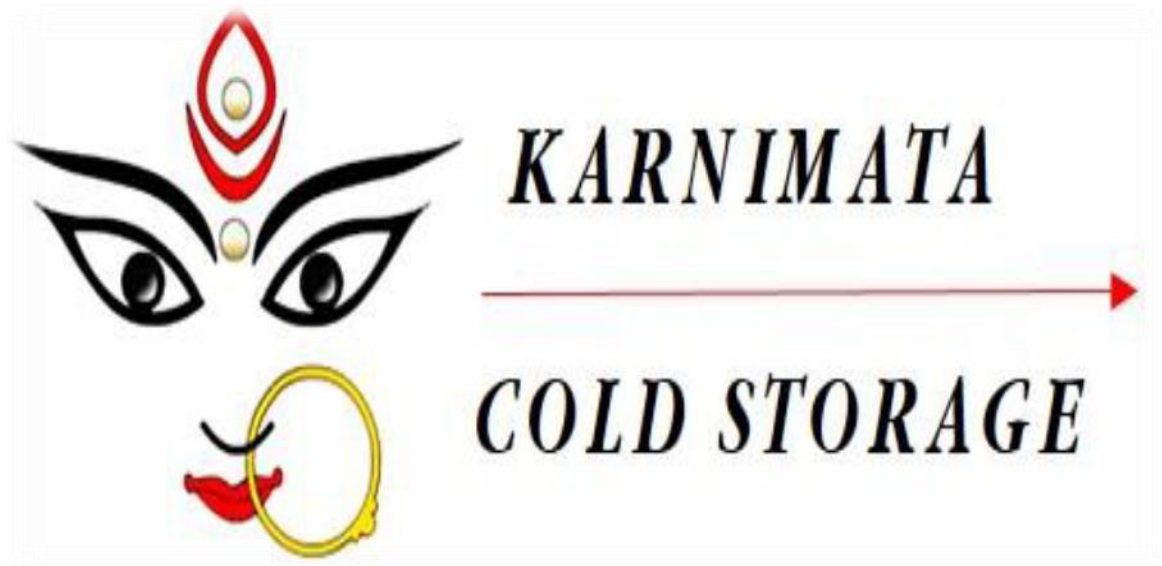


**3RD**  
**ANNUAL REPORT**  
**2013-14**



**KARNIMATA COLD STORAGE LIMITED**

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## CORPORATE INFORMATION



### **BOARD OF DIRECTORS**

1. Mr. Pradip Lodha	Chairman & Managing Director
2. Ms. Sushila Lodha	Director
3. Ms. Asha Ladia	Director
4. Mr. Jay Prakash Heerwal	Independent Director
5. Ms. Venus Kedia	Independent Director
6. Ms. Kalpana Agrawal	Independent Director

### **AUDITORS**

**M/s. Bidasaria & Associates**

Chartered Accountants

14, Princeep Street, 3<sup>rd</sup> Floor,  
Room No. 5 , Kolkata- 700072

### **PRINCIPAL BANKER**

**SBI, Garbeta, Midnapore (W)**

### **REGISTRARS AND SHARE TRANSFER AGENTS**

#### **Bigshare Services Private Limited**

E- 2/3, Ansa Industrial Estate, Sakhivihar Road

Sakinaka, Andheri (E), Mumbai- 400072

Maharastra, India

Tel: +91-22- 40430200

Fax: +91-22-28475207

Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

### **REGISTERED OFFICE**

**Vill:** Chekuasole **PO :** Jogerdanga

**PS :** Goaltore **Dist:** Paschim Medinipur

**West Bengal – 721121**

**Tel No.:** +91 3227 - 218314

**Tele Fax No.:** +91 3227 – 265193

**Email Id:** [karnimatacoldstorage@gmail.com](mailto:karnimatacoldstorage@gmail.com)

**Website:** [www.karnimatacoldstorage.com](http://www.karnimatacoldstorage.com)

**CIN:** L01403WB2011PLC162131

### **AUDIT COMMITTEE**

Mr. Jay Prakash Heerwal- Chairman

Mr. Venus Kedia - Member

Mr. Pradip Lodha - Member

### **REMUNERATION COMMITTEE**

Mrs. Venus Kedia - Chairman

Mr. Jay Prakash Heerwal- Member

Mrs. Kalpana Agrawal - Member

### **SHARE HOLDER AND INVESTOR GRIEVANCES COMMITTEE**

Mrs. Kalpana Agrawal -Chairman

Mrs. Sushila Lodha -Member

Mr. Jay Prakash Heerwal -Member

### **Company Secretary & Compliance Officer**

Subrat Kumar Nayak



## **KARNIMATA COLD STORAGE LIMITED**

**CIN- L01403WB2011PLC162131**

**Regd. Office:** Village – Chekuasole,

P.O. – Jogerdanga, P.S. – Goaltore,

Dist. – Paschim Medinipur, West Bengal – 721 121

Ph: +91 3227 218314, E-mail – karnimatacoldstorage@gmail.com

Fax: +91 3227 265193, Website: www.karnimatacoldstorage.com

### **NOTICE OF THIRD ANNUAL GENERAL MEETING**

Notice is hereby given that the 3<sup>rd</sup> Annual General Meeting of the Company will be held on Thursday, the 25<sup>th</sup> Day of September, 2014 at the Registered Office of the Company at Vill - Chekuasole, P.O. - Jogerdanga, P.S.- Goaltore, Dist – Paschim Medinipur, West Bengal – 721121 at 2.00 P.M. to transact the following business:-

