,120,613,667</b>	<b>931,603,735</b>	<b>704,828,369</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### 18. NON CURRENT FINANCIAL LIABILITIES - BORROWINGS

(In ₹)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April 2016
<b>(a) Secured Borrowings</b>			
<b>(i) Term Loans From Banks</b>			
<b>Corporate Loan</b>			
<b>Term Loan I</b>	-	-	37,500,000
Secured by exclusive charge on all tanks, movable Fixed Assets and Current Assets both present and future at Kandla. (Terminal I & II)			
Terms of Repayments:- Repayable from Oct'2013 in 48 Equal Monthly Installments. Interest is payable at Base Rate of Lender Bank Plus 2.75% p.a. with monthly rest.			
<b>Term Loan II</b>	40,433,909	66,666,670	45,316,667
Secured by exclusive charge on all tanks, movable Fixed Assets and Current Assets both present and future at Kandla. (Terminal I & II)			
Terms of Repayments:- Repayable from Nov'2016 in 48 Equal Monthly Installments. Interest is payable at Base Rate of Lender Bank Plus 2.50% p.a. with monthly rest.			
<b>Term Loan III</b>	36,931,557	50,000,000	-
Secured by exclusive charge on all tanks, movable Fixed Assets and Current Assets both present and future at Kandla. (Terminal I & II)			
Terms of Repayments:- Repayable from Apr'2018 in 48 Equal Monthly Installments. Interest is payable at 1 Year MCLR of Lender Bank Plus 3.90% p.a. with monthly rest.			
<b>(ii) From others (various Finance Companies)</b>			
<b>Vehicle Loans</b>	760,606	390,021	1,687,500
Secured by way of hypothecation of respective vehicles.			
Terms of Repayments:- Repayable in 36 to 60 Equated Monthly Installments starting from the date of the loan and carrying Interest ranging from 8.41% to 14.00% p.a.			
<b>Total Secured Borrowings</b>	<b>78,126,073</b>	<b>117,056,691</b>	<b>84,504,167</b>

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## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	(In ₹) As at 1st April 2016
[Out of total Secured Borrowings of ₹ 116,206,012 (March 31, 2017 : ₹180,854,165, March 31,2016 : 165,235,279), borrowings of ₹38,079,939 (March 31, 2017 : ₹63,797,474, April 1,2016 : 80,731,112) having Current Maturities, have been disclosed in Note No.22]			
<b>(b) Unsecured Borrowings</b>			
<b>Loans from Customers</b>	-	-	3,070,294
Terms of Repayments:- Repayable in 60 Equated Monthly Installments from the date tanks are put to use and carrying simple interest @ 13% p.a.			
<b>Total Unsecured Borrowings</b>	-	-	3,070,294
[Out of unsecured Borrowings of ₹ Nil (March 31, 2017 : ₹ 5,123,666, April 1,2016 : 17,760,439), borrowings of ₹ Nil (March 31, 2017 : ₹ 5,123,663, April 1,2016 :14,690,145) having Current Maturities, have been disclosed in Note No.22]			
<b>Total</b>	<b>78,126,073</b>	<b>117,056,691</b>	<b>87,574,461</b>
<b>19. NON CURRENT PROVISIONS</b>			
<b>Provision for employee benefits</b>			
Leave Encashment (unfunded)	4,675,548	6,533,040	5,877,855
<b>Total</b>	<b>4,675,548</b>	<b>6,533,040</b>	<b>5,877,855</b>
<b>20. DEFERRED TAX LIABILITIES (NET)</b>			
(a) Deferred Tax Assets			
Expenses allowable on payment basis for Tax purposes	-	-	3,011,398
Fair Valuation of Investments	-	-	30,905,677
			33,917,075
(b) Deferred Tax Liability			
Impact of difference between Tax Depreciation & Depreciation / Amortisation charged as per Companies Act.	-	-	35,372,888
<b>Net Deferred Tax Liabilities (b-a)</b>	-	-	1,455,813

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### 21. TRADE PAYABLES

			(In ₹)
PARTICULARS	As at 31st March, 2018	As at 31st March, 2017	As at 1st April 2016
(a) Total outstanding Dues to Micro and Small Enterprises (refer note no. 45)	-	-	-
(b) Total outstanding Dues of Creditors other than Micro and Small Enterprises	39,375,512	32,978,067	25,093,949
<b>Total</b>	<b>39,375,512</b>	<b>32,978,067</b>	<b>25,093,949</b>

### 22. CURRENT FINANCIAL LIABILITIES - OTHERS

(a) Current maturities of long-term debt			
(i) Current maturities of long-term debt - secured borrowings (refer note no. 18)	38,079,939	63,797,474	80,731,112
(ii) Current maturities of long-term debt - unsecured borrowings (refer note no. 18)	-	5,123,666	14,690,145
(b) Interest accrued but not due on borrowings	1,264,479	1,733,277	3,083,600
(c) Unclaimed dividends	1,388,235	1,421,066	1,246,115
<b>Total</b>	<b>40,732,653</b>	<b>72,075,483</b>	<b>99,750,972</b>

### 23. OTHER CURRENT LIABILITIES

(a) Income Received in Advance	2,574,566	1,217,261	1,055,466
(b) Payable to Related Party	8,624,818	7,384,783	6,585,387
(c) Statutory Dues	5,970,965	12,464,058	5,685,158
(d) Payables -(For other contractual obligations)	441,400	4,269,375	5,010,846
(e) Payables -(For Capital Goods)	-	218,468	-
(f) Outstanding Liabilities for expenses	1,162,305	4,440,178	828,421
<b>Total</b>	<b>18,774,054</b>	<b>29,994,123</b>	<b>19,165,278</b>

### 24. CURRENT PROVISIONS

Provision for employee benefits			
(i) Gratuity (Funded) {refer note no. 36}	-	3,685,272	2,325,271
(ii) Leave Encashment (Unfunded)	1,591,120	2,046,566	2,161,396
<b>Total</b>	<b>1,591,120</b>	<b>5,731,838</b>	<b>4,486,667</b>

### 25. CURRENT TAX LIABILITIES (NET)

Provision for Income Tax	43,988,734	89,201,364	59,335,738
[Net of Advance Income Tax of ₹ 155,312,303 (March 31,2017 : 140,799,670 and April 01,2016 : ₹ 142,719,605)]			
<b>Total</b>	<b>43,988,734</b>	<b>89,201,364</b>	<b>59,335,738</b>

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## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### 26. REVENUE FROM OPERATIONS

(In ₹)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(a) Sale of Services (Income from providing storage tanks on hire/rental basis for liquid cargo and other related services)	416,198,251	438,448,896
(b) Other operating revenue (Handling charges)	123,221	577,360
<b>Total</b>	<b>416,321,472</b>	<b>439,026,256</b>

### 27. OTHER INCOME

(a) Interest on		
(i) Fixed Deposits	395,181	651,999
(ii) Others	2,154,666	123,266
(iii) Loans and advances Subsidiary	27,449,019	23,692,120
(b) Dividend Income	500	501
(c) Credit Balance Written Back	3,671,433	-
(d) Sale of Scrap	498,380	1,371,675
(e) Insurance Claim Received	-	1,427,995
(f) Profit on Sale of Assets	-	-
(g) Miscellaneous Receipts	401,486	227,549
<b>Total</b>	<b>34,570,665</b>	<b>27,495,105</b>

### 28. EMPLOYEE BENEFIT EXPENSE

(a) Salaries and Wages	58,767,220	68,803,203
(b) Contribution to P.F. Fund	5,318,007	5,396,415
(c) Contribution to Gratuity Fund (refer note no. 36)	2,755,247	1,432,938
(d) Staff Welfare	1,630,593	2,217,790
<b>Total</b>	<b>68,471,067</b>	<b>77,850,346</b>

### 29. FINANCE COST

(a) Interest Expense	17,962,806	22,697,565
(b) Other Borrowing Costs		
(i) Finance Charges	1,250,000	1,250,000
(ii) Others including Bank Charges	160,262	22,168
<b>Total</b>	<b>19,373,068</b>	<b>23,969,733</b>



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### 30. OTHER EXPENSES

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
		(In ₹)
(a) Storage & Handling Charges	6,173,055	5,395,904
(b) Power & Fuel	8,932,774	8,958,102
(c) Rent	78,823,563	12,065,467
(d) Repairs		
(i) Plant & Machinery	20,444,332	33,467,495
(ii) Buildings	-	71,078
(iii) Others	2,552,947	2,153,596
(e) Insurance	3,449,995	3,015,358
(f) Rates & Taxes	671,131	573,267
(g) Selling agent Commission & Brokerage	-	-
(h) Legal & Professional Fees	7,586,862	3,103,308
(i) Directors Sitting Fees	880,000	1,320,000
(j) Commission to Directors	-	150,000
(k) Auditors Remuneration		
(i) Audit Fees	340,000	340,000
(ii) For Certification	210,000	210,000
(iii) Out Of Pocket Expenses	-	1,170
(l) Travelling Expenses	836,886	3,671,211
(m) CSR Expenditure u/s 135 of Companies Act, 2013 (refer note no 40)	500,000	500,000
(n) Miscellaneous Expenses	14,977,744	17,270,027
<b>Total</b>	<b>146,379,289</b>	<b>92,265,983</b>

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## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### 31. Capital and other Commitments

(In ₹)

PARTICULARS	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)
<b>Other :</b>		
Loan Processing Fees for Term Loan Sanctioned	Nil	1,250,000
<b>Total</b>	<b>Nil</b>	<b>1,250,000</b>

### 32. Contingent Liabilities

(In ₹)

PARTICULARS	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)
<b>(a) Claims against the Company not acknowledged as debts:</b>		
i) Additional demand on account of revision in rates of Lease Rent	183,114,964	85,843,575
ii) Additional demand on account of Transfer fee/upfront rent for change in name	158,354,295	208,354,295
iii) Additional demand on of Electricity Charges *	5,342,469	5,342,469
iv) Additional Demand on account of Foreclosure	525,000	525,000
<b>b) Guarantee: **</b>		
Corporate Guarantee given in favour of Banker's, towards credit facilities granted to Kesar Multimodal Logistics Limited (Subsidiary Company) (KMLL) to set up a "Composite Logistics Hub" at Powarkheda in Madhya Pradesh.	1,081,100,000	1,081,100,000
Bank Guarantee in favour of Commissioner of Customs, Kandla	375,000	375,000
Bank Guarantee in favour of Director General of Fire Services, Andhra Pradesh	932,886	932,886
<b>c) Disputed liability on account of Income Tax</b>	1,861,034	1,861,034
<b>Total</b>	<b>1,431,605,648</b>	<b>1,384,334,259</b>

\* Hon'ble High Court of Gujarat has set aside demand of Gujarat Electricity Board; contrarily Gujarat Electricity Board has filed Special Leave Petition in Supreme Court. Order is awaited

\*\* The total outstanding loans as at 31.03.2018 is ₹ 1,012,040,149 (Previous Year ₹ 946,301,322) against Corporate Guarantee.

Strategic Debt restructuring (SDR) was invoked and approved by the Banks of the Kesar Multimodal Logistics Ltd (KMLL) on 20.11.2017. However, upon withdrawal of the SDR scheme by RBI vide its circular no RBI/2017-18/131 DBR.No.BP.BC.101/21.04.048/2017-18 dated 12.02.2018, Bankers have invoked the Corporate Guarantee given by the Company. The company's subsidiary KMLL is contesting at appropriate legal forum, the applicability of RBI's aforesaid circular and its consequential invocation of Corporate Guarantee.

### 33. Capital Work in Progress includes

(In ₹)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)
DTC-10 MS Tank	2,934,946	Nil
<b>Preoperative Expenses</b>		
Other Miscellaneous Expenses	832,752	8,32,752
<b>Total</b>	<b>3,767,698</b>	<b>832,752</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

34. Pursuant to Scheme of Demerger, the Company has requested Deendayal Port Trust (DPT) (formerly known as Kandla Port Trust(KPT)) for transfer of leasehold land situated at Kandla in its name which is presently in the name of Kesar Enterprises Ltd. However, DPT has raised a demand of ₹ 208,354,295/- on account of such transfer/ upfront fee for change in the name. The Company has filed a writ petition in High Court of Gujarat, against the demand raised by the DPT. In the Current year the Company has deposited ₹ 50,000,000/- with DPT as per Court directives towards above demands and is of the view that the demand raised is likely to be deleted or substantially reduced and hence no provision in required to be made. However, for certain portion of leasehold land, where the lease period is expired, the same is pending for renewal by DPT, although the Company has filed writ petition/ application for the renewal of the said lease and is of the view that Lease shall be renewed by DPT. Pending outcome of the writ petition filed in High Court of Gujarat, depreciation on Assets constructed at lease hold land has been charged as per the rates prescribed in Schedule II of the Companies Act 2013.
35. The Non Current Investments amounting to ₹ 35,000,000/- (Previous Year ₹ 35,000,000/-) is placed as a security against borrowings.
36. **Employee Benefit**

### Defined Benefit Plan (Gratuity Fund) - Funded

In accordance with Indian Accounting Standard 19 "Employee Benefits", actuarial valuation was performed by independent actuaries in respect of the aforesaid defined benefit plan.

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

(In ₹)

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March, 2018	For the year ended on 31st March, 2017
Present Value of funded obligations	24,989,866	23,080,195
Fair Value of plan assets	(25,743,443)	(19,394,923)
Net liability /(Assets)	(753,577)	3,685,272
<b>Amount in balance sheet Liabilities/ (Assets)</b>	<b>(753,577)</b>	<b>3,685,272</b>

(b) The amounts recognized in the statement of profit and loss are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2018	For the year ended 31st March 2017
Current service cost	1,262,119	1,246,915
Interest on obligation	267,919	186,022
Past Service Costs	1,225,209	-
<b>Total included in employee benefit expense</b>	<b>2,755,247</b>	<b>1,432,937</b>

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

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March, 2018	For the year ended on 31st March, 2017
Opening defined benefit obligation	23,080,195	21,125,446
Current Service costs	1,262,119	1,246,915
Interest costs	1,677,930	1,690,036
Past Service Cost	1,225,209	-
Actuarial losses (gains)	(1,302,224)	773,321
Benefits paid	(953,363)	(1,755,523)
<b>Closing defined benefit obligation</b>	<b>24,989,866</b>	<b>23,080,195</b>

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## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

(d) The amount recognized in the other comprehensive Income (OCI) is as follows: (In ₹)

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Actuarial (Gains)/Losses on obligation for the period	(1,302,224)	773,321
Return on Plan Assets, excluding interest income	(470,396)	1,504,014
<b>Net actuarial losses (gains) recognized in year</b>	<b>(1,772,620)</b>	<b>2,277,335</b>

(e) The Reconciliation of Balance Sheet in the statement are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March, 2018	For the year ended on 31st March, 2017
Opening net Liability	3,685,272	2,325,271
Expenses recognized in Statement of Profit or Loss	2,755,247	1,432,937
Expenses recognized in OCI	(1,772,620)	2,277,335
Net Liability / (asset) Transfer In	(3,351,476)	(25,000)
Employers Contribution	(2,070,000)	(2,325,271)
<b>Net Liability/(Assets) Recognised in the Balance Sheet</b>	<b>(753,577)</b>	<b>3,685,272</b>

(f) The amount recognized Interest Cost in the statement are as follows:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March, 2018	For the year ended on 31st March, 2017
Present Value of Benefit Obligation	23,080,195	21,125,446
Fair Value of Plant Assets	(19,394,923)	(18,800,175)
Net Liability / (Assets) At the Beginning	3,685,272	2,325,271
Interest Cost	1,677,930	1,690,036
Interest Income	(1,410,011)	(1,504,014)
<b>Net Interest cost for Current Period</b>	<b>267,919</b>	<b>186,022</b>

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

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March, 2018	For the year ended on 31st March, 2017
Opening fair value of plan assets	19,394,923	188,00,175
Adjustment in funds		
Expected return on plan assets	1,410,011	1,504,014
Actuarial gains / (losses)	470,396	(1,504,014)
Contributions by employer	2,070,000	2,325,271
Assets Transferred In /Acquisitions	3,351,476	25,000
Benefits paid	(953,363)	(1,755,523)
Closing fair value of plan assets	25,743,443	19,394,923

Plan Assets are invested in Group Gratuity Scheme of Life Insurance Corporation of India.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

(h) Principal actuarial assumptions at the balance sheet date:

PARTICULARS	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March, 2018	For the year ended on 31st March, 2017
Discount rate	7.88%	7.27%
Salary escalation rate	8.00%	8.00%
Expected return on plan assets	7.88%	7.27%
Attrition rate	1.00%	1.00%
Mortality Tables	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08) Ultimate

The expected rate of return on plan assets is based on the expectations of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

The estimates of future salary increases are considered taking into account inflation, seniority promotion and other relevant factors.

