



**Annual Report
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KESAR TERMINALS & INFRASTRUCTURE LIMITED

KESAR TERMINALS & INFRASTRUCTURE LIMITED

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KESAR TERMINALS & INFRASTRUCTURE LIMITED

(Incorporated under the Companies Act, 1956)

COMPANY INFORMATION

BOARD OF DIRECTORS

H. R. KILACHAND (Chairman)
SMT. M. H. KILACHAND
A. S. RUIA
K. KANNAN
J. N. GODBOLE
R. S. LOONA
J. K. DEVGUPTA (Executive Director)

COMPANY SECRETARY

BHAUTESH SHAH

BANKERS

Allahabad Bank
Yes Bank

AUDITORS

M/s. Haribhakti & Co., Chartered Accountants

TERMINALS

Kandla (Gujarat)

REGISTERED OFFICE

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

REGISTRAR & TRANSFER AGENTS

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

AUDIT COMMITTEE MEMBERS

A. S. RUIA (Chairman of the Committee)
K. KANNAN
J. N. GODBOLE
R. S. LOONA
H. R. KILACHAND

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NOTICE

NOTICE is hereby given that the 4th Annual General Meeting of the Members of **KESAR TERMINALS & INFRASTRUCTURE LIMITED** will be held on **Friday, 14th September, 2012** at **3:30 p.m.** at **M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400001** to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri J. N. Godbole, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Shri R. S. Loona, who retires by rotation and being eligible offers himself for reappointment.
5. To consider and, if thought fit, to pass with or without modification/s, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Haribhakti & Co., Chartered Accountants, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration as may be decided by the Board of Directors plus reimbursement of travelling and other out of pocket expenses incurred by them in performance of their duties."

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including, any statutory amendment, modification or re-enactment thereof and other requisite approvals as may be necessary, and subject to the approval of the Members of the Company, approval be and is hereby granted for reappointment of Shri J. K. Devgupta as Whole-time Director designated as Executive Director of the Company with substantial powers of the management for a period of 2 years from 11.5.2012 to 10.5.2014, on a remuneration and on the terms and conditions as per Schedule XIII of the Act, and as specifically set out below:

I. Salary : ₹ 2,10,000/- per month (in the slab of ₹ 2,10,000 - 10,000 - 2,30,000).

II. Perquisites:

1. Housing: He would be entitled to House Rent Allowance @ 60% of the Salary.
2. Reimbursement of medical expenses incurred for him and his family including premium for medical insurance as per rules of the Company.
3. Leave Travel Concession for him and his family once in a year incurred in accordance with the Rules of the Company.
4. Club fees, which will not include admission / life membership fees.
5. Premium for personal accident insurance as per rules of the Company.
6. Free use of Company's car with driver and telephone at residence for the business of the Company. Charges for personal long distance calls on telephone and use of car for private purpose would be borne by him.

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The annual value of the above perquisites would be restricted to an amount equal to the annual salary payable to him. For the purpose of calculating the above ceiling, perquisites would be evaluated as per Income-tax Rules, wherever applicable. In the absence of any applicable rules, perquisites would be evaluated at actual cost. Provision of use of Company Car for official duties and telephone at residence (including payment of local calls and long distance official calls) would not be included in the computation of perquisites for the purpose of calculating the said ceiling.

7. He would be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company.
8. No sitting fees would be paid for attending the Board / Committee Meetings.
9. He would be eligible to the following, which would not be included in the ceiling.
 - i. Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent, not taxable under the Income Tax Act.
 - ii. Gratuity at a rate not exceeding 1/2 month's salary for each completed year of service.
 - iii. Encashment of accumulated leave at the end of the tenure.

"RESOLVED FURTHER THAT Shri J. K. Devgupta would not be regarded as a Director liable to retire by rotation."

"RESOLVED FURTHER THAT the aforesaid remuneration would nevertheless be paid and allowed to Shri J K Devgupta as Executive Director as the minimum remuneration, within the overall ceiling limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto from time to time, notwithstanding that in any financial year of the Company during the tenure of office of Shri J. K. Devgupta, the Company might have made no profits or its profits might be inadequate."

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

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

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

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

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

"RESOLVED FURTHER THAT the pricing of the Securities, GDRs/ FCCBs / ADRs that may be issued, shall be made subject to compliance with the applicable laws and regulations."

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

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

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

Registered Office:

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

By Order of the Board of Directors

Bhautesh Shah
Company Secretary

KESAR TERMINALS & INFRASTRUCTURE LIMITED

10th August, 2012

Notes:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- b) The register of members and share transfer books of the Company shall remain closed from Friday, 7.9.2012 to Friday, 14.9.2012 (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 Members may lodge their shares for transfer / transmission with the office of M/s. SHAREX DYNAMIC (INDIA) PVT. LTD., the Registrar and Share Transfer Agents at Unit No.1, Luthra Industrial Premises, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai 400072 or with the Company.
- d) All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays and Sundays between 11:00 a.m. and 1:00 p.m. upto the date of the ensuing Meeting.
- e) Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
- f) Members / Proxies should fill the Attendance Slip for attending the Meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification for attendance at the Meeting.
- g) **The members of the Company are requested to provide their email address for serving by electronic mode the notice/documents as a part of the Green Initiative in Corporate Governance introduced by the Ministry of Corporate Affairs vide Circular No. 17/2011 & 18/2011 dated 21.4.2011 and 29.4.2011 respectively. The said information/request can be sent by members to M/s. SHAREX DYNAMIC (INDIA) PVT. LTD., the Registrar and Share Transfer Agents email id at sharexindia@vsnl.com or at the Company's email id at bhauteshshah@kesarindia.com (Please refer Page 50 & 51).**
- h) An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business to be transacted at the meeting is annexed hereto.
- i) As per Clause 49(IV)(G) of the Listing Agreement, the information in detail about Shri J. N. Godbole and Shri R. S. Loona, the retiring Directors at the ensuing Annual General Meeting, is given in para 2 of the Corporate Governance Report.

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ANNEXURE TO THE NOTICE

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

Item No. 6:

Shri J. K. Devgupta was appointed as the Whole-time Director designated as Executive Director for a period of 2 years commencing from 11.5.2010. In accordance with the term of his appointment, his term of office expired on the closing hours of 10.5.2012. Considering the ongoing projects of the Company and his vast experience, the Board of Directors at their meeting held on 17.4.2012 reappointed Shri J. K. Devgupta as Whole-time Director designated as Executive Director with substantial powers of the Management for a period of 2 years from 11.5.2012 to 10.5.2014. The said reappointment along with the remuneration payable to Shri J. K. Devgupta was recommended by the Remuneration Committee consisting of Non Executive Independent Directors at its meeting held on 17.4.2012.

The Board recommends the reappointment of Shri J. K. Devgupta as Executive Director as mentioned in the Special Resolution, for a period of 2 years w.e.f. 11.5.2012, on remuneration as specifically mentioned in the Special Resolution at Item No.6 which is within the ceiling limits provided in Schedule XIII to the Companies Act, 1956 subject to your approval.

The abstract of the terms and Memorandum of Interest under Section 302 of the Companies Act, 1956 with respect to the reappointment of Shri J. K. Devgupta, Executive Director was sent earlier to all the Members of the Company.

Shri J. K. Devgupta shall not be regarded as a Director liable to retire by rotation.

None of the Directors of the Company except Shri J. K. Devgupta is in any way concerned or interested in the aforesaid resolution.

Item No. 7:

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

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

The detailed terms and conditions for the offer will be determined in consultation with Advisors, Lead Managers, Underwriters and such other authority or authorities and agencies as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors. The pricing of the international offering(s), if any, will be free market pricing and may be at a premium or discount to the market price in accordance with international practice, subject to applicable rules, regulations etc. As the pricing of the offering(s) will be decided at a later stage, the exact number of securities or shares to be issued will depend upon the price so decided. For the aforesaid reasons, an enabling resolution is being proposed to give adequate flexibility and discretion to the Board to finalise the terms of the issue.

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

The Special Resolution seeks to give the Board powers to issue Securities in one or more tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies, individuals or otherwise as the Board may at its absolute discretion deem fit. Section 81(1A) of the Companies Act, 1956

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provides, inter alia, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such further shares shall be offered to the existing shareholders of the Company in the manner laid down in Section 81(1A) unless the shareholders in a general meeting decide otherwise.

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

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

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

Registered Office:

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

10th August, 2012

By Order of the Board of Directors

Bhautesh Shah
Company Secretary

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DIRECTORS' REPORT

To
The Shareholders
Kesar Terminals & Infrastructure Ltd.

Dear Members,

Your Directors present to you the 4th Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS

	(₹ in Lac)	
	2011-12	2010-11
Profit before interest, depreciation & taxation	1395.16	1106.90
Less: Interest and Finance Charges	81.57	96.22
Profit before Depreciation & taxation	1313.59	1010.68
Less: Depreciation	278.52	276.47
Profit before tax	1035.07	734.21
Less: Provision for Taxation		
(i) Income Tax - Current	345.00	249.64
(ii) Income Tax – Deferred	(17.82)	(7.77)
Profit after tax and Profit available for appropriation	707.89	492.34
Appropriation:		
Less:		
(i) Transfer to General Reserve	71.55	49.23
(ii) Interim Dividend on Equity Shares	—	78.80
(iii) Proposed Dividend on Equity Share	131.33	52.53
(iv) Corporate Tax on Dividends	21.30	21.61
Profit after appropriation	483.71	290.17
Add: Balance brought forward from previous year	632.12	341.95
Balance carried forward to Balance Sheet	1115.83	632.12

For the year 2011-2012, there is a profit after tax of ₹ 707.89 lac as against ₹ 492.34 lac in the previous year.

DIVIDEND

The Directors are pleased to recommend a dividend of 25% i.e ₹ 2.50 per Equity Share of ₹ 10/- each on 52,53,113 Equity Shares of the Company for the year 2011-12 (previous year 25% i.e. ₹ 2.50 per Equity Share). The total dividend payout will be ₹ 131.33 lac, excluding dividend distribution tax of ₹ 21.30 lac.

REVIEW OF OPERATIONS

During the year under review, your Company achieved a turnover of ₹ 2341.10 lac, as against ₹ 2057.95 lac in the previous year, recording a growth of 13.76%. The Company recorded an increase of 43.78% in its profit after tax which grew from ₹ 492.34 lac to ₹ 707.89 lac. The Companies healthy performance was attributed to better realisation in terminal tankage charges and improvement in the average commercial utilization charges of tanks by 4% YoY i.e. from 90% in the previous year to 94% in the current year.

