

KIRLOSKAR ROADRAILER LIMITED
A Kirloskar Group Company

ANNEXURE 15 E

Annual Report 2014-15



KIRLOSKAR ROADRAILER LIMITED

Registered Office : Hadapsar Industrial Estate, Pune 411 013

Ph.: 020-26812822 ♦ Fax 020-26870297

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NOTICE OF 6th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 6th Annual General Meeting of the Members of Kirloskar RoadRailer Limited will be held on Tuesday the 28th day of July, 2015 at 10.00 a.m. at the Registered Office of the Company to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31 March 2015 and the Auditors' and Directors' Report thereon.
2. To appoint a Director in place of Mr S B Deshpande (holding DIN 03382449), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration and in this regard pass with or without modification(s) the following Resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of Sections 139, 142 and any other applicable provisions, of the Companies Act, 2013 as amended from time to time, M/s G C Godbole & Co., Chartered Accountants (Firm Registration No. 122028W), Pune be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

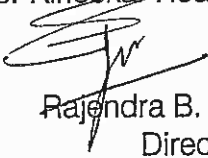
SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as an ORDINARY RESOLUTION.
"RESOLVED THAT Mr Jitendra R. Shah, who was appointed as an Additional Director with effect from September 3, 2014 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and Article 149 of Articles of Association of the Company and who holds office up to the date of this Annual General

Meeting, and in respect of whom a notice has been received from a Member in writing, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company and the period of his office shall be liable to determination by retirement of directors by rotation."

By Order of the Board of Directors
For Kirloskar RoadRailer Limited

Registered Office :
Hadapsar Industrial Estate,
Pune 411 013
Date : April 23, 2015


Rajendra B. Shaligram
Director
DIN - 03378647



Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy/ proxies to attend and vote instead of himself and the proxy/ proxies so appointed need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding aggregate not more than ten percent of the total share capital of the Company.
2. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. A proxy form is sent herewith. Proxies submitted on behalf of companies must be supported by an appropriate resolution / authority as applicable.
3. The relative Explanatory statement, pursuant to Section 102(1) of the Companies Act, 2013 , in respect of special business under item no. 4 is annexed hereto.
4. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during normal business hours on all working days between 11.00 a.m. and 1.00 p.m. except Saturdays, from the date hereof upto the date of the Annual General Meeting.
5. Members are requested to sign at the place provided on the attendance slip and handover the same at the meeting.

6. Corporate Members are requested to send a duly certified copy of the Board resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote at the Annual General Meeting.

ANNEXURE TO THE NOTICE

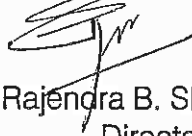
Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

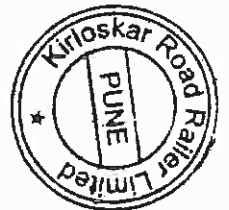
Item No. 4 of the Notice

Mr Jitendra R Shah was appointed as an Additional Director by the Board of Directors with effect from September 3, 2014 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 149 of Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting and cease to be a Director thereafter. In this regard, the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Mr Jitendra R Shah on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 4 for adoption. None of the Directors, except Mr Jitendra R Shah is concerned or interested in this resolution. The Board recommends resolution under Item No. 4 to be passed as ordinary resolution.

Registered Office :
Hadapsar Industrial Estate,
Pune 411 013
Date : April 23, 2015

By Order of the Board of Directors
For Kirloskar RoadRailer Limited


Rajendra B. Shaligram
Director
DIN - 03378647



KIRLOSKAR ROADRAILER LIMITED

Registered Office : Hadapsar Industrial Estate, Pune 411 013

Ph.: 020-26812822 ♦ Fax 020-26870297

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DIRECTORS' REPORT

To,
The Members,
Kirloskar RoadRailer Limited

The Directors present their Report together with the Audited Annual Accounts of the Company for the Sixth Financial Year ended March 31, 2015.