(i) Amounts for the current and previous four years are as follows: (In ₹)

PARTICULARS	Defined Benefit (Gratuity) Plan				
	For the year ended 31st March 2018	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2015	For the year ended 31st March 2014
Defined benefit obligation	24,989,866	23,080,195	21,125,446	19,605,873	18,117,000
Plan assets	25,743,443	19,394,923	18,800,175	18,801,080	18,973,712
Surplus/ (deficit)	753,577	(3,685,272)	(2,325,271)	(804,793)	856,712

(j) Experience Adjustment:

PARTICULARS	Defined Benefit (Gratuity) Plan				
	For the year ended 31st March 2018	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2015	For the year ended 31st March 2014
On plan Liability (Gains)/ Losses	(413,127)	(435,822)	(252,634)	2678,585	713,341
On plan Assets Gains/ (Losses)	470,396	(1,504,014)	(1,504,086)	(45,560)	(71,993)

Defined Contribution Plans

Amount recognized as expense in respect of Compensated Leave Absence is ₹ (321,496) (Previous Year ₹ 2,230,872).

Amount recognized as an expense in respect of "Contribution to Provident and other Funds" is ₹5,318,007 (Previous Year ₹ 5,396,415)

(k) Sensitivity Analysis

PARTICULARS	For the year ended 31st March 2018	For the year ended 31st March 2017
Projected Benefit Obligation on Current Assumptions	24,989,866	23,080,195
Delta Effect of +1% Change in Rate of Discounting	(1,323,580)	(1,626,597)
Delta Effect of -1% Change in Rate of Discounting	1,493,783	1,873,098
Delta Effect of +1% Change in Rate of Salary Increase	1,252,882	1,841,179
Delta Effect of -1% Change in Rate of Salary Increase	(1,159,122)	(1,630,429)
Delta Effect of +1% Change in Rate of Employee Turnover	21,952	(94,630)
Delta Effect of -1% Change in Rate of Employee Turnover	(24,544)	105,828

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## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

### Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

**Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

### 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, comprises borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations directly or indirectly. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk and liquidity risk. Market risk is applicable to variable rate borrowing. Equity risk is not applicable since company does not have equity investments. Foreign exchange risk is not applicable since the company does not have long term imports. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk Management	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis	Diversification of bank deposits
Liquidity Risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk- Interest	Variable Rate Borrowing	Interest rate sensitivity	Mix of fixed versus floating rate

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

### Trade receivables

Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

### Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department.

### Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, preference shares and unsecured loans.

**The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2018, March 31, 2017 and April 01, 2016**

#### Year ended March 31, 2018

(In ₹)

Particulars	Upto 1 Year	1 to 5 years	> 5 years	Total
<b>Secured Borrowing-Term Loan</b>				
Term Loans	37,499,996	77,365,467	-	114,865,463
Car Loan	579,943	760,606	-	1,340,549

#### Year ended March 31, 2017

Particulars	Upto 1 Year	1 to 5 years	> 5 years	Total
<b>Secured Borrowing-Term Loans</b>				
Term Loans	62,499,996	116,666,670	-	179,166,666
Car Loan	1,297,478	390,021	-	1,687,499

#### Year ended March 31, 2016

Particulars	Upto 1 Year	1 to 5 years	> 5 years	Total
<b>Secured Borrowing-Term Loans</b>				
Term Loans	79,583,333	82,816,667	-	162,400,000
Car Loan	1,147,779	1,687,500	-	2,835,279

### Interest rate risk

The Company has MCLR based borrowing and depending on the interest rate scenario, the company decides on the mix of fixed rate versus variable rate borrowing.



# Annual Report 2017-2018

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

### Interest rate sensitivity

Variable interest rate loans are exposed to interest rate risk, the impact on profit or loss before tax may be as follows:

(In ₹)

PARTICULARS	Impact on profit before Tax	
	2017-18	2016-17
Interest rate – increase by 100 basis points (100 bps)	12,28,577	16,09,880
Interest rate – decrease by 100 basis points (100 bps)	-12,28,577	-16,09,880

### 38. Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the value of the share and to reduce the cost of capital.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	March 31, 2018	March 31, 2017	April 01, 2016
<b>Net Debt</b>			
Long term Borrowing and Other Current Liabilities	116,206,012	185,977,831	182,995,718
Cash and Cash Equivalent	13,064,173	58,396,119	9,886,163
<b>Equity</b>			
Equity share capital	54,632,375	54,632,375	52,531,130
Other Equity	1,120,613,667	931,603,735	704,828,369
Net debt/Equity Ratio	0.09	0.13	0.23

### 39. Financial Instruments by category

The criteria for recognition of financial instruments is explained in significant accounting policies.

PARTICULARS	March 31, 2018			March 31, 2017			April 01, 2016		
	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL
<b>Financial Assets</b>									
<b>Non-Current Financial Assets</b>									
-Other Non Current Assets	147,177,056			147,168,272			148,796,001		

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

(In ₹)

PARTICULARS	March 31, 2018			March 31, 2017			April 01, 2016		
	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL
-Trade Receivable	36,360,629			47,774,045			42,637,709		
-Cash and Cash equivalent	13,064,173			58,396,119			9,886,163		
-Other Bank Balances	3,827,380			5,567,397			2,557,894		
Current Financial Assets-Others	316,003			280,361			255,821		
<b>Total financial Asset</b>	<b>200,745,241</b>			<b>259,186,194</b>			<b>204,133,588</b>		
<b>Financial Liabilities</b>									
-Long term Borrowings	78,126,073			117,056,691			87,574,461		
-Trade payable	39,375,511			32,978,067			25,093,949		
-Other Financial Liabilities	40,732,653			72,075,483			99,750,972		
<b>Total financial liabilities</b>	<b>158,234,237</b>			<b>222,110,241</b>			<b>212,419,382</b>		

#### 40. CSR Expenditure:

Particulars	For the year ended 31st March 2018(₹)	For the year ended 31st March 2017(₹)
a) Gross Amount required to be spent by the Company during the year	4,408,800	4,011,800
b) Amount spent during the year	500,000	500,000

#### 41. Segment Reporting

The Company is mainly engaged in Liquid Storage Business in India and there is no other reportable business and geographical segment as required by Indian Accounting Standard 108.

#### 42. Related party disclosures under Indian Accounting Standard -24

Names of related parties and nature of related party relationships:

##### Name of Related Parties

##### a) Key Management Personnel and their relatives:

Key Management Personnel:

Mr. H R Kilachand

Executive Director (w.e.f. 20.12.2017)

# Annual Report 2017-2018

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

Mrs. M H Kilachand	Promoter Director(upto 07.11.2017)
Mr. Rohan H Kilachand	Executive Director (upto 31.05.2017)
Ms. Rohita H Kilachand	Vice President-HR, CSR & IO (upto 14.08.2017)
Relatives of Key Management Personnel:	
Mrs. Nidhi R Kilachand	Wife of Executive Director (Mr. Rohan H Kilachand)

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

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

**c) Subsidiary Company:**

Kesar Multimodal Logistics Limited (KMLL)

**d) Others**

Mr. Alok Singh-Company Secretary (upto 14.02.2018)  
Independent and Non-Executive Directors

(In ₹)

### Disclosure of transactions with related parties and the status of outstanding balance as on 31st March, 2018:

Particulars	Kesar Enterprises Limited	Kesar Multimodal Logistics Ltd	Kesar Corporation Ltd	H R Kilachand	M H Kilachand	Rohan H Kilachand	Rohita H Kilachand	Others
<b>(a) Transactions</b>								
Sharing of Common Expenses	9,440,472 (15,757,344)							
Managerial Remuneration				2,649,563 (222,720)		579,856 (3,211,867)		
Director Fees/ Commission					20,000 (160,000)	60,000 (Nil)		800,000 (1,160,000)
Interest Paid	130,684 (Nil)		410,071 (Nil)					
Salary paid							557,287 (1,368,631)	984,351 (396,238)
Advance/ Loan Taken	5,000,000 (Nil)		4,800,000 (Nil)					
Advance/ Loan Repaid	5,000,000 (Nil)		1,300,000 (Nil)					
Long term loans and advances-Classified as Loans		4,426,868 (Nil)						
Long term loans and advances-Classified as Contribution to Equity Capital of subsidiary		46,946 (Nil)						

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

(In ₹)

Particulars	Kesar Enterprises Limited	Kesar Multimodal Logistics Ltd	Kesar Corporation Ltd	H R Kilachand	M H Kilachand	Rohan H Kilachand	Rohita H Kilachand	Others
Preference shares-Classified as investment in preference shares Investment		19,323,220 (37,013,813)						
Preference shares- Classified as Contribution to Equity Capital of subsidiary		67,076,780 (128,486,187)						
Purchase of Investment	250,000 (Nil)							
<b>(b) Balance outstanding</b>								
Payable for Expenses Short term	2,400,647 (4,029,676)							
Managerial Remuneration				2,355,107 (3,355,107)				
Director Fees/Commission					Nil (200,000)			
Salary						Nil (237,682)	Nil (110,100)	Nil (77,651)
Long term loans and advances-Classified as Loans		14,4682,185 (140,633,484)						
Long term loans and advances-Classified as Contribution to Equity Capital of subsidiary		15,191,629 (14,766,516)						
Preference shares-Classified as investment in preference shares Investment		89,812,483 (62,938,728)						
Preference shares- Classified as Contribution to Equity Capital of subsidiary		258,487,517 (198,961,272)						
Loan Taken			3,869,064 (Nil)					
Investments in Equity Share Capital		418,000,000 (417,750,000)						
Corporate Guarantee		1,081,100,000 (1,081,100,000)						

(Figures in brackets represents previous year)

### Dividend Paid to Key Management Personnel and their relatives, Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence:

Name	During the Year 2017-18	During the Year 2016-17
Harsh R Kilachand	236,540	227,443
Madhavi Harsh Kilachand	320,174	307,860
Rohan Harsh Kilachand	137,651	132,357
Rohita Harsh Kilachand	136,735	131,476
Harsh Rajnikant Kilachand (HUF)	19,965	19,197

# Annual Report 2017-2018

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

(In ₹)

Name	During the Year 2017-18	During the Year 2016-17
Indian Commercial Co. Pvt. Ltd.	169,087	162,584
Seel Investment Pvt. Ltd.	159,926	153,775
Indian Carat Pvt Ltd	7,390	7,106
Kesar Corporation Pvt Ltd	1,507,220	1,449,250
Kesar Enterprises Ltd	520,000	500,000

- 43 Loans and advances in the nature of loans given to Subsidiary Company/Guarantees given on behalf of Subsidiary in accordance with schedule V of SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015 & Section 186 of the Companies Act, 2013.

Name of Entity: Kesar Multimodal Logistics Ltd.

(In ₹)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Loan outstanding	144,682,185	140,633,484
Maximum amount Outstanding	159,873,814	155,400,000
Terms of Repayments & Repayment Schedule	Payable on demand after 01st April, 2019	Payable on demand after 01st April, 2018
Purpose	Payment to contractor & administrative expenses	Payment to contractor & administrative expenses
Corporate Guarantee *	1,081,100,000	1,081,100,000
Purpose	Payment to contractor & administrative expenses	Payment to contractor & administrative expenses
Investment in Equity Shares	418,000,000	417,750,000
Investment in Preference Shares	89,812,483	62,938,728

\* The total outstanding loans of Lenders as at 31.03.2018 is ₹ 1,012,040,149 (Previous Year ₹ 946,301,321) against Corporate Guarantee.

#### 44 Supplementary statutory information

Particulars	For the year ended 31st March 2018 (₹)	For the year ended 31st March 2017 (₹)
(a) Expenditure in foreign currency (Foreign Travelling & Business Promotion Expenses)	139,348	750,330
(b) Earnings in foreign currency	Nil	Nil

- 45 Disclosure of amounts payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act. There are no overdue principal amounts/ interest payable for delayed payments

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

to such vendors as at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

### 46 Earnings per Share (EPS):

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Basic & Diluted EPS:		
a) Net profit attributable to Equity Shareholders (₹)	194,328,926	236,688,331
b) Weighted average number of Equity Shares Outstanding (Nos.)	10,926,475	10,926,475
Basic & Diluted EPS (₹)	17.79	21.66
Face Value per Share (₹)	5.00	5.00

47 The common corporate expenses incurred at Corporate Head Office at Mumbai for the year have been allocated as per the Sharing Agreement between Kesar Enterprises Ltd. and the Company. The amount allocated to the Company is ₹ 9,440,472 (Previous Year ₹ 15,757,344). Addition to fixed assets includes ₹ Nil (Previous Year ₹ Nil) (net of depreciation), transferred from Kesar Enterprises Ltd.

48 Derivative instruments and unhedged foreign currency exposure Nil (previous year Nil).

### 49 Tax Expenses

#### (a) Income tax expense

Particulars	2017-18	2016-17
<b>Current tax (in ₹)</b>		
Current tax on profits for the year	41,000,000	80,320,000
Adjustments for current tax of prior year	(20,401,627)	(11,404,374)
Total current tax expense	20,598,373	68,915,626
<b>Deferred tax</b>		
Deferred tax charge/(credit)	(9,347,734)	(38,851,329)
MAT credit Entitlement	(5,892,946)	-
<b>Total tax expense</b>	<b>5,357,693</b>	<b>30,064,297</b>

#### b) Reconciliation of tax expense and the accounting profit :

Particulars	2017-18	2016-17
Profit before tax	199,686,619	266,752,628
Income tax expense calculated at 28.840% (34.608% for 2016-17)	57,589,621	92,317,749
<b>(i) Tax effect of:</b>		
<b>Add :</b>		
Corporate social responsibility expenses not allowed as deduction	144,200	173,040
Provisions for Retirement Benefits	522,010	1,636,386
Difference in Depreciation and Amortisation	(61,253)	(4,616,296)
Previously unrecognised tax losses now recouped to reduce current tax expense	(1,205,349)	(239,076)
Deduction available as per section 80-IA of the Income Tax Act, 1961	(1,38,98,702)	-
Deferred Tax Expense for the year	(9,347,734)	(38,851,329)
Additional Income as calculated by using effective interest rate	(7,916,297)	(8,951,803)
Excess provision of previous years reversed	(20,401,627)	(11,404,374)
Provision for doubtful Debts	(67,176)	-
<b>Total Expenses</b>	<b>5,357,693</b>	<b>30,064,297</b>

# Annual Report 2017-2018

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2018

50 Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the new Standard Ind-AS 115 “Revenue from Contracts with Customers” which is effective from April 1, 2018.

