






## KESAR TERMINALS & INFRASTRUCTURE LIMITED

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CIN : L45203MH2008PLC178061

### FORM A

#### **Format of covering letter of the annual audit report to be filed with the stock exchanges**

1. Name of the Company:	Kesar Terminals & Infrastructure Ltd.
2. Annual financial statements for the year ended	31 <sup>st</sup> March, 2014
3. Type of Audit observation	Un-qualified
4. Frequency of observation	Since, the Audit Report is Unqualified, the particular clause is Not Applicable
5. To be signed by-	
• CEO/Managing Director	 <b>Shri H R Kilachand, Executive Chairman</b>
• CFO	(The Company does not have a CFO)
• Auditor of the company	 <b>Shri Atul Gala, Partner M/s. Haribhakti &amp; Co., Statutory Auditors</b>
• Audit Committee Chairman	 <b>Shri A S Ruia, Director and Chairman of the Audit Committee</b>



6th Annual Report  
2013~14

**KESAR TERMINALS & INFRASTRUCTURE LIMITED**

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

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# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

(Incorporated under the Companies Act, 1956)

CIN:L45203MH2008PLC178061

## **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 till 10.5.2014)  
(Additional Director w.e.f. 22.5.2014)

### **COMPANY SECRETARY**

BHAUTESH SHAH

### **BANKERS**

Yes Bank Ltd.

### **AUDITORS**

M/s. Haribhakti & Co., Chartered Accountants

### **TERMINALS**

Kandla (Gujarat)

### **REGISTERED OFFICE**

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

### **REGISTRAR & TRANSFER AGENTS**

SHAREX DYNAMIC (INDIA) PVT. LTD.  
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

# Annual Report 2013-2014

## NOTICE

**NOTICE** is hereby given that the 6th Annual General Meeting of the Members of **KESAR TERMINALS & INFRASTRUCTURE LIMITED** will be held on **Friday, 4th July, 2014 at 3:30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400001** to transact the following business:

1. To receive, consider and adopt the audited Standalone and Consolidated Balance Sheet as at 31st March, 2014 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 a final dividend on Equity Shares.
3. To appoint a Director in place of Smt. M. H. Kilachand (DIN 00296504), who retires by rotation and being eligible offers herself for reappointment.
4. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Haribhakti & Co., Chartered Accountants, [Registration No. 103523W] be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General 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:**

5. To appoint Shri J K Devgupta as a Non Executive Non Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri J K Devgupta (DIN: 00515391), who was appointed, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, by the Board of Directors as an Additional Director of the Company on 22.5.2014 and who holds office up to the date of this Annual General Meeting of the members of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, proposing the candidature of Shri J K Devgupta for the office of Director of the Company, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019.”
6. To appoint Shri A S Ruia as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri A S Ruia (DIN: 00296622), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting in terms of provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for last term of 5 (five) consecutive years up to the conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019.”
7. To appoint Shri K Kannan as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri K Kannan (DIN: 00001509), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting in terms of provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019."

8. To appoint Shri J N Godbole as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri J N Godbole (DIN: 00056830), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting in terms of provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019."

9. To appoint Shri R S Loona as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri R S Loona (DIN: 02305074), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting in terms of provisions of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019."

10. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard 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 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**Registered Office:**

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

**22nd May, 2014**

**By Order of the Board of Directors**

**Bhautesh Shah**  
Company Secretary

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## NOTES:

- a) A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight (48) hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty [50] and holding in the aggregate not more than ten percent [10%] of the total share capital of the Company carrying voting rights. A member holding more than ten percent [10%] of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

- b) The register of members and share transfer books of the Company shall remain closed from **Friday, 27.6.2014 to Friday, 4.7.2014 (both days inclusive)** for the purpose of payment of final dividend. The Shareholders are requested to inform of change in address, if any, at the earliest.
- c) The Members may lodge their shares for transfer / transmission with the office of M/s. SHAREX DYNAMIC (INDIA) PVT. LTD., the Registrar and Share Transfer Agents at Unit No.1, Luthra Industrial Premises, Andheri- Kurla Road, Safed Pool, Andheri (East), Mumbai 400072 or with the Company.
- d) All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays and Sundays between 11:00 a.m. and 1:00 p.m. upto the date of the ensuing Meeting.
- e) Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
- f) Members / Proxies should fill the Attendance Slip for attending the Meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification for attendance at the Meeting.
- g) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- h) 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 78).
- i) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
- j) Brief resume of Directors including those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.
- k) **E-Voting:**

In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 6th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The Company has signed an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their vote electronically.

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## Process for E-Voting

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

- (i) Log on to the e-voting website **www.evotingindia.com**
- (ii) Click on **“Shareholders”** tab.
- (iii) Now, select the **“KESAR TERMINALS AND INFRASTRUCTURE LIMITED”** from the drop down menu and click on **“SUBMIT”**
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to **www.evotingindia.com** and casted your vote earlier for any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

\* Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: <ABCDE1234Z> in the PAN field.

# Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the value (Default Number of DOB should be 01/01/1990 format) in the DOB column or the <0123456789> in the Dividend Bank details field.

- vii) After entering these details appropriately, click on **“SUBMIT”** tab.
- viii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.  
For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix) Click on the relevant EVSN along with Company name on which you choose to vote.
- x) On the voting page, you will see Resolution Description and against the same the option **“YES/NO”** for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi) Click on the **“Resolutions File Link”** if you wish to view the entire Resolutions.
- xii) After selecting the resolution you have decided to vote on, click on **“SUBMIT”**. A confirmation box will be displayed. If you wish to confirm your vote, click on **“OK”**, else to change your vote, click on **“CANCEL”** and accordingly modify your vote.



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- xiii) Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take out print of the voting done by you by clicking on **“Click here to print”** option on the Voting page.
- xv) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- xvi) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to **<https://www.evotingindia.co.in>** and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- xvii) In case of members receiving the physical copy of Notice of AGM [for members whose email IDs are not registered with the Company / Depository participants(s) or requesting physical copy], you may please follow the above the steps.
- xviii) The E-voting period will commence from **Monday, 23rd June, 2014 at 00:01 hrs and will end on Wednesday, 25th June, 2014 at 23.55hrs.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Friday, 30th May, 2014**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at **[www.evotingindia.com](http://www.evotingindia.com)** under help section or write an email to **[helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)**
- xx) Ms. Ragini Chokshi, Partner of M/s Ragini Chokshi & Co., Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Scrutinizer’s report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- xxi) The Results declared at the AGM of the Company along with the Scrutinizer’s report shall be placed on the Company’s website [www.kesarinfra.com](http://www.kesarinfra.com) and on the website of CDSL within 2 (two) working days of the passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

## **ANNEXURE TO THE NOTICE**

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

#### **Item No. 5:**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Shri J K Devgupta as an Additional Director of the Company with effect from 22.5.2014. Shri J K Devgupta would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri J K Devgupta for the office of Director of the Company.

Shri J K Devgupta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Shri J K Devgupta shall hold office as Non-Executive Non-Independent Director for a term up to 5 (five) consecutive years on the Board of the Company and he shall be included in the total number of Directors for retirement by rotation.

Brief resume of Shri J K Devgupta, nature of his expertise in specific functional areas and names of Companies in which he holds Directorships and Memberships / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Shri J K Devgupta is appointed as Non Executive Non Independent Director.

Copy of the draft letter for appointment of Shri J K Devgupta as a Non Executive Non Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Shri J K Devgupta and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the shareholders.

#### **Item No.6:**

Shri A S Ruia is an Independent Director of the Company and has held the position as Independent Director for more than 5 (five) years as prescribed under the Companies Act 2013 and Clause 49 of the Listing Agreement signed with the Stock Exchanges.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a Listed Company.

Hence, it is proposed to appoint Shri A S Ruia as the Independent Director under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for a last term of 5 (five) consecutive years i.e. up to the conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019.

Shri A S Ruia is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The Company has received notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri A S Ruia for the office of Director of the Company.

The Company has also received declaration from Shri A S Ruia that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri A S Ruia fulfills the condition for appointment as an Independent Director as specified in the Act and the Listing Agreement. Shri A S Ruia is independent of the management.

Brief resume of Shri A S Ruia, nature of his expertise in specific functional areas and names of companies in which he holds directorship and membership / chairmanship of Board Committees, shareholding and relationship between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

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Copy of the draft letter for respective appointment of Shri A S Ruia as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Shri A S Ruia is interested in the resolution set out respectively at Item No.6 of the Notice with regard to his appointment.

The relatives of Shri A S Ruia may be deemed to be interested in the resolution set out at Item No.6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolution.

The Board commends the Ordinary Resolutions set out at Item No.6 of the Notice for approval by the shareholders.

## **Item No. 7, 8 & 9 :**

Shri K Kannan, Shri J N Godbole and Shri R S Loona are Independent Directors of the Company and have held the positions as such for less than 5 (five) years as prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement signed with the Stock Exchanges.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a Listed Company.

It is proposed to appoint Shri K Kannan, Shri J N Godbole and Shri R S Loona as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office by each of them for 5 (five) consecutive years for a term up to the conclusion of the 11th Annual General Meeting of the Company in the calendar year 2019.

Shri K Kannan, Shri J N Godbole and Shri R S Loona are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Shri K Kannan, Shri J N Godbole and Shri R S Loona for the office of Directors of the Company.

The Company has also received declarations from Shri K Kannan, Shri J N Godbole and Shri R S Loona that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri K Kannan, Shri J N Godbole and Shri R S Loona fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri K Kannan, Shri J N Godbole and Shri R S Loona are independent of the management.

Brief resume of Shri K Kannan, Shri J N Godbole and Shri R S Loona, nature of their expertise in specific functional areas and names of companies in which they hold Directorships and Memberships / Chairmanships of Board Committees, shareholding and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copies of the draft letters for respective appointments of Shri K Kannan, Shri J N Godbole and Shri R S Loona as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company. These Statements may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Shri K Kannan, Shri J N Godbole and Shri R S Loona are interested in the resolutions set out respectively at Item Nos.7, 8 and 9 of the Notice with regard to their respective appointments.

The relatives of Shri K Kannan, Shri J N Godbole and Shri R S Loona may be deemed to be interested in the resolutions set out respectively at Item Nos.7, 8 and 9 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

The Board commends the Ordinary Resolutions set out at Item Nos.7, 8 and 9 of the Notice for approval by the shareholders.

### **Item No.10:**

The existing Articles of Association (“AoA”) of the Company is in force from the time of incorporation of the Company in 2008, which are based on the Companies Act, 1956. Several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs (“MCA”) had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal (“Tribunal”) such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several Articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table ‘F’ of the Act which sets out the model Articles of Association for a Company limited by shares. Shareholder’s attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- (a) Company’s lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- (b) the nominee(s) of a deceased sole member are recognized as having title to the deceased’s interest in the shares;
- (c) new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- (d) new provisions relating to appointment of Chief Executive Officer and Chief Financial Officer, in addition to Manager and Company Secretary;
- (e) existing Articles have been streamlined and aligned with the Act;
- (f) the statutory provisions of the Act which permit a Company to do some acts “if so authorized by its Articles” or provisions which require a Company to do acts in a prescribed manner “unless the Articles otherwise provide” have been specifically included; and
- (g) provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA as they would only lead to duplication – their non-inclusion makes the new AoA crisp, concise and clear and aids ease of reading and understanding.

The proposed new draft AoA is being uploaded on the Company’s website for perusal by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 10 of the Notice.

The Board commends the Special Resolution set out at Item No. 10 of the Notice for approval by the shareholders.

### **Registered Office:**

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

**22nd May, 2014**

### **By Order of the Board of Directors**

**Bhautesh Shah**  
**Company Secretary**

# Annual Report 2013-2014

## DIRECTORS' REPORT

To  
The Shareholders  
Kesar Terminals & Infrastructure Ltd.

Dear Members,

Your Directors present to you the 6th Annual Report and the Audited Statement of Accounts of the Company for the year ended 31st March, 2014.

### STANDALONE FINANCIAL RESULTS

	(₹ in Lac)	
	<b>2013-14</b>	2012-13
<b>Profit before Interest, Depreciation &amp; Taxation</b>	<b>2184.16</b>	1758.59
<b>Less:</b> Interest and Finance Charges	<b>194.91</b>	212.59
Profit before Depreciation & Taxation	<b>1989.25</b>	1546.00
<b>Less:</b> Depreciation	<b>298.31</b>	275.18
<b>Profit before Tax</b>	<b>1690.94</b>	1270.82
<b>Less: Provision for Taxation</b>		
(i) Income Tax - Current	<b>586.27</b>	445.52
(ii) Income Tax – Deferred	<b>4.22</b>	(13.99)
<b>Profit after Tax and Profit available for Appropriation</b>	<b>1100.45</b>	839.29
<b>Appropriation:</b>		
<b>Less:</b>		
(i) Transfer to General Reserve	<b>300.00</b>	500.00
(ii) Interim Dividend	<b>78.80</b>	-
(iii) Proposed Final Dividend on Equity Share	<b>78.80</b>	157.59
(iv) Corporate Tax on Dividends	<b>26.78</b>	26.78
<b>Profit after Appropriation</b>	<b>616.07</b>	154.92
<b>Add:</b> Balance brought forward from previous year	<b>1270.75</b>	1115.83
<b>Balance carried forward to Balance Sheet</b>	<b>1886.82</b>	1270.75

For the year 2013-2014, there is a profit after tax of ₹ 1100.45 lac as against ₹ 839.29 lac in the previous year.

### DIVIDEND

The Company has paid an Interim Dividend of ₹1.50 per share i.e 15 % during the year. The Directors are pleased to recommend a final dividend of ₹ 1.50 per share i.e 15 %. Thus, the aggregate dividend for the year 2013-14 works out to ₹ 3.00 per share i.e 30 % (as against the dividend of ₹ 3.00 per share i.e 30 % declared in the previous year). The total payout (including the final dividend) for the financial year 2013-14 will be ₹ 157.60 lac, excluding dividend distribution tax of ₹ 26.78 lac.

### WORKING FOR THE CURRENT YEAR

The Company has done well during the year. The revenue generated was much higher at ₹ 3623.57 lac as against ₹ 2985.09 lac in the previous year. The Company recorded an increase of 31.12 % in its profit after tax which grew from ₹ 839.29 lac to ₹ 1100.45 lac.

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

The increase was mainly on account of better realisation of terminal tankage charges and maintaining the utilization efficiency of tanks by over 99%.

### **SUBSEQUENT FINANCIAL YEAR 2014-2015**

For the financial year 2014-15, the demand for tankage is expected to remain firm. However, there is competition coming up on account of two new bulk liquid storage terminals likely to commence operations at Pipavav Port. It is likely that some cargo may shift from Kandla to Pipavav due to its proximity to consumption centres in Mumbai and South Gujarat. This may lead to marginal depression in tank terminalling charges at Kandla.