OPERATIONS

The Company had entered into an agreement for usage of land at Melpakkam where the equipment brought is stored. During the year, the Company got it serviced from the manufacturer in order to keep it in working condition. The Company through its Holding Company was successful in receiving extension for Date of Commencement of Commercial operations with Indian Railways for RoadRailer train. The Ministry of Railways, Government of India (Railway Board) has notified the 'haulage charge' for running of RoadRailer train. However, the Company is yet to commence its operations.

DIVIDEND

Directors do not recommend any dividend for the year under review.

FIXED DEPOSIT

The Company has not accepted any fixed deposits.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

No Loans, Guarantees covered under the provisions of Section 186 of the Companies Act, 2013 are given / provided during the reporting year.

During the year, the company has bought one share of Rs. 100/- each fully paid up of Kirloskar Proprietary Limited at Rs. 61,934/- being the Fair Value of the share so as to become eligible to use the 'Kirloskar' logo for various applications.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

COMMENTS ON AUDITOR'S REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. G.C. Godbole & Company, Chartered Accountants, Statutory Auditors, in their Audit Report. The Notes to Accounts referred to in the Auditor's Report are self explanatory and therefore do not call for any further comments of Directors.

DIRECTORS

In accordance with the requirements of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Suresh B Deshpande (DIN 03382449) retires by rotation and being eligible offers himself for reappointment. The Board recommends the reappointment of Mr. Suresh B Deshpande at the Annual General Meeting.

The Board of Directors have co-opted Mr. Jitendra R. Shah as an Additional Director on the Board with effect from September 3, 2014. He ceases to be a Director at the ensuing Annual General Meeting and being eligible offers himself for the appointment as a Director.

The Company has received a notice in writing proposing his candidature for the office of Director. The necessary resolution for his appointment is being placed before you.

NUMBER OF MEETINGS OF BOARD

The Board of Directors of the Company held nine meetings during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanation obtained by them, the Directors in terms of clause (c) of sub-section (3) of Section 134 state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there have been no material departures;
- (b) Accounting policies have been selected and applied 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 as at 31st March, 2015 and of the profit of the company for the year ended on that date;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities;
- (d) The annual accounts have been prepared on a going concern basis;
- (e) A statement with respect to adequate system to comply with all applicable laws and adequate Internal Financial Controls laid down by the Directors are not applicable to the Company since the Company is not listed on any Stock Exchange.

AUDITORS

The Auditors of your Company M/s. G.C. Godbole & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under Sub-section (3) of Section 92 of the Companies Act, 2013 is annexed as "Annexure 1".

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has Internal Control Systems commensurate with its size and scale of operations.

RISK MANAGEMENT

The Company has not yet commenced its operations. Therefore, the Company does not foresee any operational risks as on date.

SUBSIDIARY COMPANY

As on 31 March, 2015, the Company does not have either a subsidiary or an associate Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed as "Annexure 2".

SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for Directors to report their genuine concerns.

PARTICULARS OF EMPLOYEES

The Company had no employees of the categories indicated under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

No complaint / case has been registered under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of the Rules issued thereunder.

SHARE CAPITAL

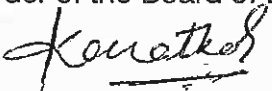
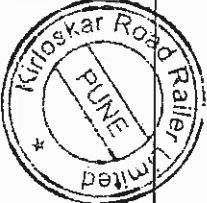
During the year, authorised Share Capital of the Company increased from Rs. 10,00,000/- (1,00,000 Equity Shares of Rs. 10 each) to Rs. 15,00,00,000/- (1,50,00,000 Equity Shares of Rs. 10 each).

During the year, the Company allotted 1,49,00,000 Equity shares of Rs. 10 each on Rights basis. As on 31 March, 2015, Rs. 3 were paid up on the said shares. Consequently, the subscribed and Paid up Share capital of the Company has increased from Rs.10,00,000/- (1,00,000 Equity Shares of Rs. 10 each) to Rs. 4,57,00,000/- (1,00,000 Equity Shares of Rs. 10 each fully paid up and 1,49,00,000 Equity Shares of Rs. 10 each Partly Paid-up of Rs. 3 per share).