The core principle of Ind-AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind-AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind-AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind-AS 115 is expected to be insignificant.

51 The previous year figures have been regrouped and reclassified wherever necessary to correspond with the current year classification/disclosure.

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The accompanying notes are an integral part of the financial statements

**As per our report of even date attached**

**For Haribhakti & Co. LLP**

**Chartered Accountants**

**ICAI FRN NO.103523W / W100048**

**Sumant Sakhardande**

**Partner**

**Membership No. 034828**

**Place: Mumbai**

**Date: 13th June, 2018**

**For and on behalf of the Board of Directors**

**H R Kilachand**

**Executive Chairman**

**DIN 00294835**

**V J Doshi**

**Chief Financial Officer**

**A S Ruia**

**Director**

**DIN 00296622**

**Place: Mumbai**

**Date: 13th June, 2018**



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## INDEPENDENT AUDITOR'S REPORT

To the Members of Kesar Terminals and Infrastructure Limited

### Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Kesar Terminals and Infrastructure Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

### Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiary, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs of the Group as at March 31, 2018, their consolidated Loss including other comprehensive income, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

### Other Matters

- (a) We did not audit the Ind AS financial statements of 1 subsidiary, whose Ind AS financial statements reflects total assets of ₹ 16,160.27 Lakhs and net assets of ₹ 2,336.45 Lakhs as at March 31, 2018, total revenues of ₹ 241.52 Lakhs and net cash flows

# Annual Report 2017-2018

of ₹ (188.62) amounting to for the year ended on that date, as considered in the Consolidated Ind AS Financial Statements. These Ind AS financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

- (b) The comparative Consolidated financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these Consolidated Ind AS financial statements, are based on the previously issued Statutory Consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended March 31, 2017 and March 31, 2016 dated May 30, 2017 and May 30, 2016 respectively expressed an unmodified opinion on those Consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion on the Consolidated Ind AS Financial Statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements certified by the management.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements;
- d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
- e. On the basis of written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company none of the directors of the Group companies is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group, and the operating effectiveness of such controls, we give our separate Report in the "Annexure".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 32 to the Consolidated Ind AS Financial Statements;
  - (ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts;
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

**Sumant Sakhardande**

Partner

Membership No. 034828

Place: Mumbai

Date: June 13, 2018

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Kesar Terminals and Infrastructure Limited on the consolidated Ind AS financial statements for the year ended March 31, 2018]

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, We have audited the internal financial controls over financial reporting of the Group, which are companies incorporated in India, as of that date.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## Management's Responsibility for Internal Financial Controls

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

## Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## Meaning of Internal Financial Controls Over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

In our opinion, the Group, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

## Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary company, which is company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

**Sumant Sakhardande**

Partner

Membership No. 034828

Place: Mumbai

Date: June 13, 2018

# Annual Report 2017-2018

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	(in ₹)		
		As at 31st March 2018	As at 31st March 2017	As at 1st April, 2016
<b>I. ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, plant and equipment	5	1,818,393,252	1,880,221,725	299,511,854
(b) Capital Work in Progress		53,563,366	93,347,229	1,657,471,394
(c) Intangible Assets		1,479,564	1,804,966	666,692
(d) Financial Assets				
(i) Investments	6	5,000	5,000	5,000
(ii) Others	7	12,821,891	24,541,283	27,008,359
(e) Other Non- Current Assets	8	-	-	4,754
<b>2 Current assets</b>				
(a) Inventories	9	1,015,645	1,156,787	1,022,810
(b) Financial Assets				
(i) Trade Receivables	10	40,990,744	52,005,304	42,637,709
(ii) Cash and cash equivalents	11	15,909,081	87,043,472	10,133,607
(iii) Bank Balances other than Cash and cash equivalents	12	11,352,380	6,152,109	3,871,354
(iv) Other Financial Assets	13	1,456,758	1,355,624	667,852
(c) Other Current Assets	14	12,952,816	9,178,213	3,473,355
<b>TOTAL</b>		<b>1,969,940,497</b>	<b>2,156,811,712</b>	<b>2,046,474,740</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity Share Capital	15	54,632,375	54,632,375	52,531,130
(b) Other Equity	16	513,370,385	596,858,666	664,296,939
<b>2 Non Controlling Interest</b>		-	99,443	250,000
<b>3 Liabilities</b>				
<b>A Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	17	78,411,189	991,649,658	824,271,715
(ii) Others	18	38,340,000	51,120,000	-
(b) Provisions	19	5,698,168	7,236,939	6,144,624
(c) Deferred Tax Liabilities (net) including MAT Credit Entitlement	20	26,787,219	35,783,257	32,361,490
<b>B Current liabilities</b>				
(a) Financial Liabilities				
(i) Trade payables	21	56,953,194	48,705,570	28,707,737
(ii) Other Financial Liabilities	22	1,065,761,659	165,059,558	241,986,911
(b) Other Current Liabilities	23	84,090,184	110,531,562	132,028,327
(c) Provisions	24	1,907,390	5,933,320	4,560,129
(d) Current Tax Liabilities (Net)	25	43,988,734	89,201,364	59,335,738
<b>TOTAL</b>		<b>1,969,940,497</b>	<b>2,156,811,712</b>	<b>2,046,474,740</b>
Significant accounting policies	2			

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

As per our report of even date attached

For Haribhakti & Co. LLP

Chartered Accountants

ICAI FRN NO.103523W / W100048

Sumant Sakhardande

Partner

Membership No. 034828

Place: Mumbai

Date: 13th June, 2018

For and on behalf of the Board of Directors

H R Kilachand  
Executive Chairman  
DIN 00294835

A S Ruia  
Director  
DIN 00296622

V J Doshi  
Chief Financial Officer

Place: Mumbai  
Date: 13th June, 2018

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(in ₹)

Particulars	Note No.	For the year ended 31st March, 2018	For the year ended 31st March, 2017
<b>I. Revenue:</b>			
Revenue From Operations	26	440,473,887	481,050,569
Other Income	27	8,036,055	4,869,195
<b>Total Revenue</b>		<b>448,509,942</b>	<b>485,919,764</b>
<b>II. Expenses:</b>			
Employee benefits expense	28	88,199,060	91,142,669
Finance Cost	29	144,523,447	135,514,051
Depreciation and amortization expense	5	96,249,455	96,525,917
Other expenses	30	186,568,934	158,924,726
<b>Total Expenses</b>		<b>515,540,896</b>	<b>482,107,363</b>
<b>III. Profit before Exceptional items &amp; Tax (I-II)</b>		(67,030,954)	3,812,401
<b>IV. Excess depreciation of earlier years</b>		-	12,072,762
<b>V. Profit before tax (III-IV)</b>		(67,030,954)	15,885,163
<b>VI Tax Expense:</b>			
(a) Current tax [including prior year tax provision written back ₹ 20,401,627 (Previous year ₹ 11,404,374)]		20,598,373	69,291,593
(b) Deferred tax including MAT credit		(9,512,225)	4,209,907
<b>VII Profit for the year (V-VI)</b>		<b>(78,117,102)</b>	<b>(57,616,337)</b>
<b>VIII Non controlling interest</b>		(140,038)	(150,557)
<b>IX Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss.		1,870,991	(2,336,862)
(ii) Income tax relating to items that will not be reclassified to profit or loss.		(516,187)	788,140
B (i) Items that will be reclassified to profit or loss.			
(ii) Income tax relating to items that will be reclassified to profit or loss.			
<b>X Total Comprehensive Income for the Period (VII + IX)</b>		<b>(76,762,298)</b>	<b>(59,165,059)</b>
<b>XI Basic &amp; Diluted Earnings per equity share</b>	45	(7.16)	(5.26)
[Nominal value of shares ₹ 5]			
Significant accounting policies	2		

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

As per our report of even date attached

For Haribhakti & Co. LLP

Chartered Accountants

ICAI FRN NO.103523W / W100048

Sumant Sakhardande

Partner

Membership No. 034828

Place: Mumbai

Date: 13th June, 2018

For and on behalf of the Board of Directors

H R Kilachand

Executive Chairman

DIN 00294835

A S Ruia

Director

DIN 00296622

V J Doshi

Chief Financial Officer

Place: Mumbai

Date: 13th June, 2018

# Annual Report 2017-2018

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
(in ₹)		
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>NET PROFIT BEFORE TAX</b>	(67,030,954)	3,812,401
<b>Non-cash adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation	96,249,455	96,525,917
Dividend Income	(500)	(501)
Interest Income	(3,465,104)	(52,585,589)
Interest and Finance Charges	144,756,375	186,655,190
Other Comprehensive Income	1,870,991	(2,336,862)
Credit Balance Written Back	(3,671,433)	
Loss/ (Profit) on sale of Fixed Assets	(13,564)	-
Provision for Doubtful debts	(224,788)	127,548
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>168,470,478</b>	<b>232,198,104</b>
<b>Movements in working capital:</b>		
Decrease / (Increase) in Inventories	141,142	(133,977)
Decrease / (Increase) in Trade Receivables	11,239,348	(9,493,495)
Decrease / (Increase) in Other Current Financial Assets	(35,642)	(1,107,020)
Decrease / (Increase) in Other non current Financial assets	(92,684)	848,471
Decrease / (Increase) in Other current assets	(1,790,070)	(3,207,802)
Decrease / (Increase) in Other non current assets	(419,676)	1,671,633
Increase / (Decrease) in Trade Payables	8,247,624	19,997,833
Increase / (Decrease) in Other Current Liabilities	(14,304,577)	11,932,162
Increase / (Decrease) in Other Financial Liabilities	-	12,780,000
Increase / (Decrease) in Current Provision	(354,497)	1,373,191
Increase / (Decrease) in Non Current Provision	(1,538,771)	1,092,315
<b>CASH GENERATED FROM OPERATIONS</b>	<b>169,562,675</b>	<b>267,951,414</b>
Taxes (Paid)	(66,569,949)	(41,145,419)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>102,992,726</b>	<b>226,805,995</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets including Intangible Assets & CWIP	(9,804,954)	(135,090,536)
Sale of Fixed Assets	70,000	15,128
Interest Received	3,332,082	51,889,018
Dividend Received	500	501
Increase/(Decrease) in Non Current Financial Assets-Others	7,025,000	-
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>	<b>622,628</b>	<b>(83,185,889)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Repayment of Borrowings	(85,229,072)	(97,117,887)
Proceeds from Borrowings	(13,355,366)	176,539,731
Dividend Paid	(5,496,069)	(4,008,749)
Dividend Distribution Tax Paid	(1,112,189)	(1,069,413)
Interest Paid	(51,576,776)	(188,581,389)
Increase/(Decrease) in other Long Term liabilities	(12,780,000)	51,120,000
<b>NET CASH (USED IN) FINANCING ACTIVITIES</b>	<b>(169,549,472)</b>	<b>(63,117,707)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(65,934,118)</b>	<b>80,502,399</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>93,195,581</b>	<b>12,693,182</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>27,261,462</b>	<b>93,195,581</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
CASH AND CASH EQUIVALENTS	15,909,082	87,043,472
OTHER BANK BALANCES	11,352,380	6,152,109
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>27,261,462</b>	<b>93,195,581</b>

\* The Company can utilise this balance only towards settlement of the respective unclaimed dividend  
Note : Figures in brackets are outflows

The accompanying notes are an integral part of the financial statements.  
As per our report of even date attached

For Haribhakti & Co. LLP  
Chartered Accountants  
ICAI FRN NO.103523W / W100048

Sumant Sakhardande  
Partner  
Membership No. 034828

Place: Mumbai  
Date: 13th June, 2018

For and on behalf of the Board of Directors

H R Kilachand  
Executive Chairman  
DIN 00294835

A S Ruia  
Director  
DIN 00296622

V J Doshi  
Chief Financial Officer

Place: Mumbai  
Date: 13th June, 2018



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

A : Equity Share Capital (Equity shares of ₹ 5 each issued, subscribed and fully paid)

Particulars	Numbers	Amount in ₹
<b>Balance as at the April 1, 2016</b>	<b>5,253,113</b>	<b>52,531,130</b>
Changes in equity share capital during the year 2016-2017	5,673,362	2,101,245
<b>Balance as at March 31, 2017</b>	<b>10,926,475</b>	<b>54,632,375</b>
Changes in equity share capital during the year 2017-2018	-	-
<b>Balance at the March 31, 2018</b>	<b>10,926,475</b>	<b>54,632,375</b>

(In ₹)

Particulars	Reserve and Surplus		Total Other Equity
	General Reserves	Retained Earnings	
<b>Balance at the April 1, 2016</b>	<b>299,600,000</b>	<b>364,696,939</b>	<b>664,296,939</b>
<b>Total Comprehensive income for the year</b>			
Profit for the year		(57,465,780)	(57,465,780)
Other Comprehensive Income		(1,548,722)	(1,548,722)
Issue of share capital	(2,101,245)		(2,101,245)
Final Dividend Paid		(5,253,113)	(5,253,113)
Dividend Distribution Tax Paid		(1,069,413)	(1,069,413)
<b>Balance as at March 31, 2017</b>	<b>297,498,755</b>	<b>299,359,911</b>	<b>596,858,666</b>
<b>Total Comprehensive income for the year</b>			
Profit for the year	-	(77,977,063)	(77,977,063)
Other Comprehensive Income	-	1,354,804	1,354,804
Final Dividend Paid	-	(5,463,238)	(5,463,238)
Dividend Distribution Tax Paid	-	(1,112,189)	(1,112,189)
Reversal of Minority Interest (Loss)/Profit		(290,595)	(290,595)
<b>Balance as at March 31, 2018</b>	<b>297,498,755</b>	<b>215,871,630</b>	<b>513,370,385</b>

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

**As per our report of even date attached**

For **Haribhakti & Co. LLP**

**Chartered Accountants**

**ICAI FRN NO.103523W / W100048**

**Sumant Sakhardande**

**Partner**

**Membership No. 034828**

**Place: Mumbai**

**Date: 13th June, 2018**

**For and on behalf of the Board of Directors**

**H R Kilachand**

**Executive Chairman**

**DIN 00294835**

**A S Ruia**

**Director**

**DIN 00296622**

**V J Doshi**

**Chief Financial Officer**

**Place: Mumbai**

**Date: 13th June, 2018**



# Annual Report 2017-2018

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### Background

The Company was incorporated on 21st January 2008. 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 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 Storage Undertaking into the Company, 4,753,113 Equity Shares of ₹ 10 each, fully paid up are issued and allotted on 1st June 2010 by the Company to the shareholders of Kesar Enterprises Limited (KEL) in the ratio of 10:7 i.e. for every 10 shares in KEL, 7 shares in the company.

Kesar Terminals and Infrastructure Ltd is mainly engaged in the business of renting of liquid storage tanks at Kandla and is in process of commencing its operation at Pipavav and Kakinada Port.