### **EXPANSION / MODERNISATION**

The Company is awaiting necessary permissions from the authorities for the construction of additional tanks at Kandla for enhancing revenue. During the year, the Company proposes to convert further of its existing MS tanks into SS tanks based on the market demand.

The Company has about 10 acres of land on long term lease basis at Kakinada port in Andhra Pradesh. The Company plans to put up both Dry Cargo Warehousing and Bulk Liquid Terminal facilities at Kakinada.

The Company has already received approval from Inter Ministerial Committee for putting up a CFS on the 16 acres freehold land purchased by the Company at Pipavav port in Gujarat. The Company proposes to set up a Container Freight Station [CFS], Bonded Warehouse and Bulk Liquid terminal at Pipavav. The work at Pipavav is expected to commence during this financial year.

### **SUBSIDIARY COMPANY**

The % shareholding, of the Company along with its Nominees in the Equity Share Capital of Kesar Multimodal Logistics Ltd. (KMLL) is above 50%. Hence, there is a Holding - Subsidiary relationship between the Company & KMLL. The Board of Directors of the Company has approved to dispense with the requirement of attaching to its Annual Report, the audited Annual Accounts of the Company's Subsidiary i.e. KMLL in line with Circular dated 8th February, 2011 issued by The Ministry of Corporate Affairs, Government of India, granting general exemption to the Companies under Section 212(8) of the Companies Act, 1956 from attaching the documents referred to therein pertaining to its Subsidiary Company. Accordingly, the Annual Report of the Company does not contain the individual financial statements of KMLL, but contains the audited consolidated financial statements of the Company and KMLL. The Annual Accounts of the Subsidiary Company, along with the related information, is available for inspection at the Company's registered office. The statement pursuant to the approval under section 212(8) of the Companies Act, 1956, is provided in Note No. 77 of Notes on Consolidated Financial Statements.

### **CONSOLIDATION FINANCIAL STATEMENTS:**

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

### **COMPOSITE LOGISTICS HUB PROJECT AT MADHYA PRADESH**

During the year, the work at the site of its Subsidiary Company "Kesar Multimodal Logistics Ltd." (KMLL) progressed in full swing. The Project is running well ahead of schedule as provided by the Mandi Board, Madhya Pradesh. The facilities of the 1st Phase are expected to be physically ready by June 2014. The Private Freight Terminal is likely to be commissioned by August 2014 after receiving clearances from the relevant authorities. KMLL has completed construction of some of its Agro Warehouses and had already contracted for some warehousing space. KMLL has strongly geared up its marketing activities to create awareness among the prospective clients about the facilities that would be available at the Logistics Hub and also to assess the demand of such facilities in the area of influence.

### **DIRECTORS**

Smt. M H Kilachand, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment.

The tenure of Shri J K Devgupta, Executive Director of the Company expired on 10.5.2014. On completion of his tenure he also ceased to be the Director of the Company. Shri J K Devgupta was appointed by the Shareholders at



# Annual Report 2013-2014

the AGM of the Company for a period of 2 years from 11.5.2012 to 10.5.2014. The Board placed on record deep sense of appreciation of the valuable services rendered by Shri J K Devgupta during his tenure as the Executive Director of the Company.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Shri J K Devgupta was appointed as an Additional Director w.e.f. 22.5.2014 and he shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing Shri J K Devgupta for appointment as a Non Executive Non Independent Director. He will be liable to retire by rotation. Shri J K Devgupta is also appointed as Advisor to Kesar Multimodal Logistics Ltd. (KMLL), the Subsidiary Company w.e.f. 22.5.2014 on terms and conditions executed by him with KMLL.

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement, Shri A S Ruia, Shri K Kannan, Shri J N Godbole and Shri R S Loona, Independent Directors, retire at the ensuing Annual General Meeting. The Company has received requisite notices in writing from members proposing Shri A S Ruia, Shri K Kannan, Shri J N Godbole and Shri R S Loona for appointment as Independent Directors. The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

Pursuant to Clause 49 of the Listing Agreement the brief profile of all the Directors who are proposed to be appointed at the ensuing Annual General Meeting forms part of the Corporate Governance Report.

## **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, 2014, 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, 2014 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 ₹ 22,75,075 (Previous Year ₹5,58,857).

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

## **FIXED DEPOSITS**

The Company has accepted deposits from the public and Shareholders within the meaning of section 58A of the Companies Act, 1956 amounting to ₹ 223.33 lac upto 31.3.2014. None of the deposits remained unclaimed during the year.

Further, as per the Companies Act, 2013, since the Company does not fall within the criteria stipulated under the Act, it has discontinued acceptance and renewal of fresh / existing Fixed Deposits w.e.f 1.4.2014 and shall repay the existing Fixed Deposits as per the timeline stipulated under the Companies Act, 2013.

## **AUDITORS**

M/s Haribhakti & Co., Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for reappointment.

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

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

## **CORPORATE SOCIAL RESPONSIBILITY**

Your Company has continued to play its role as a responsible corporate citizen, adding value to society and addressing the contemporary societal needs and challenges. The Corporate Social Responsibility (CSR) philosophy ensures that while business objectives are met and shareholder value is enhanced, the Company equally focuses on engaging with the wider community and sustainably addressing environmental concerns in its sphere of operations.

As the Company meets with one of the criteria of Section 135(1) of the Companies Act, 2013, it has constituted a CSR Committee consisting of (1) Shri J N Godbole, Chairman of the Committee; (2) Smt. M H Kilachand; (3) Shri K Kannan; and (4) Shri R S Loona as members of the Committee to achieve the CSR objectives. The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

## **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. In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, the names and other particulars of employees are set out in the Annexure to the Directors' Report section. However, as per the provisions of Section 219(I)(b) (iv) of the Companies Act, 1956, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

## **ACKNOWLEDGEMENT**

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

**By Order of the Board of Directors**

Mumbai  
22nd May, 2014

**H. R. KILACHAND**  
**CHAIRMAN**



# Annual Report 2013-2014

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### SCENARIO IN INDIA

#### Bulk liquid Storage scenario

In spite of a stagnating macro-economic environment, the Company's revenue remained strong and margins were good. The Indian economy witnessed slow growth in 2013-14 but the performance of the Company was not affected much. The overall demand in the Bulk Liquid tanking business was firm. With good demand growth expected in the oil & gas sector in India and a more favourable business outlook, the Company is poised for higher growth in the medium term. The GDP growth for FY15 is forecasted in the range of 5% against 4.7% of last fiscal. The growth revival of the Indian economy will largely come on the back of global factors, new reforms from the newly elected government and normal monsoon, which will have a positive spin off on all important services sector.

### INDUSTRY STRUCTURE & DEVELOPMENT

Demand for liquid storage is estimated to be on the rise over the next few years, as liquid traffic in India has grown at a CAGR of 4%–5% between FY10 and FY13. Growth is expected to continue for Petroleum products, chemicals and edible oil. This will necessitate additional capacity creation or higher utilization. Major ports in the country have now been encircled by settlements, and additional land is not available for expansion. However, greenfield tank farm projects for storage tank farms are limited to upcoming private ports such as Hazira, Krishnapatnam, Kakinada, Dighi and Pipavav.

Liquid bulk cargo handled at ports has been growing at a CAGR of 5%–6% between FY10 and FY13. Crude accounted for approx 32% of the total liquid traffic in India in FY13, and it has grown at CAGR of 4% between FY10 and FY13. Petroleum, Oil & Lubricants (POL), which accounted for 64% of the total liquid bulk cargo in FY13, has grown at 5% between FY10 and FY13. Chemicals accounted for 2% of the total liquid traffic in FY12, and its share has grown at a CAGR of 10% from FY10 to FY13. The share of edible oil imports, which accounted for about 2% of the total liquid bulk traffic in FY13, has grown at a 8-9% CAGR between FY10 and FY13.

Many players have showed interest in the Indian Infrastructure Port story which has increased the number of players in the market thereby fuelling a stiff competition which is definitely an existing threat to the business. The Company in order to overcome the competition has taken drastic steps for its expansion firstly by getting an allotment of about 10 acres of land at Kakinada in Andhra Pradesh followed by purchasing about 16 acres of land at Pipavav port in Gujarat to expand bulk liquid storage capacities to tap the growing demand for the same. It has also plans to set up a Container Freight Station at Pipavav and dry cargo storage at Kakinada.

### OPPORTUNITIES & THREATS

Currently, the Company's 2 Bulk Liquid Chemical Terminals at Kandla, Gujarat operates at a combined capacity of 127,000 Kilo Litres (KL) at with a total of 64 tanks including specialized tanks, such as stainless steel tanks, tanks equipped with heating and insulation facilities and coated tanks which stores speciality products. The Company is awaiting requisite approvals from concerned authorities to add further capacity of 7000 KL at its Terminal 1, Kandla. Last year, the Company had converted 2 of its existing Mild Steel (MS) Tank to Stainless Steel (SS), which has contributed to additional revenues. The Company plans to further convert certain MS tanks based upon demand from its customers. In order to broad base the operations of the Company, the Company, through its subsidiary Kesar Multimodal Logistics Limited has expanded into logistics and is developing a Composite Logistics Hub at Pawarkheda, Madhya Pradesh which includes facilities like Private Freight Terminal (Rail Terminal), Warehousing and Storage Terminals, Container Freight Station and Cold Storage Warehouses etc.

The Company has planned to expand its presence to places like Kakinada [Andhra Pradesh], Pipavav [Gujarat].

### 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 ₹ 3623.57 lac as against ₹ 2985.09 lac last year, showing an increase of 21.39 % in its topline. The profit after tax showed a jump of 31.12 % from ₹ 839.29 lac last year to ₹ 1100.45 lac in the current year.

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

## **OUTLOOK**

### **Diversification opportunities**

Taking into view the promising growth the sector has to offer, the Company has been reviewing each and every opportunity which is coming along its way. To strengthen its roots the Company is increasing its installed capacity and modernising the existing plants at Kandla. The Company has already increased its capacity to 127,000 KL. and will add capacity to its Kandla Terminal by 7000KL shortly. The Company plans to set up a Dry Cargo Warehousing and Bulk Liquid Terminal at Kakinada, Andhra Pradesh and has already started with the land development work at the site. It has also plans to set up a Container Freight Station and a Bulk Liquid Terminal at Pipavav, Gujarat.

During the year, Kesar Multimodal Logistics Ltd. formed for the execution of the “Composite Logistics Hub” project on PPP basis at Pawarkheda, Madhya Pradesh had progressed on construction activities covering 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, Agro Processing Zone and a gamut of other such services on 88.3 acres of land provided by the Mandi Board. The project is one of its kind to be put up in the State of Madhya Pradesh. The facilities are required to be developed in 2 phases. It is expected the 1st phase will be physically ready by June 2014.

### **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. The Company manages these risks by following business and risk mitigation practices.

### **INTERNAL CONTROL SYSTEM**

The Company has an appropriate internal control system for its various functions with the ultimate objective of improving the efficiency of operations, better financial management and compliance with all regulations and applicable laws. The Company has an internal Audit Cell and has also appointed an Internal Auditor [External]. All operating parameters are well defined and monitored periodically. The detail internal audit reports are discussed at length at various levels and thereafter the said reports are also placed before the Audit Committee for review and discussion. 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 thrives on the skill and exemplary contribution of its employees and workers which makes it the best in the industry in terms of service delivery to its customers. The Company has always taken steps to nurture continuous improvement followed by innovation and focused approach for smooth organizational work flow. The Company has added to its fold experienced manpower in line with future areas of growth. The Company has a total strength of 68 people as at 31.3.2014.

### **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.

# Annual Report 2013-2014

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

The 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 upto 10.5.2014 Additional Director w.e.f. 22.5.2014

\* Shri H R Kilachand and Smt. M H Kilachand have a husband wife relationship which is required to be disclosed as per Clause 49 of the Listing Agreement.

Attendance of each Director at 5 Board Meetings held during 1.4.2013 to 31.3.2014, the last Annual General Meeting held on 11.7.2013 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 5 Board Meetings	Out of 4 Audit Committee Meetings	Out of 1 Remuneration Committee Meeting	Out of 3 Share Transfer Committee Meetings	Sitting Fees paid (₹)	Last AGM	Other Directorships*	Committee Member#	Chairmanships	
Shri H.R. Kilachand	5	4	1	3	--	Yes	2	3	-	
Smt.M.H. Kilachand	3	N.A	N.A	N.A	60,000	Yes	2	-	-	
Shri A. S. Ruia	5	4	1	3	2,52,000	Yes	3	3	-	
Shri K. Kannan	4	4	1	N.A	1,74,000	No	6	3	5	
Shri J. N. Godbole	5	4	1	3	2,52,000	Yes	13	6	3	
Shri R. S. Loona	5	4	N.A	N.A	1,76,000	Yes	4	3	2	
Shri J. K. Devgupta	5	N.A	N.A	N.A	--	Yes	-	-	-	

\* 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.

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

Payment of Commission to Non Executives Directors for the financial year 2013-14:

Name of Non-Executive Directors	Commission in ₹
Smt. M.H. Kilachand	1,00,000/-
Shri A. S. Ruia	1,00,000/-
Shri K. Kannan	1,00,000/-
Shri J. N. Godbole	1,00,000/-
Shri R. S. Loona	1,00,000/-
<b>Total</b>	<b>5,00,000/-</b>

The Non-Executive Directors were paid Sitting Fees of ₹ 8,81,000/-(exclusive of service tax of ₹ 33,000) for attending the Board Meetings and the Committee Meetings held during 1.4.2013 to 31.3.2014.

The information as required under Annexure 1A to Clause 49 of the listing agreement is being regularly placed before the Board. The Board also reviews the declaration made by the Executive Director regarding compliance with all laws applicable to the Company on a quarterly basis.

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
Shri J K Devgupta w.e.f. 22.5.2014	140

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

	1	2	3
<b>Name of the Director</b>	<b>Smt. M H Kilachand</b>	<b>Shri J K Devgupta</b>	<b>Shri A S Ruia</b>
<b>Date of Birth</b>	16.9.1961	22.5.1946	17.12.1943
<b>Date of Appointment on the Board</b>	21.1.2008	22.5.2014	21.1.2008
<b>Qualification</b>	B.A	B.Tech from of IIT Kharagpur	Sr. Cambridge
<b>Expertise in Functional Area</b>	She is a Director since the inception of the Company in 2008, an Arts Graduate with a specialization in Psychology & Literature from Mumbai University. Smt. Kilachand has over a decade of years of experience in General Administration.	He has over 4 decades of varied Industrial experience involving marketing, technical services, manufacturing, supply & distribution, import & export and shipping. He has been associated with Companies like International Tractor Company of India [now Mahindra Tractors], Indian Oil Corporation, Chemical Terminal Trombay Ltd. a subsidiary of Tata power Limited etc.	He is an Industrialist and is highly respected for his knowledge and experience in sugar & distillery industry.
<b>Number of Shares held in the Company</b>	1,45,860	140	700
<b>List of Directorship held in other Companies</b>	Duracell Investments & Finance Pvt. Ltd. India Carat Pvt. Ltd. Indian Commercial Co. Pvt. Ltd. Kesar Corporation Pvt. Ltd. Kesar Enterprises Ltd. Kesar Multimodal Logistics Ltd. Kilachand Devchand & Co. Pvt. Ltd. Kilachand Devchand Commercial Pvt. Ltd. Seel Investment Pvt. Ltd.	---	Kesar Enterprises Ltd. Kesar Multimodal Logistics Ltd. The Kolhapur Sugar Mills Ltd. Ruarco Investments Pvt. Ltd. Ruia & Ruia Pvt. Ltd.