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OUTLOOK FOR 2012-2013

With the continuation of the demand of Petroleum products, Petrochemicals, Chemicals and Crude Oil, the outlook for the year looks good. The revenues from tankage are expected to increase taking into account the firming up of the terminal cargo business. The Company is pursuing a high growth strategy and is focused on expansion through its projects at various locations.

EXPANSION / MODERNISATION

The Company has been exploring new avenues to optimize and expand its present capacity at its Terminals at Kandla. The Company is awaiting necessary permissions from the authorities for the construction of tanks. In view of modernizing the existing facilities, your Company has started to convert one of its tanks from the existing Mild Steel (MS) to Stainless Steel (SS). The modernization will increase the marketability and enhance revenues for your Company. Based on the market scenario and the demand from its customers, your Company proposes to convert further such MS tanks into SS tanks.

During the year, your Company had commenced land development work at its Kakinada site at Andhra Pradesh. The Kakinada Port being an all weather lighterage Port developed in a naturally sheltered bay of Godavari Sand Spit, has witnessed bulk of traffic from the oil and gas sector and export and import of edible oils. The Company is optimistic about the growth prospects of the Port and the increase in its tonnage capacity. As informed earlier, the Company has plans to put up a Bulk Liquid Terminal and a Dry Cargo Warehousing facility on the 10 acre land.

The Company also plans to put up a Container Freight Station [CFS], Bonded Warehouse and a Bulk Liquid terminal at Pipavav on the 16 acre land purchased by the Company. The Company has already received approval from Inter Ministerial Committee for putting up the CFS and is awaiting approvals from other statutory authorities for commencement of construction work at the site.

India being an agrarian economy, food grains form a major part of India's exports but agro commodities being perishable in nature, the storage of this commodity is a major bottleneck of this sector. As a diversification strategy the company has been looking at the prospect of setting up warehousing facilities for agro commodities and other bulk commodities such as cement etc. at different locations in the country along with attendant facilities such as 'Cold Chain', food processing park etc. for which the government is offering subsidies on selective basis.

COMPOSITE LOGISTICS HUB PROJECT AT MADHYA PRADESH

During the year, your Company along with its Consortium Member, Kesar Enterprises Limited (KEL) had won a bid for setting up a "Composite Logistics Hub" on an area of 88.3 acres of leased land to be provided by the Madhya Pradesh State Agricultural Marketing Board (Mandi Board) at Pawarkheda, District Hoshangabad, Madhya Pradesh on a Design, Build, Finance, Operate and Transfer (DBFOT) basis through Public Private Participation (PPP). This would include development of an entire range of logistics 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, marketing of the same to potential customers along with operation and maintenance thereof, estimating the Project cost at ₹ 150 crores. The Project is located at the centre of India with Itarsi as the main North-South-East-West junction from where cargo can be distributed within 24 hours on an all India basis. The strategic location and other dynamics have made this project lucrative. The said Project is to be executed through a Special Purpose Vehicle named "Kesar Multimodal Logistics Limited" (KMLL), the shares of which are held by the Company and KEL. As per the terms of the Concession Agreement, the Company would be required to invest at least ₹ 7 crore in KMLL. The Company has spent on behalf of KMLL / advanced to KMLL an aggregate amount of ₹ 4,70,00,000/- for the Project which has been converted by KMLL on 10.8.2012 by allotting 47,00,000 Equity Shares of ₹ 10/- each. In view of the same, the % shareholding, of the Company along with its Nominees in the Equity Share Capital of KMLL has increased above 50% resulting into a relationship of Holding - Subsidiary between the Company & KMLL. Whereas 25,000 Equity Shares of ₹ 10/- each of KMLL is held by Kesar Enterprises Limited along with its Nominees. The Company plans to commence construction of the facilities once the necessary regulatory approvals are in place.

There has been a steady rise in the Rail and Container Freight traffic in India on account of growing economic activities. The development of logistics infrastructure in any location is dependent on the quality of delivery mechanisms that are designed as a part for any such facility. The benefit of this rise in traffic will prove beneficial also to land locked States like Madhya Pradesh. The Composite Logistics Hub Project at Pawarkheda, Madhya Pradesh will prove to be an ideal exchange point to the movement of short lead cargo (inward and outward) over road which could also be transferred between rail and road for longer lead movements. Itarsi, which is known as

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the commercial hub of Madhya Pradesh for agricultural goods is located just 8 kms away from Pawarkheda. Given the robust demand from Itarsi, the demand for cold chains logistics services encompassing cold stores and refrigerated transport is likely to steeply increase taking into account the perishability of agro products. The cold chain storage facilities foresee a promising demand from large food processing companies, organized retail chains and farmers.

DIRECTORS

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

Shri J. K. Devgupta was appointed as the Whole-time Director designated as Executive Director for a period of 2 years commencing from 11.5.2010. In accordance with the term of his appointment, his term of office expired on the closing hours of 10.5.2012. Considering the ongoing projects of the Company and his vast experience, the Board of Directors at their meeting held on 17.4.2012 have reappointed Shri J. K. Devgupta as Whole-time Director designated as Executive Director with substantial powers of the Management for a period of 2 years from 11.5.2012 to 10.5.2014 based on the approval of the Remuneration Committee, pursuant to the provisions of Sections 198, 269, 309, 316, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956. The said reappointment is subject to the approval of the shareholders, the resolution of which is proposed at the ensuing Annual General Meeting. Pursuant to Section 302 of the Companies Act, 1956, an abstract of the terms of the contract together with a Memorandum of Interest pertaining to his reappointment was sent earlier to the Members of the Company within the stipulated time period.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) that in preparation of the Annual Accounts for the financial year ended on 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit for that year;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the Annual Accounts for the financial year ended on 31st March, 2012 on a going concern basis.

MANAGEMENT DISCUSSION & ANALYSIS REPORT AND CORPORATE GOVERNANCE REPORT

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

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

INSIDER TRADING

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

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

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

During the year under review, there were no foreign Exchange Earnings (Previous year Nil) and Foreign Exchange Outgo stood at ₹7,58,749 (Previous Year Nil).

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FIXED DEPOSITS

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

AUDITORS

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

INTERNAL CONTROL SYSTEM & INTERNAL AUDITORS

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

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility and sustainable development are the umbrellas of ethical behaviour. The Company is committed to the health and safety of its employees and its neighbourhood and believes in pursuing its business growth objectives in a socially responsible and ecologically sustainable way. Your Company as a responsible corporate citizen strives to add value to society and address the contemporary societal needs and challenges.

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

ACKNOWLEDGEMENT

Your Directors wish to place on record their grateful appreciation for the assistance and cooperation extended by the Banks, Financial Institutions, Customers and the wholehearted support extended by the shareholders during the year. Your Directors take this opportunity to place on record the dedicated service shown by the employees at all levels contributing to the success of the Company.

By Order of the Board of Directors

Mumbai
10th August, 2012

**H. R. KILACHAND
CHAIRMAN**

Annual Report 2011-2012

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

SCENARIO IN INDIA

Bulk liquid Storage scenario

The Indian economy showered a promising growth of 8.5% in 2011 but on account of the changed global scenario led by our domestic factors, the economy managed to peg a growth of around 6.5% in 2012. Despite, the economy showing signs of a relative slowdown, India's robust consumption story is something to cheer about. Though, the slowdown was seen across sectors like Mining, Capital Goods etc., the industry in which the Company operates had a relatively lesser impact. The Company is primarily engaged in the business of storage of Bulk Liquid Chemicals. The consumption of Petroleum products, Petrochemicals and Chemicals continues to rise resulting in a sustained demand for bulk liquid storage facilities across India.

INDUSTRY STRUCTURE & DEVELOPMENT

India's 2012-13 budget reiterated a commitment to spend 50 trillion rupees (\$920 billion) on infrastructure development during its 2012-17 five-year plan, with roughly half this investment expected to come from the private sector. This new concept has brought private parties to work at par with the government on projects under the Public Private Partnership (PPP) route. The commitment by the government would prove a blessing to the ignored infrastructure sector ranging from Roads, Bridges to upcoming activities like Storage Terminals, Container Freight Station, Cold Storage Warehouses, Rail Infrastructure etc., which would help to remove the bottlenecks of the logistics and warehousing sector. The Government has also started giving tax incentives and holidays for the development of such projects. Various State governments have showed interest in making their State a Commercial Hub for Port related and other allied activities. This opportunity was seized by your Company, by bagging a prestigious "Composite Logistics Hub" project on PPP model from the Madhya Pradesh State Agricultural Marketing Board (Mandi Board) to be developed on a Design, Build, Finance, Operate and Transfer (DBFOT) basis at Pawarkheda. With the business of such activities picking up, accompanied by sound economic policies and steady growth rate, the long term potential in storage and logistics infrastructure seems promising.

OPPORTUNITIES & THREATS

The Company currently operates 2 Bulk Liquid Chemical Terminals at Kandla, Gujarat having a combined capacity of 127,000 Kilo Litres (KL), with a total of 64 tanks which includes specialized tanks, such as stainless steel tanks, tanks equipped with heating and insulation facilities and coated tanks which stores specialty products. The Company plans to add further capacity at its Terminal 1, Kandla and has approached the concerned authorities for requisite approvals. Further, as a revenue enhancement measure, the Company has initially started converting one of its tanks from the existing Mild Steel (MS) Tank to Stainless Steel (SS) enhancing its marketability leading to revenue augmentation. The Company also plans to convert further such tanks based upon demand from its customers. With new emerging opportunities, the Company has planned to expand its presence to places like Kakinada [Andhra Pradesh], Pipavav [Gujarat] and Pawarkheda [Madhya Pradesh].

PERFORMANCE

The Company as on date operates in only one segment i.e Bulk liquid storage facility, the revenues of which for the current year stood at ₹2341.10 lac as against ₹ 2057.95 lac last year, showing an increase of 13.76% in its topline. The profit after tax showed a jump of 43.78 % from ₹ 492.34 lac last year to ₹707.89 lac in the current year.

OUTLOOK

Diversification opportunities

With the demand for tank warehousing on the increase, the Company is tapping opportunity to modernize and increase its installed capacity at its Terminals at Kandla which will add new customers to its base and enhance revenues.