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

### 1 Principles of Consolidation

The Consolidated Financial Statements relate to Kesar Terminals & Infrastructure Ltd and its wholly owned Subsidiary Company Kesar Multimodal Logistics Ltd. The consolidated financial statements are prepared on the following basis :

- A. The financial statements of the Company and its subsidiary are combined on line-by-line basis by adding together the book values of like items of assets, liabilities after fully eliminating material intra group balances and intra group transactions and resulting unrealized profit or losses on the group transactions
- B. Share of Non controlling interest's in net assets of the subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's Shareholder.

Non controlling Interest in the net assets of subsidiary consists of:

- (i) The amount of share in Equity Shareholder's Funds attributable to the non controlling interest at the date on which investment in subsidiary is made; and
- (ii) The non controlling interest's share of movements in share in Equity Shareholder's Funds attributable to the minority, since the date the parent subsidiary relationship comes into existence.
- (iii) The Subsidiary Company considered in the consolidated financial statement is

Name of the Subsidiary	Country of Incorporation	Proportion of ownership interest
Kesar Multimodal Logistics Ltd.	India	100.00%

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements

### 2 Significant Accounting Policies

#### A. Statement of Compliance with Ind AS

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1st April, 2016 with restatement of previous year figures presented in this financial statements. Accordingly, the financial statements have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with Ind AS-101 First time adoption of Indian Accounting Standards.

The transition was carried out from Generally Accepted Accounting Principles in India which comprised of applicable Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India (ICAI), relevant applicable provisions of the Companies Act, 1956, and the Companies Act, 2013 to the extent applicable ("Previous GAAP").

These financial statements for the year ended 31st March, 2018 are the first financial statements of the Company prepared in accordance with Ind AS. The date of transition to Ind AS is 1st April, 2016. Reconciliations and descriptions of the effect of the transition have been summarized in Note No. 4) All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved for issue by the Board of Directors has been considered in preparing these financial statements.

### **B Basis of Measurement**

The financial statements have been prepared on historical cost basis except the following:

- Certain financial assets and liabilities are measured at fair value;
- Assets held for sale- measured at fair value less cost to sell;
- Defined benefit plans- plan assets measured at fair value.

### **C Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period and cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### **D The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs, except when otherwise stated.**

### **E Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of the revenue and expenses during the reporting period and disclosures of contingent liabilities as of the date of the financial statements. Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in notes to the financial statements.

# Annual Report 2017-2018

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### Key accounting estimates :

#### (i) Income taxes:

The Company's tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

#### (ii) Defined Benefit Obligation:

The cost of the defined benefit gratuity plan and defined benefit leave encashment plan, the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates, rates of employee turnover. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

#### (iii) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### F Revenue Recognition:

Revenue from services is recognised on accrual basis and when the consideration is reliably determinable and no significant uncertainty exists regarding the collection of the consideration.

Revenue is measured at the fair value of the consideration received or receivable. The amount recognised as revenue is exclusive of Service Tax, Sales Tax and Value Added Taxes (VAT), GST (Goods and Services Tax) and is net of discounts.

Insurance Claims are recognised only when the claim is admitted/expected to be admitted and there is no uncertainty on receiving the claim.

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

### G Property, Plant and Equipment

(i) Property, Plant and Equipment (whether Tangible or Intangible) are initially measured at cost of acquisition less accumulated depreciation/ amortization/ impairment loss (if any), net of CENVAT (wherever claimed). The cost of fixed assets includes taxes, duties, freight, borrowing cost, concession premium and pre-operative costs if capitalization criteria are met and other incidental expenses incurred in relation to their acquisition/ bringing the assets for their intended use.

(ii) Subsequent additional expenditure related to property plant and equipment are added only if they increase the future economic benefits from the existing assets beyond its previously assessed standard of performance.

(iii) On transition to Ind-AS, the Company has elected to continue with the carrying value of all of its

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2018**

property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP as the deemed cost of the property, plant and equipment.

**H Depreciation:**

- (i) Depreciation on Plant and Machinery and Building has been provided on Straight Line Method based on remaining useful lives of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- (ii) Depreciation on other assets has been provided on Written Down Value Method based on remaining useful lives of the assets in compliance with the provisions as specified in Schedule II of the Companies Act, 2013.
- (iii) For assets purchased / disposed off during the year, depreciation has been provided on pro-rata basis with reference to the useful life of the asset period, at the applicable rates.
- (iv) The estimated useful life of the assets are as given below :

Description of Asset	Useful Life
Computers	3 to 6 years
Office Equipment	5 Years
Furniture & Fixtures	10 Years
Roads	5 Years
Buildings	30 Years
Plant & Machinery	25 Years
Vehicles	8 Years
Leasehold Land	30 Years

- (v) Depreciation on assets, whose actual cost does not exceed ₹ 5,000 is provided at the rate of hundred percent and is fully depreciated in the year of acquisition.
- (vi) Premium on Leasehold Land/Concession Premium is amortised over the period of the lease/Concession period.
- (vii) Depreciation on Intangible Assets representing computer software has been provided on Written Down Value Method based on remaining useful life. The useful life as estimated by the management for computer software is 6 years.
- (viii) The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed at each financial year end.
- (ix) On transition to Ind-AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP.

**I Capital Work-in-Progress:**

These are stated at cost to date relating to projects in progress, incurred during construction / pre-operative period (Net of income) incurred during the construction/ pre-operative period and the same is allocated to the respective fixed assets on the completion of their construction.

**J Inventories:**

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

# Annual Report 2017-2018

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### **K Borrowing Cost:**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying 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.

### **L Employee benefits:**

#### **Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be fully paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

#### **Post-Employment Benefits**

##### **Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

##### **Defined Benefit Plans**

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by respective IT authorities.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

### **M Tax Expenses**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

#### **(i) Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

#### **(ii) Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax relating to items recognized outside profit or loss are recognized outside profit or loss/ either in other comprehensive income or in equity.

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### (iii) Minimum Alternate Tax (MAT)

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit become eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and is shown as MAT credit entitlement. The Company review the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period

### N Earnings Per Share:

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

### O Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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.

### P Contingent Liabilities and Contingent asset :

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

Contingent assets are neither recognized nor disclosed, in the financial statements except there is a virtual certainty to receive the same.

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

### Q Leases:

Leases are classified as finance lease whenever the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

#### Leased assets:

Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.



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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is fully depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

### **R Cash and cash equivalents:**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

### **S Impairment of Non-Financial Assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. An impairment loss is recognized in the profit or loss. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. A reversal of an impairment loss is recognised immediately in profit or loss.

### **T Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial Instruments are further divided in two parts viz. Financial Assets and Financial Liabilities.

#### **Part I - Financial Assets**

##### **(i) Initial recognition and measurement**

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### **(ii) Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

#### **Financial Asset at amortised cost:**

A Financial Asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### **Financial Asset at FVTOCI (Fair Value through Other Comprehensive Income)**

A Financial Asset is classified as at the FVTOCI if following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows (i.e. SPPI) and selling the financial assets

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

### **Financial Assets at FVTPL (Fair Value through Profit or Loss)**

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### **Equity investments**

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### **(iii) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### (iv) Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- (b) Financial assets that are debt instruments and are measured as at FVTOCI
- (c) Trade receivables or any contractual right to receive cash or another financial asset
- (d) Loan commitments which are not measured as at FVTPL
- (e) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk rather; it recognises impairment loss allowance based on 12 months ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss.

## Part II - Financial Liabilities

### (i) Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings and payables.

### (ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss is designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains / loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

### **Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities under borrowings. The dividends on these preference shares, if any are recognised in the profit or loss as finance cost.

### **Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

#### **(iii) De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of

an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **(iv) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### U Foreign Currency Transactions

Transactions in foreign currencies are accounted at the initially recorded exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency at the balance sheet date are translated at the year-end rates. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in statement of profit and loss. In case of forward contracts (non speculative), the premium or discount being the differences between the forward exchange rate and the exchange rate at the inception of the contract is recognized as expense or income over the life of the contract. The exchange difference either on settlement or translation is recognized in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are reported using the exchange rate prevalent at the date of transaction.

### V Segment Reporting

Both the companies are mainly engaged in Logistics Business in India and there is no other reportable business and geographical segment as required by Indian Accounting Standard 108.

### W Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is netted off with the related costs, which they are intended to compensate. Where the grant relates to fixed asset, it is shown separately as deferred revenue expenses.

The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

## 3 FIRST TIME ADOPTION OF IND AS

For all periods up to March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) Indian GAAP ("IGAAP"). These standalone financial statements of Kesar Terminals and Infrastruture Limited for the year ended March 31, 2018 have been prepared in accordance with Ind-AS. This is the first set of Financial Statements in accordance with Ind-AS. For the purpose of transition from the IGAAP to Ind-AS, the Company has followed guidance provided in Ind-AS 101 - First Time Adoption of Indian Accounting Standards, w.e.f. April 01, 2016 as the transition date.

The transition to Ind-AS has resulted in changes in the presentation of the financial statements, disclosures in the notes, accounting policies and principles. The accounting policies set out in Note 2 have been applied in preparing the standalone financial statements for the year ended on March 31, 2018 as well as for March 31, 2017 for comparative information. In preparing these financial statements, opening balance sheet was prepared as at 1 April, 2016. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April, 2016 and the financial statements as at and for the year ended March 31, 2017.

Exemptions on first time adoption of Ind-AS availed in accordance with Ind-AS 101, have been described below:

### Exemptions availed on first time adoption of Ind-AS 101

Ind-AS 101 allows certain optional exemptions and mandatory exemptions on first time adoption of Ind-AS from the retrospective application of certain provisions of Ind-AS. The Company has accordingly applied the following exemptions:

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### Ind-AS optional exemptions:

#### (i) Property, Plant and Equipment and Intangible Assets

Ind-AS 101 permits, a first time adopter to elect to continue with the carrying values for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind-AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind-AS 38 Intangible Assets and Investment properties covered by Ind-AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment, Investment properties and intangible assets at their previous GAAP carrying value.

### Ind-AS mandatory exceptions:

#### (ii) Estimates

An entity's estimates in accordance with Ind-AS at the date of transition to Ind-AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind-AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind-AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

#### (iii) Classification and measurement of financial assets

Ind-AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind-AS.

Accordingly, the Company has determined the classification of financial assets based on the facts and circumstances that exist on the date of transition.

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### 4 Reconciliations Between Previous GAAP and Ind-AS

The following reconciliations provides the effect of transition to Ind-AS from IGAAP in accordance with Ind-AS 101:

#### A. Reconciliation of equity

(In ₹)

	Particulars	As at April 1,2016			As at March 31,2017		
		Indian GAAP	Effects of transition to Ind-AS	Ind-AS	Indian GAAP	Effects of transition to Ind-AS	Ind-AS
<b>I.</b>	<b>ASSETS</b>						
<b>1</b>	<b>Non-current assets</b>						
	(a) Property, plant and equipment	299,511,854		299,511,854	1,880,221,725		1,880,221,725
	(b) Capital Work in Progress	1,657,471,394		1,657,471,394	93,347,229		93,347,229
	(c) Intangible Assets	666,692		666,692	1,804,966		1,804,966
	(d) Financial Assets						
	(i) Investments	5,000		5,000	5,000		5,000
	(ii) Others	27,008,359		27,008,359	24,541,283		24,541,283
	(e) Other Non- Current Assets	4,754		4,754			-
<b>2</b>	<b>Current assets</b>						
	(a) Inventories	1,022,810		1,022,810	1,156,787		1,156,787
	(b) Financial Assets						-
	(i) Trade Receivables	43,507,866	(870,157)	42,637,709	53,066,639	(1,061,335)	52,005,304
	(ii) Cash and cash equivalents	10,133,607		10,133,607	87,043,472		87,043,472
	(iii) Bank Balances other than cash and cash equivalents	3,871,354		3,871,354	6,152,109		6,152,109
	(iv) Other Financial Assets	667,852		667,852	1,355,624		1,355,624
	(c) Other Current Assets	3,473,355		3,473,355	9,178,213		9,178,213
	<b>TOTAL</b>	<b>2,047,344,898</b>	<b>(870,157)</b>	<b>2,046,474,740</b>	<b>2,157,873,047</b>	<b>(1,061,335)</b>	<b>2,156,811,712</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>						
<b>1</b>	<b>Equity</b>						
	(a) Equity Share Capital	52,531,130		52,531,130	54,632,375		54,632,375
	(b) Other Equity	658,844,570	5,452,369	664,296,939	597,905,523	(1,046,857)	596,858,666
	Non-Controlling Interest	250,000		250,000	113,921	(14,478)	99,443
<b>2</b>	<b>Liabilities</b>						
<b>A</b>	<b>Non-current liabilities</b>						
	(a) Financial Liabilities						
	(i) Borrowings	824,271,715		824,271,715	991,649,658		991,649,658
	(ii) Others	-		-	51,120,000		51,120,000
	(b) Provisions	6,144,624		6,144,624	7,236,939		7,236,939
	(c) Deferred Tax Liability	32,361,490		32,361,490	35,783,257		35,783,257
<b>B</b>	<b>Current liabilities</b>						
	(a) Financial Liabilities						
	(i) Trade payables	28,707,737		28,707,737	48,705,570		48,705,570
	(ii) Other Financial Liabilites	241,986,911		241,986,911	165,059,558		165,059,558
	(b) Other Current Liabilities	132,028,327		132,028,327	110,531,562		110,531,562
	(c) Provisions	10,882,656	(6,322,527)	4,560,129	5,933,320		5,933,320
	(d) Current Tax Liabilities (Net)	59,335,738		59,335,738	89,201,364		89,201,364
	<b>TOTAL</b>	<b>2,047,344,898</b>	<b>(870,157)</b>	<b>2,046,474,740</b>	<b>2,157,873,047</b>	<b>(1,061,335)</b>	<b>2,156,811,712</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

a) Under Ind-AS, impairment allowance has been determined based on Expected Credit Loss model (ECL). Accordingly, provision for doubtful debts is created at 2% of trade receivable balance as on 1.04.2016 and 31.03.2017

b) Provision for proposed dividend made as per GAAP as on 31.03.2016 is written back since it is no longer an adjusting event.

### B. Reconciliation of Total Comprehensive Income

			(In ₹)
Particulars	Indian GAAP	Effects of transition to Ind-AS	for the year ended 31.03.2017 Ind-AS
I. Revenue From Operations	481,050,569	-	481,050,569
II. Other Income	4,869,195	-	4,869,195
III. <b>Total Revenue (I + II)</b>	<b>485,919,764</b>	<b>-</b>	<b>485,919,764</b>
IV. <b>Expenses:</b>			
Employee benefits expense	93,479,531	(2,336,862)	91,142,669
Finance Cost	135,514,051	-	135,514,051
Depreciation and amortization expense	96,525,917	-	96,525,917
Other expenses	158,733,549	191,177	158,924,726
Total Expenses	484,253,047	(2,145,685)	482,107,362
V. <b>Profit before Exceptional items &amp; Tax (III-IV)</b>	<b>1,666,717</b>	<b>2,145,685</b>	<b>3,812,401</b>
VI. Excess depreciation of earlier years	12,072,762	-	12,072,762
VII. <b>Profit before tax (V-VI)</b>	<b>13,739,479</b>	<b>2,145,685</b>	<b>15,885,163</b>
VIII. <b>Tax Expense:</b>			
(a) Current tax [including prior year tax provision written back ₹ 11,404,374 (Previous year ₹ 9,801,482)]	69,291,593	-	69,291,593
(b) Deferred tax	3,421,767	788,140	4,209,907
IX. <b>Profit for the year (VII-VIII)</b>	<b>(58,973,881)</b>	<b>1,357,545</b>	<b>(57,616,337)</b>
X. <b>Non controlling interest</b>	<b>(136,079)</b>	<b>(14,478)</b>	<b>(150,557)</b>
XI. <b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss.	-	(2,336,862)	(2,336,862)
(ii) Income tax relating to items that will not be reclassified to profit or loss.	-	788,140	788,140
XII. <b>Total Comprehensive Income for the Period (IX + XI)</b>	<b>(58,973,881)</b>	<b>(191,177)</b>	<b>(59,165,059)</b>

a) Concept of other comprehensive income did not exist under Indian GAAP. Under Ind-AS, all items of income and expenses recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income or expenses that are not recognised in profit or loss but are shown in the statement of profit and loss as 'Other comprehensive income' includes remeasurement of defined employee benefits plans. The amount related to remeasurement of defined employee benefit plan of ₹ 2,336,862 is presented as part of OCI during the financial year 2016-17. Deferred Tax liability arising consequent to the same is also presented under OCI.