# Annual Report 2013-2014

<b>Chairman / Member of the Committees of the Boards of Companies in which he / she is Director</b>	Nil	Nil	<p><b>Chairman:-</b> Asset Management Committee and Remuneration Committee of Kesar Enterprises Ltd.</p> <p><b>Member:</b> Audit Committee; Shareholders/ Investor Grievance Committee / Stakeholders Relationship Committee; and Share Transfer Committee and Allotment Committee of Kesar Enterprises Ltd.</p> <p><b>Member:</b> Audit Committee; and Nomination &amp; Remuneration Committee of Kesar Multimodal Logistics Ltd</p>
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	4	5	6
<b>Name of the Director</b>	<b>Shri K. Kannan</b>	<b>Shri J. N. Godbole</b>	<b>Shri R. S. Loona</b>
<b>Date of Birth</b>	17.11.1939	17.2.1945	21.9.1951
<b>Date of Appointment on the Board</b>	29.1.2010	29.1.2010	1.6.2010
<b>Qualification</b>	B.Com, ACA, ICWA	B.Tech (Hons) - Chemical IIT Bombay PG Certificate in Financial Management	B.SC, LLB
<b>Expertise in Functional Area</b>	He has an accumulated 35 years of invaluable experience in the field of Banking & Finance and a former Chairman & Managing Director of Bank of Baroda.	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 over 4 decade 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).

## KESAR TERMINALS & INFRASTRUCTURE LIMITED

<b>Number of Shares held in the Company</b>	175	----	----
<b>List of Directorship held in other Companies</b>	Kesar Enterprises Ltd. Advani Hotels & Resorts (India) Ltd. Patel Engineering Ltd. Prithvi Asset & Securitization Reconstruction Co. Ltd. Kesar Multimodal Logistics Ltd. Patel Realty (India) Ltd.	Embio Ltd. J. K. Cements Ltd. GillanderArbhatnot& Co Ltd. I.M.P. Powers Ltd. Emami Paper Mills Ltd. ZuariAgro Chemicals Ltd. Saurashtra Cement Ltd. Madhya Bharat Papers Ltd. IDBI Asset Management Ltd. Gujarat Alkalies and Chemicals Ltd. Zuari Global Ltd. IITL Projects 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 Media & Entertainment Pvt. Ltd.
<b>Chairman / Member of the Committees of the Boards of Companies in which he is Director</b>	<p><b>Chairman Audit Committee:-</b> Advani Hotels &amp; Resorts (India) Ltd. Patel Engineering Ltd. Patel Realty (India) Ltd. Kesar Multimodal Logistics Ltd.</p> <p><b>Chairman Shareholder / Investor Grievance Committee / Stakeholders Relationship Committee:-</b> Patel Engineering Ltd.</p> <p><b>Chairman Nomination &amp; Remuneration Committee:-</b> Advani Hotels &amp; Resorts (India) Ltd. Kesar Multimodal Logistics Ltd.</p> <p><b>Member Audit Committee:-</b> Kesar Enterprises Ltd.; Prithvi Asset &amp; Securitization Reconstruction Co. Ltd.;</p> <p><b>Member Shareholder / Investor Grievance Committee / Stakeholders Relationship Committee:-</b> Advani Hotels &amp; Resorts (India) Ltd.</p>	<p><b>Chairman Audit Committee:-</b> Gujarat Alkalies and Chemicals Ltd. Emami Paper Mills Ltd.</p> <p><b>Chairman Investor Grievance Committee / Stakeholders Relationship Committee:-</b> Zuari Agro Chemical Ltd.</p> <p><b>Member Audit Committee:-</b> Embio Ltd. GillanderArbhatnot&amp; Co Ltd. ZuariGlobal Ltd. IDBI Asset Management Ltd. ZuariAgro Chemical Ltd. Kesar Multimodal Logistics Ltd.</p> <p><b>Member Nomination &amp; Remuneration Committee:-</b> Embio Ltd. Emami Paper Mills Ltd. Kesar Multimodal Logistics Ltd. Gujarat Alkalies and Chemicals Ltd. Zuari Global Ltd. Zuari Agro Chemical Ltd. IITL Projects Ltd.</p> <p><b>Member Project Committee:-</b> Gujarat Alkalies and Chemicals Ltd</p>	<p><b>Member Audit Committee:-</b> IITL Projects Ltd. Industrial Investment Trust Ltd. India Infoline Trustee Company Ltd.</p> <p><b>Member Shareholder / Investor Grievance Committee:-</b> IITL Projects Ltd. Industrial Investment Trust Ltd.</p>

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

In all 5 Board Meetings were held during the year. The dates on which the meetings were held are 21.5.2013, 11.7.2013, 8.8.2013, 14.11.2013, 12.2.2014. 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 171 of the Companies Act, 2013 [erstwhile 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.



# Annual Report 2013-2014

- 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 the internal audit department, staffing and seniority of the 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, the nature and scope of audit as well as to have a 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 171 of the Companies Act, 2013 [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 21.5.2013, 8.8.2013, 14.11.2013, 12.2.2014.

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

#### **4. REMUNERATION COMMITTEE / NOMINATION & 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 Executive Director / Chairman and sitting fees payable to Non-Executive Directors with regard to performance standards and existing industry practices.

The Remuneration Committee met one time during the year under review on 21.5.2013. The attendance of the members is shown in the table at Point 2. On 21.5.2013, the Remuneration Committee as well as the Board of Directors of the Company approved (a) the reappointment and remuneration of Shri H R Kilachand, Executive Chairman w.e.f. 14.9.2013 for a period of 3 years i.e until 13.9.2016;

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

(b) increase in remuneration of Shri J K Devgupta; (c) payment of Incentive of ₹ 30 lakh for the year ended 31.3.2013 to Shri H. R. Kilachand, the Whole-time Director designated as Executive Chairman; (d) Remuneration to Shri Sant Khare, Chief Executive Officer; (e) Increase in sitting fees / Committee meeting fees from Rs.18,000/- to Rs.20,000/-; and (f) payment of commission to Non Executive Directors of the Company.

During the year under review, Shri H. R. Kilachand, Executive Chairman was paid remuneration of ₹ 67.31 lac (Salary ₹ 17.28 lac, Contribution to Provident Fund and Superannuation Fund ₹ 4.66 lac, Perquisites ₹ 10.37 lac and Incentive ₹ 35 lac) which was within the limits approved by the shareholders at the Annual General Meeting of the Company held on 11.7.2013. The above remuneration does not include Gratuity and leave encashment provision.

During the year under review, Shri J. K. Devgupta, Executive Director was paid remuneration of ₹ 56.85 lac (Salary ₹ 27.34 lac, Contribution to Provident Fund and Superannuation Fund ₹ 7.38 lac and Perquisites ₹ 22.13 lac) as per the provisions of the Companies Act, 1956 read alongwith Schedule XIII and as approved by the shareholders at the Annual General Meeting held on 14.9.2012. The above remuneration does not include Gratuity and leave encashment provision.

The Non-Executive Directors were paid sitting fees of an aggregate amount of ₹ 8,81,000/- (exclusive of service tax) 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 3 (three) times during the year under review on 21.5.2013, 11.7.2013 and 12.2.2014. 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, 2014.

### **6. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE/ STAKEHOLDERS RELATIONSHIP 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.

The Shareholders / Investors Grievance Committee was constituted to specifically look into the redressal of Investors' complaints relating to the transfer of shares, non-receipt of Annual Reports and non receipt of dividends declared by the Company etc. During the year ended 31st March, 2014, the Company had not received any complaints / grievances from its Shareholders. Thus, no complaints are pending as on 31st March, 2014.

### **7. SUBSIDIARY COMPANY**

The Audit Committee reviews the financial statements, made by the Company's non-listed Subsidiary Company. The minutes of the non-listed Subsidiary Company had been placed before the Board for their attention and major transactions and decisions of the Subsidiary. The accounts of the Subsidiary are placed before the Directors of the Company and the attention of the Directors is drawn to all significant transactions and arrangements entered into by the Subsidiary Company.

### **8. 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



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## 9. GENERAL BODY MEETINGS:

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

AGM	Financial Year ended	Date	Location	Time
AGM	31.3.2013	11.7.2013	M. C. Ghia Hall	3:30 p.m
AGM	31.3.2012	14.9.2012	M. C. Ghia Hall	3:30 p.m
AGM	31.3.2011	29.6.2011	M. C. Ghia Hall	3:00 p.m

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

Date of AGM	Particulars of Special Resolution passed thereat
11.7.2013	a) 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 14.9.2013. b) Resolution under Section 198, 309, 310 and other applicable provisions of the Companies Act, 1956 relating to payment of Commission to Non Executive Directors not exceeding 1% of the Net profits of the Company every year with effect from financial year 2013-14. c) Resolution under 81(1A) of the Companies Act, 1956 to issue securities upto an amount not exceeding ₹ 25 crore.
14-9-2012	a) 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 J. K. Devgupta for a period of 2 years w.e.f 11.5.2012. b) Resolution under 81(1A) of the Companies Act, 1956 to issue securities upto an amount not exceeding ₹ 25 crore.
29-6-2011	Resolution under 81(1A) of the Companies Act, 1956 to issue securities upto an amount not exceeding ₹ 25 crore.

- iii. No Resolution was passed during the Financial Year 2013-2014 through Postal Ballot.
- iv. No Special resolution requiring Postal Ballot is being proposed at the ensuing Annual General meeting of the Company.

## 10. 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.
- iv. The Company has complied with all applicable mandatory requirements of Clause 49 of the Listing Agreement. Out of the non-mandatory requirements, the Company has adopted the following:  
The Company has constituted a Remuneration Committee to consider, review and approve the remuneration of Executive Director / Chairman and sitting fees payable to Non-Executive Directors with regard to performance standards and existing industry practices.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## 11. MEANS OF COMMUNICATION:

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

## 12. GENERAL SHAREHOLDERS INFORMATION:

- |   |  |
|---|--|
| a. Registered Office                        | : Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai-400020.   |
| b. Plant Locations                          | : Terminals I & II at Kandla, Gujarat.   |
| c. Annual General Meeting                   |  |
| Date  | : 4th July, 2014.  |
| Time  | : 3:30 p.m.  |
| Venue                                       | : M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001.  |
| d. Financial Year                           | 2013-2014  |
| e. Next Financial Year ending               | : 31st March, 2015   |
| f. Next Annual General Meeting              | By 30th September, 2015  |
| g. Financial Reporting for the year 2014-15 |  |
| For 1st quarter ended 30th June, 2014       | : By 14th August, 2014   |
| For 2nd quarter ending 30th September, 2014 | : By 14th November, 2014   |
| For 3rd quarter ending 31st December, 2014  | : By 14th February, 2015   |
| For 4th quarter ending 31st March, 2015     | : By 30th May, 2015  |
| h. Date of Book Closure                     | : Friday, 27.6.2014 to Friday, 4.7.2014 (both days inclusive)  |
| Dividend Payment Date                       | : The Dividend, if declared shall be paid on 16.7.2014   |
| i. Listing on Stock Exchange                | : Bombay Stock Exchange Ltd., Mumbai (BSE)<br>National Stock Exchange of India Ltd., Mumbai (NSE)<br>The Company has paid annual listing fees due to BSE and NSE for the year 2014-2015. |
| j. Stock Exchange Code Number               | : BSE Scrip Code : 533289<br>NSE Symbol : KTEL   |
| k. Demat ISIN numbers in NSDL & CDSL        | : INE096L01017   |

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## 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](http://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.

## 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:

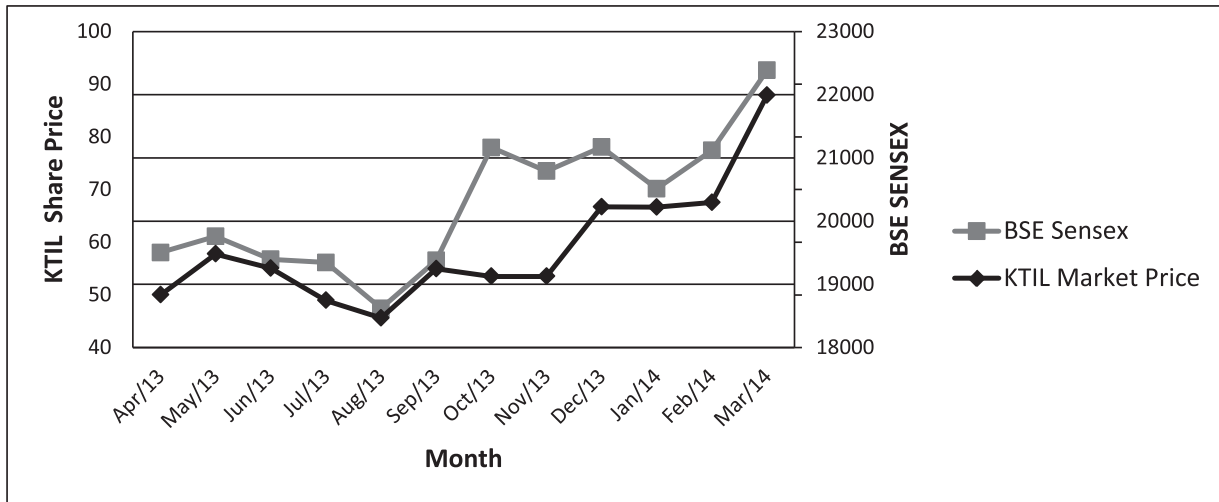
The monthly high/low quotation of shares traded on BSE & NSE is as follows:

Month	BSE		NSE	
	High	Low	High	Low
April 2013	54.00	50.00	54.60	49.15
May 2013	60.00	48.25	--*	--*
June 2013	60.00	54.15	--*	--*
July 2013	56.00	48.95	--*	--*
August 2013	49.75	43.55	--*	--*
September 2013	54.95	47.50	--*	--*
October 2013	60.00	51.50	--*	--*
November 2013	56.70	51.00	--*	--*
December 2013	66.90	53.25	--*	--*
January 2014	74.90	63.55	71.50	65.05
February 2014	75.25	65.00	77.30	63.55
March 2014	91.50	67.20	90.00	67.90

\* There was no volume at the National Stock Exchange during the month from May, 2013 to December, 2013.