With the Companies facilities at Kandla Port nearly reaching saturation levels due to paucity of land for further expansion, the Company has made its presence on the East Coast of India at Kakinada Port where the Company was allotted 10 acres of land from the Kakinada Sea Port, Ministry of Andhra Pradesh. The Company plans to set up a Dry Cargo Warehousing and Bulk Liquid Terminal at this location. The Company has already started with the land development work at the proposed site.

Further, your Company plans to focus on developing and operating integrated logistics infrastructure solutions across strategic locations in India. With this view in mind, it had purchased 16 acres of land at Pipavav, Gujarat situated on the west coast of India. The Port of Pipavav being an all weather port, it is protected by two islands,

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which acts as a natural breakwater maximizing the safety of the port. Being the first Port in the private sector and amongst the fastest growing ports in India, the Company proposes to set up a Container Freight Station and a Bulk Liquid Terminal on this land. The Company proposes to commence its operations at this location, once the necessary clearances are in place.

The EXIM Container traffic in Indian ports has shown an impressive growth of 14% per annum over the past decade. The Container traffic on the Indian Railways network continues to show high growth as containerization of bulk movement of cargo offer substantial potentials for savings in cost and time. Various initiatives are taken by the Government to rope in private parties for Public Private Partnership (PPP) projects for setting up logistics infrastructure. During the year, as mentioned above, the Company along with Kesar Enterprises Limited (KEL) had successfully bagged one such “Composite Logistics Hub” project on PPP basis at Pawarkheda, Madhya Pradesh from the Mandi Board. In line with the Company's vision to be a pan-India integrated player in logistics infrastructure, the Company found the dynamics of the Project viable on account of the strategic Project location being at the centre of India with Itarsi as the main North-South-East-West junction from where cargo could be distributed within 24 hours on an all India basis. The execution of the Project will be carried out through Kesar Multimodal Logistics Limited (KMLL), a Special Purpose Vehicle formed by the Company and KEL. KMLL would develop the ‘Multi Modal Logistic Hub’ with an entire range of logistics infrastructure like rail sidings for cargo and container movement, Rail Side Warehouses, Inland Container Depot, FMCG, Bulk commodity and Food grain warehouses, Cold storages, Food Park and a gamut of other such services on an area of 88.3 acres of leased land provided by the Mandi Board. The Company is waiting for the necessary regulatory approvals for commencing the Mandi Board Project.

RISKS AND CONCERNS

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, which includes environmental risk, credit risk, trade policy, geo-political factors, governmental clearances and approvals, which are inherently unpredictable. The Company manages these risks by following business and risk mitigation practices.

INTERNAL CONTROL SYSTEM

The objective of the Company with regard to adequacy of internal control system has been the formulation of effective systems and their strict implementation to ensure that assets and interests of your Company are safeguarded; checks and balances are put in place to determine the accuracy and reliability of financial data. Your Company has an Internal Audit Department which prepares the audit programmes of its Terminals / Offices to cover significant areas to ensure internal checks and controls. The Internal Audit Department carries out half yearly audits covering all areas of operations and the reports are reviewed by senior finance personnel and placed before the Audit Committee of the Board of Directors alongwith the action taken. During the year, the Company has successfully completed implementation of Enterprise Resource Planning (ERP) adding more transparency to its operations. 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 talented and engaged employees 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. The Company has a total strength of 62 people as at 31.3.2012.

FORWARD LOOKING STATEMENT

The above Management Discussion and Analysis Report contain “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.

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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) through Clause 49 of the Listing Agreement of the Stock Exchanges.

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

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

Attendance of each Director at 7 Board Meetings held during 1.4.2011 to 31.3.2012, the last Annual General Meeting held on 29.6.2011 and the number of other Directorship and Chairmanship / Membership of Committees of each Director in various companies are as follows:

Name of the Director	Attendance Particulars						No. of other Directorships and Committee Member / Chairmanship		
	Out of 7 Board Meetings	Out of 4 Audit Committee Meeting	Out of 1 Remuneration Committee Meeting	Out of 4 Share Transfer Committee Meetings	Sitting Fees paid (₹)	Last AGM	Other Directorships*	Committee Member# Meeting	Chairman-ships Meeting
Shri H.R. Kilachand	7	4	-	4	—	Yes	2	2	-
Smt. M.H. Kilachand	7	N.A	N.A	N.A	84,000	Yes	2	-	-
Shri A. S. Ruia	7	4	1	4	1,92,000	Yes	3	2	-
Shri K. Kannan	6	4	1	N.A	1,32,000	Yes	5	3	3
Shri J. N. Godbole	7	4	1	4	1,92,000	Yes	13	7	2
Shri R. S. Loona	7	4	N.A	N.A	1,32,000	Yes	4	5	-
Shri J. K. Devgupta	7	N.A	N.A	N.A	—	Yes	-	-	-

The Non-Executive Directors were paid Sitting Fees of ₹ 7,32,000/- for attending the Board Meetings and the Committee Meetings held during 1.4.2011 to 31.3.2012.

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

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

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

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

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

Name of the Director	Shri J. N. Godbole	Shri R. S. Loona
Date of Birth	17.2.1945	21.9.1951
Date of Appointment on the Board	29.1.2010	1.6.2010
Qualification	B.Tech (Hons) - Chemical IIT Bombay, PG Certificate in Financial Management	B.SC, LLB
Expertise in Functional Area	He is the former Executive Director of IDBI Ltd. and at the time of his retirement, he functioned as the Chairman and Managing Director of IDBI Ltd. Shri Godbole is a Chemical Engineer from IIT Powai and has 38 years of experience in the industry and Development Banking. He serves on the Board of various other reputed Companies.	He is a leading Corporate Lawyer with specialization in the securities market, banking and finance, infrastructure projects, real estate and regulatory advice. A Science graduate having done his Bachelors in Law, Mr. Loona is the Managing Partner of Alliance Corporate Lawyers, Mumbai and has over 36 years of experience. He served as Executive Director (Law) of SEBI for a period of about 4 years. Currently, he is associated with SEBI as a member of its Takeover Panel and also a member of an Expert Committee viz. Depository System Review Committee (DSRC).
Number of Shares held in the Company	—	—
List of Directorship held in other Companies	Embio Ltd. J. K. Cements Ltd. Gillander Arbhutnot & Co Ltd. I.M.P. Powers Ltd. Emami Paper Mills Ltd. The Oudh Sugar Mills Ltd. Madhya Bharat Papers Ltd. Zuari Industries Ltd. Saurashtra Cement Ltd. IDBI Asset Management Ltd. Gujarat Alkalies and Chemicals Ltd. Midas Asset Reconstruction Company Pvt. Ltd. Zuari Holdings Ltd. Kesar Multimodal Logistics Ltd.	IITL Projects Ltd. India Infoline Trustee Company Ltd. Industrial Investment Trust Ltd. Asset Reconstruction Company (India) Ltd. MRG Hotels Pvt. Ltd. IIT Insurance Broking and Risk Management Pvt. Ltd. IIT Media & Entertainment Pvt. Ltd.
Chairman/Member of the Committees of the Boards of Companies in which he is Director	Chairman Audit Committee:- Gujarat Alkalies and Chemicals Ltd. Chairman Investor Grievance Committee:- Zuari Holdings Ltd. Member Audit Committee:- Embio Ltd. Gillander Arbhutnot & Co Ltd. Emami Paper Mills Ltd. Madhya Bharat Papers Ltd. Zuari Industries Ltd. IDBI Asset Management Ltd. Zuari Holdings Ltd. Member Remuneration Committee:- Embio Ltd. Emami Paper Mills Ltd. Member Project Committee:- Gujarat Alkalies and Chemicals Ltd.	Member Audit Committee:- IITL Projects Ltd. Industrial Investment Trust Ltd. India Infoline Trustee Company Ltd. Member Shareholder / Investor Grievance Committee:- IITL Projects Ltd. Industrial Investment Trust Ltd.

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

In all 7 Board Meetings were held during the year as per the minimum requirement. The dates on which the meetings were held are 16.5.2011, 29.6.2011, 7.7.2011, 27.7.2011, 12.10.2011, 1.11.2011 and 2.2.2012. The necessary information was made available to the Board from time to time.

3. Audit Committee:

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

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

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

The Board has an Audit Committee in terms with Clause 49(II)(A) of the Listing Agreement and Section 292A of the Companies Act, 1956. The Committee comprises of 5 (five) Directors of which four are Independent Directors. The Chairman of the Audit Committee is an Independent Director. The details of composition of the Audit Committee is as follows (1) Shri A. S. Ruia, Chairman of the Audit Committee and Non-Executive Independent Director; (2) Shri K. Kannan, Non-Executive Independent Director; (3) Shri J. N. Godbole, Non-Executive Independent Director; (4) Shri R. S. Loona, Non-Executive Independent Director and (5) Shri H. R. Kilachand, Executive Chairman. The Audit Committee met 4 (four) times during the year under review on 16.5.2011, 27.7.2011, 1.11.2011 and 2.2.2012.

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

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

4. Remuneration Committee:

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

The brief terms of reference of this Committee includes consideration, review and approval of remuneration of

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Executive Director / Chairman and sitting fees payable to Non-Executive Directors with regard to performance standards and existing industry practices.

The Remuneration Committee met 1 (one) time during the year under review on 16.5.2011, The attendance of the members is shown in the table at Point 2. On 16.5.2011, the Remuneration Committee as well as the Board of Directors of the Company approved payment of Incentive of ₹ 16 lakh for the year ended 31.3.2011 to Shri H. R. Kilachand, the Whole-time Director designated as Executive Chairman.

During the year under review, Shri H. R. Kilachand, Executive Chairman was paid remuneration of ₹ 57.3 lac (Salary ₹ 17.28 lac, Contribution to Provident Fund and Superannuation Fund ₹ 4.66 lac, Perquisites ₹ 10.36 lac and Incentive ₹ 25 lac) which was within the limits approved by the shareholders at the Annual General Meeting of the Company held on 14.9.2010.

During the year under review, Shri J. K. Devgupta, Executive Director was paid remuneration of ₹ 38.33 lac (Salary ₹ 18 lac, Contribution to Provident Fund and Superannuation Fund ₹ 4.86 lac and Perquisites ₹ 15.47 lac) as per the provisions of the Companies Act, 1956 read alongwith Schedule XIII and as approved by the shareholders at the Extraordinary General Meeting held on 24.5.2010.

The Non-Executive Directors were paid sitting fees of an aggregate amount of ₹ 7,32,000/- as stated in Para 2 above.