# Annual Report 2017-2018

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

- b) As per Ind-AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts is increased by ₹ 191,177 and the same is recognised in "Other Expenses" during the financial year 2016-17.
- c) As a result of changes in loss for the year due to adoption of IND-AS, the loss attributable to Non controlling interest has been increased by ₹ 14,478 for 2016-17.

### C. Adjustments to the statement of Cash Flows.

The transition from Indian GAAP to Ind-AS had no significant impact on cash flows generated by the Company

(In ₹)

Particulars	Indian GAAP	Effects of transition to Ind-AS	Ind-AS
Net cash flow from operating activities	226,805,995	-	226,805,995
Net cash flow from investing activities	(83,185,889)	-	(83,185,889)
Net cash flow from financing activities	(63,117,707)	-	(63,117,707)
Net increase/ (decrease) in cash and cash equivalents	80,502,399	-	80,502,399
Cash and cash equivalents at April 1, 2016	12,693,182	-	12,693,182
Cash and cash equivalents at March 31, 2017	93,195,581	-	93,195,581

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2018**

		Gross Block				Accumulated Depreciation			Net Block	
		Balance as at 1st April 2017	Additions/ Adjustment	Deduction/ Disposals	Balance as at 31st March 2018	Balance as at 1st April 2017	Depreciation /amortization charge for the year	On disposals/ Adjustment	Balance as at 31st March 2018	Balance as at 31st March 2018
(a)	<b>Property, Plant and &amp; Equipments</b>									
	(i)									
	Land	49,831,576	-	-	49,831,576	-	-	-	-	49,831,576
	(1) Free Hold Land	25,904,541	-	-	25,904,541	-	-	-	2,031,773	23,872,768
	(2) Lease Hold Land	11,017	-	-	11,017	-	-	-	11,017	-
	(3) Lease Hold Land Premium	380,873,200	-	-	380,873,200	-	-	-	16,873,979	363,999,221
	(4) Land/Site Development									
	<b>Total</b>	<b>456,620,334</b>	<b>-</b>	<b>-</b>	<b>456,620,334</b>	<b>9,077,894</b>	<b>9,838,875</b>	<b>-</b>	<b>18,916,769</b>	<b>437,703,565</b>
(ii)	Buildings	626,629,486	42,718,809	-	669,348,294	23,581,510	24,750,765	-	48,332,275	621,016,019
(iii)	Plant and Equipment	346,926,600	3,566,899	15,555,081	334,938,419	26,472,613	23,016,656	-	49,489,270	285,449,149
(iv)	Plant and Equipment (Railway Siding)	533,447,287	-	-	533,447,287	32,083,946	33,760,330	-	65,844,275	467,603,012
(v)	Furniture and Fixtures	2,524,445	-	-	2,524,445	691,739	495,963	-	1,187,702	1,336,743
(vi)	Office Equipments	3,624,119	922,716	-	4,546,835	1,387,230	1,936,816	-	3,324,046	1,222,789
(vii)	Vehicles	5,634,549	1,981,122	200,000	7,415,671	1,890,163	1,607,097	143,564	3,353,696	4,061,975
	<b>Total</b>	<b>1,975,406,820</b>	<b>49,189,546</b>	<b>15,755,081</b>	<b>2,008,841,285</b>	<b>95,185,095</b>	<b>95,406,503</b>	<b>143,564</b>	<b>190,448,033</b>	<b>1,818,393,252</b>
(b)	<b>Capital Work In Progress</b>	93,347,229	2,934,946	42,718,809	53,563,366	-	-	-	-	53,563,366
(c)	<b>Intangible Assets</b>									
	Computer software	3,141,387	517,550	-	3,658,937	1,336,421	842,952	-	2,179,373	1,479,564
	<b>Total (a+b+c)</b>	<b>2,071,895,436</b>	<b>52,642,042</b>	<b>58,473,890</b>	<b>2,066,063,588</b>	<b>96,521,516</b>	<b>96,249,455</b>	<b>143,564</b>	<b>192,627,406</b>	<b>1,873,436,182</b>

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

5 FIXED ASSETS (Owned, unless stated otherwise) (FOR THE YEAR ENDED 31ST MARCH, 2017)

(in ₹)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st April, 2016	Additions	Adjustment	Deduction/ Disposals	Balance as at 31st March 2017	Balance as at 1st April, 2016	Depreciation / amortization charge for the year	On disposals/ Adjustment	Balance as at 31st March 2017	Balance as at 1st April, 2016
<b>(a) Property, Plant and Equipments</b>										
(i) Land										
(1) Free Hold Land	49,831,576	-	-	-	49,831,576	-	-	-	49,831,576	49,831,576
(2) Lease Hold Land	35,592	25,868,949	-	-	25,904,541	-	843,182	-	25,061,359	35,592
(3) Lease Hold Land Premium	11,017	-	-	-	11,017	-	11,017	-	-	11,017
(4) Land/Site Development	-	380,873,200	-	-	380,873,200	-	8,223,695	-	372,649,506	-
<b>Total</b>	<b>49,878,185</b>	<b>406,742,149</b>	<b>-</b>	<b>-</b>	<b>456,620,335</b>	<b>-</b>	<b>9,077,894</b>	<b>-</b>	<b>447,542,441</b>	<b>49,878,185</b>
(ii) Buildings	21,624,923	592,931,801	12072762 *	-	626,629,486	-	23,381,510	-	603,047,976	21,624,923
(iii) Plant and Equipment	216,827,570	130,099,030	-	-	346,926,600	-	26,472,613	-	320,453,987	216,827,570
(iv) Plant and Equipment (Railway Siding)	-	533,447,287	-	-	533,447,287	-	32,083,946	-	501,363,341	-
(v) Furniture and Fixtures	2,343,185	181,260	-	-	2,524,445	-	691,739	-	1,832,706	2,343,185
(vi) Office Equipments	3,403,442	240,207	-	19,530	3,624,119	-	1,391,631	4,401	2,236,889	3,403,442
(vii) Vehicles	5,434,549	200,000	-	-	5,634,549	-	1,890,163	-	3,744,386	5,434,549
<b>Total</b>	<b>299,511,854</b>	<b>1,663,841,734</b>	<b>12,072,762</b>	<b>19,530</b>	<b>1,975,406,821</b>	<b>-</b>	<b>95,189,496</b>	<b>4,401</b>	<b>1,880,221,725</b>	<b>299,511,854</b>
<b>(b) Capital Work in Progress</b>	1,657,471,394	99,453,385	-	1,663,577,549	93,347,229	-	-	-	93,347,229	1,657,471,394
<b>(c) Intangible Assets</b>										
Computer software	666,692	2,474,695	-	-	3,141,387	-	1,336,421	-	1,804,966	666,692
<b>Total</b>	<b>666,692</b>	<b>2,474,695</b>	<b>-</b>	<b>-</b>	<b>3,141,387</b>	<b>-</b>	<b>1,336,421</b>	<b>-</b>	<b>1,804,966</b>	<b>666,692</b>
<b>Total (a+b+c)</b>	<b>1,957,649,940</b>	<b>1,765,769,814</b>	<b>12,072,762</b>	<b>1,663,597,079</b>	<b>2,071,895,437</b>	<b>-</b>	<b>96,525,917</b>	<b>4,401</b>	<b>1,975,373,920</b>	<b>1,957,649,940</b>

Note : \* Represent reversal of Depreciation on account of change in method of depreciation on Buildings from WDV (Written Down Value) to SLM (Straight Line Method).

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### 6. NON CURRENT FINANCIAL ASSETS - INVESTMENTS

(In ₹)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April, 2016
<b>Other Investments (valued at cost)</b>			
Investments in Equity Instruments ( Unquoted)			
200 Shares of ₹ 25 each fully paid in Jain Sahakari Bank Ltd ( March 31, 2017: 200 Shares and April 1, 2016 : 200 Shares)	5,000	5,000	5,000
{Aggregate amount of Unquoted Investments is ₹ 5,000 (March 31, 2017: ₹ 5,000 and April 1, 2016 : ₹ 5,000)}			
<b>Total</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>

### 7. NON-CURRENT FINANCIAL ASSETS - OTHERS

#### Unsecured, Considered good

(a) Security Deposits	12,710,066	12,533,512	13,376,412
(b) Loans and Advances to Employees	-	26,200	31,770
(c) Fixed Deposits with maturity of more than 12 months (Held as lien/security with various bank)	-	10,568,236	12,239,869
(d) Interest accrued on Deposits	111,825	1,413,335	829,653
(e) Advances to Suppliers for Capital Goods	-	-	530,655
<b>Total</b>	<b>12,821,891</b>	<b>24,541,283</b>	<b>27,008,359</b>

### 8. OTHER NON-CURRENT ASSETS

#### Unsecured, Considered good

Interest accrued on staff loan	-	-	4,754
<b>Total</b>	<b>-</b>	<b>-</b>	<b>4,754</b>

### 9. INVENTORIES

#### Stores and spares

(Valued at Lower of Cost and Net Realisable Value)	1,015,645	1,156,787	1,022,810
<b>Total</b>	<b>1,015,645</b>	<b>1,156,787</b>	<b>1,022,810</b>

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### 10. CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(In ₹)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April, 2016
<b>Unsecured, Considered good</b>			
(a) Outstanding for a period exceeding six months from the date they are due	4,452,208	1,136,184	32,973
(b) Others	37,375,081	51,930,453	43,474,893
Less: Expected Credit Loss	(836,545)	(1,061,333)	(870,157)
<b>Total</b>	<b>40,990,744</b>	<b>52,005,304</b>	<b>42,637,709</b>

### 11. CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(a) Balance with Banks			
(i) on Current Accounts	15,836,043	86,905,294	8,272,641
(ii) on Fixed Deposits Accounts with original maturity of less than 3 months	-	-	1,400,000
(b) Cash on hand	73,039	138,178	460,966
<b>Total</b>	<b>15,909,081</b>	<b>87,043,472</b>	<b>10,133,607</b>

### 12. CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(a) Balance with Banks on unclaimed Dividend Accounts	1,388,235	1,421,066	1,246,115
(b) Fixed Deposits with original maturity of more than 3 months but less than 12 months	9,964,145	4,731,043	2,625,239
<b>Total</b>	<b>11,352,380</b>	<b>6,152,109</b>	<b>3,871,354</b>

### 13. OTHERS FINANCIAL ASSETS

Unsecured, Considered Good

(a) Other advances recoverable in cash or kind	1,161,628	1,224,654	411,358
(b) Loans and Advances to Employees	295,130	130,970	256,494
<b>Total</b>	<b>1,456,758</b>	<b>1,355,624</b>	<b>667,852</b>

### 14. OTHER CURRENT ASSETS

Unsecured, Considered good

(a) Interest accrued on staff loans	-	4,754	64,762
(b) Interest accrued on Deposits	1,844,078	404,788	228,787
(c) Gratuity	753,577	-	-
(d) Prepaid expenses	3,835,138	3,519,248	1,375,543
(e) GST Receivable	6,520,023	5,249,423	1,804,263
<b>Total</b>	<b>12,952,816</b>	<b>9,178,213</b>	<b>3,473,355</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### 15. SHARE CAPITAL

(In ₹)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April, 2016
<b>Authorised</b>			
25,000,000 (March 31, 2017: 25,000,000, April 1, 2016: 12,500,000) Equity Shares of ₹ 5 each (March 31,2017: ₹ 5 each : April 1, 2016: ₹ 10 each)	125,000,000	125,000,000	25,000,000
2,500,000 (March 31, 2017 : 2,500,000, April 1, 2016: 2,500,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each (March 31,2017:₹ 10 each :April 1, 2016:₹ 10 each)	<u>25,000,000</u>	<u>25,000,000</u>	<u>25,000,000</u>
<b>Issued, Subscribed &amp; Fully Paid up</b>			
10,926,475 (March 31, 2017: 10,926,475, April 1, 2016 : 5,253,113) Equity Shares of ₹ 5 each (April 1, 2016: ₹ 10 each) fully paid up	<u>54,632,375</u>	<u>54,632,375</u>	<u>52,531,130</u>
<b>Total</b>	<u><b>54,632,375</b></u>	<u><b>54,632,375</b></u>	<u><b>52,531,130</b></u>

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

Particulars	As at 31st March 2018		As at 31st March 2017		As at 31st March 2016	
	Number	₹	Number	₹	Number	₹
Shares outstanding at the beginning of the year	10,926,475	54,632,375	5,253,113	52,531,130	5,253,113	52,531,130
Shares issued during the year	-	-	-	-	-	-
Allotment of Shares on account of sub division	-	-	5,253,113	-	-	-
Issue on account of Bonus Shares	-	-	420,249	2,101,245	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	10,926,475	54,632,375	10,926,475	54,632,375	5,253,113	52,531,130

Pursuant to the approval by the members at the Annual General Meeting held on 3rd August, 2016, the company has sub-divided the Equity Shares of Face Value of Rs.10/- each into Equity Share of the Face Value of Rs.5/- each and has allotted Bonus Equity Share of face value of Rs.5/- each in the ratio of one Equity share for every Twenty Five Equity Shares held on record date 13th August,2016.

#### (b) Terms / rights attached to Equity Shares

- i) The Company has only one class of equity shares having a par value of ₹ 5 per share (March 31, 2017 : ₹ 5 per share and April 1,2016 : ₹ 10 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their holdings.
- ii) During the current year, the amount of Final dividend ₹ 1.00 (previous year ₹ 0.50) per Equity Share has been declared and paid .