## KESAR TERMINALS & INFRASTRUCTURE LIMITED

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



### Distribution of shareholding as on 31st March, 2014:

Shareholding in Nominal Value of ₹	Share Holders		Share Amount	
	₹	% of Holders	In Rs.	% to Total
Upto - 5,000	4137	89.91	4274300	8.14
5,001 -10,000	229	4.98	1623310	3.09
10,001 - 20,000	115	2.50	1636000	3.11
20,001 - 30,000	30	0.65	721290	1.37
30,001 - 40,000	19	0.41	669100	1.28
40,001 - 50,000	10	0.22	467650	0.89
50,001 - 1,00,000	28	0.61	1881790	3.58
1,00,001 - and above	33	0.72	41257690	78.54
<b>Total</b>	<b>4601</b>	<b>100.00</b>	<b>52531130</b>	<b>100.00</b>

### Categories of Shareholders as on 31st March, 2014:

About 94.87% of the total shareholding in the Company representing 49,83,762 shares are held in dematerialized form.

	Category of Shareholder	No of Shares Held	No of Shares in Demat Form	%
<b>A.</b>	<b>Promoter &amp; its Group- Indian</b>			
<b>1.</b>	Individual / HUF	875215	816019	16.661
	Bodies Corporate	2272709	2272709	43.264
	<b>Total Shareholding Promoter &amp; Group Total (A)</b>	<b>3147924</b>	<b>3088728</b>	<b>59.925</b>
<b>B.1</b>	<b>Public Shareholding – Institutions</b>			
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
	<b>Sub-Total-B(I)</b>	<b>475542</b>	<b>474986</b>	<b>9.053</b>

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<b>B.2</b>	<b>Non-Institutions</b>			
a	Bodies Corporate	283560	282587	5.398
b	Individual Shareholders	1272489	1064003	24.224
c	Others -Clearing Members	7690	7690	0.146
	Non Resident Indians	65908	65768	1.255
	<b>Sub-Total-B(2)</b>	<b>1629647</b>	<b>1420048</b>	<b>31.022</b>
	<b>Total (B)=B(1)+B(2)</b>	<b>2105189</b>	<b>1895034</b>	<b>40.075</b>
	<b>Total (A+B)</b>	<b>5253113</b>	<b>4979298</b>	<b>100.00</b>

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

## 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 12 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 72 of the Companies Act, 2013 provides facility for making nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his / her nominee without having to go through the process of obtaining succession certificate / probate of the will etc. it would therefore be in the best interest of shareholders holding shares in physical form registered as a sole holder to make such nominations. Shareholders, who have not availed of the nomination facility, are requested to avail 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.

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

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 validation 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:

<b>Date of declaration</b>	<b>For the Year</b>	<b>Rate of Dividend</b>	<b>Due date of transfer to IEPF</b>
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
14.9.2012	2011-2012	Final @ 25%	13.11.2019
11.7.2013	2012-2013	Final @30%	10.9.2020
12.2.2014	2013-2014	Interim @15%	12.4.2021

10. Shareholders may note that unclaimed dividend for a period of seven years from the date it becomes due for payment, shall be transferred to "Investor Education and Protection Fund" (IEPF) in terms of Section 125 of the Companies Act, 2013 [erstwhile Section 205C of the Companies Act, 1956]. Thereafter, the shareholders will not be able to get the same.

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## AUDITOR'S 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 2014, 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

**Atul Gala**  
Partner  
Membership No.:48650

Place: Mumbai  
Date: 22nd May, 2014

# **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, 22nd May, 2014

**H. R. Kilachand**  
Executive Chairman

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## **CERTIFICATION**

The Board of Directors  
Kesar Terminals & Infrastructure Limited

I, have reviewed financial statements and the cash flow statement of Kesar Terminals & Infrastructure Ltd. for the year ended 31st March, 2014 and that to the best of my knowledge and belief, I 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 the existing accounting standards, applicable laws and regulations.
- (b) there are, to the best of my 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) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I 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 I am aware and the steps taken or proposed to taken to rectify these deficiencies.
- (d) I 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 I 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, 22nd May, 2014

**H. R. Kilachand**  
Executive Chairman



# Annual Report 2013-2014

## INDEPENDENT AUDITORS' REPORT

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

#### Report on the Financial Statements

We have audited the accompanying financial statements of Kesar Terminals & Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (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 the Cash Flow Statement, of the cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

2. As required by Section 227(3) of the Act, we report that:
  - a. 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;
  - b. 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;
  - c. 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;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
  - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For **Haribhakti & Co.**

Chartered Accountants

FRN No.103523W

**Atul Gala**

Partner

Membership No.048650

Place: Mumbai

Date: 22nd May, 2014

# Annual Report 2013-2014

## ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Kesar Terminals & Infrastructure Limited on the financial statements for the year ended 31st March, 2014

- (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 have 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 during the year.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to 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 (ii)(b),(c) and (d) of the order are not applicable.
- (b) 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 sale of 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.
- (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) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
- (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 sub-section (1) of Section 209 of the Act for any of the products of the Company.
- (ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, income-tax, sales-tax, wealth-tax, service tax, and other material statutory dues applicable to it.

## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

- (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 explanations 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) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank or financial institution. The Company has not issued any debentures.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans & 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 (xiii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the Company.
- (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, funds raised on short term basis have been used for long term investment amounting to Rs.2,98,65,437. The Company contends that it would be able to generate sufficient funds from long term sources to meet its working capital requirements arising from the event of short term sources falling due for payment.
- (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

**Atul Gala**

Partner

Place: Mumbai

Date: 22nd May, 2014

Membership No.048650

# Annual Report 2013-2014

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31st March, 2014	(in ₹) As at 31st March, 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share Capital	3	52,531,130	52,531,130
(b) Reserves and Surplus	4	388,282,119	296,675,082
<b>2 Non-current liabilities</b>			
(a) Long Term Borrowings	5	97,036,079	101,293,760
(b) Deferred tax liabilities (Net)	6	32,333,724	31,911,457
(c) Long Term Provisions	7	3,162,000	2,646,344
<b>3 Current liabilities</b>			
(a) Trade payables	8	2,892,241	4,059,761
(b) Other Current Liabilities	9	55,349,082	38,348,953
(c) Short Term Provisions	10	37,126,844	34,501,106
		<b>668,713,219</b>	<b>561,967,593</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		303,724,869	315,972,193
(ii) Intangible Assets		324,435	540,724
(iii) Capital Work in Progress		34,650,281	33,795,637
(b) Non Current Investments	12	257,755,000	119,755,000
(c) Long Term Loans and Advances	13	3,518,919	13,090,348
(d) Other Non- Current Assets	14	3,421,044	2,087,930
<b>2 Current assets</b>			
(a) Inventories	15	1,206,064	1,646,354
(b) Trade Receivables	16	38,474,358	49,568,016
(c) Cash and Bank Balances	17	20,764,316	20,165,378
(d) Short Term Loans and Advances	18	4,460,622	5,002,351
(e) Other Current Assets	19	413,311	343,662
		<b>668,713,219</b>	<b>561,967,593</b>
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

As per our Report of even date

For and on behalf of Haribhakti & Co.

Chartered Accountants

FRN NO.103523W

For and on behalf of the Board of Directors

H R Kilachand

Executive Chairman

A S Ruia

Director

Atul Gala

Partner

Membership No. 048650

Bhautesh Shah

Company Secretary

Place :- Mumbai

Date:- 22nd May, 2014

Place :- Mumbai

Date:- 22nd May, 2014

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(in ₹)

	Note No.	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
I. Revenue From Operations	20	362,356,585	298,509,176
II. Other Income	21	2,088,754	993,048
<b>III. Total Revenue (I + II)</b>		<b>364,445,339</b>	<b>299,502,224</b>
<b>IV. Expenses:</b>			
Employee benefits expense	22	69,744,529	63,452,115
Finance Cost	23	19,491,245	21,259,361
Depreciation and amortization expense		29,830,933	27,518,086
Other expenses	24	76,285,000	60,190,783
<b>Total Expenses</b>		<b>195,351,707</b>	<b>172,420,345</b>
<b>V. Profit before tax (III-IV)</b>		<b>169,093,632</b>	<b>127,081,879</b>
<b>VI Tax Expense:</b>			
(a) Current tax (including prior period tax provision written off ₹ Nil (Previous year written off ₹ 5,52,167))		58,626,688	44,552,167
(b) Deferred tax		422,267	(1,399,980)
<b>VII Profit (Loss) for the period (V-VI)</b>		<b>110,044,677</b>	<b>83,929,692</b>
<b>VIII Basic &amp; Diluted Earnings per equity share</b>		<b>20.95</b>	<b>15.98</b>
(Nominal value of shares ₹ 10 (Previous year: ₹ 10))			
Significant accounting policies	2		

The accompanying notes are an integral part of the financial statements

**As per our Report of even date**

**For and on behalf of Haribhakti & Co.**

**Chartered Accountants**

**FRN NO.103523W**

**Atul Gala**

**Partner**

**Membership No. 048650**

**Place :- Mumbai**

**Date:- 22nd May, 2014**

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

**H R Kilachand**

**Executive Chairman**

**A S Ruia**

**Director**

**Bhautesh Shah**

**Company Secretary**

**Place :- Mumbai**

**Date:- 22nd May, 2014**

# Annual Report 2013-2014

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	(in ₹)	
	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>NET PROFIT BEFORE TAX</b>	169,093,632	127,081,879
<b>Non-cash adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation	29,830,933	27,518,086
Dividend Income	(500)	(379)
Interest Income	(1,737,765)	(870,510)
Interest and Finance Charges	19,491,246	21,259,361
Loss/ (Profit) on sale of Fixed Assets/ Investments	171,585	1,287,350
Credit Balances Written Back	(350,489)	(122,159)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>216,498,642</b>	<b>176,153,628</b>
<b>Movements in working capital:</b>		
Decrease / (Increase) in Inventories	440,290	(575,063)
Decrease / (Increase) in Trade Receivables	11,093,658	(16,853,868)
Decrease / (Increase) in Short term Loans & Advances	541,729	6,575,053
Decrease / (Increase) in Long term Loans & Advances	9,571,429	31,633,712
Decrease / (Increase) in Other current assets	(897,604)	(525,000)
Decrease / (Increase) in Other non current assets	(1,679,187)	5,614,726
Increase / (Decrease) in Trade Payables	(1,167,520)	485,599
Increase / (Decrease) in Other Current Liabilities	534,434	509,078
Increase / (Decrease) in Other Long term Liabilities	-	(15,044,755)
Increase / (Decrease) in Short term Provisions (Employee benefits)	(761,583)	1,143,900
Increase / (Decrease) in Long term Provisions	515,656	897,344
<b>CASH (USED IN) / GENERATED FROM OPERATIONS</b>	<b>234,689,944</b>	<b>190,014,354</b>
Taxes (Paid)/ Refunds	(50,038,000)	(43,103,545)
<b>NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES</b>	<b>184,651,944</b>	<b>146,910,809</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets including Intangible Assets & CWIP	(18,393,549)	(57,364,550)
Sale/Scrap of Fixed Assets	(0)	491,000
(Purchase)/ Sale of Investments	(138,000,000)	(119,500,000)
Interest Received	2,014,190	1,073,522
Dividend Received	500	379
<b>NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES</b>	<b>(154,378,859)</b>	<b>(175,299,650)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Repayment of Borrowings	(24,583,976)	(40,418,479)
Proceeds from Borrowings	36,170,000	118,869,000
Dividends Paid	(23,271,414)	(12,942,131)
Interest Paid	(18,886,361)	(20,041,994)
<b>NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES</b>	<b>(30,571,751)</b>	<b>45,466,396</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	(in ₹)	
	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
NET INCREASE /( DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	<u>(298,666)</u>	<u>17,077,555</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	19,640,378	2,562,823
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>19,341,712</u>	<u>19,640,378</u>
COMPONENT CASH AND CASH EQUIVALENTS		
Cash on Hand	9,917	19,971
With Bank on Current Accounts	8,436,500	4,092,707
on Deposit Account	10,000,000	15,000,000
unclaimed Dividend Accounts *	895,295	527,700
TOTAL CASH AND CASH EQUIVALENTS	<u>19,341,712</u>	<u>19,640,378</u>

\* The Company can utilise this balance only towards settlement of the respective unclaimed dividend

Note : Figures in brackets are outflows

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As per our Report of even date  
For and on behalf of Haribhakti & Co.  
Chartered Accountants  
FRN NO.103523W

For and on behalf of the Board of Directors

H R Kilachand  
Executive Chairman

A S Ruia  
Director

Atul Gala  
Partner  
Membership No. 048650

Bhautesh Shah  
Company Secretary

Place :- Mumbai  
Date:- 22nd May, 2014

Place :- Mumbai  
Date:- 22nd May, 2014



# Annual Report 2013-2014

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 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, 47,53,113 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.

#### 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) Freehold Lands are stated at cost of acquisition.

#### E. Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment of assets. If any indication of such impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an assets in prior years no longer exists or may have decreased, such reversal of impairment loss is recognised

#### F. Depreciation

- a) Leasehold Land and Premium on Leasehold Land is amortised over the period of lease.
- b) Depreciation on Plant & Machinery has been provided on a Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956.

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- c) For all other assets, depreciation is provided on a Written Down Value Method at the rates specified in Schedule XIV of the Companies Act, 1956.
- d) For assets added / disposed off during the year, depreciation has been provided for on pro-rata basis with reference to the period, at the applicable rates.
- e) Depreciation on assets, whose actual cost do not exceed ₹ 5,000 is provided for at the rate of hundred percent.

### **G. Capital Work-in-Progress**

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

### **H. Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as 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.

### **I. Inventories**

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

### **J. Borrowing Cost**

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

### **K. Retirement and other employee benefits**

- i. Retirement benefits in the form of Provident Fund and Superannuation Fund is a defined contribution scheme and the contributions are charged to the 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.

### **L. Foreign Exchange Transactions**

Transactions in foreign currencies are accounted at the exchange rate prevailing on the date of transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in statement of profit and loss. In case of forward contracts (non speculative), the exchange differences are dealt with in statement of profit and loss account over the period of contracts.

# Annual Report 2013-2014

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### **M. 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.

### **N. Earnings 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.

### **O. 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.

### **P. 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.

### **Q. Leases**

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

### **R. 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.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 3. SHARE CAPITAL

PARTICULARS	As at 31st March, 2014		As at 31st March, 2013	
	Number	₹	Number	₹
<b>Authorised</b>				
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
<b>Issued, Subscribed &amp; Fully Paid up</b>				
Equity Shares of ₹ 10/- each	5,253,113	52,531,130	5,253,113	52,531,130
<b>Total</b>	<b>5,253,113</b>	<b>52,531,130</b>	<b>5,253,113</b>	<b>52,531,130</b>

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

	Number	₹	Number	₹
Shares outstanding at the beginning of the year	5,253,113	52,531,130	5,253,113	52,531,130
Shares issued during the year for consideration other than cash	-	-	-	-
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 2014, the amount of per equity share interim dividend recognized as distributions to equity shareholders was ₹ 1.50 and Final dividend recognised ₹ 1.50 totalling to ₹ 3.00 (31st March 2013: ₹ 3.00).

