

# KIRLOSKAR ROADRAILER LIMITED

5TH ANNUAL REPORT ANNEXURE 15D

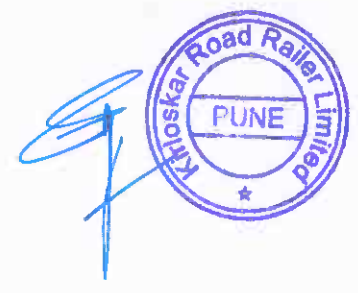
FOR

THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2014

458

## BOARD OF DIRECTORS

- Mr. Suhas S. Kolhatkar Chairman
- Mr. Rajendra B. Shaligram
- Mr. Suresh B. Deshpande



Registered Office : Hadapsar Industrial Estate, Pune 411 013

# KIRLOSKAR ROADRAILER LIMITED

Hadapsar Industrial Estate, Pune 411 013  
 Ph.: 020-26812822 ♦ Fax 020-26870297

## NOTICE OF THE 5<sup>TH</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Members of Kirloskar RoadRailer Limited will be held on Wednesday the 23rd day of July, 2014 at 9.00 am at the Registered Office of the Company at Hadapsar Industrial Estate, Pune 411 013 to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2014 and the Profit and Loss Account for the financial year ended 31<sup>st</sup> March, 2014 and the Auditors' and Directors' Report thereon.
2. To appoint a Director in place of Mr. Rajendra B. Shaligram, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors as per section 139 of the Companies Act, 2013 and to authorise the Board of Directors to fix their remuneration.

### Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy so appointed need not be a member of the company.
2. The Proxy Form duly executed and properly stamped should reach to the Company's Registered Office at least 48 hours before the time of the Meeting.

For and on behalf of the Board of Directors

*Suresh B. Deshpande*

Suresh B. Deshpande  
 Director

Registered Office :  
 Hadapsar Industrial Estate,  
 Pune 411 013



Place : Pune

Date : 8<sup>TH</sup> April, 2014

# KIRLOSKAR ROADRAILER LIMITED

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## DIRECTORS' REPORT

The Members,  
Kirloskar RoadRailer Limited.

The Directors present their Report together with the audited Statement of Accounts of the Company for the fourth financial year ended March 31, 2014.

### OPERATIONS:-

During the period under review, the Company has entered into an assignment agreement with Kirloskar Pneumatic Company Limited on May 31, 2013. The Roadrailer Train Haulage Agreement executed by Kirloskar Pneumatic Company Limited with Indian Railway was assigned to the Company by virtue of this Agreement.

During the year Company purchased Road Railer Rake consisting of Roadrailer with goods carrier, Middle Adapter Bogies & End Adapter Bogies from Kirloskar Pneumatic Company Limited for an amount of Rs. 261.20 Million subject to certain terms & conditions for its business operations. The operations are yet to commence.

### DIVIDEND:-

Directors do not recommend dividend for the year under review.

### FIXED DEPOSIT:-

The Company has not accepted any Fixed Deposits.

### DIRECTORS:-

In accordance with the requirements of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Rajendra B. Shaligram retire by rotation and being eligible offers himself for reappointment. During the year Mr. Mukund Shalukar resigned from the Board, Board placed on record its appreciation of the rich and varied experience, advise, counsel, guidance received from Mr. Mukund Shalukar during his tenure as a Director of the Company.

### AUDITORS REPORT:-

The Auditors Report does not contain any qualifications. The Notes to Accounts referred to in the Auditors Report are self explanatory and therefore do not call for any further comments of Directors.



**AUDITORS :-**

The Auditors of your Company M/s. G. C. Godbole & Company, Chartered Accountants, retire at the forthcoming Annual General Meeting and are eligible for appointment as per section 139 of the Companies Act, 2013.

**SECRETARIAL COMPLIANCE :-**

The Compliance Certificate issued by Mr. Shridhar Mudliar, Company Secretary in Practice is annexed herewith.

**STATUTORY DISCLOSURES****1. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:-**

The information required under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1998, pertaining to Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo is not applicable since your Company does not carry any manufacturing operations.

**2. PARTICULARS OF EMPLOYEES**

The Company had no employees of the category indicated under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

**3. DIRECTORS RESPONSIBILITY STATEMENT**

The Directors confirm that:

1. In preparation of Annual Accounts, the applicable accounting standards had been followed.
2. Our Directors had selected such accounting policies and applied them consistently in order to show true and fair view of the state of affairs.
3. Directors had taken proper care in maintaining accounting records as per the provisions of the Companies Act, 1956 and for safeguarding Company's Fixed Assets for preventing and detecting fraud and other irregularities.