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### (c) Details of each Equity Shareholder holding more than 5% of Shares

Particulars	As at 31st March 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kesar Corporation Pvt Limited	3,014,439	27.59%	3,014,439	27.59%	1,449,250	27.59%
Kesar Enterprises Limited	1,040,000	9.52%	1,040,000	9.52%	500,000	9.52%
M H Kilachand	640,348	5.86%	640,348	5.86%	307,860	5.86%

### (d) Aggregate Number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particulars	Year (Aggregate No. of Shares)				
	2016-17	2015-16	2014-15	2013-14	2012-13
<b>Equity Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-		
Fully paid up by way of bonus shares	420,249	-	-		
Shares bought back	-	-	-		

### 16. OTHER EQUITY

(In ₹)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April, 2016
<b>(a) General Reserve</b>			
Opening Balance	297,498,755	299,600,000	299,600,000
(+) Transfers	-	-	-
(-) Capitalisation on account of Bonus shares	-	(2,101,245)	-
<b>Closing Balance</b>	<b>297,498,755</b>	<b>297,498,755</b>	<b>299,600,000</b>
<b>(b) Retained Earnings</b>			
Opening balance	300,908,633	364,696,939	374,322,692
(+) Net Profit for the current year	(77,977,063)	(57,465,780)	(9,625,753)
(-) Final Dividend Paid	5,463,238	5,253,113	-
(-) Dividend Distribution Tax	1,112,189	1,069,413	-
(-) Reversal of Minority Interest (Loss)/Profit	290,595	-	-
(-) Transfer to Reserves	-	-	-
<b>Closing Balance</b>	<b>216,065,548</b>	<b>300,908,633</b>	<b>364,696,939</b>
<b>(c) Other Comprehensive Income</b>			
Opening balance	(1,548,722)	-	-
(+) Addition during the year	1,354,804	(1,548,722)	-
<b>Closing Balance</b>	<b>(193,918)</b>	<b>(1,548,722)</b>	<b>-</b>
<b>Total</b>	<b>513,370,385</b>	<b>596,858,666</b>	<b>664,296,939</b>



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### 17. NON CURRENT FINANCIAL LIABILITIES - BORROWINGS

(In ₹)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April, 2016
<b>(a) Secured Borrowings</b>			
<b>(i) Term Loans From Banks</b>			
<b>(1) Corporate Loan</b>			
<b>Term Loan I</b>	-	-	37,500,000
Secured by exclusive charge on all tanks, movable Fixed Assets and Current Assets both present and future at Kandla. (Terminal I & II)			
<b>Terms of Repayments:-</b> Repayable from Oct'2013 in 48 Equal Monthly Installments. Interest is payable at Base Rate of Lender Bank Plus 2.75% p.a. with monthly rest.			
<b>Term Loan II</b>	40,433,909	66,666,670	45,316,667
Secured by exclusive charge on all tanks, movable Fixed Assets and Current Assets both present and future at Kandla. (Terminal I & II)			
<b>Terms of Repayments:-</b> Repayable from Nov'2016 in 48 Equal Monthly Installments. Interest is payable at Base Rate of Lender Bank Plus 2.50% p.a. with monthly rest.			
<b>Term Loan III</b>	36,931,557	50,000,000	-
Secured by exclusive charge on all tanks, movable Fixed Assets and Current Assets both present and future at Kandla. (Terminal I & II)			
<b>Terms of Repayments:-</b> Repayable from Apr'2018 in 48 Equal Monthly Installments. Interest is payable at 1Year MCLR of Lender Bank Plus 3.90% p.a. with monthly rest.			
<b>(2) Project Loans</b>	-	874,592,967	736,697,254
<b>Primary Security :</b> Secured by way of 1st charge on all fixed assets excluding Land (since the land is given by the Mandi Board under the concession agreement) of the proposed composite logistics hub at Powerkheda, Madhya Pradesh on paripassu basis.			
<b>Collateral security :</b> 2nd charge over all current assets (present & future) of the proposed Composite Logistics Hub at Powerkheda, Madhya Pradesh on paripassu basis.			
<b>Corporate Guarantee :</b> Corporate guarantee of Kesar Terminals & Infrastructure Limited (Holding Company).			
<b>Terms of Repayment:</b>			
Term Loans are repayable in 16 to 28 equal quarterly installments after the moratorium period ranging from 3 to 4 years (previous year 2 to 3 years) from the date of first disbursement of the respective term loans.			
<b>Rate of interest:</b>			
Rate of Interest is in the range of 10.50% to 12.70% (PY 10.50% to 13.25%)			
<b>(ii) From others (various Finance Companies)</b>			
<b>Vehicle Loans</b>	1,045,722	390,021	1,687,500
Secured by way of hypothecation of respective vehicles.			
<b>Terms of Repayments:-</b> Repayable in 36 to 60 Equated Monthly Installments starting from the date of the loan and carrying Interest ranging from 8.41% to 14.00% p.a.			
<b>Total Secured Borrowings</b>	<b>78,411,189</b>	<b>991,649,658</b>	<b>821,201,421</b>

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	As at 31st March 2018	As at 31st March 2017	(In ₹) As at 1st April, 2016
[Out of total Secured Borrowings of ₹ 1,12,87,40,134 (March 31, 2017: ₹ 1,12,7,15,5,486 March 31,2016 : 1,03,5,09,6,872), borrowings of ₹ 1,05,0,3,28,945 (March 31, 2017 : ₹ 13,5,50,5,828, April 1,2016 : ₹ 21,3,8,95,451) having Current Maturities, have been disclosed in Note No.21]			
<b>(b) Unsecured Borrowings</b>			
<b>(i) Loans from Customers</b>	-	-	3,070,294
<b>Terms of Repayments:-</b> Repayable in 60 Equated Monthly Installments from the date tanks are put to use and carrying simple interest @ 13% p.a.			-
<b>Total Unsecured Borrowings</b>	-	-	<u>3,070,294</u>
[Out of unsecured Borrowings of ₹ Nil (March 31, 2017 : ₹ 5,12,3,6,66, April 1,2016 : 17,76,0,439), borrowings of ₹ Nil (March 31, 2017 : ₹ 5,12,3,6,63, April 1,2016 :14,69,0,145) having Current Maturities, have been disclosed in Note No.22]			
<b>Total</b>	<u>78,411,189</u>	<u>991,649,658</u>	<u>824,271,715</u>
<b>18. NON-CURRENT FINANCIAL LIABILITIES - OTHERS</b>			
Others-Payable to Holding Company			
Mandi Board Premium Payable (Current Maturities of ₹ 12,780,000/- have been disclosed in Note no. 22)	38,340,000	51,120,000	-
<b>Total</b>	<u>38,340,000</u>	<u>51,120,000</u>	<u>-</u>
<b>19. NON CURRENT PROVISIONS</b>			
Provision for employee benefits			
Gratuity Provision	376,361	265,453	99,670
Leave Encashment (unfunded)	5,321,807	6,971,486	6,044,954
<b>Total</b>	<u>5,698,168</u>	<u>7,236,939</u>	<u>6,144,624</u>
<b>20. DEFERRED TAX LIABILITIES (NET) INCLUDING MAT CREDIT ENTITLEMENT</b>			
<b>(a) Deferred Tax Assets</b>			
Expenses allowable on payment basis for Tax purposes	1,554,614	4,418,610	3,011,398
Fair Valuation of Investments	1,554,614	4,418,610	3,011,398
<b>(b) MAT credit entitlement</b>	5,892,946	-	-
<b>(c) Deferred Tax Liability</b>			
Impact of difference between Tax Depreciation & Depreciation / Amortisation charged as per Companies Act.	34,234,779	40,201,867	35,372,888
<b>Net Deferred Tax Liabilities (c-a-b)</b>	<u>26,787,219</u>	<u>35,783,257</u>	<u>32,361,490</u>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

(In ₹)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April, 2016
<b>21. TRADE PAYABLES</b>			
Total outstanding Dues to Micro and Small Enterprises (refer note no. 43)	-	-	-
Total outstanding Dues of Creditors other than Micro and Small Enterprises	56,953,194	48,705,570	28,707,737
<b>Total</b>	<b><u>56,953,194</u></b>	<b><u>48,705,570</u></b>	<b><u>28,707,737</u></b>
<b>22. CURRENT FINANCIAL LIABILITIES - OTHERS</b>			
(a) Current maturities of long-term debt			
(i) Current maturities of long-term debt - secured borrowings (refer note no. 17)	38,288,796	135,505,828	213,895,451
(ii) Current maturities of long-term debt - unsecured borrowings (refer note no. 17)	-	5,123,666	14,690,145
(b) Interest accrued but not due on borrowings	1,264,479	7,198,885	12,155,200
(c) Interest accrued and due on borrowings	-	3,030,113	-
(d) Unclaimed dividends	1,388,235	1,421,066	1,246,115
(e) Recalled Long Term Borrowings including Interest (Secured) (also refer note no.17 & 50)	1,012,040,149	-	-
(f) Current maturities-Mandi Board Premium Payable	12,780,000	12,780,000	-
<b>Total</b>	<b><u>1,065,761,659</u></b>	<b><u>165,059,558</u></b>	<b><u>241,986,911</u></b>
<b>23. OTHER CURRENT LIABILITIES</b>			
(a) Income Received in Advance	2,574,566	1,217,261	1,055,466
(b) Advance from Customers	154,226	18,000	-
(c) Payable to Related Party	8,624,818	7,384,783	6,585,387
(d) Statutory Dues	6,376,949	12,847,817	6,584,603
(e) Payables -(For other contractual obligations)	1,083,359	5,046,383	5,010,846
(f) Payables -(For Capital Goods)	61,208,121	76,863,391	110,073,850
(g) Outstanding Liabilities for expenses	4,068,145	6,843,927	2,408,175
(h) Security Deposits from Lessee (Interest Free)	-	310,000	310,000
<b>Total</b>	<b><u>84,090,184</u></b>	<b><u>110,531,562</u></b>	<b><u>132,028,327</u></b>

# Annual Report 2017-2018

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### 24. CURRENT PROVISIONS

(In ₹)

Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April, 2016
<b>Provision for employee benefits</b>			
(i) Gratuity (Funded) {refer note no. 35}	1,396	3,685,751	2,325,428
(ii) Leave Encashment (Unfunded)	1,905,994	2,247,569	2,234,701
<b>Total</b>	<b>1,907,390</b>	<b>5,933,320</b>	<b>4,560,129</b>

### 25. CURRENT TAX LIABILITIES (NET)

Provision for Income Tax 43,988,734 89,201,364 59,335,738

[Net of Advance Income Tax of ₹155,312,303 (March 31,2017 : 140,799,670 and April 01,2016 : ₹142,719,605)]

**Total** **43,988,734** **89,201,364** **59,335,738**

### 26. REVENUE FROM OPERATIONS

(In ₹)

Particulars	For the Year ended 31st March 2018	For the Year ended 31st March 2017
(a) Sale of Services	440,350,666	480,473,209
(Income from providing storage tanks on hire/rental basis for liquid cargo and other related services at Kandla, Gujarat and composite logistic hub at Powerkheda, Madhya Pradesh)		
(b) Other operating revenue (Handling charges)	123,221	577,360
<b>Total</b>	<b>440,473,887</b>	<b>481,050,569</b>

### 27. OTHER INCOME

(a) Interest on		
(i) Fixed Deposits	1,051,577	1,272,616
(ii) Others	2,180,603	170,185
(b) Dividend Income	500	501
(c) Credit Balance Written Back	3,889,905	-
(d) Sale of Scrap	498,380	1,371,675
(e) Insurance Claim Received	-	1,427,995
(f) Miscellaneous Receipts	415,090	626,223
<b>Total</b>	<b>8,036,055</b>	<b>4,869,195</b>

### 28. EMPLOYEE BENEFIT EXPENSE

(a) Salaries and Wages	76,343,472	80,710,487
(b) Contribution to P.F. Fund	5,970,332	5,881,450
(c) Contribution to Gratuity Fund (refer note no. 35)	2,987,291	1,539,516
(d) Staff Welfare	1,879,820	2,426,487
(e) Wages-Others	1,018,145	584,729
<b>Total</b>	<b>88,199,060</b>	<b>91,142,669</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### 29. FINANCE COST

	(In ₹)	
Particulars	For the Year ended 31st March 2018	For the Year ended 31st March 2017
(a) Interest Expense	141,561,316	129,286,176
(b) Other Borrowing Costs		
(i) Finance Charges	2,801,759	6,175,750
(ii) Others including Bank Charges	160,372	52,125
<b>Total</b>	<b>144,523,447</b>	<b>135,514,051</b>

### 30. OTHER EXPENSES

(a) Storage & Handling Charges	6,173,056	5,395,904
(b) Transportation, Labour and Handling Charges	17,104,459	29,850,060
(c) Power & Fuel	12,328,275	12,515,206
(d) Rent	78,823,563	12,065,467
(e) Equipment Hire Charges	2,107,500	8,122,078
(f) Repairs		
(i) Plant & Machinery	21,559,191	38,720,087
(ii) Buildings	406,808	408,545
(iii) Others	3,213,807	2,351,935
(g) Insurance	3,958,731	3,539,273
(h) Rates & Taxes	1,618,015	1,934,207
(i) Selling agent Commission & Brokerage	107,178	531,798
(j) Legal & Professional Fees	12,782,443	9,271,508
(k) Directors Sitting Fees	1,635,000	1,950,000
(l) Commission to Directors	-	150,000
(m) Auditors Remuneration	-	-
(i) Audit Fees	565,000	565,000
(ii) For Certification	210,000	210,000
(iii) Out Of Pocket Expenses	18,918	7,209
(n) Travelling Expenses	3,691,252	6,286,216
(o) Security Service Charges	1,811,133	1,293,259
(p) Issue Expenses for Redeemable Preference Shares	982,463	1,662,628
(q) Connectivity and Internet Charges	860,520	1,004,005
(r) CSR Expenditure u/s 135 of Companies Act, 2013	500,000	500,000
(s) Miscellaneous Expenses	16,111,622	20,590,341
<b>Total</b>	<b>186,568,934</b>	<b>158,924,726</b>

# Annual Report 2017-2018

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### 31 Capital and other Commitments

(In ₹)

Particulars	As at 31st March 2018	As at 31st March 2017
<b>Other :</b>		
Estimated amount of contracts remaining to be executed and not provided for	113,050,202	140,264,321
Loan Processing Fees for Term Loan Sanctioned	-	1,250,000
<b>Total</b>	<b>113,050,202</b>	<b>141,514,321</b>

### 32 Contingent Liabilities

(In ₹)

Particulars	As at 31st March 2018	As at 31st March 2017
<b>(a) Claims against the Company not acknowledged as debts:</b>		
i) Additional demand on account of revision in rates of Lease Rent	183,114,964	85,843,575
ii) Additional demand on account of Transfer fee/upfront rent for change in name	158,354,295	208,354,295
iii) Additional demand on of Electricity Charges *	5,342,469	5,342,469
iv) Additional Demand on account of Foreclosure	525,000	525,000
<b>b) Guarantee: **</b>		
Corporate Guarantee given in favour of Banker's, towards credit facilities granted to Kesar Multimodal Logistics Limited (Subsidiary Company) (KMLL) to set up a "Composite Logistics Hub" at Powarkheda in Madhya Pradesh.	1,081,100,000	1,081,100,000
Bank Guarantee in favour of Commissioner of Customs, Kandla	375,000	375,000
Bank Guarantee in favour of Director General of Fire Services, Andhra Pradesh	932,886	932,886
Given to Madhya Pradesh State Agricultural Marketing Board (Mandi Board) to set up a "Composite Logistics Hub" at Powarkheda in Madhya Pradesh,	70,000,000	70,000,000
Given to Principal Commissioner of Customs & Central Excise, Bhopal	5,000,000	5,000,000
Given to a Customer, ITC Ltd	-	500,000
<b>c) Disputed liability on account of Income Tax</b>	<b>1,861,034</b>	<b>1,861,034</b>
<b>Total</b>	<b>1,506,605,648</b>	<b>1,459,834,259</b>

\* Hon'ble High Court of Gujarat has set aside demand of Gujarat Electricity Board; contrarily Gujarat Electricity Board has filed Special Leave Petition in Supreme Court. Order is awaited

\*\* The total outstanding loans as at 31.03.2018 is ₹ 1,012,040,149 (Previous Year ₹ 946,301,322) against Corporate Guarantee.