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

PARTICULARS	As at 31st March, 2014		As at 31st March, 2013	
	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%
H R Kilachand	408,640	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)				
	2013-14	2012-13	2011-12	2010-11	2009-10
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

# Annual Report 2013-2014

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
<b>4. RESERVES &amp; SURPLUS</b>		
<b>(a) General Reserve</b>		
Opening Balance	169,600,000	119,600,000
(+) Current Year Transfer	30,000,000	50,000,000
Closing Balance	<b>199,600,000</b>	<b>169,600,000</b>
<b>(b) Surplus</b>		
Opening balance	127,075,082	111,583,029
(+) Net Profit for the current year	110,044,677	83,929,692
(-) Proposed Final Dividend	7,879,670	15,759,339
(-) Interim Dividend	7,879,670	-
(-) Dividend Distribution Tax	2,678,300	2,678,300
(-) Transfer to Reserves	30,000,000	50,000,000
Closing Balance	<b>188,682,119</b>	<b>127,075,082</b>
<b>Total</b>	<b>388,282,119</b>	<b>296,675,082</b>

### 5. LONG TERM BORROWINGS

#### (a) Secured Borrowings

##### (i) Term loans From Banks

###### (1) Expansion Loan

	62,500,000	70,000,000
--	------------	------------

Secured by exclusive charge on all Fixed Assets and Current Assets both present and future at Kandla. (Terminal I & II)  
Terms of Repayments:- Repayable from Oct'2013 in 48 Equal Monthly Installments. Interest is payable at Base Rate of Lender Bank Plus 2.75% p.a. with monthly rest.

###### (2) Vehicle Loans

	133,346	638,507
--	---------	---------

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.

##### (ii) From others (various Finance Companies)

###### Vehicle Loans

	2,773,207	667,611
--	-----------	---------

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 8.41% to 14.00% p.a.

#### Total Secured Borrowings

	<b>65,406,553</b>	<b>71,306,118</b>
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[Out of total Secured Borrowings of ₹ 9,19,31,639 (Previous Year ₹ 8,26,57,129), borrowings of ₹ 2,65,25,086 (Previous Year ₹ 1,13,51,011) having Current Maturities, have been disclosed in Note No.9]

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
(In ₹)		
<b>(b) Unsecured Borrowings</b>		
<b>(1) Loans from Customers</b>	15,390,526	21,550,642
Terms of Repayments:- Repayable in 60 Equated Monthly Installments from the date tanks are put to use and carrying simple interest @ 13% p.a.		
<b>(2) Fixed Deposits from Public</b>	16,239,000	8,437,000
Terms of Repayments:- Repayable in one to three years starting from the date of deposit and carrying interest in the range of 12.00 % to 12.50% p.a.		
<b>Total Unsecured Borrowings</b>	<b>31,629,526</b>	<b>29,987,642</b>
[Out of total Unsecured Borrowings ₹ 4,54,23,671 (Previous Year ₹ 4,31,12,158), borrowings of ₹ 1,37,94,145 ( Previous Year ₹ 1,31,24,516) having Current Maturities, have been disclosed in Note No.9]		
<b>Total</b>	<b>97,036,079</b>	<b>101,293,760</b>
<b>6. DEFERRED TAX LIABILITIES (NET)</b>		
<b>(a) Deferred Tax Liability</b>		
Impact of difference between Tax Depreciation & Depreciation / Amortisation charged as per Compnaies Act.	33,792,677	33,120,836
<b>(b) Deferred Tax Assets</b>		
Disallowances under Section 43B of Income tax Act for Employee Benefits	1,458,953	1,209,379
<b>Net Deferred Tax Liability (a-b)</b>	<b>32,333,724</b>	<b>31,911,457</b>
<b>7. LONG TERM PROVISIONS</b>		
Provision for employee benefits		
Leave Encashment (unfunded)	3,162,000	2,646,344
<b>Total</b>	<b>3,162,000</b>	<b>2,646,344</b>
<b>8. TRADE PAYABLES</b>		
Trade Payables (For Services received)	2,892,241	4,059,761
<b>Total</b>	<b>2,892,241</b>	<b>4,059,761</b>

# Annual Report 2013-2014

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	As at 31st March, 2014	(In ₹) As at 31st March, 2013
<b>9. OTHER CURRENT LIABILITIES</b>		
(a) Current maturities of long-term debt		
(i) Current maturities of long-term debt - secured borrowings (refer note no. 5)	26,525,086	11,351,011
(ii) Current maturities of long-term debt - unsecured borrowings (refer note no. 5)	13,794,145	13,124,516
(b) Interest accrued but not due on borrowings	2,276,631	1,671,746
(c) Unclaimed dividends	895,295	527,700
(d) Payable to Related Party	300,000	2,595,687
(e) Payables -(For other contractual obligations)	7,223,897	3,488,722
(f) Payables -(For Capital Goods)	1,448,601	3,252,086
(g) Outstanding Liabilities	1,490,762	684,696
(h) Statutory Dues	1,394,665	1,652,789
<b>Total</b>	<b>55,349,082</b>	<b>38,348,953</b>
<b>10. SHORT TERM PROVISIONS</b>		
(a) Provision for employee benefits		
(i) Gratuity (Funded)	-	799,552
(ii) Leave Encashment (Unfunded)	900,000	862,031
(b) Others		
(i) Provision for Income Tax [Net of Advance Income Tax of ₹ 11,21,33,437 (Previous Year ₹ 3,92,23,251)]	27,008,024	14,401,884
(ii) Proposed Final Dividend	7,879,670	15,759,339
(iii) Corporate Tax on Final Dividend	1,339,150	2,678,300
<b>Total</b>	<b>37,126,844</b>	<b>34,501,106</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH, 2014**

**11: FIXED ASSETS**

	Gross Block		Accumulated Depreciation		Net Block
	Balance as at 1st April, 2013	Disposals Balance as at 31st March, 2014	Balance as at 1st April, 2013	On disposals for the year	
<b>FIXED ASSETS</b>					
<b>(a) Tangible Assets</b>					
(i) Land					
(1) Free Hold Land	40,113,546	2,000,250	42,113,796		40,113,546
(2) Lease Hold Land	567,000		567,000	18,900	48,773
(3) Lease Hold Land Premium	1,826,902		1,826,902	60,897	157,150
	42,507,448	2,000,250	44,507,698	79,797	42,319,719
(ii) Buildings	54,762,099	-	54,762,099	3,701,554	30,637,427
(iii) Plant and Equipment	463,706,066	7,573,848	470,333,019	22,270,642	217,114,087
(iv) Office Equipments	5,277,447	639,882	5,917,328	617,582	2,493,314
(v) Vehicles	9,523,990	4,331,373	13,855,363	2,118,447	7,225,712
(vi) Furniture and Fixtures	3,839,947	2,993,552	6,833,499	826,622	3,934,611
<b>Total</b>	<b>579,616,996</b>	<b>17,538,905</b>	<b>596,209,006</b>	<b>29,614,644</b>	<b>303,724,869</b>
<b>(b) Intangible Assets</b>					
Computer software	1,408,778	-	1,408,778	216,290	324,435
<b>Total</b>	<b>1,408,778</b>	<b>-</b>	<b>1,408,778</b>	<b>216,290</b>	<b>324,435</b>
<b>Total (a+b)</b>	<b>581,025,774</b>	<b>17,538,905</b>	<b>597,617,784</b>	<b>29,830,933</b>	<b>304,049,304</b>
<b>(c) Capital Work In Progress</b>					
	33,795,637	854,644	34,650,281	-	33,795,637
<b>Total (a+b+c)</b>	<b>614,821,411</b>	<b>18,393,549</b>	<b>632,268,065</b>	<b>29,830,933</b>	<b>338,699,585</b>
<b>Previous Year Total</b>	<b>560,843,974</b>	<b>59,953,628</b>	<b>614,821,411</b>	<b>1,608,764</b>	<b>350,308,554</b>



# Annual Report 2013-2014

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
<b>12. NON CURRENT-INVESTMENTS</b>		
<b>Trade Investments (valued at cost)</b>		
<b>Unquoted Equity Instruments</b>		
<b>(a) Investment in Subsidiary Company</b>		
2,57,75,000 Equity Shares (previous Year 1,19,75,000 Equity Shares ) of ₹ 10/- each fully paid in Kesar Multimodal Logistics Ltd.	257,750,000	119,750,000
Extent of Holding:- 99.90% (Previous Year 99.79%) of total issued and paid up capital of Kesar Multimodal Logistics Limited		
<b>Non trade Investments (valued at cost)</b>		
<b>Investments in Equity Instruments</b>		
<b>(a) Investments in Equity Instruments - Others ( Unquoted)</b>		
200 Shares of ₹ 25 each fully paid in Jain Sahakari Bank Ltd	5,000	5,000
{Aggregate amount of Unquoted Investments is ₹ 25,77,55,000 (Previous Year ₹ 11,97,55,000)}		
<b>Total</b>	<b>257,755,000</b>	<b>119,755,000</b>
<b>13. LONG TERM LOANS AND ADVANCES</b>		
<b>Unsecured, Considered good</b>		
(a) Capital Advances	-	2,118,631
(b) Security Deposits	3,414,539	6,508,244
(c) Loans and Advances to Employees	104,380	58,329
(d) Loans and Advances to Related Party		
Advance to Subsidiary Company	-	4,405,144
<b>Total</b>	<b>3,518,919</b>	<b>13,090,348</b>
<b>14. OTHER NON-CURRENT ASSETS</b>		
<b>Unsecured, Considered good</b>		
(a) Fixed Deposits with maturity of more than 12 months (Held as lien/security with various bank)	3,064,461	1,385,274
(b) Interest accrued on Bank Deposits	114,846	103,075
(c) Interest accrued on staff loan	241,737	599,581
<b>Total</b>	<b>3,421,044</b>	<b>2,087,930</b>
<b>15. INVENTORIES</b>		
Stores and spares (Valued at Lower of Cost and Net Realisable Value)	1,206,064	1,646,354
<b>Total</b>	<b>1,206,064</b>	<b>1,646,354</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
(In ₹)		
<b>16. TRADE RECEIVABLES</b>		
<b>Unsecured, Considered good</b>		
(a) Outstanding for a period exceeding six months from the date they are due for payment	-	-
(b) Others	38,474,358	49,568,016
<b>Total</b>	<b><u>38,474,358</u></b>	<b><u>49,568,016</u></b>
<b>17. CASH AND BANK BALANCES</b>		
<b>A. Cash and Cash Equivalents</b>		
(a) Balance with Banks		
(i) on Current Accounts	8,436,500	4,092,707
(ii) on unclaimed Dividend Accounts	895,295	527,700
(iii) on Fixed Deposits Accounts with original maturity of less than 3 months	10,000,000	15,000,000
(b) Cash on hand	9,917	19,971
<b>B. Other Bank Balances</b>		
Fixed Deposits with original maturity of more than 3 months but less than 12 months	1,422,604	525,000
<b>Total</b>	<b><u>20,764,316</u></b>	<b><u>20,165,378</u></b>
<b>18. SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured, Considered good</b>		
<b>Others</b>		
i) Gratuity paid in advance (funded)	856,712	-
ii) Prepaid expenses	2,534,632	2,120,189
iii) Service Tax Receivable	796,143	2,445,550
iv) Loans and Advances to Employees	131,916	352,954
v) Other advances recoverable in cash or kind	141,219	83,658
<b>Total</b>	<b><u>4,460,622</u></b>	<b><u>5,002,351</u></b>
<b>19. OTHER CURRENT ASSETS</b>		
<b>Unsecured , Considered Good</b>		
Interest accrued on staff loans	158,034	199,788
Interest accrued on Bank Fixed Deposits	255,277	143,874
<b>Total</b>	<b><u>413,311</u></b>	<b><u>343,662</u></b>

# Annual Report 2013-2014

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	(In ₹)	
	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
<b>20. REVENUE FROM OPERATIONS</b>		
<b>REVENUE FROM SALE OF SERVICES</b>		
(a) Sale of Services (Income from providing storage tanks on hire/rental basis for liquid cargo and other related services)	358,900,085	295,213,377
(b) Other operating revenue	3,456,500	3,295,799
<b>Total</b>	<b>362,356,585</b>	<b>298,509,176</b>
<b>21. OTHER INCOME</b>		
(a) Interest on		
(i) Fixed Deposits {TDS ₹ 1,66,040 (Previous Year ₹ 1,16,767)}	1,550,302	784,767
(ii) Others	187,463	85,743
(b) Dividend Income	500	379
(c) Credit Balance Written Back	350,489	122,159
<b>Total</b>	<b>2,088,754</b>	<b>993,048</b>
<b>22. EMPLOYEE BENEFIT EXPENSE</b>		
(a) Salaries and Wages	61,394,067	52,521,897
(b) Contribution to P.F. Funds	5,043,411	5,460,572
(c) Contribution to Gratuity Funds	2,017,718	4,413,053
(d) Staff Welfare	1,289,333	1,056,593
<b>Total</b>	<b>69,744,529</b>	<b>63,452,115</b>
<b>23. FINANCE COST</b>		
(a) Interest Expense	18,662,723	9,999,272
(b) Other Borrowing Costs		
(i) Finance Charges	181,481	10,369,830
(ii) Others including Bank Charges	647,041	890,259
<b>Total</b>	<b>19,491,245</b>	<b>21,259,361</b>
<b>24. OTHER EXPENSES</b>		
(a) Storage & Handling Charges	7,093,214	5,814,489
(b) Power & Fuel	8,719,411	7,321,319
(c) Rent	10,632,306	10,968,234
(d) Repairs		
(i) Plant & Machinery	25,187,583	12,488,308
(ii) Buildings	271,541	73,795
(iii) Others	1,154,499	2,108,188

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
(e) Insurance	1,098,054	870,785
(f) Rates & Taxes	364,960	267,135
(g) Selling agent Commission & Brokerage	1,879,102	1,809,559
(h) Legal & Professional Fees	2,516,562	1,627,634
(i) Directors Sitting Fees	881,000	912,000
(j) Commission to Directors	500,000	-
(k) Auditors Remuneration		
(i) Audit Fees	280,000	210,000
(ii) For Certification	170,000	170,000
(iii) For Other Matters	1,369	7,500
(iv) Out Of Pocket Expenses	13,567	5,773
(l) Loss on Sale of Assets / Assets Discarded	171,585	1,287,350
(m) Travelling Expenses	4,307,372	2,405,076
(n) Miscellaneous Expenses	11,042,875	11,843,638
<b>Total</b>	<b><u>76,285,000</u></b>	<b><u>60,190,783</u></b>

### 25. CAPITAL AND OTHER COMMITMENTS

Nil

### 26. CONTINGENT LIABILITIES

Nature of claim/Demands	As at 31st March 2014 (₹)	As at 31st March 2013(₹)
(a) Claims against the Company not acknowledged as debts: Additional demand of Electricity Charges under dispute	53,42,469	53,42,469
(b) Guarantee: Corporate Guarantee given in favour of Banker's, towards credit facilities granted to Kesar Multimodal Logistics Limited (Subsidiary Company) (KMLL) to set up a "Composite Logistics Hub" at Powarkheda in Madhya Pradesh.	1,08,11,00,000 *	1,08,11,00,00
<b>Total</b>	<b><u>1,08,64,42,469</u></b>	<b><u>1,08,64,42,469</u></b>

\* The total outstanding loans as at 31.3.2014 is ₹ 46,42,26,683 against Corporate Guarantee of ₹ 1,08,11,00,000.