5. Share Transfer Committee:

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

The Share Transfer Committee met 4 (four) times during the year under review on 16.5.2011, 29.6.2011, 12.10.2011 and 2.2.2012. The attendance of the members is shown in the table at Point 2. Neither any share transfers nor any requests for demat was pending as on 31st March, 2012.

6. Shareholders / Investors Grievance Committee:

As required under Clause 49 of the Listing Agreement, the Board has a duly constituted Shareholders / Investors Grievance Committee consisting of (1) Shri A. S. Ruia, Chairman of the Committee and Non-Executive Independent Director; (2) Shri K. Kannan, Non-Executive Independent Director; and (3) Shri H. R. Kilachand, Executive Chairman. During the financial year ended 31st March, 2012, the Company had not received any complaint from its Shareholders.

7. Compliance Officer:

As per Clause 47(a) of the Listing Agreement, the Board has designated Shri Bhautesh Shah, Company Secretary as the Compliance Officer.

Address for Correspondence: Oriental House, 7, J. T. Road, Churchgate, Mumbai 400020

E-mail: bhauteshshah@kesarindia.com

Tel: 22042396 / 22851737

Fax: 22876162

8. General Body Meetings:

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

AGM	Financial Year ended	Date	Location	Time
AGM	31.3.2011	29.6.2011	M. C. Ghia Hall	3:00 p.m
AGM	31.3.2010	14.9.2010	M. C. Ghia Hall	3:30 p.m
AGM	31.3.2009	29.9.2009	Registered Office	3.30 p.m.

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

Date of AGM	Particulars of Special Resolution passed thereat
29-6-2011	Resolution under 81(1A) of the Companies Act, 1956 to issue securities upto an amount not exceeding ₹ 25 crore.
14-9-2010	<p>a) Resolution under Section 163 of the Companies Act, 1956 for keeping the Register of Members, Registers and Indexes of Debentureholders, Copies of Annual returns and other related books and documents prepared under Section 159 of the Companies Act, 1956 at the premises of the Company's Registrar & Share Transfer Agent, M/s Sharex Dynamic (India Pvt. Ltd.</p> <p>b) Resolution under Section 198, 269, 309, 316, Schedule XIII read with Section III and other applicable provisions of the Companies Act, 1956 relating to appointment and fixing remuneration of Shri H. R. Kilachand for a period of 3 years w.e.f 14.9.2010.</p>

iii. Details of Resolutions passed during the Financial Year 2011-2012 through Postal Ballot, the person who conducted the Postal ballot exercise, procedure for Postal Ballot and details of the Voting Pattern:

During the year ended March 31, 2012, the Company sought approval from its shareholders for passing Special / Ordinary Resolutions through the process of Postal Ballot in accordance with the provisions of Section 192A of the Act read with the Companies (Passing of the Resolutions by Postal Ballot) Rules, 2011. The Board of Directors of the Company, at its meetings had appointed a Scrutinizer for conducting the Postal Ballot in a fair and transparent manner.

The Scrutinizer kept the custody of all Postal Ballot forms in closed envelopes and affixed receipt stamp on envelopes as and when the Postal Ballot forms were received and kept them in a box for which a Register was duly maintained. The declared results of the Postal Ballot were announced through newspaper and were also displayed on the website of the Company, www.kesarinfra.com. Details of the same are given below:

a) Resolutions passed on 29th March, 2012 (Notice dated 2nd February, 2012)

Sr. No.	Particulars	Details / Dates
1.	Date of Board Meeting	2.2.2012
2.	Scrutinizer appointed by the Board of Directors at its Meeting	Ms. Ragini Chokshi/M/s Ragini Chokshi & Co.Practicing Company Secretary
3.	Date of Notice seeking Shareholders approval	2.2.2012
4.	Date of completion of dispatch of Notice	24.2.2012
5.	Last date of receipt of duly filled Postal Ballot Form	26.3.2012
6.	Date of submission of Scrutinizer's Report to the Chairman	29.3.2012
7.	Date of declaration of Result	29.3.2012

b) Particulars of Resolutions passed

Resolution 1: Ordinary Resolution	Resolution under Section 293(1)(a) of the Companies Act, 1956 for authority to the Board of Directors to mortgage / charge all movable and immovable properties of the Company for a sum not exceeding ₹400 crore.
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KESAR TERMINALS & INFRASTRUCTURE LIMITED

Resolution 2: Ordinary Resolution	Resolution under Section 293(1)(d) of the Companies Act, 1956 to increase the Borrowing Powers of the Company from ₹200 Crore to ₹400 Crore
Resolution 3: Special Resolution	Resolution under Section 372A of the Companies Act, 1956 to authorize the Board of Directors to make investments in, acquire by way of subscription, purchase or otherwise the securities, make / give loans / deposits / guarantees / securities to Kesar Multimodal Logistics Ltd subject to a limit of ₹ 50 crore.

c) Voting Pattern

Particulars	Total valid votes	Total valid votes cast in favour of the Resolution	Total valid votes cast against the Resolution
Resolution 1	31,82,461	31,81,992 (99.99%)	469 (0.01%)
Resolution 2	31,82,311	31,81,842 (99.99%)	469 (0.01%)
Resolution 3	31,82,318	31,81,297 (99.97%)	1,021 (0.03%)

- iv. No Special resolution requiring Postal Ballot is being proposed at the ensuing Annual General meeting of the Company.

9. Disclosures:

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

10. Means of communication:

The Board takes on record the Unaudited Quarterly Financial Results and the Audited Financial Results in the prescribed format of the stock exchange and forthwith fax and send copies of the results to the Bombay Stock Exchange and National Stock Exchange of India Ltd. respectively where the shares of the Company are listed.

The financial results of the Company are published in the "Free Press Journal" in English and "NavShakti" in Marathi newspapers within 48 hours of the conclusion of the meeting of the Board in which they are approved.

The results and all other official news releases are displayed on the websites of the Stock Exchanges: www.bseindia.com and www.nseindia.com and also on the website of the Company, viz. www.kesarinfra.com

Management Discussion & Analysis report has been included as a part of the Annual Report.

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11. General Shareholders information:

- a. Registered Office : Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai-400020.
- b. Plant Locations : Terminals I & II at Kandla, Gujarat.
- c. Annual General Meeting
Date : 14th September, 2012.
Time : 3:30 p.m.
Venue : M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001.
- d. Financial Year 2011-2012
- e. Next Financial Year ending : 31st March, 2013
- f. Next Annual General Meeting : By 30th September, 2013
- g. Financial Reporting for the year 2012-13
For 1st quarter ended 30th June, 2012 : By 14th August, 2012
For 2nd quarter ending 30th September, 2012 : By 14th November, 2012
For 3rd quarter ending 31st December, 2012 : By 14th February, 2013
For 4th quarter ending 31st March, 2013 : By 30th May, 2013
- h. Date of Book Closure : Friday, 7.9.2012 to Friday, 14.9.2012 (both days inclusive)
Dividend Payment Date : The Dividend, if declared shall be paid on 28.9.2012
- i. 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 2012-2013.
- j. Stock Exchange Code Number : BSE Scrip Code: 533289
NSE Symbol : KTIL
- k. Demat ISIN numbers in NSDL & CDSL : INE096L01017

Address for correspondence by the Shareholders of the Company:

M/s. Sharex Dynamic (India) Pvt. Ltd.
Registrar & Share Transfer Agents
Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool,
Andheri (E), Mumbai – 400 072
Tel.:28515606/ 28515644
Fax: 2851 28 85
Email: sharexindia@vsnl.com

Kesar Terminals & Infrastructure Limited.
Oriental House,
7, J. Tata Road,
Churchgate,
Mumbai-400020
Tel: 22042396 / 22851737
Fax: 22876162
Email: bhauteshshah@kesarindia.com

Code of Conduct

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

KESAR TERMINALS & INFRASTRUCTURE LIMITED

Share Transfer System:

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

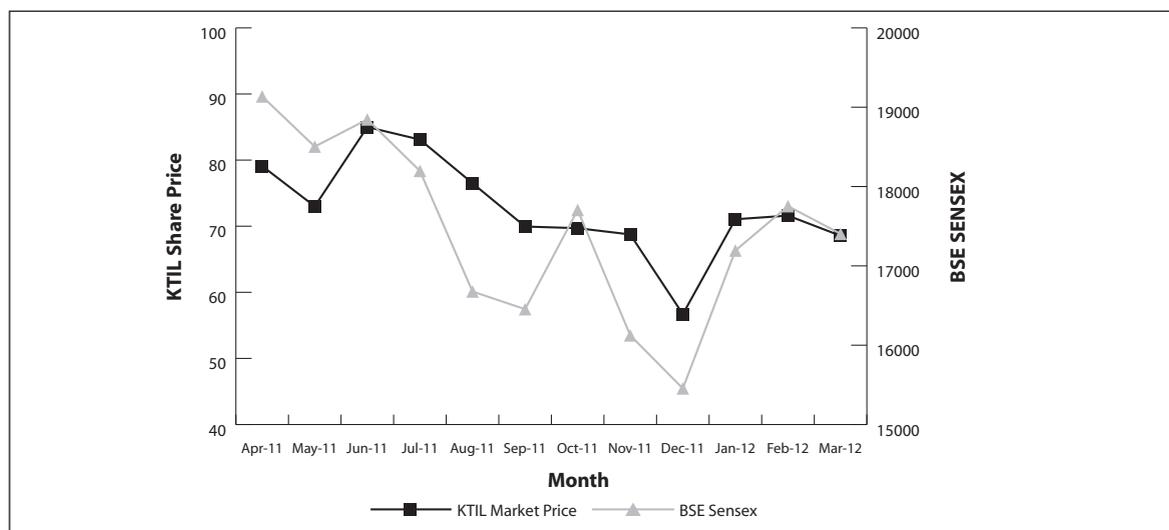
Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates on half yearly basis, have been issued by a Company Secretary in Practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) Regulation, 1996, certificates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

Stock Market Data:

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

Month	BSE		NSE	
	High	Low	High	Low
April 2011	89.80	78.20	91.75	71.55
May 2011	82.80	71.55	84.00	65.00
June 2011	85.00	72.00	84.00	68.00
July 2011	89.90	79.00	99.00	75.05
August 2011	85.65	69.05	88.00	66.65
September 2011	76.50	67.25	80.00	68.15
October 2011	73.95	57.00	71.80	62.25
November 2011	80.00	59.10	79.90	58.40
December 2011	69.30	55.55	65.70	55.00
January 2012	73.70	56.70	72.90	54.00
February 2012	75.00	66.45	74.60	66.25
March 2012	73.00	64.00	71.85	63.55

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



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Distribution of shareholding as on 31st March, 2012:

Shareholding in Nominal Value of		Share Holders		Share Amount	
₹	₹		% of Holders	In ₹	% to Total
Upto	- 5,000	4393	90.45	4461140	8.49
5,001	- 10,000	227	4.67	1630560	3.10
10,001	- 20,000	108	2.22	1500900	2.86
20,001	- 30,000	43	0.88	1055660	2.01
30,001	- 40,000	19	0.39	678210	1.29
40,001	- 50,000	11	0.23	504320	0.96
50,001	- 1,00,000	30	0.62	1984510	3.78
1,00,001	- and above	26	0.53	40715830	77.51
Total		4857	100.00	52531130	100.00

Categories of Shareholders as on 31st March, 2012:

About 94.63% of the total shareholding in the Company representing 49,70,997 shares are held in dematerialized form.