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ACKNOWLEDGEMENT

The Directors accord their appreciation for the assistance rendered to the Company by its Shareholders, Banks and various authorities under the Central and State Governments.

<p>Registered Office : Hadapsar Industrial Estate, Pune 411 013 Date : 23 April, 2015</p>	<p>By Order of the Board of Directors  Suhas S. Kolhatkar Chairman DIN - 00059141</p> 
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ANNEXURE 1

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31 March 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- U35990PN2008PLC132445
- ii) Registration Date: 17/07/2008
- iii) Name of the Company: Kirloskar RoadRailer Limited
- iv) Category / Sub-Category of the Company: Public Company Limited by shares
- v) Address of the Registered office and contact details:
Hadapsar Industrial Estate, Pune – 411 013
Ph: (020) 2687 0297
- vi) Whether listed company : Yes-/ No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of
the company shall be stated:- Not Applicable

Sl. No.	Name and Description of main Products / services	NIC Code of the Product/	% to total turnover of the
1	Sale of Motor vehicles including wholesale and retail sale of trailers and semi trailers	50101	Not Applicable

*As per NIC 2004 Group code



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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1	Kirloskar Pneumatic Company Limited	L29120PN1974PLC110307	Holding	100.00%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoters									
(1) Indian									
g) Individual/ HUF									
h) Central Govt									
i) State Govt(s)									
j) Bodies Corp.		1,00,000	1,00,000	100		1,50,00,000	1,50,00,000	100	
k) Banks / FI									
l) Any Other....									
Sub-total									
(A) (1):-		1,00,000	1,00,000	100		1,50,00,000	1,50,00,000	100	



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a) NRIs - Individuals								
b) Other – Individuals								
c) Bodies Corp.								
d) Banks / FI								
e) Any Other....								
Sub-total (A) (2):-								
Total shareholding of Promoter (A) =	1,00,000	1,00,000	100		1,50,00,000	1,50,00,000	100	
B. Public Shareholding								
1. Institutions								
a) Mutual Funds								
b) Banks / FI								
c) Central Govt								
d) State Govt(s)								
e) Venture Capital Funds								
f) Insurance Companies								
g) FIs								
h) Foreign Venture Capital Funds								



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2. Non- Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Sub-total (B)(2):-									
Total Public									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)		1,00,000	1,00,000	100		1,50,00,000	1,50,00,000	100	

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	Kirloskar Pneumatic Company Limited	1,00,000	100		1,50,00,000	100		
	Total	1,00,000	100		1,50,00,000	100		



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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,00,000	100	100000	100
	Date wise Increase / Decrease in Promoters Share holding during the year - Allotment of Shares on account of Rights Issue	1,49,00,000	-	1,49,00,000	-
	At the End of the year	1,50,00,000	100	1,50,00,000	100

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL			
	Date wise Increase / Decrease in Share holding during the year				
	At the End of the year (or on the date of separation, if separated during the year)				
	At the End of the year				



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(v) Shareholding of Directors and Key Managerial Personnel

Sl. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares*	% of total shares of the company	No. of shares*	% of total shares of the company
	At the beginning of the year	10	0.00	10	0.00
	Date wise Increase / Decrease in Share holding during the year	NIL			
	At the End of the year	10	0.00	10	0.00

*Held singly and jointly

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL			
i) Principal Amount				
ii) Interest due but not paid iii)				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
- Addition				
- Reduction				
Net Change	NIL			
Indebtedness at the end of the financial year	NIL			
i) Principal Amount				
ii) Interest due but not paid iii)				
Total (i+ii+iii)				



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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Remuneration to Managing Director, Whole-time Directors and/or Manager: – Not Applicable

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	Not Applicable				
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors: – Not Applicable

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	3. Independent Directors - Fee for attending board committee meetings - Commission - Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
	4. Other Non-Executive Directors - Fee for attending board committee meetings - Commission	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-



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C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD – Not Applicable

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission- - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	-	-	-



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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Not Applicable