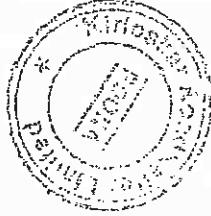


4. Annual Accounts are prepared on the principle of going concern.

For and on behalf of the Board of Directors

  
SUHAS S. KOLHATKAR  
Chairman

Place : Pune  
Date : 8<sup>th</sup>, April, 2014



Ref. No. :

Date :

**Independent Auditor's Report**

To,  
The Members,  
Kirloskar Roadrailer Limited  
Pune.

**Report on the Financial Statements**

We have audited the accompanying financial statements of Kirloskar Roadrailer Limited which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014 and also the Statement of Profit and Loss Statement for the year ended on that date annexed there to, 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**

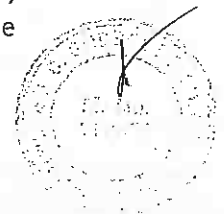
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating the overall financial statement presentation.

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 as required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



- i) In the case of the Balance Sheet of the state of affairs of the Company as at 31<sup>st</sup> March, 2014.
- ii) In the case of Statement of Profit and Loss of the Profit for the year ended 31<sup>st</sup> March, 2014.

#### Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, Companies (Auditor's Report) amendment order 2004 issued by the Central Government of India, in terms of Section 227(4A) of the Companies Act, 1956 we give in the annexure a statement on the matter specified in paragraphs 4 and 5 of the order.
- 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 accounts as required by law have been kept by the Company so far as appears from our examination of these books;
  - c) The Balance Sheet and Statement of Profit and Loss Account dealt with by the Report are in agreement with the books of account.
  - d) In our opinion, the Statement of Profit and Loss Account and the Balance Sheet comply with the accounting standards referred to in section 211(3C) of the Companies Act, 1956, to the extent applicable.
  - e) On the basis of the written representation received from the Directors as on 31<sup>st</sup> March, 2014, and taken on record by the Board of Directors, none of the director is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

For G.C.Godbole & Co  
Chartered Accountants  
(Firm Registration No. 122028W)

*Girish C. Godbole*

CA Girish C. Godbole  
Proprietor  
(Membership No. 110857)  
Place: - Pune  
Date: - 08/04/2014



**Annexure to the Auditor's Report**

The Annexure referred to in our report to the members of Kirloskar Roadrailer Limited for the year ended 31<sup>st</sup> March, 2014. We report that:

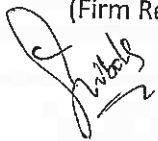
- i) The company does not have Fixed Assets.
- ii) The Company does not hold any Inventory during the year under reporting.
- iii) The Company has not granted any loans to Companies, Firms or other Parties to be listed in the Register required under Section 301 of the Companies Act, 1956. The company has not granted loans secured or unsecured to the companies, firms or other parties in which directors are interested.
- iv) In our opinion and according to the information and explanation given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and payment of expenses and for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal control has been noticed.
- v)
  - a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act 1956 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 and arrangements and exceeding the value of Rs. 5 lakh in respect of any party during the year have been made at prices which are reasonable having regards 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 not accepted any deposits during the year from the public within the meaning of the provisions of sections 58A and 58AA of the Companies Act, 1956 and rules made there under. Hence the clause is not applicable.
- vii) In our opinion the company has an internal audit system commensurate with its size and nature of its Business.
- viii) The Maintenance of Cost records are not applicable to the Company.
- ix)
  - a) In our opinion & according to the information and explanations given to us; and on the basis of the records produced before us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, VAT, Customs Duty, Service Tax, and other material statutory dues applicable to it.
  - b) According to the information and explanations given to us no undisputed amounts payable in respect of Income Tax, Wealth Tax, VAT, Custom Duty, Service Tax were in arrears as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.