	Category of Shareholder	No of Shares Held	No of Shares in Demat Form	%
A.	Promoter & its Group - Indian			
1.	Individual / HUF	875268	816072	16.662
	Bodies Corporate	2272709	2272709	43.264
	Total Shareholding Promoter & Group Total (A)	3147977	3088781	59.926
B. 1	Public Shareholding – Institutions			
a	Mutual Funds	70	0	0.001
b	Financial Institutions / Banks	762	276	0.015
c	Central / State Government	770	770	0.015
d	Insurance Companies	473940	473940	9.022
	Sub-Total-B(I)	475542	474986	9.053
2	Non-Institutions			
a	Bodies Corporate	254939	253966	4.853
b	Individual Shareholders	1305324	1084073	24.849
c	Others -Clearing Members	5522	5522	0.105
	Non Resident Indians	63809	63669	1.215
	Sub-Total-B(2)	1629594	1407230	31.021
	Total (B)=B(1)+B(2)	2105136	1882216	40.074
	Total (A+B)	5253113	4970997	100.00

KESAR TERMINALS & INFRASTRUCTURE LIMITED

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 11 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 27.4.2007 has made it mandatory for transactions involving transfer of shares in physical form the transferee(s) is required to furnish a copy of PAN card to the Company / RTAs for registration of such transfer of shares. SEBI vide its circular dated 7.1.2010 has made it mandatory to furnish a copy of PAN in the following cases:-
 - 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 109A of the Companies Act, 1956 provides facility for making nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his / her nominee without having to go through the process of obtaining succession certificate / probate of the will etc. it would therefore be in the best interest of shareholders holding shares in physical form registered as a sole holder to make such nominations. Shareholders, who have not availed of the nomination facility, are requested to avail the same by submitting the nomination form. This form will be made available on request. Shareholders holding shares in demat form are advised to contact their DP's for making nominations.
7. As required by SEBI, shareholders may furnish details of their bank account number and name and address of the bank for incorporating the same in the dividend warrants. This would avoid wrong credits being obtained by unauthorized persons.
8. Shareholders, holding shares in electronic format are requested to deal only with their depository participants in respect of any change of address, nomination facility and furnishing bank account number etc.
9. Shareholders, who have not encashed their dividend warrants in respect of the dividend declared for the financial year 2009-2010 onwards, are requested to contact the Company and surrender their warrants for revalidation for payment. Shareholders are therefore requested to verify their records and send claims, if any, for the relevant years. The details of declared dividends are as under:

Date of declaration	For the Year	Rate of Dividend	Due date of transfer to IEPF
14.9.2010	2009-2010	Final @ 20%	12.11.2017
4.2.2011	2010-2011	Interim @15%	4.4.2018
29.6.2011	2010-2011	Final @ 10%	27.8.2018

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

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AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To The Members of
Kesar Terminals & Infrastructure Limited**

We have examined the compliance of conditions of Corporate Governance by Kesar Terminals & Infrastructure Limited, for the year ended on 31st March 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

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

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

For and on behalf of
Haribhakti & Co.
Chartered Accountants
FRN No.103523W

Sumant Sakhardande
Partner
Membership No.34828

Place: Mumbai
Date: 10th August, 2012

KESAR TERMINALS & INFRASTRUCTURE LIMITED

DECLARATION

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

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

Mumbai, 10th August, 2012

H. R. Kilachand
Executive Chairman

CERTIFICATION

The Board of Directors
Kesar Terminals & Infrastructure Limited

We, have reviewed financial statements and the cash flow statement of Kesar Terminals & Infrastructure Ltd. for the year ended 31st March, 2012 and that to the best of our knowledge and belief, we state that:

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

Mumbai, 10th August, 2012

H. R. Kilachand
Executive Chairman

J. K. Devgupta
Executive Director

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Auditors' Report

To

The Members of Kesar Terminals & Infrastructure Limited

1. We have audited the attached Balance Sheet of Kesar Terminals & Infrastructure Limited ('the Company') as at March 31, 2012 and the Statement of Profit and Loss and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, (as amended), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the paragraph 3 above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet, statement of profit and loss and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v. On the basis of the written representations received from the directors, as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2012;
 - b) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
 - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

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

Sumant Sakhardande
Partner
Membership No. 34828

Place: Mumbai
Date: 10th August, 2012

KESAR TERMINALS & INFRASTRUCTURE LIMITED

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of the Auditors' Report of even date to the members of Kesar Terminals & Infrastructure Limited on the financial statements for the year ended 31st March 2012

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification carried out at the end of the year.
- (iii) (a) During the year, the Company has granted unsecured advances in the nature of loan to a Company covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year- end balance of loans granted to such party was ` 93 lacs.
- (b) In our opinion and according to the information and explanations given to us, terms and conditions of above said interest free loan are not, prima facie, prejudicial to the interest of the Company.
- (c) The above referred Company has repaid the principal amount as stipulated.
- (d) There is no overdue amount with regard to the said loan.
- (e) As informed, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions stated in paragraph 4 (iii)(f)and (g) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.

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- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of ₹ five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of subsection (1) of Section 209 of the Act for any of the products of the company.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, wealth-tax, service tax, and other material statutory dues applicable to it.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, wealth-tax, service tax, sales-tax and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
(c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) As the company is registered for a period less than five years, clause (x) of paragraph 4 of the Companies (Auditor's Report) Order, 2003, (as amended), is not applicable.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank or financial institution. The Company has not issued any debentures.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xvi) In our opinion, the term loans have been applied for the purpose for which the loans were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

KESAR TERMINALS & INFRASTRUCTURE LIMITED

- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by public issue during the year.
- (xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

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

Sumant Sakhardande
Partner
Membership No. 34828

Place: Mumbai
Date: 10th August, 2012

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BALANCE SHEET as at 31st March, 2012

	Note No.	As at 31st March 2012	(Amount in ₹) As at 31st March 2011
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	3	52,531,130	52,531,130
(b) Reserves and Surplus	4	231,183,029	175,656,772
2 Non-current liabilities			
(a) Long Term Borrowings	5	15,023,692	40,468,163
(b) Deferred tax liabilities (Net)	6	33,311,436	35,094,168
(c) Other Long Term Liabilities	7	15,044,755	7,500,000
(d) Long Term Provisions	8	1,749,000	1,517,434
3 Current liabilities			
(a) Trade payables	9	5,612,612	5,193,579
(b) Other Current Liabilities	10	42,116,012	49,299,933
(c) Short Term Provisions	11	26,822,828	9,195,526
TOTAL		<u>423,394,495</u>	<u>376,456,705</u>
II. ASSETS			
1 Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	12	288,467,150	305,700,053
(ii) Intangible assets		341,872	569,787
(iii) Capital work-in-progress		33,431,417	14,691,349
(b) Non Current Investments	13	255,000	5,000
(c) Long Term Loans and Advances	14	44,724,060	10,613,015
(d) Other Non- Current Assets	15	8,085,883	982,067
2 Current assets			
(a) Inventories	16	1,071,291	1,097,605
(b) Trade Receivables	17	32,714,148	26,178,099
(c) Cash and Bank Balances	18	2,562,823	13,792,249
(d) Short Term Loans and Advances	19	11,577,404	2,678,520
(e) Other Current Assets	20	163,447	148,961
TOTAL		<u>423,394,495</u>	<u>376,456,705</u>
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

For and on behalf of Haribhakti & Co.
Chartered Accountants
FRN NO.103523W

Sumant Sakhardande
Partner
Membership No. 34828

Place :- Mumbai
Date :- 10th August 2012

For and on behalf of the Board of Directors

H. R. Kilachand
Executive Chairman

Bhautesh Shah
Company Secretary

Place :- Mumbai
Date :- 10th August 2012

KESAR TERMINALS & INFRASTRUCTURE LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 31st March, 2012

	Note No.	For the year ended on 31st March 2012	(Amount in ₹) <i>For the year ended on 31st March 2011</i>
I Revenue From Operations	21	234,109,601	205,794,790
II Other Income	22	2,436,168	1,425,643
III Total Revenue (I + II)		236,545,769	207,220,433
IV Expenses:			
Employee benefits expense	23	51,396,456	44,075,083
Finance Cost	24	8,157,225	9,621,646
Depreciation and amortization expense		27,852,398	27,647,317
Other expenses	25	45,632,951	52,455,153
Total Expenses		133,039,030	133,799,199
V Profit before tax (III-IV)		103,506,739	73,421,234
VI Tax Expense:			
(a) Current tax [Including prior period tax provision written back of ₹ 14,21,497 (P.Y. Nil)]		34,499,964	24,963,908
(b) Deferred tax		(1,782,730)	(777,354)
VII Profit (Loss) for the period (V-VI)		70,789,505	49,234,680
VIII Basic & Diluted Earnings per equity share [Nominal value of shares ₹ 10 (Previous year: ₹ 10)]		13.48	9.37
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