A. COMPANY	
Penalty	NIL
Punishment	
Compounding	
B. DIRECTORS	
Penalty	NIL
Punishment	
Compounding	
C. OTHER OFFICERS IN DEFAULT	
Penalty	NIL
Punishment	
Compounding	

For Kirloskar RoadRailer Limited

sd/-
 Suhas S. Kolhatkar
 Chairman
 DIN - 00059141



Annexure "2" to the Board's Report

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

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

(A) Conservation of Energy

- (i) The steps taken or impact on conservation of Energy: The use of energy was bare minimum and wherever possible, steps have been taken to conserve the energy.
- (ii) The steps taken by the company for utilising alternate sources of energy;
- (iii) The capital investment on energy conservation equipments;

(B) Technology absorption- During the year under review, there was no technical collaboration.

- (i) the efforts made towards technology absorption;
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution - NIL
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Not Applicable
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development

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(C) The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows - NIL

For Kirloskar RoadRailer Limited

sd/-

Suhas S. Kolhatkar

Chairman

DIN - 00059141

Ref. No. :

Date :

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KIRLOSKAR ROADRAILER LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **Kirloskar Roadrailer Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015 the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

- 8 In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

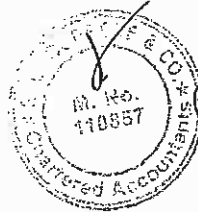
Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books .
- (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Company does not have any pending litigations as at 31st March, 2015 which would impact its financial position.



ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2015

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2015



For G.C. Godbole & Co.
Firm Registration Number: 122028W
Chartered Accountants

.....
Girish C Godbole
Proprietor
Membership Number 110857

Pune
23rd April, 2015

Annexure to Independent Auditors' Report

Referred to in paragraph 3 of the Independent Auditors' Report of even date to the members of Kirloskar Roadrailer Limited on the standalone financial statements for the year ended 31st March, 2015.

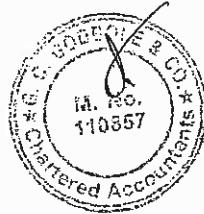
- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- ii. (a) There is no Inventory with the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, duty of customs, and duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- (c) There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. As the Company is registered for a period less than five years, the provisions of Clause 3(viii) of the Order are not applicable to the Company.



Annexure to Independent Auditors' Report

Referred to in paragraph 3 of the Independent Auditors' Report of even date to the members of Kirloskar Roadrailer Limited on the standalone financial statements for the year ended 31st March, 2015.

- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company.
- xi. The Company has not raised any term loans. Accordingly; the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. During the course of our examination of the books and records of the Company, carried out 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 material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.



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

A handwritten signature in black ink, appearing to read "Girish Godbole".

(Girish Godbole)
Proprietor
Membership No. 110857

Pune
23rd April, 2015



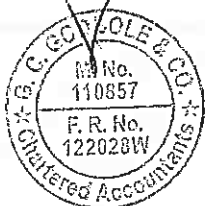
KIRLOSKAR ROADRAILER LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2015

	Note No.	Rs.	As at 31ST MARCH 15 Rs.	As at 31ST MARCH 14 Rs.
I. EQUITY AND LIABILITIES				
(1) SHAREHOLDERS' FUNDS :				
(a) Share Capital	1	45,700,000		1,000,000
(b) Reserves & Surplus	2	<u>(2,740,754)</u>		<u>(211,716)</u>
			42,959,246	788,284
(2) SHARE APPLICATION MONEY PENDING ALLOTMENT :				
(3) NON CURRENT LIABILITIES :				
CURRENT LIABILITIES :				
Creditors	3		330,174,860	330,174,860
			<u>373,134,106</u>	<u>330,963,144</u>
II. ASSETS :				
(1) NON CURRENT ASSETS :				
Capital work in progress			324,388,746	297,885,540
Non Current Investments			61,934	
(2) CURRENT ASSETS :				
Sundry Receivables	4		33,095,383	32,289,820
Cash and Bank Balances			15,588,043	787,784
			<u>373,134,106</u>	<u>330,963,144</u>
Notes forming part of the Financial Statements	1-9			

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

G C Godbole
Proprietor



Kolhatkar
Suhas S. Kolhatkar
Chairman
DIN - 00059141

Rajendra B. Shaligram
Rajendra B. Shaligram
Director
DIN - 03378647



Place : Pune
Date : 23-04-2015

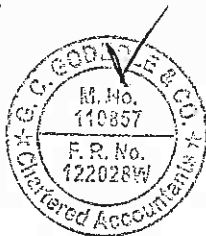
KIRLOSKAR ROADRAILER LIMITED

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 1ST APRIL 2014 TO 31ST MARCH 2015.