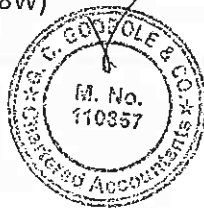


- x) The company does have accumulated losses. The company has incurred cash losses during the financial year covered by our audit.
- xi) The company does not have any outstanding dues to any financial institutions or banks during the year.
- xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) According to the information and explanations given to us, the company is not a chit fund or nidhi/mutual benefit fund society; therefore provisions of clause 4(xiii) of the Companies (Auditors Report) Order, 2003, are not applicable to the company.
- xiv) According to the information and explanations given to us, the company is not dealing in or trading in shares, securities. Accordingly the provision of clause 4(xiv) of the Companies (Auditors Report) Order, 2003, is not applicable to the company.
- xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions.
- xvi) The company does not have any term loans outstanding during the year.
- xvii) On the basis of our examination of the Balance Sheet, we report that the funds raised on short-term basis have not been used for long term investments and no long-term funds have been used to finance short-term assets.
- xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- xix) The company has not issued debentures during the financial year and hence, the provisions of clause 4(xix) of Companies (Auditors Report) Order, 2003 are not applicable to the company.
- xx) The company has not raised any money by public issues during the year.
- xxi) On the basis of our examination and according to the information and explanation given to us, no fraud on or by the company, has been noticed or reported during the course of our audit.

For G.C.Godbole & Co  
Chartered Accountants  
(Firm Registration No. 122028W)



CA Girish C. Godbole  
Proprietor  
(Membership No.110857)  
Place: - Pune  
Date: - 08/04/2014



## KIRLOSKAR ROADRAILER LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	Rs.	As at 31ST MARCH 14 Rs.	As at 31ST MARCH 13 Rs.
<b>I. EQUITY AND LIABILITIES</b>				
<b>(1) SHAREHOLDERS' FUNDS :</b>				
(a) Share Capital	1	10,00,000		10,00,000
(b) Reserves & Surplus	2	<u>(2,11,716)</u>		<u>(96,914)</u>
			7,88,284	9,03,086
<b>(2) SHARE APPLICATION MONEY PENDING ALLOTMENT :</b>				
<b>(3) NON CURRENT LIABILITIES :</b>				
<b>(4) CURRENT LIABILITIES :</b>				
Creditors	3		33,01,74,860	5,000
	<b>Total</b>		<u><u>33,09,63,144</u></u>	<u><u>9,08,086</u></u>
<b>II. ASSETS :</b>				
<b>(1) NON CURRENT ASSETS :</b>				
Capital work in progress	4		29,78,85,540	-
<b>(2) CURRENT ASSETS :</b>				
Sundry Receivables	5		3,22,89,820	-
Cash and Bank Balances			7,87,784	9,08,086
	<b>Total</b>		<u><u>33,09,63,144</u></u>	<u><u>9,08,086</u></u>

terms of our Report of even date attached  
for G C Godbole & Co.  
Chartered Accountants

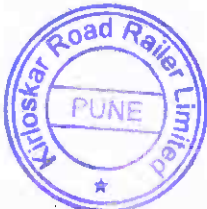
C Godbole  
Proprietor



*Kolhatkar*  
Suhas S. Kolhatkar  
Chairman

*Rajendra B. Shaligram*  
Rajendra B. Shaligram  
Director

Place : Pune  
Date : 08-04-2014



*[Signature]*

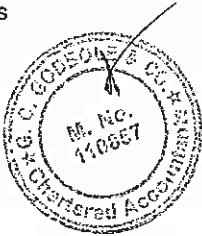
## KIRLOSKAR ROADRAILER LIMITED

## STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 1ST APRIL 2013 TO 31ST MARCH 2014.

	Note No.	Rs.	Current Year Rs.	Previous Year Rs.
I Total Revenue			-	-
II EXPENSES :				
Other Expenses	6	1,14,802		31,071
<b>Total Expenses</b>			<b>1,14,802</b>	<b>31,071</b>
III Profit before Exceptional and Extraordinary Items and Tax ( III - IV )			(1,14,802)	(31,071)
IV Exceptional Items				
V Profit before Extraordinary Items and Tax ( V-VI )			(1,14,802)	(31,071)
VI Extraordinary Items				
VII Profit before Tax ( VII-VIII )			(1,14,802)	(31,071)
Profit (Loss) for the Period			<b>(1,14,802)</b>	<b>(31,071)</b>

Terms of our Report of even date attached  
for G C Godbole & Co.  
Chartered Accountants

G C Godbole  
Proprietor



*Kavathar*  
Suhas S. Kolhatkar  
Chairman

*Rajendra B. Shaligram*  
Rajendra B. Shaligram  
Director

Place : Pune  
Date : 08-04-2014



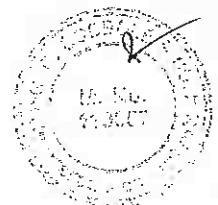
## KIRLOSKAR ROADRAILER LIMITED

Note Nos. 1, 2 & 3 are annexed to and forming part of the Financial Statements for the year ended 31st March, 2014