For and on behalf of Haribhakti & Co.
Chartered Accountants
FRN NO.103523W

Sumant Sakhardande
Partner
Membership No. 34828

Place :- Mumbai
Date :- 10th August 2012

For and on behalf of the Board of Directors

H. R. Kilachand
Executive Chairman

Bhautesh Shah
Company Secretary

Place :- Mumbai
Date :- 10th August 2012

J.K.Devgupta
Executive Director

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	For the year ended on 31st March 2012	(Amount in ₹) For the year ended on 31st March 2011
A CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	103,506,739	73,421,234
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation	27,852,398	27,647,317
Dividend Income	-	(450)
Interest Income	(494,822)	(303,529)
Interest and Finance Charges	8,157,225	9,621,646
Loss/ (Profit) on sale of Fixed Assets/ Investments	(156,962)	918,196
Credit Balances Written Back	(613,887)	(1,121,664)
Discount given to Debtors	2,619,793	3,926,562
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	140,870,484	114,109,312
Movements in working capital:		
Decrease / (Increase) in Inventories	26,314	(130,407)
Decrease / (Increase) in Trade Receivables	(9,155,842)	10,079,644
Decrease / (Increase) in Short term Loans & Advances	(8,898,884)	(924,445)
Decrease / (Increase) in Long term Loans & Advances	(34,111,045)	(4,342,019)
Decrease / (Increase) in Other non current assets	(7,000,000)	-
Increase / (Decrease) in Trade Payables	419,033	(3,751,255)
Increase / (Decrease) in Other Current Liabilities	(6,267,405)	(7,295,876)
Increase / (Decrease) in Short term Provisions (Employee benefits)	(1,177,576)	(698,056)
Increase / (Decrease) in Other Long term Liabilities	7,544,755	7,500,000
Increase / (Decrease) in Long term Provisions	231,566	168,000
CASH (USED IN) / GENERATED FROM OPERATIONS	82,481,400	114,714,898
Taxes (Paid)/ Refunds	(25,705,220)	(27,353,337)
NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES	56,776,180	87,361,561
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets including Intangible Assets & CWIP	(29,200,686)	(16,256,645)
Sale/Scrap of Fixed Assets	226,000	15,001
(Purchase)/ Sale of Investments	(250,000)	-
Interest Received	376,520	240,738
Dividend Received	-	450
NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES	(28,848,166)	(16,000,456)

KESAR TERMINALS & INFRASTRUCTURE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012 (Contd.)

	For the year ended on 31st March 2012	(Amount in ₹) For the year ended on 31st March 2011
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Addition/ (Repayment) of Borrowings including current maturities	(25,548,931)	(32,214,722)
Dividends Paid	(5,213,912)	(21,141,718)
Interest Paid	(8,394,597)	(9,621,646)
NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES	<u>(39,157,440)</u>	<u>(62,978,086)</u>
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	<u>(11,229,426)</u>	<u>8,383,019</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>13,792,249</u>	<u>5,409,230</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>2,562,823</u>	<u>13,792,249</u>
COMPONENT CASH AND CASH EQUIVALENTS		
Cash on Hand	20,442	50,779
With Bank on Current Account	2,095,333	3,333,623
on Deposit Account	110,000	10,110,000
unclaimed Dividend Account	337,048	297,847
TOTAL CASH AND CASH EQUIVALENTS	<u>2,562,823</u>	<u>13,792,249</u>

Note : Figures in brackets are outflows

For and on behalf of Haribhakti & Co.
Chartered Accountants
FRN NO.103523W

Sumant Sakhardande
Partner
Membership No. 34828

Place :- Mumbai
Date :- 10th August 2012

For and on behalf of the Board of Directors

H. R. Kilachand
Executive Chairman

Bhautesh Shah
Company Secretary

Place :- Mumbai
Date :- 10th August 2012

J.K.Devgupta
Executive Director

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

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.

2. Significant Accounting Policies

A. Basis of preparation

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

B. Use of Estimates

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

C. Revenue Recognition

Income is generally recognised only when its collection or receipt is reasonably certain. Insurance Claims are recognised only when the claim is passed. Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

D. Fixed Assets

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

E. Depreciation

- a) Depreciation on Plant & Machinery has been provided on higher of Depreciation over estimated useful life and Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956.
- b) For all other assets, depreciation is provided on higher of Depreciation over estimated useful life and Written Down Value Method at the rates specified in Schedule XIV of the Companies Act, 1956.
- c) For assets added / disposed off during the year, depreciation has been provided on pro-rata basis with reference to the period, at the applicable rates.
- d) Depreciation on assets, whose actual cost does not exceed ₹ 5,000 is provided at the rate of hundred percent.

F. Capital Work-in-Progress

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

G. Investments

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

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

H. Inventories

Stores and Spares are valued at Lower of cost or net realizable value.

I. Borrowing Cost

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

J. Retirement and other employee benefits

- i. Retirement benefits in the form of Provident Fund and Superannuation Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss in the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.
- ii. Gratuity and Leave Encashment liability is defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method.
- iii. Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation on projected unit credit method.
- iv. Actuarial gains/losses are charged to Statement of profit and loss and are not deferred.

K. Income Tax

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

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

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

L. Earning Per Share

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

M. Provisions

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

N. Contingent Liabilities

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

O. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

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NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012

3. SHARE CAPITAL

PARTICULARS	As at 31st March 2012		As at 31st March 2011	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10/- each	12,500,000	125,000,000	12,500,000	125,000,000
Redeemable Preference Shares of ₹ 10/- each	2,500,000	25,000,000	2,500,000	25,000,000
Issued, Subscribed & Fully Paid up				
Equity Shares of ₹ 10/- each	5,253,113	52,531,130	5,253,113	52,531,130
Total	5,253,113	52,531,130	5,253,113	52,531,130

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

PARTICULARS	As at 31st March 2012		As at 31st March 2011	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	5,253,113	52,531,130	500,000	5,000,000
Shares issued during the year for consideration other than cash	-	-	4,753,113	47,531,130
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,253,113	52,531,130	5,253,113	52,531,130

(b) Terms / rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 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.

During the year ended 31st March 2012, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 2.50 (31st March 2011: ₹ 2.50).

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

PARTICULARS	As at 31st March 2012		As at 31st March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kesar Corporation Pvt Limited	1,449,250	27.59	1,449,250	27.59%
Kesar Enterprises Limited	499,994	9.52	499,994	9.52%
Harsh Kilachand	408,633	7.78	408,633	7.78%

(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)			
	2010-11	2009-10	2008-09	2007-08
Equity Shares :				
Fully paid up pursuant to contract(s) without payment being received in cash *	4,753,113	-	-	-
Fully paid up by way of bonus shares	-	-	-	-
Shares bought back	-	-	-	-

* Issued pursuant to the Scheme of Demerger, in consideration of the transfer of the Storage Undertaking of the Kesar Enterprises Limited into the Company

KESAR TERMINALS & INFRASTRUCTURE LIMITED

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012

<u>PARTICULARS</u>	As at 31st March 2012	(Amount in ₹) As at 31st March 2011
4. RESERVES & SURPLUS		
(a) General Reserve		
Opening Balance	112,444,511	107,521,043
(+) Current Year Transfer	7,155,489	4,923,468
Closing Balance	119,600,000	112,444,511
(b) Surplus		
Opening balance	63,212,261	34,194,733
(+) Net Profit/(Net Loss) For the current year	70,789,505	49,234,680
(-) Proposed Dividends	13,132,783	5,253,113
(-) Interim Dividends	-	7,879,670
(-) Dividend Distribution Tax	2,130,465	2,160,901
(-) Transfer to Reserves	7,155,489	4,923,468
Closing Balance	111,583,029	63,212,261
Total	231,183,029	175,656,772

5. LONG TERM BORROWINGS

(a) Secured Borrowings

(i) Term loans From Banks

(1) Storage Expansion Loan

Secured by way of First charge on all Fixed Assets and Current Assets both present and future at Kandla.

Terms of Repayments:- Repayable @ ₹ 7,500,000 Per Quarter. Last Installment due in June 2013. Interest is payable at Base Rate of Lender Bank Plus 2.75% p.a. with monthly rest.

	7,497,266	37,500,000
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(2) Vehicle Loans

Secured by way of hypothecation of respective vehicles. Terms of Repayments:- Repayable in 60 Equated Monthly Installments starting from the date of the loan and carrying Interest @ 8.78% p.a.

	1,101,374	1,525,485
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(ii) From others (various Finance Companies)

Vehicle Loans

Secured by way of hypothecation of respective vehicles. Terms of Repayments:- Repayable in 36 Equated Monthly Installments starting from the date of the loan and carrying Interest ranging from 8.51% to 14.00% p.a.

	825,052	1,442,678
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Total Secured Borrowings

	9,423,692	40,468,163
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[Out of total Secured Borrowings of ₹ 41,256,266 (Previous Year ₹ 71,631,875), borrowings of ₹ 31,832,574 (Previous Year ₹ 31,163,712) having Current Maturities, have been disclosed in Note No.10]

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NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	(Amount in ₹)	
	As at 31st March 2012	As at 31st March 2011
(b) Unsecured Borrowings		
Loans from Customers	5,600,000	-
Terms of Repayments:- Repayable in 60 Equated Monthly Installments from the date tanks are put to use and carrying interest @ 13% p.a.		
Total Unsecured Borrowings	<u>5,600,000</u>	<u>-</u>
[Out of total Unsecured Borrowings ₹ 6,062,500 (Previous Year ₹ 1,235,822), borrowings of ₹ 462,500 (Previous Year ₹ 1,235,822) having Current Maturities, have been disclosed in Note No.10]		
Total	<u><u>15,023,692</u></u>	<u><u>40,468,163</u></u>
6. DEFERRED TAX LIABILITIES (NET)		
(a) Deferred Tax Liability		
Impact of difference between Tax Depreciation & Book Depreciation	33,896,416	35,218,326
(b) Deferred Tax Assets		
Expenses Allowable on payment basis for tax purposes	584,980	124,158
Net Deferred Tax Liability (a-b)	<u><u>33,311,436</u></u>	<u><u>35,094,168</u></u>
7. OTHER LONG TERM LIABILITIES		
Others		
(a) Payable to Related Party	15,000,000	7,500,000
(b) Interest accrued but not due on borrowings	44,755	-
Total	<u><u>15,044,755</u></u>	<u><u>7,500,000</u></u>
8. LONG TERM PROVISIONS		
Provision for employee benefits		
Leave Encashment (unfunded)	1,749,000	1,517,434
Total	<u><u>1,749,000</u></u>	<u><u>1,517,434</u></u>
9. TRADE PAYABLES		
Trade Payables (For Services received)	5,612,612	5,193,579
Total	<u><u>5,612,612</u></u>	<u><u>5,193,579</u></u>