Strategic Debt restructuring (SDR) was invoked and approved by the Banks of the Kesar Multimodal Logistics Ltd (KMLL) on 20.11.2017. However, upon withdrawal of the SDR scheme by RBI vide its circular no RBI/2017-18/131 DBR.No.BP.BC.101/21.04.048/2017-18 dated 12.02.2018, bankers have invoked the Corporate Guarantee given by the Company. KMLL is contesting at appropriate legal forum, the applicability of RBI's aforesaid circular and its consequential invocation of Corporate Guarantee

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### 33 Capital Work in Progress includes

(In ₹)

Particulars	As at 31st March 2018 (₹)	As at 31st March 2017 (₹)
DTC-10 MS Tank	2,934,946	-
Building-Railways Warehousing	49,128,988	49,128,987
Truck Parking Area	952,561	952,561
ICD Buildings	-	42,718,809
<b>Preoperative Expenses</b>		
Other Miscellaneous Expenses	1,105,017	1,105,017
<b>Total</b>	<b>54,121,512</b>	<b>93,905,374</b>

34 Pursuant to Scheme of Demerger, the Company has requested Deendayal Port Trust (DPT) (formerly known as Kandla Port Trust) for transfer of leasehold land situated at Kandla in its name which is presently in the name of Kesar Enterprises Ltd. However, DPT has raised a demand of ₹ 208,354,295/- on account of such transfer/ upfront fee for change in the name. The Company has filed a writ petition in High Court of Gujarat, against the demand raised by the DPT. In the Current year the Company has deposited ₹ 50,000,000/- with DPT as per Court directives towards above demands and is of the view that the demand raised is likely to be deleted or substantially reduced and hence no provision is required to be made. However, for certain portion of leasehold land, where the lease period is expired, the same is pending for renewal by DPT, although the Company has filed writ petition/ application for the renewal of the said lease and is of the view that Lease shall be renewed by DPT. Pending outcome of the writ petition filed in High Court of Gujarat, depreciation on Assets constructed at lease hold land has been charged as per the rates prescribed in Schedule II of the Companies Act 2013.

### 35 Employee Benefit

Defined Benefit Plan (Gratuity Fund) - Funded

In accordance with Indian Accounting Standard 19 "Employee Benefits", actuarial valuation was performed by independent actuaries in respect of the aforesaid defined benefit plan.

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

(In ₹)

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2018	For the year ended 31st March 2017
Present Value of funded obligations	25,367,623	23,346,127
Fair Value of plan assets	-25,743,443	-19,394,923
Net liability /(Assets)	-375,820	3,951,204
Amount in balance sheet		
Liabilities/ (Assets)	-375,820	3,951,204

(b) The amounts recognized in the statement of profit and loss are as follows:

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2018	For the year ended 31st March 2017
Current service cost	1,451,812	1,345,507
Interest on obligation	288,422	194,008
Past Service Costs	1,225,209	-
Total included in employee benefit expense	2,965,443	1,539,515



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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2018	For the year ended 31st March 2017
Opening defined benefit obligation	23,346,127	21,225,273
Current Service costs	1,451,812	1,345,507
Interest costs	1,698,433	1,698,022
Past Service Cost	1,225,209	-
Actuarial losses (gains)	-1,400,595	832,848
Benefits paid	-953,363	-1,755,523
Closing defined benefit obligation	25,367,623	23,346,127

(d) The amount recognized in the other comprehensive Income (OCI) is as follows:

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2018	For the year ended 31st March 2017
Actuarial (Gains)/Losses on obligation for the period	-1,400,595	832,848
Return on Plan Assets, excluding interest income	-470,396	-1,504,014
Net actuarial losses (gains) recognized in year	-1,870,991	2,336,862

(e) The Reconciliation of Balance Sheet in the statement are as follows:

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2018	For the year ended 31st March 2017
Opening net Liability	3,951,204	2,425,098
Expenses recognized in Statement of Profit or Loss	2,867,072	1,599,042
Expenses recognized in OCI	-1,772,620	2,277,335
Net Liability / (asset) Transfer In	-3,351,476	-25,000
Employers Contribution	-2,070,000	-2,325,271
Net Liability/(Assets) Recognised in the Balance Sheet	-375,820	3,951,204

(f) The amount recognized Interest Cost in the statement are as follows:

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2018	For the year ended 31st March 2017
Present Value of Benefit Obligation	23,346,127	21,225,273
Fair Value of Plant Assets	-19,394,923	-18,800,175
Net Liability / (Assets) At the Beginning	3,951,204	2,425,098
Interest Cost	1,698,433	1,698,022
Interest Income	-1,410,011	-1,504,014
Net Interest cost for Current Period	288,422	194,008

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2018	For the year ended 31st March 2017
Opening fair value of plan assets	19,394,923	18,800,175
Adjustment in funds		
Expected return on plan assets	1,410,011	1,504,014
Actuarial gains / (losses)	470,396	-1,504,014
Contributions by employer	2,070,000	2,325,271
Assets Transferred In/Acquisitions	3,351,476	25,000
Benefits paid	-953,363	-1,755,523
Closing fair value of plan assets	25,743,443	19,394,923

Plan Assets are invested in Group Gratuity Scheme of Life Insurance Corporation of India.

(h) Principal actuarial assumptions at the balance sheet date:

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended 31st March 2018	For the year ended 31st March 2017
Discount rate	7.88%	7.27%
Salary escalation rate	8.00%	8.00%
Expected return on plan assets	7.88%	7.27%
Attrition rate	1.00%	1.00%
Mortality Tables	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08) Ultimate

The expected rate of return on plan assets is based on the expectations of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

The estimates of future salary increases are considered taking into account inflation, seniority promotion and other relevant factors.

(i) Amounts for the current and previous four years are as follows:

Particulars	Defined Benefit (Gratuity) Plan				
	For the year ended 31st March 2018	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2015	For the year ended 31st March 2014
Defined benefit obligation	25,367,623	23,346,127	21,125,446	19,605,873	18,117,000
Plan assets	25,743,443	19,394,923	18,800,175	18,801,080	18,973,712
Surplus/ (deficit)	375,820	-3,951,204	-2,325,271	-804,793	856,712

(j) Experience Adjustment:

Particulars	Defined Benefit (Gratuity) Plan				
	For the year ended 31st March 2018	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2015	For the year ended 31st March 2014
On plan Liability (Gains)/ Losses	-500,603	-390,055	-252,634	2,678,585	713,341
On plan Assets Gains/ (Losses)	470,396	-1,504,014	-1,504,086	-45,560	-71,993

# Annual Report 2017-2018

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### Defined Contribution Plans

Amount recognized as expense in respect of Compensated Leave Absence is ₹ 698,229 (Previous Year ₹ 2,629,917).

Amount recognized as an expense in respect of "Contribution to Provident and other Funds" is ₹ 5,970,332 (Previous Year ₹ 5,881,450)

### (k) Sensitivity Analysis

(In ₹)

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
Projected Benefit Obligation on Current Assumptions	25,367,623	23,346,127
Delta Effect of +1% Change in Rate of Discounting	-1,383,796	-1,670,622
Delta Effect of -1% Change in Rate of Discounting	1,568,575	1,927,855
Delta Effect of +1% Change in Rate of Salary Increase	1,326,812	1,895,215
Delta Effect of -1% Change in Rate of Salary Increase	-1,219,777	-1,674,716
Delta Effect of +1% Change in Rate of Employee Turnover	12,950	-103,782
Delta Effect of -1% Change in Rate of Employee Turnover	-15,230	115,431

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

#### Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

**Interest rate risk:** A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

**Investment Risk:** The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

**Asset Liability Matching Risk:** The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

**Concentration Risk:** Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2018**

**36 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's principal financial liabilities, comprises borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations directly or indirectly. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk and liquidity risk. Market risk is applicable to variable rate borrowing. Equity risk is not applicable since company does not have equity investments. Foreign exchange risk is not applicable since the company does not have long term imports. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

<b>Risk Management</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management</b>
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis	Diversification of bank deposits
Liquidity Risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk- Interest	Variable Rate Borrowing	Interest rate sensitivity	Mix of fixed versus floating rate

**Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

**Trade receivables**

Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's finance department.

**Liquidity Risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, preference shares and unsecured loans.

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2018, March 31, 2017 and April 01, 2016.

Year ended March 31, 2018

(In ₹)

Particulars	Upto 1 Year	1 to 5 years	> 5 years	Total
Secured Borrowing-Term Loan				
Term Loans	10,157,901,345	77,365,467	-	10,235,266,812
Car Loan	788,800	1,045,722	-	1,834,522

Year ended March 31, 2017

Particulars	Upto 1 Year	1 to 5 years	> 5 years	Total
Secured Borrowing-Term Loan				
Term Loans	134,208,350	698,256,670	293,002,967	1,125,467,987
Car Loan	1,297,478	390,021	-	1,687,499

Year ended April 1, 2016

Particulars	Upto 1 Year	1 to 5 years	> 5 years	Total
Secured Borrowing-Term Loan				
Term Loans	212,747,672	623,244,667	196,269,254	1,032,261,593
Car Loan	1,147,779	1,687,500	-	2,835,279

### Interest rate risk

The Company has MCLR based borrowing and depending on the interest rate scenario, the company decides on the mix of fixed rate versus variable rate borrowing.

Interest rate sensitivity

Variable interest rate loans are exposed to interest rate risk, the impact on profit or loss before tax may be as follows:

Particulars	Impact on profit before tax	
	2017-18	2016-17
Interest rate – increase by 100 basis points (100 bps)	10,936,099	10,079,165
Interest rate – decrease by 100 basis points (100 bps)	-10,936,099	-10,079,165

### 37 Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the value of the share and to reduce the cost of capital.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

(In ₹)

Particulars	As at March 31st 2018	As at March 31st 2017	April 1st 2016
Net Debt			
Long term Borrowing and Other Current Liabilities	1,128,740,133	1,127,155,486	1,038,167,166
Cash and Cash Equivalent	15,909,081	87,043,472	10,133,607
Equity			
Equity share capital	54,632,375	54,632,375	52,531,130
Other Equity	513,370,385	596,858,666	664,296,939
Net debt/Equity Ratio	1.96	1.60	1.43

### 38 Financial Instruments by category

The criteria for recognition of financial instruments is explained in significant accounting policies.

Particulars	as at March 31, 2018			as at March 31, 2017			as at April 1st 2016		
	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL	Amortised cost	FVTOCI	FVTPL
<b>Financial Assets</b>									
<b>Non-Current Financial Assets</b>									
-Other Non Current Assets	12,821,891			24,541,283			27,008,359		
-Trade Receivable	40,990,744			52,005,304			42,637,709		
-Cash and Cash equivalent	15,909,081			87,043,472			10,133,607		
-Other Bank Balances	11,352,380			6,152,109			3,871,354		
Current Financial Assets- Others	1,456,758			1,355,624			667,852		
<b>Total financial Asset</b>	<b>82,530,854</b>			<b>171,097,792</b>			<b>84,318,881</b>		
<b>Financial Liabilities</b>									
-Long term Borrowings	78,411,189			991,649,658			824,271,715		
-Other Non Current Financial Liabilities	38,340,000			51,120,000			-		
-Trade payable	56,953,194			48,705,570			28,707,737		
-Other Financial Liabilities	1,065,761,659			165,059,558			241,986,911		
<b>Total financial liabilities</b>	<b>1,239,466,041</b>			<b>1,256,534,786</b>			<b>1,094,966,363</b>		

### 39 CSR Expenditure:

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
a) Gross Amount required to be spent by the Company during the year	4,408,800	4,011,800
b) Amount spent during the year	500,000	500,000

### 40 Segment Reporting

Both the companies are mainly engaged in Logistics Business in India and there is no other reportable business and geographical segment as required by Indian Accounting Standard 108.

# Annual Report 2017-2018

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

### 41 Related party disclosures under Indian Accounting Standard -24

Names of related parties and nature of related party relationships:

Name of Related Parties

(a) Key Management Personnel and their relatives:

Key Management Personnel:

Mr. H R Kilachand

Executive Director (w.e.f. 20.12.2017)

Mrs. M H Kilachand

Promoter Director (upto 07.11.2017)

Mr. Rohan H Kilachand

Executive Director (upto 31.05.2017)

Ms. Rohita H Kilachand

Vice President-HR, CSR & IO (upto 14.08.2017)

Relatives of Key Management Personnel:

Mrs. Nidhi R Kilachand

Wife of Executive Director (Mr. Rohan H Kilachand)

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

Kesar Enterprises Limited

Kesar Corporation Pvt. Ltd.

Indian Commercial Co. Pvt. Ltd.

Kilachand Devchand & Co. Pvt. Ltd.

Kilachand Devchand Commercial Pvt. Ltd.

India Carat Pvt Ltd

Seel Investment Pvt. Ltd.



**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2018**

(c) **Others**

Alok Singh- Company Secretary  
Independent and Non-Executive Directors

Disclosure of transactions with related parties and the status of outstanding balance as on 31st March, 2018:

Particulars	Kesar Enterprises Limited	Kesar Corporation Ltd	H R Kilachand	M H Kilachand	Jayanto Kumar Devgupta	Rohan H Kilachand	Rohita H. Kilachand	Others
<b>(a) Transactions</b>								
Sharing of Common Expenses	9,732,870 (16,039,744)							
Assets Received	- (200,000)							
Managerial Remuneration			2,649,563 (222,720)		2,841,667 (Nil)	579,856 (3,211,867)		
Director Fees/ Commission				145,000 (205,000)		60,000 (Nil)		1,595,000 (1,305,000)
Interest Paid	130,684 (Nil)	410,071 (Nil)						
Salary paid							557,287 (1,368,631)	984,351 (396,238)
Loan Taken	5,000,000 (Nil)	4,800,000 (Nil)						
Loan Repaid	5,000,000 (Nil)	1,300,000 (Nil)						
Purchase of Investment	250,000 (Nil)							
<b>(b) Balance outstanding</b>								
Payable for Expenses Short term	2,400,647 (4,029,676)							
Managerial Remuneration			2,355,107 (3,355,107)		208,000 (Nil)			
Director Fees/Commission				Nil (200,000)				
Salary						Nil (237,682)	Nil (110,100)	Nil (77,651)
Loan Taken		3,869,064 (Nil)						
Investments in Equity Share Capital		(Nil)						
		(250,000)						

(Figures in brackets represents previous year)

# Annual Report 2017-2018

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

**Dividend Paid to Key Management Personnel and their relatives, Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence:** (In ₹)

Name	During the Year 2017-18	During the Year 2016-17
Harsh R Kilachand	236,540	227,443
Madhavi Harsh Kilachand	320,174	307,860
Rohan Harsh Kilachand	137,651	132,357
Rohita Harsh Kilachand	136,735	131,476
Harsh Rajnikant Kilachand (HUF)	19,965	19,197
Indian Commercial Co. Pvt. Ltd.	169,087	162,584
Seel Investment Pvt. Ltd.	159,926	153,775
Indian Carat Pvt Ltd	7,390	7,106
Kesar Corporation Pvt Ltd	1,507,220	1,449,250
Kesar Enterprises Ltd	520,000	500,000

### 42 Supplementary statutory information

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
(a) Expenditure in foreign currency (Foreign Travelling & Business Promotion Expenses)	139,348	750,330
(b) Earnings in foreign currency	-	-

- 43 Disclosure of amounts payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act. There are no overdue principal amounts/ interest payable for delayed payments to such vendors as at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