	Note No.	Rs.	Current Year Rs.	Previous Year Rs.
Other Income			50	-
I Total Revenue			50	-
II EXPENSES :				
Interest		160		
Other Expenses	5	<u>2,528,928</u>		<u>114,802</u>
Total Expenses			2,529,088	114,802
III Profit before Exceptional and Extraordinary Items and Tax (III - IV)			(2,529,038)	(114,802)
IV Exceptional Items				
V Profit before Extraordinary Items and Tax (V-VI)			(2,529,038)	(114,802)
VI Extraordinary Items				
VII Profit before Tax (VII-VIII)			(2,529,038)	(114,802)
Profit (Loss) for the Period			<u>(2,529,038)</u>	<u>(114,802)</u>

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

G C Godbole
Proprietor



Suhas S. Kolhatkar

Suhas S. Kolhatkar
Chairman
DIN - 00059141

Rajendra B. Shaligram

Rajendra B. Shaligram
Director
DIN - 03378647

Place : Pune
Date 23-04-2015

[Signature]



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KIRLOSKAR ROADTRAILER LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	2014-2015 Rs.	2013-2014 Rs.
(I) OPERATING ACTIVITIES		
(A) PROFIT BEFORE TAXATION	(2,529,038)	(114,802)
(B) ADJUSTMENTS :	-	-
CASH FROM OPERATIONS	(2,529,038)	(114,802)
(C) (INCREASE) / DECREASE IN CURRENT ASSETS		
(i) Inventories	-	-
(ii) Sundry Debtors	-	-
(iii) Other Current Assets, Loans & Advances	<u>(805,563)</u>	<u>(32,289,820)</u>
	(805,563)	(32,289,820)
(D) INCREASE / (DECREASE) IN CURRENT LIABILITIES		
(i) Liabilities	-	330,169,860
	<u>(805,563)</u>	<u>297,880,040</u>
NET CASH FROM OPERATIONS	(3,334,601)	297,765,238
(II) INVESTMENT ACTIVITIES		
(i) Investments, net	(61,934)	-
(ii) Capital Expenditure - Tangible Assets	<u>(26,503,206)</u>	<u>(297,885,540)</u>
	(26,565,140)	(297,885,540)
(III) FINANCING ACTIVITIES		
(i) Increase in Share Capital	44,700,000	-
NET CHANGE IN CASH + CASH EQUIVALENTS (I + II + III)	14,800,259	(120,302)
Cash & Cash Equivalents as at 1-4-2014 (Opening Balance)	787,784	908,086
Cash & Cash Equivalents as at 31-3-2015 (Closing Balance)	15,588,043	787,784

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

G C Godbole
Proprietor



Place : Pune
Date : 22-04-2015

Suhas S. Kolhatkar

Suhas S. Kolhatkar
Chairman
DIN - 00059141

Rajendra B. Shaligram

Rajendra B. Shaligram
Director
DIN - 03378647

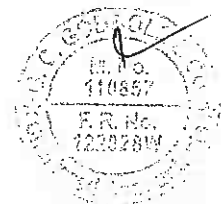
KIRLOSKAR ROADRAILER LIMITED

Note Nos. 1 to 9 are annexed to and forming part of the Financial Statements for the year ended 31st March, 2015