### 27. 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.

# Annual Report 2013-2014

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March 2014	For the year ended on 31st March 2013
	(₹)	(₹)
Present Value of funded obligations	1,81,17,000	1,67,91,621
Fair Value of plan assets	(1,89,73,712)	(1,59,92,069)
Net liability	(8,56,712)	7,99,552
Amount in balance sheet		
Liabilities	Nil	7,99,552
Assets	8,56,712	Nil

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March 2014	For the year ended on 31st March 2013
	(₹)	(₹)
Current service cost	12,17,009	8,26,292
Interest on obligation	13,43,330	9,36,960
Expected return on plan assets	(13,27,955)	(9,86,040)
Net actuarial losses (gains) recognized in year	7,85,334	36,35,841
Total included in employee benefit expense	20,17,718	44,13,053
Actual return on plan assets	12,55,962	10,72,740

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March 2014	For the year ended on 31st March 2013
	(₹)	(₹)
Opening defined benefit obligation	1,67,91,621	1,17,12,000
Service costs	12,17,009	8,26,292
Interest costs	13,43,330	9,36,960
Actuarial losses (gains)	7,13,341	37,22,541
Benefits paid	(19,48,301)	(4,06,172)
Closing defined benefit obligation	1,81,17,000	1,67,91,621

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March 2014 (₹)	For the year ended on 31st March 2013 (₹)
Opening fair value of plan assets	1,59,92,069	1,23,25,501
Amount of last year taken credit in funds	(5,10,954)	-
Expected return on plan assets	13,27,955	9,86,040
Actuarial gains / (losses)	(71,993)	86,700
Contributions by employer	41,84,936	30,00,000
Benefits paid	(19,48,301)	(4,06,172)
Closing fair value of plan assets	1,89,73,712	1,59,92,069

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

Particulars	Defined Benefit (Gratuity) Plan	
	For the year ended on 31st March 2014	For the year ended on 31st March 2013
Discount rate	8.00%	8.00%
Salary escalation rate	8.00%	8.00%
Expected return on plan assets	8.00%	8.00%

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

Particulars	Defined Benefit (Gratuity) Plan			
	For the year ended on 31st March 2014 (₹)	For the year ended on 31st March 2013 (₹)	For the year ended on 31st March 2012 (₹)	For the year ended on 31st March 2011 (₹)
Defined benefit obligation	1,81,17,000	1,67,91,621	1,17,12,000	1,03,18,000
Plan assets	1,89,73,712	1,59,92,069	1,23,25,501	89,60,965
Surplus/ (deficit)	8,56,712	(7,99,552)	6,13,501	(13,57,035)

- (g) Experience Adjustment:

Particulars	Defined Benefit (Gratuity) Plan			
	For the year ended on 31st March 2014 (₹)	For the year ended on 31st March 2013 (₹)	For the year ended on 31st March 2012 (₹)	For the year ended on 31st March 2011 (₹)
On plan Liability (Gains)/ Losses	7,13,341	16,26,947	7,38,861	6,72,989
On plan Assets Gains/ (Losses)	(71,993)	86,700	(30,407)	(5,61,174)

# Annual Report 2013-2014

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 28. SEGMENT REPORTING

The Company is mainly engaged in Liquid Storage Business and there is no other reportable business and geographical segment as required in accordance with AS 17.

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

### 30. 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.

- c) Subsidiary Company:

Kesar Multimodal Logistics Limited

Disclosure of transactions with related parties and the status of outstanding balance as on 31st March, 2014:

Particulars	Kesar Enterprises Limited (₹)	Kesar Multimodal Logistics Ltd (₹)	H R Kilachand (₹)	M H Kilachand (₹)	Indian Commercial Co. Pvt. Ltd. (₹)
<b>(a) Transactions</b>					
Sharing of Common Expenses	1,40,00,724 (1,60,29,092)				
Assets transferred	35,60,102 (Nil)				
Rent Payable					Nil (30,000)
Managerial Remuneration			67,31,360 (63,75,360)		

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Kesar Enterprises Limited (₹)	Kesar Multimodal Logistics Ltd (₹)	H R Kilachand (₹)	M H Kilachand (₹)	Indian Commercial Co. Pvt. Ltd. (₹)
Director Fees/Commission				1,55,600 (96,000)	
Short term loans and advances received back		Nil (93,00,000)			
Long term loans and advances		Nil (44,05,144)			
Investment in Share Capital		13,80,00,000 (11,95,00,000)			
<b>(b) Balance outstanding</b>					
Payable for Expenses Short term	3,00,000 (25,95,687)				Nil (1,20,000)
Managerial Remuneration			35,00,000 (30,00,000)	1,00,000 (Nil)	
Security Deposit					12,00,000 (45,00,000)
Long term loans & Advances		Nil (44,05,144)			
Investments		25,77,50,000 (11,97,50,000)			

(Figures in brackets represents previous year)

### 31. LOANS AND ADVANCES IN THE NATURE OF LOANS GIVEN TO SUBSIDIARY COMPANY IN ACCORDANCE WITH CLAUSE 32 OF THE LISTING AGREEMENT

Name of Entity: Kesar Multimodal Logistics Ltd.

Particulars	For the year ended on 31st March 2014 (₹)	For the year ended on 31st March 2013 (₹)
Balance outstanding	Nil	Nil
Maximum amount Outstanding	Nil	93,00,000
Terms of Repayments	NA	No
Repayment Schedule	NA	Payable on demand



# Annual Report 2013-2014

## 32. SUPPLEMENTARY STATUTORY INFORMATION

Particulars	For the year ended on 31st March 2014 (₹)	For the year ended on 31st March 2013 (₹)
(a) Expenditure in foreign currency (Business Promotion Expenses)	22,75,075	5,58,857
(b) Earnings in foreign currency	Nil	Nil

33. 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.

34. 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 ₹ 1,40,00,724 (Previous Year ₹ 1,60,29,092). Addition to fixed assets includes ₹ 35,60,102 (net of depreciation), transferred from Kesar Enterprises Ltd.

35. 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 had been approved in past.

36. The previous year figures have been regrouped and re-casted wherever necessary.

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

**H R KILACHAND**  
Executive Chairman

**A S RUIA**  
Director

**BHAUTESH SHAH**  
Company Secretary

Place: Mumbai  
Date: 22nd May, 2014

# **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE BOARD OF DIRECTORS OF KESAR TERMINALS & INFRASTRUCTURE LIMITED**

We have audited the accompanying consolidated financial statements of Kesar Terminals & Infrastructure Limited ("the Company") and its subsidiary, (the Company and its subsidiary constitute "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements on the basis of separate financial statements and other financial information regarding component that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 "Consolidated Financial Statements", as notified pursuant to the Companies (Accounting Standards) Rules, 2006 and on the basis of the separate financial statements of Kesar Terminals & Infrastructure Limited and its subsidiary.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiary as mentioned in the 'Other Matter' paragraph below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Other Matter**

We did not audit the financial statements of Kesar Multimodal Logistics Limited subsidiary, whose financial statements reflect total assets of Rs. 74,53,96,350 as at March 31, 2014, total revenues of Rs. NIL and net cash outflows amounting to Rs. 4,42,42,547 for the year then ended. These financial statements have been audited by other auditors whose report has been furnished to us by the Management, and our opinion so far as it relates to the amounts included in respect of the subsidiary is based solely on the report of the other auditors. Our opinion is not qualified in respect of this matter.

For **Haribhakti & Co.**  
Chartered Accountants  
Firm Registration No.103523W

**Atul Gala**  
Partner  
Membership No.048650

Mumbai: May 22nd , 2014

# Annual Report 2013-2014

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

		(in ₹)	
	Note No.	As at 31st March, 2014	As at 31st March, 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share Capital	3	52,531,130	52,531,130
(b) Reserves and Surplus	4	388,282,119	296,675,082
<b>2 Minority Interest</b>		250,000	250,000
<b>3 Non-current liabilities</b>			
(a) Long Term Borrowings	5	561,262,762	283,904,950
(b) Deferred tax liabilities (Net)	6	32,333,724	31,911,457
(c) Long Term Provisions	7	3,517,600	2,835,687
<b>4 Current liabilities</b>			
(a) Trade payables	8	2,892,241	4,059,761
(b) Other Current Liabilities	9	78,157,849	45,480,001
(c) Short Term Provisions	10	37,132,144	34,503,843
		<b><u>1,156,359,569</u></b>	<b><u>752,151,911</u></b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		303,812,443	316,116,719
(ii) Intangible Assets		361,616	602,694
(iii) Capital Work in Progress		701,984,753	239,692,494
(b) Non Current Investments	12	5,000	5,000
(c) Long Term Loans and Advances	13	70,776,141	62,841,489
(d) Other Non- Current Assets	14	11,449,540	9,346,305
<b>2 Current assets</b>			
(a) Inventories	15	1,206,064	1,646,354
(b) Trade Receivables	16	38,474,358	49,568,016
(c) Cash and Bank Balances	17	23,309,220	66,952,829
(d) Short Term Loans and Advances	18	4,567,123	5,036,349
(e) Other Current Assets	19	413,311	343,662
		<b><u>1,156,359,569</u></b>	<b><u>752,151,911</u></b>
Significant accounting policies	2		

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

As per our Report of even date

For and on behalf of the Board of Directors

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

H R Kilachand  
Executive Chairman

A S Ruia  
Director

Atul Gala  
Partner  
Membership No. 048650

Bhautesh Shah  
Company Secretary

Place :- Mumbai  
Date:- 22nd May, 2014

Place :- Mumbai  
Date:- 22nd May, 2014

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2014

	Note No.	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013 <span style="float: right;">(in ₹)</span>
<b>I. Revenue From Operations</b>	20	362,356,585	298,509,176
<b>II. Other Income</b>	21	2,088,754	993,048
<b>III. Total Revenue (I + II)</b>		<b>364,445,339</b>	<b>299,502,224</b>
<b>IV. Expenses:</b>			
Employee benefits expense	22	69,744,529	63,452,115
Finance Cost	23	19,491,245	21,259,361
Depreciation and amortization expense		29,830,933	27,518,086
Other expenses	24	76,285,000	60,190,783
<b>Total Expenses</b>		<b>195,351,707</b>	<b>172,420,345</b>
<b>V. Profit before tax (III-IV)</b>		169,093,632	127,081,879
<b>VI Tax Expense:</b>			
(a) Current tax (including prior period tax provision written off Nil (Previous year written off ₹ 5,52,167))		58,626,688	44,552,167
(b) Deferred tax		422,267	(1,399,980)
<b>VII Profit (Loss) for the period (V-VI)</b>		<b>110,044,677</b>	<b>83,929,692</b>
<b>VIII Basic &amp; Diluted Earnings per equity share</b>		20.95	15.98
[Nominal value of shares ₹10 (Previous Year ₹10)]			
Significant accounting policies	2		

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

As per our Report of even date

For and on behalf of the Board of Directors

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

H R Kilachand  
Executive Chairman

A S Ruia  
Director

Atul Gala  
Partner  
Membership No. 048650

Bhautesh Shah  
Company Secretary

Place :- Mumbai  
Date:- 22nd May, 2014

Place :- Mumbai  
Date:- 22nd May, 2014

# Annual Report 2013-2014

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(in ₹)

	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>NET PROFIT BEFORE TAX</b>	169,093,632	127,081,879
<b>Non-cash adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation	29,912,675	27,556,207
Dividend Income	(500)	(379)
Interest Income	(1,737,765)	(870,510)
Interest and Finance Charges	19,491,246	21,259,361
Loss/ (Profit) on sale of Fixed Assets/ Investments	171,585	1,287,350
Credit Balances Written Back	(350,489)	(122,159)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>216,580,384</b>	<b>176,191,749</b>
<b>Movements in working capital:</b>		
Decrease / (Increase) in Inventories	440,290	(575,063)
Decrease / (Increase) in Trade Receivables	11,093,658	(16,853,868)
Decrease / (Increase) in Short term Loans & Advances	469,227	7,141,054
Decrease / (Increase) in Long term Loans & Advances	(3,529,509)	(45,640,260)
Decrease / (Increase) in Other current assets	(897,604)	(525,000)
Decrease / (Increase) in Other non current assets	(2,449,308)	(1,643,650)
Increase / (Decrease) in Trade Payables	(1,167,520)	485,599
Increase / (Decrease) in Other Current Liabilities	16,212,153	7,499,031
Increase / (Decrease) in Other Long term Liabilities	(4,405,144)	(15,044,755)
Increase / (Decrease) in Short term Provisions (Employee benefits)	(759,020)	1,146,637
Increase / (Decrease) in Long term Provisions	681,912	1,042,060
<b>CASH (USED IN) / GENERATED FROM OPERATIONS</b>	<b>232,269,519</b>	<b>113,223,534</b>
Taxes (Paid)/ Refunds	(50,038,000)	(43,103,545)
<b>NET CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES</b>	<b>182,231,519</b>	<b>70,119,989</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets including Intangible Assets & CWIP	(479,831,164)	(245,431,057)
Sale/Scrap of Fixed Assets	-	491,000
Interest Received	2,014,190	1,073,522
Dividend Received	500	379
<b>NET CASH (USED IN) / GENERATED FROM INVESTING ACTIVITIES</b>	<b>(477,816,474)</b>	<b>(243,866,156)</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

(in ₹)

	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Repayment of Borrowings	(24,583,976)	(40,418,479)
Proceeds from Borrowings	317,785,493	301,480,190
Short Term Borrowings	-	(805,000)
Dividends Paid	(23,271,414)	(12,942,131)
Interest Paid	(18,886,361)	(20,041,994)
<b>NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES</b>	<b>251,043,742</b>	<b>227,272,586</b>
<b>NET INCREASE /( DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(44,541,213)</b>	<b>53,526,419</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>66,427,829</b>	<b>12,901,410</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>21,886,616</b>	<b>66,427,829</b>
<b>COMPONENT CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	20,048	23,251
With Bank on Current Account	10,971,273	50,876,878
on Deposit Account	10,000,000	15,000,000
unclaimed Dividend Account *	895,295	527,700
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>21,886,616</b>	<b>66,427,829</b>

\* The Company can utilise this balance only towards settlement of the respective unclaimed dividend

Note : Figures in brackets are outflows

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

As per our Report of even date

For and on behalf of the Board of Directors

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

H R Kilachand  
Executive Chairman

A S Ruia  
Director

Atul Gala  
Partner  
Membership No. 048650

Bhautesh Shah  
Company Secretary

Place :- Mumbai  
Date:- 22nd May, 2014

Place :- Mumbai  
Date:- 22nd May, 2014

# Annual Report 2013-2014

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### BACKGROUND

Kesar Terminals & Infrastructure Ltd. ("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, 47,53,113 Equity Shares of ₹ 10 each, fully paid up are issued and allotted on 1st June 2010 by the Company to the shareholders of Kesar Enterprises Limited (KEL) in the ratio of 10:7 i.e. for every 10 shares in KEL, 7 shares in the Company.