KESAR TERMINALS & INFRASTRUCTURE LIMITED

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	As at 31st March 2012	(Amount in ₹) As at 31st March 2011
10. OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt		
(i) Current maturities of long-term debt - secured borrowings (refer note no. 5)	31,832,574	31,163,712
(ii) Current maturities of long-term debt - unsecured borrowings (refer note no. 5)	462,500	1,235,822
(b) Interest accrued but not due on borrowings	454,379	691,751
(c) Advances from Customers	88,698	89,303
(d) Unclaimed dividends	337,048	297,847
(e) Payable to Related Party	3,310,957	7,309,989
(f) Trade Payables -(For Capital Goods)	2,318,862	3,189,629
(g) Trade Payables -(For other contractual obligations)	2,521,751	1,612,750
(h) Statutory Dues	789,243	3,709,130
Total	42,116,012	49,299,933
11. SHORT TERM PROVISIONS		
(a) Provision for employee benefits		
(i) Gratuity (Funded)	-	1,357,035
(ii) Leave Encashment (Unfunded)	449,000	274,566
(iii) Provision for Bonus/Ex-gratia	287,783	282,758
(b) Others		
(i) Provision for Income Tax [Net of Advance Income Tax of ₹ 50,062,571 (Previous Year ₹ 41,838,661)]	10,822,797	1,175,868
(ii) Proposed Dividend	13,132,783	5,253,113
(iii) Corporate Tax on Dividend	2,130,465	852,186
Total	26,822,828	9,195,526

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12. FIXED ASSETS

(Amount in ₹)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	Balance as at 1st April 2011	Additions	Disposals	Balance as at 31st March 2012	Balance as at 1st April 2011	Depreciation/ amortization charge for the year	On disposal	Balance as at 31st March 2012	Balance as at 31st March 2011	Balance as at 31st March 2012	Balance as at 31st March 2011	
(a) Tangible Assets												
(i) Land												
(1) Free Hold Land	38,510,546	-	-	38,510,546	-	-	-	-	-	38,510,546	38,510,546	
(2) Lease Hold Land	567,000	-	-	567,000	461,475	18,952	-	480,427	86,573	105,525	105,525	
(3) Lease Hold Land Premium	1,826,902	-	-	1,826,902	1,486,894	61,064	-	1,547,958	278,944	340,008	340,008	
	40,904,448	-	-	40,904,448	1,948,369	80,016	-	2,028,385	38,876,063	38,956,079	38,956,079	
(ii) Buildings	37,589,137	1,117,034	-	38,706,171	14,194,180	2,336,624	-	16,530,804	22,175,367	23,394,957	23,394,957	
(iii) Plant and Equipment	422,178,574	7,219,688	-	429,398,262	189,526,177	22,232,077	-	211,758,254	217,640,008	232,652,397	232,652,397	
(iv) Office Equipments	1,781,291	253,967	-	2,035,258	657,040	534,882	-	1,191,922	843,336	1,124,251	1,124,251	
(v) Vehicles	9,210,059	985,903	502,265	9,693,697	2,191,951	1,932,926	433,227	3,691,650	6,002,047	7,018,108	7,018,108	
(vi) Furniture and Fixtures	4,779,323	884,027	-	5,663,350	2,225,063	507,959	-	2,733,022	2,930,328	2,554,261	2,554,261	
Total	516,442,832	10,460,618	502,265	526,401,186	210,742,779	27,624,483	433,227	237,934,036	288,467,150	305,700,053	305,700,053	
(b) Intangible Assets												
Computer software	1,011,371	-	-	1,011,371	441,584	227,915	-	669,499	341,872	569,787	569,787	
Total	1,011,371	-	-	1,011,371	441,584	227,915	-	669,499	341,872	569,787	569,787	
Total (a+b)	517,454,203	10,460,618	502,265	527,412,557	211,184,363	27,852,398	433,227	238,603,534	288,809,022	306,269,840	306,269,840	
(c) Capital Work In Progress	14,691,349	18,740,068	33,431,417	33,431,417	14,691,349	-	-	-	-	-	-	
Total (a+b+c)	532,145,552	29,200,686	502,265	560,843,974	211,184,363	27,852,398	433,227	238,603,534	322,240,439	320,961,189	320,961,189	
Previous Year Total	523,405,879	16,256,646	7,516,973	532,145,552	190,010,823	27,647,317	6,473,777	211,184,363	320,961,189	320,961,189	320,961,189	

KESAR TERMINALS & INFRASTRUCTURE LIMITED

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	As at 31st March 2012	(Amount in ₹) As at 31st March 2011
13. NON CURRENT-INVESTMENTS		
Non trade Investments (valued at cost)		
Investments in Equity Instruments		
(a) Investments in Jointly Controlled Special Purpose Company (Unquoted) 25,000 Equity Shares of ₹ 10/- each fully paid in Kesar Multimodal Logistics Ltd. (Refer Note No: 34)	250,000	-
(b) Investments in Equity Instruments - Others (Unquoted) 200 Shares of ₹ 25 each fully paid in Jain Sahakari Bank Ltd {Aggregate amount of Unquoted Investments is ₹ 255,000 (Previous Year ₹ 5,000)}	5,000	5,000
Total	255,000	5,000
14. LONG TERM LOANS AND ADVANCES		
Unsecured, Considered good		
(a) Capital Advances	10,506,785	3,700,373
(b) Security Deposits	6,501,715	6,501,715
(c) Loans and Advances to Employees	192,728	410,927
(d) Loans and Advances to related parties Advance to jointly controlled special purpose Company (Refer Note No: 32)	27,522,832	-
Total	44,724,060	10,613,015
15. OTHER NON-CURRENT ASSETS		
Unsecured, Considered good		
(a) Fixed Deposits with maturity of more than 12 months (Under Lien with Indian Overseas Bank for establishing Bank Guarantee in favour of M.P.State Agricultural Marketing Board (Mandi Board) on behalf of Kesar Multimodal Logistics Ltd (SPC) for setting up a "Composite Logistics Hub" at Powarkheda in Madhya Pradesh)	7,000,000	-
(b) Interest accrued on Bank Deposits	267,263	-
(c) Interest accrued on staff loan	818,620	982,067
Total	8,085,883	982,067
16. INVENTORIES		
Stores and spares		
(Valued at Lower of Cost and Net Realisable Value)	1,071,291	1,097,605
Total	1,071,291	1,097,605
17. TRADE RECEIVABLES		
Unsecured, Considered good		
(a) Outstanding for a period exceeding six months from the date they are due for payment	-	2,281,797
(b) Others	32,714,148	23,896,302
Total	32,714,148	26,178,099

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NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	(Amount in ₹)	
	As at 31st March 2012	As at 31st March 2011
18. CASH AND BANK BALANCES		
Cash and Cash Equivalents		
(a) Balance with Banks		
(i) on Current Accounts	2,095,333	3,333,623
(ii) on unclaimed Dividend Accounts	337,048	297,847
(iii) Fixed Deposits Accounts with less than 3 months maturity	110,000	10,110,000
(b) Cash on hand	20,442	50,779
Total	2,562,823	13,792,249
19. SHORT TERM LOANS AND ADVANCES		
Unsecured, Considered good		
(a) Loans and advances to related parties		
Advance to jointly controlled special purpose Company. (Refer Note No: 32)	9,300,000	-
(b) Others		
i) Gratuity paid in advance (funded)	613,500	-
ii) Prepaid expenses	996,394	1,458,300
iii) Service Tax Receivable	286,081	927,341
iv) Loans and Advances to Employees	218,199	83,348
v) Other advances recoverable in cash or kind	163,230	209,531
Total	11,577,404	2,678,520
20. OTHER CURRENT ASSETS		
Unsecured, Considered Good		
(a) Interest Accrued on Bank Deposit	-	91,525
(b) Interest accrued on staff loans	163,447	57,436
Total	163,447	148,961
21. REVENUE FROM OPERATIONS		
REVENUE FROM SALE OF SERVICES		
(a) Sale of Services (Income from providing storage tanks on hire/rental basis for liquid cargo and other related services)	232,963,458	205,218,078
(b) Other operating revenue	1,146,143	576,712
Total	234,109,601	205,794,790
22. OTHER INCOME		
(a) Interest on		
(i) Fixed Deposits { TDS ₹ 116,767 (Previous Year ₹ 22,986)	1,170,497	243,874
(ii) Others	494,822	59,655
(b) Dividend Income	-	450
(c) Credit Balance Written Back	613,887	1,121,664
(d) Net Profit on Sale of Fixed Assets	156,962	-
Total	2,436,168	1,425,643

KESAR TERMINALS & INFRASTRUCTURE LIMITED

NOTES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	As at 31st March 2012	(Amount in ₹) As at 31st March 2011
23. EMPLOYEE BENEFIT EXPENSE		
(a) Salaries and Wages	45,421,033	36,993,330
(b) Contribution to P.F. Funds	5,237,186	4,524,881
(c) Contribution to Gratuity Funds	-	1,878,593
(d) Staff Welfare	738,237	678,279
Total	51,396,456	44,075,083
24. FINANCE COST		
(a) Interest Expense	6,850,418	8,967,193
(b) Other Borrowing Costs		
(i) Finance Charges	414,797	126,037
(ii) Others including Bank Charges	892,010	528,416
Total	8,157,225	9,621,646
25. OTHER EXPENSES		
(a) Storage & Handling Charges	4,037,934	5,419,736
(b) Power & Fuel	6,379,904	6,219,297
(c) Rent	5,606,382	6,237,764
(d) Repairs		
(i) Plant & Machinery	6,220,691	10,167,044
(ii) Buildings	158,500	376,718
(iii) Others	2,712,963	2,346,348
(e) Insurance	902,294	1,084,855
(f) Rates & Taxes	454,401	1,579,428
(g) Selling agent Commission & Brokerage	1,587,653	1,535,833
(h) Legal & Professional Fees	2,445,248	2,000,216
(i) Charity & Donation	62,000	29,961
(j) Directors Sitting Fees	732,000	672,000
(k) Auditors Remuneration		
(i) Audit Fees	160,000	150,000
(ii) For Certification	94,500	-
(iii) Out Of Pocket Expenses	60,253	47,842
(l) Discounts & rebates	2,619,793	3,926,562
(m) Net Loss on Assets Sold/ Discarded	-	918,196
(n) Miscellaneous Expenses	11,398,435	9,743,353
Total	45,632,951	52,455,153

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

26. Capital and other Commitments

Estimated amounts of contracts remaining to be executed on capital account and not provided for ₹ 851,505 (Previous Year : ₹ 907,328) as per details given below:

Nature of Contract	As at 31 st March 2012 (₹)	As at 31 st March 2011 (₹)
For Kakinada Project	851,505	Nil
For Pipavav project	Nil	720,921
Tankage billing software	Nil	186,407
Total	851,505	907,328