	As at 31 st March, 2015 Rs.	As at 31 st March, 2014 Rs.
NOTE 1 : SHARE CAPITAL :		
EQUITY SHARES:		
AUTHORISED :		
15,000,000 Equity Shares of Rs.10/- each	150,000,000	1,000,000
	<u>150,000,000</u>	<u>1,000,000</u>
ISSUED AND SUBSCRIBED :		
15,000,000 (100,000) Equity Shares of Rs. 10/- each	150,000,000	1,000,000
	<u>150,000,000</u>	<u>1,000,000</u>
PAID UP :		
Fully paid		
100,000 (100,000) Equity Shares of Rs.10/- each fully paid	1,000,000	1,000,000
Partly paid		
14,900,000 (-) Equity Shares of Rs.10/- each Rs.3/- paid	44,700,000	
Total	<u><u>45,700,000</u></u>	<u><u>1,000,000</u></u>

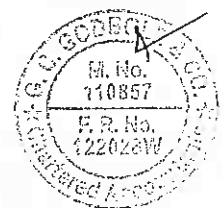
Share Holding Details :

	Nos.	Nos.
Holding Company i.e. Kirloskar Pneumatic Co. Ltd. holds 100% shares as on 31-March-2015	15,000,000	100,000



KIRLOSKAR ROADRAILER LIMITED

		As at 31st March, 2015	As at 31st March, 2014
	Rs.	Rs.	Rs.
NOTE 2 : RESERVES AND SURPLUS :			
Surplus :			
As per last Account	(211,716)		(96,914)
Add : Transferred from Statement of Profit & Loss Account	(2,529,038)		(114,802)
		(2,740,754)	(211,716)
Total		<u>(2,740,754)</u>	<u>(211,716)</u>
NOTE 3 : CREDITORS :			
For Capital Goods		330,169,860	330,169,860
For Expenses			
Audit Fees		5,000.00	5,000
		<u>330,174,860</u>	<u>330,174,860</u>
NOTE 4 : SUNDRY RECEIVABLES :			
Excise Duty Cenvat		32,284,320	32,284,320
Service Tax Cenvat		11,063	5,500
Prepaid Expenses		800,000	
		<u>33,095,383</u>	<u>32,289,820</u>
NOTE 5 : OTHER EXPENSES :			
Other Expenses :			
Rent	222,708		44,500
Legal & Professional fees	40,449		63,978
Audit Fees	5,000		5,000
Registration & Stamps	1,742,312		1,224
Bank Charges	4,517		100
Insurance General	400,000		
Licence Fees	105,000		
Sundry Expenses	8,942		
		<u>2,528,928</u>	<u>114,802</u>
Total		<u>2,528,928</u>	<u>114,802</u>



6) Accounting Policies -

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 :

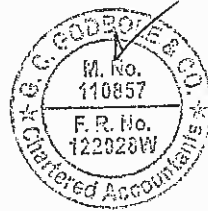
Current Tax is determined as the amount of tax payable in respect of Taxable income for the current year. Deferred tax is recognized, subject to the consideration of prudence, in respect of Deferred Tax Assets, on timing differences between Taxable income and Accounting income that originate in one period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

Particulars of Remuneration to

7) Auditors -

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

8) The Company is in process of starting its commercial operations.



KIRLOSKAR ROADRAILER LIMITED

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

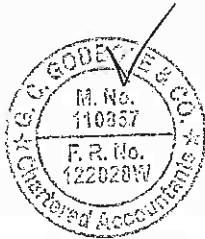
Name of Related Party	Nature of Relationship
Kirloskar Pneumatic Company Limited	Holding Company

Related Party Transactions

Nature of Transaction	Year	Amount (Rs.)
Purchase of Goods	2014-15	-
	2013-14	297,885,540
Rent Paid	2014-15	45,000
	2013-14	44,500
Reimbursement of Expenses	2014-15	-
	2013-14	46,000
Balance Outstanding		
Payable	2014-15	330,169,860
	2013-14	330,169,860

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

G C Godbole
Proprietor



Kolhatkar
Suhas S. Kolhatkar
Chairman
DIN - 00059141

Rajendra B. Shaligram
Rajendra B. Shaligram
Director
DIN - 03378647

Place : Pune
Date : 23-04-2015