Kesar Multimodal Logistics Ltd. (KMLL or "Subsidiary Company") was incorporated on 30th September, 2011 as a special purpose vehicle to execute Concession Agreement entered on 24th October, 2011 between the Company and the Madhya Pradesh State Agricultural Marketing Board (Mandi Board) to set up a "Composite Logistics Hub" at Powarkheda, Madhya Pradesh, on Public Private Participation (PPP) basis and yet not commenced commercial operations. Accordingly, a statement of profit and loss account for KMLL is not prepared, since expenses incurred in relation to the project, are classified as "Pre-operative expenditure pending capitalization". KMLL became subsidiary of the Company w.e.f 10th August, 2012.

### 1 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relate to Kesar Terminals & Infrastructure Ltd and its Subsidiary Company Kesar Multimodal Logistics Ltd. The consolidated financial statements have been prepared on the following basis:

- A. The consolidated financial statements is combined on line-by-line basis by adding together the book values of like items of assets, liabilities after fully eliminating intra Company balances and intra Company transactions in accordance with Accounting Standard (AS) 21 – "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- B. Share of Minority interest's in net assets of the subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's Shareholder.

Minority interest in the net assets of subsidiary consists of:

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

Name of the Subsidiary	Country of Incorporation	Proportion of ownership interest
Kesar Multimodal Logistics Ltd.	India	99.90%

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



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 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 its subsidiary Company.

#### 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) Freehold Lands are stated at cost of acquisition.

#### E. Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment of assets. If any indication of such impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an assets in prior years no longer exists or may have decreased, such reversal of impairment loss is recognised

#### F. Depreciation

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

# Annual Report 2013-2014

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### G. Capital Work-in-Progress

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

### H. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as 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.

### I. Inventories

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

### J. Borrowing Cost

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

### K. Retirement and other employee benefits

- i. Retirement benefits in the form of Provident Fund and Superannuation Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss in the year when the contributions to the respective funds are due. In case of KMLL, contribution is capitalised as "pre-operative expenditure pending for capitalisation". 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. In case of KMLL, gain/losses are capitalised as "pre-operative expenditure pending for capitalisation".

### L. Foreign Exchange Transactions

Transactions in foreign currencies are accounted at the exchange rate prevailing on the date of transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in statement of profit and loss. In case of forward contracts (non speculative), the exchange differences are dealt with in statement of profit and loss account over the period of contracts. In case of KMLL, gains/ losses are capitalised as "pre-operative expenditure pending for capitalisation".

### M. 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

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

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.

### **N. Earnings 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.

### **O. 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.

### **P. 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.

### **Q. Leases**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term. In case of KMLL operating lease payments are capitalised as "pre-operative expenditure pending for capitalisation".

### **R. 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.

# Annual Report 2013-2014

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 3. SHARE CAPITAL

PARTICULARS	As at 31st March, 2014		As at 31st March, 2013	
	Number	₹	Number	₹
<b>Authorised</b>				
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
<b>Issued, Subscribed &amp; Fully Paid up</b>				
Equity Shares of ₹ 10/- each	5,253,113	52,531,130	5,253,113	52,531,130
<b>Total</b>	<b>5,253,113</b>	<b>52,531,130</b>	<b>5,253,113</b>	<b>52,531,130</b>

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

	Number	₹	Number	₹
Shares outstanding at the beginning of the year	5,253,113	52,531,130	5,253,113	52,531,130
Shares issued during the year for consideration other than cash	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<b>5,253,113</b>	<b>52,531,130</b>	<b>5,253,113</b>	<b>52,531,130</b>

#### (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 2014, the amount of per equity share interim dividend recognized as distributions to equity shareholders was ₹ 1.50 and Final dividend recognised ₹ 1.50 totalling to ₹ 3.00 (31st March 2013 ₹ 3.00)

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

PARTICULARS	As at 31st March, 2014		As at 31st March, 2013	
	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%
H R Kilachand	408,640	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)				
	2013-14	2012-13	2011-12	2010-11	2009-10
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 ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 4. RESERVES & SURPLUS

PARTICULARS	(in ₹)	
	As at 31st March, 2014	As at 31st March, 2013
(a) General Reserve		
Opening Balance	169,600,000	119,600,000
(+) Current Year Transfer	30,000,000	50,000,000
Closing Balance	<b>199,600,000</b>	<b>169,600,000</b>
 (b) Surplus		
Opening balance	127,075,082	111,583,029
(+) Net Profit/(Net Loss) For the current year	110,044,677	83,929,692
(-) Proposed Final Dividend	7,879,670	15,759,339
(-) Interim Dividend	7,879,670	-
(-) Dividend Distribution Tax	2,678,300	2,678,300
(-) Transfer to Reserves	30,000,000	50,000,000
Closing Balance	188,682,119	127,075,082
<b>Total</b>	<b>388,282,119</b>	<b>296,675,082</b>

### 5. LONG TERM BORROWINGS

#### (a) Secured Borrowings

##### (i) Term loans From Banks

##### (1) Expansion Loan

Secured by exclusive charge on all Fixed Assets and Current Assets both present and future at Kandla. ( Terminal I & II)  
Terms of Repayments:- Repayable from Oct'2013 in 48 Equal Monthly Installments. Interest is payable at Base Rate of Lender Bank Plus 2.75% p.a. with monthly rest.

62,500,000                      70,000,000

##### (2) Project Loan

(Secured by way of 1st pari passu charge on all Fixed Assets and 2nd pari passu charge on the Current Assets of the project situated at Powarkheda Dist. Hoshangabad, Madhya Pradesh and Corporate Guarantee by the Company)  
(Rate of Interest is in the range of 10.95 % to 13.45% p.a.)  
Term Loans are repayable in 28 quarterly equal installment starting after the moratorium period of three years from the date of first disbursement of the respective loans.

464,226,683                      182,611,190

##### (3) 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.

133,346                              638,507

##### (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.

2,773,207                              667,611

#### **Total Secured Borrowings**

**529,633,236                      253,917,308**

[Out of total Secured Borrowings of ₹ 55,61,58,322 (Previous Year ₹ 26,52,68,319) borrowings of ₹ 2,65,25,086 (Previous year ₹ 1,13,51,011) having Current Maturities, have been disclosed in Note No.9]

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	(in ₹)	
	As at 31st March, 2014	As at 31st March, 2013
<b>(b) Unsecured Borrowings</b>		
<b>(1) Loans from Customers</b>	15,390,526	21,550,642
Terms of Repayments:- Repayable in 60 Equated Monthly Installments from the date tanks are put to use and carrying simple interest @ 13% p.a.		
<b>(2) Fixed Deposits from Public</b>	16,239,000	8,437,000
Terms of Repayments:- Repayable in one to three years starting from the date of deposit and carrying interest in the range of 12.00 % to 12.50% p.a.		
<b>Total Unsecured Borrowings</b>	<u>31,629,526</u>	<u>29,987,642</u>
[Out of total Unsecured Borrowings ₹ 4,54,23,671 (previous year ₹ 4,31,12,158), borrowings of ₹ 1,37,94,145 (previous year ₹ 1,31,24,516) having Current Maturities, have been disclosed in Note No.9]		
<b>Total</b>	<u><b>561,262,762</b></u>	<u><b>283,904,950</b></u>
<b>6. DEFERRED TAX LIABILITIES (NET)</b>		
<b>(a) Deferred Tax Liability</b>		
Impact of difference between Tax Depreciation & Depreciation / Amortisation charged as per Companies Act.	33,792,677	33,120,836
<b>(b) Deferred Tax Assets</b>		
Disallowances under Section 43B of Income tax Act for Employee Benefits	1,458,953	1,209,379
<b>Net Deferred Tax Liability (a-b)</b>	<u><b>32,333,724</b></u>	<u><b>31,911,457</b></u>
<b>7. LONG TERM PROVISIONS</b>		
Provision for employee benefits		
Gratuity Provision (unfunded)	147,200	87,135
Leave Encashment (unfunded)	3,370,400	2,748,552
<b>Total</b>	<u><b>3,517,600</b></u>	<u><b>2,835,687</b></u>
<b>8. TRADE PAYABLES</b>		
Trade Payables (For Services received)	2,892,241	4,059,761
<b>Total</b>	<u><b>2,892,241</b></u>	<u><b>4,059,761</b></u>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 9. OTHER CURRENT LIABILITIES

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
(in ₹)		
(a) Current maturities of long-term debt		
(i) Current maturities of long-term debt - secured borrowings (refer note no. 5)	26,525,086	11,351,011
(ii) Current maturities of long-term debt - unsecured borrowings (refer note no. 5)	13,794,145	13,124,516
(b) Interest accrued but not due on borrowings	3,457,835	1,957,725
(c) Unclaimed dividends	895,295	527,700
(d) Payable to Related Party	300,000	2,595,687
(e) Payables -(For other contractual obligations)	7,340,930	3,488,722
(f) Payables -(For Capital Goods)	21,111,612	8,475,047
(g) Outstanding Liabilities	1,578,078	684,696
(h) Statutory Dues	3,154,868	3,274,897
<b>Total</b>	<b>78,157,849</b>	<b>45,480,001</b>

### 10. SHORT TERM PROVISIONS

(a) Provision for employee benefits		
(i) Gratuity (Funded)	-	799,552
(ii) Gratuity (Unfunded)	2,200	1,215
(iii) Leave Encashment (Unfunded)	903,100	863,553
(b) Others		
(i) Provision for Income Tax	27,008,024	14,401,884
[Net of Advance Income Tax of ₹ 11,21,33,437 (Previous Year ₹ 3,92,23,251)]		
(ii) Proposed Final Dividend	7,879,670	15,759,339
(iii) Corporate Tax on Final Dividend	1,339,150	2,678,300
<b>Total</b>	<b>37,132,144</b>	<b>34,503,843</b>



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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 11 FIXED ASSETS

FIXED ASSETS	Gross Block			Accumulated Depreciation		Net Block	
	Balance as at 1st April 2013	Additions	Disposals	Balance as at 1st April / amortization 2013 charge for the year	On disposals	Balance as at 31st March 2014	Balance as at 31st March 2013
<b>(a) Tangible Assets</b>							
(i) Land							
(1) Free Hold Land	40,113,546	2,000,250	42,113,796		-	42,113,796	40,113,546
(2) Lease Hold Land	567,000		567,000	499,327	18,900	48,773	67,673
(3) Lease Hold Land Premium	1,826,902		1,826,902	1,608,855	60,897	157,150	218,047
<b>Total</b>	<b>42,507,448</b>	<b>2,000,250</b>	<b>44,507,698</b>	<b>2,108,182</b>	<b>79,797</b>	<b>42,319,719</b>	<b>40,399,266</b>
(ii) Buildings	52,724,608		52,724,608	19,622,673	3,701,554	29,400,381	33,101,935
(iii) Plant and Equipment	465,743,556	7,573,848	472,370,509	232,524,046	22,270,641	218,351,132	233,219,510
(iv) Office Equipments	2,244,931	639,882	2,884,813	1,579,257	674,536	631,020	665,674
(v) Vehicles	9,523,990	4,331,373	13,855,363	4,511,204	2,118,447	7,225,712	5,012,786
(vi) Furniture and Fixtures	7,058,335	2,993,552	10,051,887	3,340,787	826,622	5,884,478	3,717,548
<b>Total</b>	<b>579,802,868</b>	<b>17,538,905</b>	<b>596,394,878</b>	<b>263,686,149</b>	<b>29,671,597</b>	<b>303,812,443</b>	<b>316,116,719</b>
<b>(b) Intangible Assets</b>							
Computer software	1,474,528	-	1,474,528	871,834	241,078	361,616	602,694
<b>Total</b>	<b>1,474,528</b>	<b>-</b>	<b>1,474,528</b>	<b>871,834</b>	<b>241,078</b>	<b>361,616</b>	<b>602,694</b>
<b>Total (a+b)</b>	<b>581,277,396</b>	<b>17,538,905</b>	<b>597,869,406</b>	<b>264,557,983</b>	<b>29,912,675</b>	<b>304,174,058</b>	<b>316,719,413</b>
<b>(c) Capital Work In Progress</b>							
	239,692,494	462,292,259	701,984,753			701,984,753	239,692,494
<b>Total (a+b+c)</b>	<b>820,969,890</b>	<b>479,831,164</b>	<b>1,299,854,159</b>	<b>264,557,983</b>	<b>29,912,675</b>	<b>1,006,158,811</b>	<b>556,411,907</b>
<b>Previous Year</b>	<b>578,925,947</b>	<b>248,020,135</b>	<b>820,969,890</b>	<b>238,610,539</b>	<b>27,556,207</b>	<b>556,411,907</b>	<b>556,411,907</b>

Note 1 : Depreciation / amortization charge for the year includes Depreciation of Kesar Multimodal Logistics Ltd amounting to Rs. 81,742/- (Previous year Rs 38,121/-) which is capitalised as "pre-operative expenditure pending for capitalisation" and included in Capital Work in Progress

Note 2 : Capital work in progress includes rs 66,73,34,472 (previous year rs. 20,58,96,857/-). The expenses incurred in relation to project of kesar multimodal logistics ltd and classified as "pre-operative expenditure pending capitalization", since kesar multimodal logistics ltd is yet to commence commercial activity as at the balance sheet date.