	As at 31 <sup>st</sup> March, 2014 Rs.	As at 31 <sup>st</sup> March, 2013 Rs.
<b>NOTE 1 : SHARE CAPITAL :</b>		
<b>EQUITY SHARES:</b>		
<b>AUTHORISED :</b>		
100,000 Equity Shares of Rs.10/- each	10,00,000	10,00,000
	<u>10,00,000</u>	<u>10,00,000</u>
<b>ISSUED AND SUBSCRIBED :</b>		
100,000 Equity Shares of Rs. 10/- each	10,00,000	10,00,000
	<u>10,00,000</u>	<u>10,00,000</u>
<b>PAID UP :</b>		
100,000 Equity Shares of Rs.10/- each fully paid	10,00,000	10,00,000
<b>Total</b>	<u><u>10,00,000</u></u>	<u><u>10,00,000</u></u>

**Share Holding Details :**

	Nos.	Nos.
Holding Company i.e. Kirloskar Pneumatic Co. Ltd. holds 100% shares as on 31-March-2014	1,00,000	1,00,000



		As at 31st March, 2014	As at 31st March, 2013
	Rs.	Rs.	Rs.
<b>NOTE 2 : RESERVES AND SURPLUS :</b>			
<b>Surplus :</b>			
As per last Account	(96,914)		(65,843)
Add : Transferred from Statement of Profit & Loss Account	<u>(1,14,802)</u>		<u>(31,071)</u>
		(2,11,716)	(96,914)
<b>Total</b>		<u><u>(2,11,716)</u></u>	<u><u>(96,914)</u></u>
<b>NOTE 3 : CREDITORS :</b>			
For Capital Goods		33,01,69,860	
For Expenses Audit Fees		5,000.00	5,000
		<u><u>33,01,74,860</u></u>	<u><u>5,000</u></u>
<b>NOTE 4 : FIXED ASSETS :</b>			
Tangible Assets ( Net )		-	-
		<u><u>-</u></u>	<u><u>-</u></u>
<b>NOTE 5 : SUNDRY RECEIVABLES :</b>			
Excise Duty Cenvat Service Tax Cenvat		3,22,84,320 5,500	
		<u><u>3,22,89,820</u></u>	<u><u>-</u></u>
<b>NOTE 6 : OTHER EXPENSES :</b>			
<b>Other Expenses :</b>			
Rent	44,500		-
Legal & Professional fees	63,978		18,978
Filing Fees	1,224		7,038
Audit Fees	5,000		5,000
Bank Charges	<u>100</u>		<u>55</u>
		1,14,802	31,071
<b>Total</b>		<u><u>1,14,802</u></u>	<u><u>31,071</u></u>

## Accounting policies and Notes forming part of the Accounts

### A. Accounting Policies -

#### 1 Basis of Accounting :

The Accounts of the Company are prepared under Historical Cost Convention in accordance with applicable Accounting Standards.

#### 2 Revenue Recognition :

The Company is following accounting standard AS-7 prescribed / recommended by the Institute of Chartered Accountants of India to recognize its income.

#### 3 Fixed Assets :

Fixed Assets are stated at their original cost less depreciation.

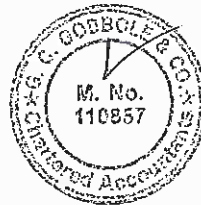
#### 4 Provision for Deferred Tax :

Current Tax is determined as the amount of tax payable in respect of Taxable income for the current year. Deferred tax is recognized, subject to the consideration of prudence, in respect of Deferred Tax Assets, on timing differences between Taxable income and Accounting income that originate in one period and are capable of reversal in one or more subsequent period.

### B. Particulars of Remuneration to Auditors -

Particulars	Amount (Rs.)
Statutory Audit Fees	5,000/-

### C. The Company is in process of starting its commercial operations.



## KIRLOSKAR ROADRAILER LIMITED

Disclosure of transactions with related parties as required by the AS-18

Name of Related Party	Nature of Relationship
Kirloskar Pneumatic Company Limited	Holding Company

## Related Party Transactions

Nature of Transaction	Year	Amount (Rs.)
Purchase of Goods	2013-14	29,78,85,540
	2012-13	-
Rent Paid	2013-14	44,500
	2012-13	-
Reimbursement of Expnses	2013-14	46,000
	2012-13	-
Balance Outstanding		
Payable	2013-14	33,01,69,860
	2012-13	-