27. Contingent Liabilities

Nature of claim/Demands	As at 31 st March 2012 (₹)	As at 31 st March 2011 (₹)
(a) Claims against the Company not acknowledged as debts:		
Arrears due for Electricity Charges	5,342,469	5,342,469
(b) Guarantee:		
Bank Guarantee given to Madhya Pradesh State Agricultural Marketing Board (Mandi Board) on behalf of Kesar Multimodal Logistics Limited (Special purpose company) to set up a "Composite Logistics Hub" at Powarkheda in Madhya Pradesh.	70,000,000	Nil
Total	75,342,469	5,342,469

28. Employee Benefit

Defined Benefit Plan (Gratuity Fund)

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

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 st March 2012 (₹)	For the year ended on 31 st March 2011 (₹)
Present Value of funded obligations	12,325,501	8,960,965
Fair Value of plan assets	11,712,000	10,318,000
Net liability	(613,501)	1,357,035
Amount in balance sheet		
Liabilities	Nil	1,357,035
Assets	613,501	Nil

KESAR TERMINALS & INFRASTRUCTURE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 st March 2012 (₹)	For the year ended on 31 st March 2011 (₹)
Current service cost	727,944	574,302
Interest on obligation	790,892	684,681
Expected return on plan assets	(1,068,162)	(614,553)
Net actuarial losses (gains) recognized in year	769,268	1,234,163
Total included in employee benefit expense	1,219,942	1,878,593
Actual return on plan assets	1,037,755	53,379

(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 31 st March 2012 (₹)	For the year ended on 31 st March 2011 (₹)
Opening defined benefit obligation	10,318,000	8,731,000
Service costs	727,944	574,302
Interest costs	790,892	684,681
Actuarial losses (gains)	738,861	672,989
Benefits paid	(863,697)	(344,972)
Closing defined benefit obligation	11,712,000	10,318,000

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 st March 2012 (₹)	For the year ended on 31 st March 2011 (₹)
Opening fair value of plan assets	8,960,965	6,456,240
Amount taken credit for last year not credited in funds	(6,455,351)	Nil
Expected return on plan assets	1,068,162	614,553
Actuarial gains / (losses)	(30,407)	(561,174)
Contributions by employer [including internal transfer from Kesar Enterprises Ltd ₹ 8,288,974 (Previous year: Nil)]	9,645,829	2,796,318
Benefits paid	(863,697)	(344,972)
Closing defined benefit obligation	12,325,501	8,960,965

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31 st March 2012 (₹)	For the year ended on 31 st March 2011 (₹)
Discount rate	8.00%	8.00%
Salary escalation rate	5.50%	5.50%
Expected return on plan assets	8.00%	8.00%

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

Particulars	Defined Benefit (Gratuity) Plan		
	For the year ended on 31 st March 2012 (₹)	For the year ended on 31 st March 2011 (₹)	For the year ended on 31 st March 2010 (₹)
Defined benefit obligation	11,712,000	10,318,000	8,731,000
Plan assets	12,325,501	8,960,965	6,456,240
Surplus/ (deficit)	613,501	(1,357,035)	(2,274,760)

29. Segment Reporting

The Company is mainly engaged in Storage Business. Further, the Company's major operations are at Kandla and there is no other reportable business and geographical segment as required in accordance with AS 17.

30. Pursuant to Scheme of Demerger, Leasehold land situated at Kandla Port Trust is presently in the name of Kesar Enterprises Ltd., is in the process of being transferred in the name of the Company.

31. Related party disclosures under Accounting Standard 18:

Names of related parties and nature of related party relationships:

Name of Related Parties

a) Key Management Personnel and their relatives:

Key Management Personnel

Mr. H. R. Kilachand

Executive Chairman

Mrs. M. H. Kilachand

Promoter Director

Relatives of Key Management Personnel

Mr. Rohan H. Kilachand

Son of Executive Chairman

Ms. Rohita H. Kilachand

Daughter of Executive Chairman

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

Duracell Investments & Finance Pvt. Ltd.

Seel Investment Pvt. Ltd.

KESAR TERMINALS & INFRASTRUCTURE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

c) Jointly Controlled Entity

Kesar Multimodal Logistics Limited

Disclosure of transactions with related parties and the status of outstanding balance as on 31st March, 2012:

Particulars	Kesar Enterprises Limited (₹)	Kesar Multimodal Logistics Ltd (₹)	H.R. Kilachand (₹)	M. H. Kilachand (₹)	Indian Commercial Co. Pvt. Ltd. (₹)
(a) Transactions					
Sharing of Common Expenses	14,679,756 (12,707,332)				
Rent Payable					120,000 (120,000)
Managerial Remuneration			5,731,360 (3,368,272)		
Director Fees				84,000 (60,000)	
Long term loans and advances		27,522,832 (Nil)			
Short term loans and advances		9,300,000 (Nil)			
Investment in Share Capital		250,000 (Nil)			
(b) Balances outstanding					
Payable for Expenses Long term	15,000,000 (7,500,000)				
Short term	3,310,957 (7,309,989)				120,000 (30,000)
Managerial Remuneration			2,500,000 (Nil)		
Security Deposit					4,500,000 (4,500,000)
Long term loans & Advances		27,522,832 (Nil)			
Short term loans & Advances		9,300,000 (Nil)			
Investments		250,000 (Nil)			

(Figures in brackets represents previous year)

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

32. Loans and advances in the nature of loans given to Jointly Controlled Entity

Name of Entity : Kesar Multimodal Logistics Ltd.

Particulars	For the year ended on 31 st March 2012 (₹)		For the year ended on 31 st March 2011(₹)	
	Short Term	Long Term	Short Term	Long Term
Balance outstanding	9,300,000	27,522,832	Nil	Nil
Maximum amount Outstanding	9,300,000	27,522,832	Nil	Nil
Terms of Repayments	No	No	No	No
Repayment Schedule	Payable on demand	Payable after 12 months	—	—

33. Supplementary statutory information

	For the year ended on 31 st March 2012 (₹)	For the year ended on 31 st March 2011 (₹)
(a) Expenditure in foreign currency (Business Promotion Expenses)	758,749	Nil
(b) Earnings in foreign currency	Nil	Nil

34. Jointly controlled entity:

Details of interest in jointly controlled entity

Name of the entity	Country of Incorporation	proportion of ownership interest
Kesar Multimodal Logistics Ltd (KMLL)	India	50%

Description of business of jointly controlled entity:

Kesar Multimodal Logistics Ltd (KMLL) has entered in to a Concession Agreement with the Madhya Pradesh Agricultural Marketing Board (Mandi Board) for setting up a “Composite Logistics Hub” at Pawarkheda in the state of Madhya Pradesh, on Design, Built, Finance, Operate and Transfer (DBFOT) basis. The Composite Logistics Hub will consist of facilities like Private Freight Terminal (PFT)–Rail mode, Container freight Station (CFS), Warehousing complex, Cold Storage facility etc.

Other details:

Joint venture	Kesar Terminals & Infrastructure Ltd		Kesar Enterprises Ltd
Proportion of ownership interest	50%		50%
	For the year ended on 31 st March 2012	For the year ended on 31 st March 2011	
Investment in Share Capital	25,000 no. of Equity shares having face value ₹ 10 each totaling to ₹ 250,000	Nil	
Share of the assets, liabilities, income and expenses of the jointly controlled entity			
Current Assets	₹ 10,119,293	Nil	
Non Current Assets	₹ 9,037,485	Nil	
Current Liabilities	₹ (5,132,185)	Nil	
Non Current Liabilities	₹ (13,177)	Nil	
Other Long Term Liabilities	₹ (13,761,416)	Nil	
Share Capital	₹ 250,000	Nil	
Status at the year end			
Share Capital	₹ 250,000	Nil	
Long Term Loans and Advances	₹ 27,522,832	Nil	
Short Term Loans and Advances	₹ 9,300,000	Nil	
Contingent Liabilities (Bank Guarantee)(Refer Note No 27)	₹ 70,000,000	Nil	

KESAR TERMINALS & INFRASTRUCTURE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

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

36. 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 ₹ 1,46,79,756

37. The Depreciation on Assets constructed at Lease hold land of Kandla Port Trust (KPT) has been charged as per the rates prescribed Schedule XIV as the management expects that the lease will be renewed by the KPT as consistently followed.

38. As notified by Ministry of Corporate Affairs, Revised Schedule VI under the Companies Act, 1956 is applicable to the Financial Statements for the financial year commencing on or after 1st April, 2011. Accordingly, the financial statements for the year ended on 31st March 2012 are prepared in accordance with the Revised Schedule VI. The amounts and disclosures included in the financial statements of the previous year have been reclassified to conform to the requirements of Revised Schedule VI.

For and on behalf of the Board of Directors

H.R. KILACHAND
Executive Chairman

J.K. DEVGUPTA
Executive Director

Place: Mumbai,
Date: 10th August, 2012

BHAUTESH SHAH
Company Secretary

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Dear Shareholder,

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

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

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

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

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

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

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

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

In case you desire to receive the documents stated above in physical form

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

We look forward to your support in this initiative.

KESAR TERMINALS & INFRASTRUCTURE LIMITED

To,

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

Unit : Kesar Terminals & Infrastructure Limited

Dear Sir,

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

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

Name of the Shareholder(S) :

Folio-No. :

Email id(s): :

Thanking you,

Yours faithfully.

Signature(s) of the Shareholders.

Dated :

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KESAR TERMINALS & INFRASTRUCTURE LIMITED

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 4th Annual General Meeting of the Company, to be held on Friday, 14th September, 2012 at 3.30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001.

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

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

Name and Address of the Member:

Signature of Member or Proxy or Representative

* Applicable for investors holding shares in electronic form.

KESAR TERMINALS & INFRASTRUCTURE LIMITED

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

PROXY FORM

I/We in the district of

of being a Member/Members of Kesar Terminals &

Infrastructure Ltd. hereby appoint

of in the district of

or failing him/her

of or failing him/her

as my/our proxy to vote for me/us and on my/our behalf at the 4th Annual General Meeting of the Company, to be held on Friday, 14th September, 2012 at 3.30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 or at any adjournment thereof.

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

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

Signed this day of, 2012.



(Signature)

* Applicable for investors holding shares in electronic form.

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

BOOK -POST



If undelivered please return to:

KESAR TERMINALS & INFRASTRUCTURE LIMITED

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