### 44 Earnings per Share (EPS):

Particulars	For the year ended 31st March 2018	For the year ended 31st March 2017
<b>Basic &amp; Diluted EPS:</b>		
a) Net profit attributable to Equity Shareholders (₹)	-78,117,101	-57,616,337
b) Weighted average number of Equity Shares Outstanding (Nos.)	10,926,475	10,926,475
Basic & Diluted EPS (₹)	-7.15	-5.27
Face Value per Share (₹)	5.00	5.00

- 45 The common corporate expenses incurred at Corporate Head Office at Mumbai for the year have been allocated as per the Sharing Agreement between Kesar Enterprises Ltd. and the Company. The amount allocated to the Company is ₹ 9,732,870 (Previous Year ₹ 16,039,744). Addition to fixed assets includes ₹ Nil (Previous Year ₹ 200,000 (net of depreciation), transferred from Kesar Enterprises Ltd.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

46 Derivative instruments and unhedged foreign currency exposure Nil (previous year Nil).

47 Tax Expenses

(a) Income tax expense

(In ₹)

Particulars	2017-18	2016-17
<b>Current tax</b>		
Current tax on profits for the year	41,000,000.00	80,320,000.00
Adjustments for current tax of prior year	-20,401,627.00	-11,028,407.00
Total current tax expense	20,598,373.00	69,291,593.00
<b>Deferred tax</b>		
Deferred tax charge/(credit)	-3,619,280.00	4,209,906.85
MAT credit Entitlement	-5,892,946.00	-
Total tax expense	11,086,147.00	73,501,499.85

(b) Reconciliation of tax expense and the accounting profit

Particulars	2017-18	2016-17
Profit before tax	199,686,619	266,752,628
Income tax expense calculated at 28.840%/ (34.608% for 2016-17)	57,589,621	92,317,749
(i) Tax effect of:		
<b>Add :</b>		
Corporate social responsibility expenses not allowed as deduction	144,200	173,040
Provisions for Retirement Benefits	522,010	1,636,386
Difference in Depreciation and Amortisation	-61,253	-4,616,296
Previously unrecognised tax losses now recouped to reduce current tax expense	-1,205,349	-239,076
Deduction available as per section 80-IA of the Income Tax Act, 1961	-13,898,702	-
Deferred Tax Expense for the year	-9,347,734	-38,851,329
Additional Income as calculated by using effective interest rate	-7,916,297	-8,951,803
Provisions for doubtful Debts	-67,176	
Excess provision of previous years reversed	-20,401,627	-11,404,374
<b>Total Expenses</b>	<b>5,357,693</b>	<b>30,064,297</b>

Since the subsidiary company has incurred losses during both the years, there is no tax payable for the year.

48 Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the new Standard Ind AS 115 "Revenue from Contracts with Customers" which is effective from April 1, 2018.

# Annual Report 2017-2018

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

### **The standard permits two possible methods of transition:**

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant.

- 49 During the year Kesar Terminals and Infrastructure Ltd (KTIL) (Holding Company) has bought the non-controlling holder's stake of 25,000 Equity shares of ₹ 10/- each at amount of ₹ 250,000/- ( i.e. face value) making Kesar Multimodal Logistics Ltd a 100% subsidiary of KTIL.
- 50 The subsidiary company (Kesar Multimodal Logistics Ltd) has incurred substantial losses during the current financial year and previous financial year. Further during the year, due to the slow pick up of the business there were overdues of the interest and principal payments towards the banks, consequently, the subsidiary requested the banks to restructure the Term loans. The banks in the consortium meeting held on 20.11.2017 invoked Strategic Debt Restructuring (SDR) wherein a part of the Term loans were to be converted into equity share capital so that the banks hold 51% of Company's shares post conversion. In the consortium meeting held on 17.1.2018 the banks informed that the SDR has been approved by the respective competent authorities of the majority of the banks. However, on 12.02.2018, RBI vide its circular No. RBI/2017-18/131 DBR.No.BP.BC.101/21.04.048/2017-18 has withdrawn the SDR scheme with immediate effect and accordingly the account of the subsidiary company has been classified as NPA. The banks have recalled the loan as shown in note 22. The company is in the process of submitting the resolution plan.

The management expects significant improvement in the revenues and business of the subsidiary company in near future and extended continuous financial support from its holding company, hence the financial statements have been prepared on a Going Concern basis.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

51 Additional information as required under Schedule III of Companies Act, 2013:

Name of the entity in the	For the Year Ended 31st March 2018				For the Year Ended 31st March 2017			
	Net Assets i.e. total assets minus total liabilities		Share in profit/ (loss)		Net Assets i.e. total assets minus total liabilities		Share in profit/ (loss)	
	As % of consolidated net assets	Amount ₹	As % of consolidated profit/(loss)	Amount ₹	As % of consolidated net assets	Amount ₹	As % of consolidated profit/(loss)	Amount ₹
<b>Parent</b>								
Kesar Terminals & Infrastructure Ltd	284.73%	1,175,246,042	-273.60%	195,585,359	188.94%	986,236,110	-1422.68%	235,199,137
Subsidiary								
<b>Indian</b>								
Kesar Multimodal Logistics Limited	176.66%	233,644,775	-273.60%	-267,070,045	79.18%	413,314,445	1522.68%	-251,731,218
Intercompany Elimination and Consolidation Adjustments	-241.34%	-996,138,202	-	-	-168.12%	-877,565,369	-	-
<b>Sub Total</b>	<b>100.00%</b>	<b>412,752,615</b>	<b>100.00%</b>	<b>-71,484,686</b>	<b>100.00%</b>	<b>521,985,187</b>	<b>100.00%</b>	<b>-16,532,081</b>
Non Controlling Interest in Subsidiary		-		-140,038				-150,557
<b>Grand Total</b>		<b>412,752,615</b>		<b>-71,344,648</b>		<b>521,985,187</b>		<b>-16,381,524</b>

52 The previous year figures have been regrouped and reclassified wherever necessary to correspond with the current year classification/disclosure.

**For Haribhakti & Co. LLP**  
Chartered Accountants  
ICAI FRN NO.103523W / W100048

**Sumant Sakhardande**  
Partner  
Membership No. 034828

Place: Mumbai  
Date: 13th June, 2018

**For and on behalf of the Board of Directors**

**H R Kilachand**  
Executive Chairman  
DIN 00294835

**A S Ruia**  
Director  
DIN 00296622

**V J Doshi**  
Chief Financial Officer

Place: Mumbai  
Date: 13th June, 2018

# Annual Report 2017-2018

## Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

1. Sr. No. : 1
2. Name of the subsidiary : Kesar Multimodal Logistics Ltd.
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period : 31st March, 2018
4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. : NA
5. Share capital : ₹ 418,000,000
6. Reserves & surplus : ₹ (184,355,225)
7. Total assets : ₹ 1,616,026,265
8. Total Liabilities : ₹ 1,382,381,490
9. Investments : Nil
10. Turnover : ₹ 24,152,415
11. Profit/(Loss) before taxation : ₹ (267,168,416)
12. Provision for taxation : Nil
13. Profit/(Loss) after taxation : ₹ (267,168,416)
14. Proposed Dividend : Nil
15. % of shareholding : 100 %

Notes : The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations : Nil
2. Names of subsidiaries which have been liquidated or sold during the year : Nil

### Part "B": Associates and Joint Ventures

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

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date	-	-	-
2. Shares of Associate/Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding %			
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated			
5. Networth attributable to Shareholding as per latest audited Balance Sheet			
6. Profit / Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

1. Names of associates or joint ventures which are yet to commence operations. - NA

2. Names of associates or joint ventures which have been liquidated or sold during the year. - NA

Note : This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

For and on behalf of the Board of Directors

H R Kilachand  
Executive Chairman  
DIN 00294835

A S Ruia  
Director  
DIN 00296622

V J Doshi  
Chief Financial Officer

Place: Mumbai  
Date: 13th June, 2018

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

CIN: L45203MH2008PLC178061

Registered Office : Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai – 400 020

E-mail: headoffice@kesarinfra.com, Tel: 022-22851737, Fax: 022-22876162

## PROXY FORM

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

### 10th ANNUAL GENERAL MEETING ON SEPTEMBER 27, 2018

Name of Member(s)		E-mail Id:	
Registered Address		Folio No. / *Client Id *DP Id	

I / We, being the Member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

(1) Name: \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ or failing him

(2) Name: \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ or failing him

(3) Name: \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ or failing him as my /our proxy to attend  
and vote (on a poll) for me / us and on my / our behalf at the 10th Annual General Meeting of the Company, to be held on Thursday, September 27, 2018 at 3:30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.	Resolution	Option	
		For	Against
<b>Ordinary Business</b>			
1.	To receive, consider and adopt the audited Standalone and Consolidated Balance Sheet as at 31st March, 2018 and Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.		
2.	Declaration of dividend on Equity Shares.		
3.	Re-appointment of Shri J K Devgupta who retires by rotation.		
<b>Special Business</b>			
4.	Appointment of Smt. Nilima Mansukhani as an Independent Director		
5.	Appointment of Shri H R Kilachand as Whole-Time Director		
6.	Ratification of appointment of Shri J K Devgupta as a Whole-Time Director		

Note: \* Applicable for investors holding shares in electronic form

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

Affix  
Revenue  
Stamp  
Re. 1

#### NOTE:

- (1) 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 commencement of the Meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (5) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.





# KESAR TERMINALS & INFRASTRUCTURE LIMITED

Form No. MGT- 12

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

## BALLOT PAPER

(To be returned to the Scrutinizer appointed by Company)

### Sr. Particulars

- 1 Name of the first named Shareholder:  
(In Block Letters)
- 2 Postal address:
- 3 Registered Folio No./ \*Client ID No. (\*applicable to investors holding shares in dematerialized form):
- 4 No. of Shares held:

I hereby exercise my vote in respect of the following resolution(s) as set out in the Notice of 10th Annual General Meeting of the Company being held on Thursday, September 27th, 2018 at 3:30 P.M. at M C Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400001, by conveying my assent and dissent to the said Resolution(s) in the relevant box as stated herein below:

No	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1.	To receive, consider and adopt the audited Standalone and Consolidated Balance Sheet as at 31st March, 2018 and Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.			
2.	Declaration of dividend on Equity Shares.			
3.	Re-appointment of Shri J K Devgupta who retires by rotation.			
4.	Appointment of Smt. Nilima Mansukhani as an Independent Director			
5.	Appointment of Shri H R Kilachand as Whole-Time Director designated as Executive Chairman.			
6.	Ratification of appointment of Shri J K Devgupta as a Whole-Time Director for the period 20.11.2017 to 13.02.2018.			

### Note:

1. Those shareholders who have already cast their vote electronically shall not vote through Poll at the Annual General Meeting.
2. Votes should be cast in case of each resolution, either in favour or against by putting the tick (√) mark in the column provided in the Ballot.

Place:

Signature of Member / Beneficial Owner

Date:

Email:

## INSTRUCTIONS

1. This Ballot Paper is provided for the benefit of the shareholders or their proxy(ies) for voting by way of Ballot Paper, who does not have access to e-voting facility or who have not voted through e-voting.
2. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot Paper. If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and voting by Ballot Paper shall be treated as invalid.
3. The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through physical Ballot Paper from shareholders at the venue of the AGM for declaring the final result for each of the resolutions forming part of the AGM Notice of the Company.

### **Process and manner for Members opting to vote by using the Ballot Paper:**

1. Please complete and sign this Ballot Paper and drop in the locked Ballot box placed in the meeting hall for voting purpose.
2. This Ballot Paper should be signed by the shareholders as per the specimen signature(s) registered with the Registrar and Share Transfer Agent of the Company viz. Sharex Dynamic (India) Pvt. Ltd. or by their proxy(ies) duly authorized by the shareholders. In case of joint holding, the Ballot Paper should be completed and signed by the first named shareholder and in his/her absence, by the next name joint holder or by their proxy(ies) duly authorized by any one of the joint holders. A Power of Attorney (POA) holder may vote on behalf of a shareholder, mentioning the registration number of the POA registered with the Company or enclosing the duly attested copy of POA registered with the Company.
3. In case, the shares are held by companies, trusts, societies, etc. the duly completed Ballot Paper should be accompanied by a certified true copy of the relevant Board Resolution/Authorization document(s) consisting therein the attested signature(s) of the authorized person.
4. Votes should be cast for each Resolution either in favour or against by putting the tick (√) mark in the respective column provided in the Ballot Paper.
5. The voting rights of shareholders shall be in proportion of the shares held by them in the Paid-up Equity Share Capital of the Company as on the Cut-off date i.e. 20.09.2018
6. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Papers will be rejected. The Ballot Paper will also be rejected if it is received torned, defaced or mutilated to the extent which makes it difficult for the Scrutinizer to identify either the shareholder or when it is not ascertainable that vote(s) have been cast by shareholder in favour or against the Resolution or when the signature(s) of shareholder cannot be verified with the available records of the Registrar & Share Transfer Agent - Sharex Dynamic (India) Pvt. Ltd.
7. The decision of the Scrutinizer on the validity of the Ballot Papers and any other allied matters thereto shall be final and binding on the shareholders of the Company.
8. The consolidated result for voting done by the shareholders through e-voting & ballot voting for all the Resolutions placed at the AGM and as declared by the Chairman / duly Authorized Person alongwith respective Scrutinizer's Report shall be uploaded on the Company's website i.e. [www.kesarinfra.com](http://www.kesarinfra.com) and on the website of CDSL at [www.evoting.india.com](http://www.evoting.india.com) and will simultaneously be also forwarded to the Stock Exchanges viz. BSE & NSE, where the Company's equity shares are listed.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

CIN: L45203MH2008PLC178061

Registered Office : Oriental House, 7, Jamshedji 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 10th Annual General Meeting of the Company, to be held on Thursday, September 27, 2018 at 3:30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001.

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

## ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number (EVSN)	180810019
--	-----------

Notes:

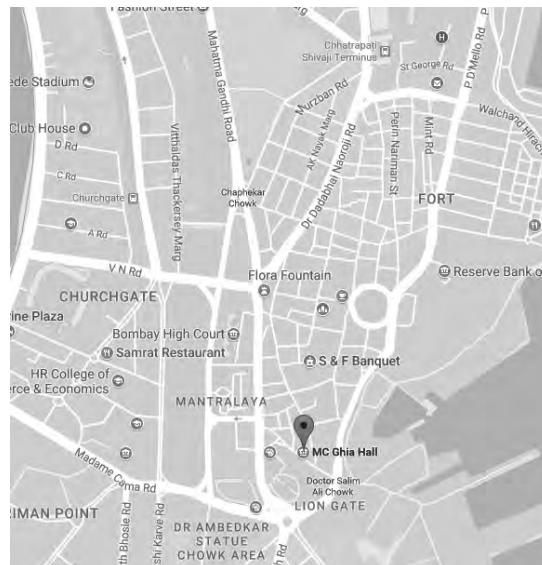
1. Please read the instructions printed in Note No. (I) to the Notice of 10th Annual General Meeting dated **August 7, 2018**. The Voting period starts from **Monday, 24.09.2018 at 9:00 am** and end on **Wednesday, 26.09.2018 at 5:00 pm**. The voting module shall be disabled by CDSL for voting thereafter..
2. The Shareholders holding Shares in physical form and not having PAN are requested to refer address sticker to get e-voting sequence no. and password.

Name and Address of the Member:

Signature of Member or Proxy or Representative

\* Applicable for investors holding shares in electronic form.

## ROUTE MAP TO THE VENUE OF AGM









*If undelivered please return to:*

**KESAR TERMINALS & INFRASTRUCTURE LIMITED**

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