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 12. NON CURRENT-INVESTMENTS

(in ₹)

PARTICULARS	As at 31st March, 2014	As at 31st March, 2013
Non trade Investments (valued at cost)		
Investments in Equity Instruments - Others ( Unquoted)	5,000	5,000
200 Shares of ₹ 25 each fully paid in Jain Sahakari Bank Ltd		
 [Aggregate amount of Unquoted Investments is ₹ 5,000 (Previous Year ₹ 5,000)]		
<b>Total</b>	<b>5,000</b>	<b>5,000</b>

### 13. LONG TERM LOANS AND ADVANCES

Unsecured, Considered good

(a) Capital Advances	57,356,222	46,374,916
(b) Security Deposits	13,314,539	16,408,244
(c) Loans and Advances to Employees	105,380	58,329
<b>Total</b>	<b>70,776,141</b>	<b>62,841,489</b>

### 14. OTHER NON-CURRENT ASSETS

Unsecured, Considered good

(a) Fixed Deposits with maturity of more than 12 months (Under Lien / Security with various Banks)	10,226,711	8,385,274
(b) Interest accrued on Bank Deposits & NSC	981,092	361,450
(c) Interest accrued on staff loan	241,737	599,581
<b>Total</b>	<b>11,449,540</b>	<b>9,346,305</b>

### 15. INVENTORIES

Stores and spares

(Valued at Lower of Cost and Net Realisable Value)

**Total**

1,206,064	1,646,354
<b>1,206,064</b>	<b>1,646,354</b>

### 16. TRADE RECEIVABLES

Unsecured, Considered good

(a) Outstanding for a period exceeding six months from the date they are due for payment	-	-
(b) Others	38,474,358	49,568,016
<b>Total</b>	<b>38,474,358</b>	<b>49,568,016</b>

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 17. CASH AND BANK BALANCES

(in ₹)

#### PARTICULARS

As at 31st March, 2014      As at 31st March, 2013

#### A. Cash and Cash Equivalents

##### (a) Balance with Banks

(i) on Current Accounts

10,971,273

50,876,878

(ii) on unclaimed Dividend Accounts

895,295

527,700

(iii) on Fixed Deposits Accounts with original maturity of less than 3 months

10,000,000

15,000,000

(b) Cash on hand

20,048

23,251

#### B. Other Bank Balances

Fixed Deposits with original maturity of more than 3 months but less than 12 months

1,422,604

525,000

**Total**

**23,309,220**

**66,952,829**

### 18. SHORT TERM LOANS AND ADVANCES

#### Unsecured, Considered good

Others

i) Gratuity paid in advance (funded)

856,712

-

ii) Prepaid expenses

2,534,632

2,120,188

iii) Service Tax Receivable

796,143

2,445,550

iv) Loans and Advances to Employees

131,916

352,954

v) Other advances recoverable in cash or kind

247,720

117,657

**Total**

**4,567,123**

**5,036,349**

### 19. OTHER CURRENT ASSETS

Unsecured, Considered Good

Interest accrued on staff loans

158,034

199,788

Interest accrued on Bank Fixed Deposits

255,277

143,874

**Total**

**413,311**

**343,662**

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 20. REVENUE FROM OPERATIONS

(in ₹)

PARTICULARS	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
<b>REVENUE FROM SALE OF SERVICES</b>		
(a) Sale of Services	358,900,085	295,213,377
(Income from providing storage tanks on hire/rental basis for liquid cargo and other related services)		
 (b) Other operating revenue	 3,456,500	 3,295,799
<b>Total</b>	<b>362,356,585</b>	<b>298,509,176</b>

### 21. OTHER INCOME

Interest on		
(a) (i) Fixed Deposits [TDS ₹ 1,66,040 (Previous Year ₹ 1,16,767)]	1,550,302	784,767
(ii) Others	187,463	85,743
(b) Dividend Income	500	379
(c) Credit Balance Written Back	350,489	122,159
<b>Total</b>	<b>2,088,754</b>	<b>993,048</b>

### 22. EMPLOYEE BENEFIT EXPENSE

(a) Salaries and Wages	61,394,067	52,521,897
(b) Contribution to P.F. Funds	5,043,411	5,460,572
(c) Contribution to Gratuity Funds	2,017,718	4,413,053
(d) Staff Welfare	1,289,333	1,056,593
<b>Total</b>	<b>69,744,529</b>	<b>63,452,115</b>

### 23. FINANCE COST

(a) Interest Expense	18,662,723	9,999,272
(b) Other Borrowing Costs		
(i) Finance Charges	181,481	10,369,830
(ii) Others including Bank Charges	647,041	890,259
<b>Total</b>	<b>19,491,245</b>	<b>21,259,361</b>

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 24. OTHER EXPENSES

PARTICULARS	(in ₹)	
	For the year ended on 31st March, 2014	For the year ended on 31st March, 2013
(a) Storage & Handling Charges	7,093,214	5,814,489
(b) Power & Fuel	8,719,411	7,321,319
(c) Rent	10,632,306	10,968,234
(d) Repairs		
(i) Plant & Machinery	25,187,583	12,488,308
(ii) Buildings	271,541	73,795
(iii) Others	1,154,499	2,108,188
(e) Insurance	1,098,054	870,785
(f) Rates & Taxes	364,960	267,135
(g) Selling agent Commission & Brokerage	1,879,102	1,809,559
(h) Legal & Professional Fees	2,516,562	1,627,634
(i) Directors Sitting Fees	881,000	912,000
(j) Commission to Directors	500,000	0
(k) Auditors Remuneration		
(i) Audit Fees	280,000	210,000
(ii) For Certification	170,000	170,000
(iii) For Other Matters	1,369	7,500
(iv) Out Of Pocket Expenses	13,567	5,773
(l) Loss on Sale of Assets / Assets Discarded	171,585	1,287,350
(m) Travelling Expenses	4,307,372	2,405,076
(n) Miscellaneous Expenses	11,042,875	11,843,638
<b>Total</b>	<b>76,285,000</b>	<b>60,190,783</b>

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

### 25 CAPITAL AND OTHER COMMITMENTS

Estimated amounts of contracts remaining to be executed on capital account and not provided for ₹ 66,05,94,099/- (Previous Year ₹ 85,57,18,310/-)

### 26 CONTINGENT LIABILITIES

Nature of claim/Demands	As at 31st March 2014 (₹)	As at 31st March 2013 (₹)
(a) Claims against the Company not acknowledged as debts:		
Additional demand of Electricity Charges under dispute	53,42,469	53,42,469
(b) Guarantee:		
(i) Corporate Guarantee given in favour of Banker's, towards credit facilities granted to Kesar Multimodal Logistics Limited (Subsidiary Company) (KMLL) to set up a "Composite Logistics Hub" at Powarkheda in Madhya Pradesh.	1,08,11,00,000 *	1,08,11,00,000
(ii) Bank Guarantee given to Madhya Pradesh State Agricultural Marketing Board (Mandi Board) on behalf of KMLL to set up a "Composite Logistics Hub" at Powarkheda in Madhya Pradesh	7,00,00,000	7,00,00,000
<b>Total</b>	<b>1,15,64,42,469</b>	<b>1,15,64,42,469</b>

\* The total outstanding loans as at 31st March, 2014 is ₹ 46,42,26,683/- against Corporate Guarantee of ₹ 1,08,11,00,000.

### 27 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 31st March 2014 (₹)	Defined Benefit (Gratuity) Plan For the year ended on 31st March 2013 (₹)
Present Value of obligations	1,82,66,400	1,68,79,971
Fair Value of plan assets	(1,89,73,712)	(1,59,92,069)
Net liability	(7,07,312)	8,87,902
Amount in balance sheet		
Liabilities	1,49,400	8,87,902
Assets	8,56,712	Nil

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

Particulars	Defined Benefit (Gratuity) Plan For the year ended on 31st March 2014 (₹)	Defined Benefit (Gratuity) Plan For the year ended on 31st March 2013 (₹)
Current service cost	12,98,042	9,14,642
Interest on obligation	13,50,398	9,36,960
Expected return on plan assets	(13,27,955)	(9,86,040)
Net actuarial losses (gains) recognized in year	7,58,283	36,35,841
Total included in employee benefit expense		
[including ₹ 61,050/- (Previous Year ₹ 88,350/-) capitalised as "pre-operative expenditure pending for capitalisation"]	20,78,768	45,01,403
Actual return on plan assets	12,55,962	10,72,740

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## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- (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	Defined Benefit (Gratuity) Plan
	For the year ended on 31st March 2014 (₹)	For the year ended on 31st March 2013 (₹)
Opening defined benefit obligation	1,68,79,971	1,17,12,000
Service costs	12,98,042	9,14,642
Interest costs	13,50,398	9,36,960
Actuarial losses (gains)	6,86,290	37,22,541
Benefits paid	(19,48,301)	(4,06,172)
Closing defined benefit obligation	1,82,66,400	1,68,79,971

- (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	Defined Benefit (Gratuity) Plan
	For the year ended on 31st March 2014 (₹)	For the year ended on 31st March 2013 (₹)
Opening fair value of plan assets	1,59,92,069	1,23,25,501
Amount taken credit for last year not credited in funds	(5,10,954)	
Expected return on plan assets	13,27,955	9,86,040
Actuarial gains / (losses)	(71,993)	86,700
Contributions by employer	41,84,936	30,00,000
Benefits paid	(19,48,301)	(4,06,172)
Closing fair value of plan assets	1,89,73,712	1,59,92,069

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

Particulars	Defined Benefit (Gratuity) Plan	Defined Benefit (Gratuity) Plan
	For the year ended on 31st March 2014	For the year ended on 31st March 2013
Discount rate	8.00%	8.00%
Salary escalation rate	8.00%	8.00%
Expected return on plan assets	8.00%	8.00%





# Annual Report 2013-2014

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- 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.

Disclosure of transactions with related parties and the status of outstanding balance as on 31st March, 2014:

Particulars	Kesar Enterprises Limited (₹)	H R Kilachand (₹)	M H Kilachand (₹)	Indian Commercial Co. Pvt. Ltd. (₹)
(a) Transactions				
Sharing of Common Expenses	1,40,00,724			
	(1,60,29,092)			
Assets transferred	35,60,102			
	(Nil)			
Rent Payable				Nil
				(30,000)
Managerial Remuneration		67,31,360		
		(63,75,360)		
Director Fees/Commission			1,85,600	
			(96,000)	
Short term Borrowings taken / (repaid)	Nil			
	(8,05,000)			
(b) Balance outstanding				
Payable for Expenses				
Short term	3,00,000			Nil
	(25,95,687)			(1,20,000)
Managerial Remuneration		35,00,000	1,00,000	
		(30,00,000)	(Nil)	
Security Deposit				12,00,000
				(45,00,000)
Investments	2,50,000			
	(2,50,000)			

(Figures in brackets represents previous year)

### 31 SUPPLEMENTARY STATUTORY INFORMATION:

	For the year ended on 31st March 2014 (₹)	For the year ended on 31st March 2013 (₹)
(a) Expenditure in foreign currency		
(Business Promotion Expenses)	22,75,075	5,58,857
(b) Earnings in foreign currency	Nil	Nil

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

- 32 Based on the information available with the Company and its Subsidiary 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.
- 33 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 ₹ 1,40,00,724 (Previous Year ₹ 1,60,29,092). Addition to fixed assets includes ₹ 35,60,102 (net of depreciation), transferred from Kesar Enterprises Ltd.
- 34 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 had been approved in past.
- 35 Financial Information of Subsidiary Company as required under Section 212(8) of the Companies Act, 1956:

Particulars	For the year ended on 31st March 2014 (₹)	For the year ended on 31st March 2013 (₹)
Share Capital	25,80,00,000	12,00,00,000
Reserves	Nil	Nil
Total Assets	74,53,96,350	31,43,39,463
Total Liabilities	74,53,96,350	31,43,39,463
Investments	Nil	Nil
Turnover	Nil	Nil
Profit before Taxation	Nil	Nil
Provision for Taxation	Nil	Nil
Profit after Taxation	Nil	Nil
Proposed Dividend	Nil	Nil

36. Previous year figures have been regrouped and re-casted wherever necessary.

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

**H R KILACHAND**  
Executive Chairman

**A S RUIA**  
Director

**BHAUTESH SHAH**  
Company Secretary

Place: Mumbai  
Date: 22nd May, 2014

# Annual Report 2013-2014

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 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](mailto: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](http://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.

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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  
CIN: L45203MH2008PLC178061**

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 the captioned 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 :

# KESAR TERMINALS & INFRASTRUCTURE LIMITED

CIN: L45203MH2008PLC178061

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

E-mail: headoffice@kesarinfra.com, Tel: 022-22851737, Fax: 022-22876162

## PROXY FORM

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

### 6th ANNUAL GENERAL MEETING ON JULY 4, 2014

Name of Member(s)		E-mail Id:	
Registered Address		Folio No. / *Client Id *DP Id	

I / We, being the Member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

(1) Name: \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ or failing him

(2) Name: \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ or failing him

(3) Name: \_\_\_\_\_  
Address \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ or failing him

as my /our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 6th Annual General Meeting of the Company, to be held on Friday, July 4, 2014 at 3:30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400001 and at any adjournment thereof in respect of such resolutions as are indicated below:

#### Resolutions:

1.	Consider and adopt Standalone and Consolidated Audited Financial Statement, Reports of the Board of Directors and Auditors
2.	Declaration of final dividend on Equity Shares
3.	Re-appointment of Smt. M H Kilachand who retires by rotation
4.	Appointment of Statutory Auditors and fixing their remuneration
5.	Appointment of Shri J K Devgupta as a Non Executive Non Independent Director
6.	Appointment of Shri A S Ruia as an Independent Director
7.	Appointment of Shri K Kannan as an Independent Director
8.	Appointment of Shri J N Godbole as an Independent Director
9.	Appointment of Shri R S Loona as an Independent Director
10.	Adoption of new set of Articles of Association of the Company

Signed this \_\_\_\_\_ day of \_\_\_\_\_ July, 2014

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

\* Applicable for investors holding shares in electronic form.

Affix 15  
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Revenue  
Stamp

#### NOTE:

- (1) The proxy in order to be effective should be duly filled up, stamped, signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (5) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



# KESAR TERMINALS & INFRASTRUCTURE LIMITED

CIN: L45203MH2008PLC178061

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

E-mail: headoffice@kesarinfra.com, Tel: 022-22851737, Fax: 022-22876162

## ATTENDANCE SLIP

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

I hereby record my presence at the 6th Annual General Meeting of the Company, to be held on Friday, 4th July, 2014 at 3:30 p.m. at M. C. Ghia Hall, Bhogilal Hargovindas Building, 4th Floor, 18/20, Kaikhushru Dubash Marg, Mumbai 400001

Client ID *		DP ID No. *	
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Folio No.		No. of Shares	
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## ELECTRONIC VOTING PARTICULARS

Electronic Voting Sequence Number (EVSN)	140602004
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**Note:**

- (1) Please read the instructions printed in Note No. (k) to the Notice of 6th Annual General Meeting dated May 22, 2014.
- (2) The Voting period starts from 00:01 hrs. on Monday, June 23, 2014 and ends at 23.55 hrs on Wednesday, June 25, 2014.
- (3) The voting module shall be disabled by CDSL for voting thereafter.

Name and Address of the Member:

Signature of Member or Proxy or Representative

\* Applicable for investors holding shares in electronic form.

**BOOK POST**



*If undelivered please return to:*

**KESAR TERMINALS & INFRASTRUCTURE LIMITED**

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