#### **ORDINARY BUSINESS:**

##### **1. Adoption of Financial Statement**

To receive, consider, approve and adopt the Audited Balance Sheet as on 31<sup>st</sup> March, 2014, Statement of the Profit and Loss for the year ended on that date and the reports of the Auditors and Directors thereon.

##### **2. Reappointment of Retiring Director:**

To appoint a director in place of Asha Ladia, (DIN: 03504170), who retires by rotation and being eligible offers herself for her re-appointment.

##### **3. Appointment of Auditor:**

To appoint and fix the remuneration of Statutory Auditors 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 Section 139 and other applicable provisions of Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board, the Company do hereby appoint M/s. Bidasaria and Associates, Chartered Accountants having Firm registration no. 315101E as Statutory Auditors of the Company from the conclusion of this Meeting to hold such office for a period of five years till

the conclusion of 8<sup>th</sup> Annual General Meeting at such remuneration as shall be fixed by the Board of Directors of the Company on recommendation of the Audit Committee each year.”

**SPECIAL BUSINESS:**

**4. Appointment of Independent Director:**

To consider and, if thought fit, to pass, with or without modification, the following resolution which will be proposed as an Ordinary Resolution:-

“RESOLVED THAT, in terms of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder [including any statutory modifications and re-enactment thereof for the time being in force] read with Schedule IV of Companies Act, 2013, Ms. Venus Kedia (DIN: 06422518) a director of the Company whose period of office is liable to determination by retirement of directors by rotation be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for a fixed term from 25<sup>th</sup> September, 2014 to 31<sup>st</sup> March, 2019 co-terminus with the expiry of five consecutive years in office from the commencement of Section 149 of the Act.”

**5. Appointment of Independent Director:**

To consider and, if thought fit, to pass, with or without modification, the following resolution which will be proposed as an Ordinary Resolution:-

“RESOLVED THAT, in terms of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder [including any statutory modifications and re-enactment thereof for the time being in force] read with Schedule IV of Companies Act, 2013, Ms. Kalpana Agrawal (DIN: 02976827) a director of the Company whose period of office is liable to determination by retirement of directors by rotation be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for a fixed term from 25<sup>th</sup> September, 2014 to 31<sup>st</sup> March, 2019 co-terminus with the expiry of five consecutive years in office from the commencement of Section 149 of the Act.”

**6. Increment of Remuneration of Managing Director:**

To consider and, thought fit, to pass with or without modification, the following resolution which will be proposed as an Ordinary Resolution:-

“RESOLVED THAT, pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) , consent of the Company hereby accorded to increase the remuneration of the Managing Director Mr. Pradip Lodha (DIN: 03006602) of the Company so as to not exceed the limits specified in Schedule V of the Companies Act, 2013”

“RESOLVED FURTHER that the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

By Order of the Board

**Place:** Paschim Medinipur

**Karnimata Cold Storage Limited**

**Date:** 11/08/2014

**Subrat Kumar Nayak**

Company secretary &

Compliance Officer

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**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 19<sup>th</sup> September, 2014 to 25<sup>th</sup> September, 2014 (both days inclusive).
3. A member desirous of getting any information on the accounts or operations of the Company is required to forward his/her queries to the Company at least seven days prior to the meeting so that the required information can be made available at the meeting.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
5. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted in the Meeting is annexed hereto.
6. Members / Proxies are requested to bring their copies of Annual Report to the meeting, as spare copies are not available with the Company and also to bring the attendance slip duly filled in for attending the meeting.
7. Members who are yet to register their e-mail address with the Company or with the depository are once again requested to register the same. The form for registration of e-mail address with the Company can be downloaded from the Companies Corporate website under the section News and announcement dated 11/08/2014.

8. Members who wish to obtain information on the Company or view the Accounts may visit the Companies website or send their queries at least 10 days before the AGM to the Company Secretary and Compliance Officer at the Registered Office of the Company.
9. The members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
10. Members are requested to send all communications relating to shares to the Company's Share Transfer Agent to **M/s Bigshare Services Pvt. Ltd., E- 2/3, Ansa Industrial Estate, Sakhivihar Road, Saki Naka, Andheri (East), Mumbai- 400072.**
11. **E-voting** option is provided to members pursuant to Section 108 of the Companies Act, 2013. Please read carefully the instructions for "E- Voting Process" attached to this Notice (point no. 13). Record date for e-voting is 18<sup>th</sup> August, 2014
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.

### **13. VOTING THROUGH ELECTRONICS MEANS**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 3rd Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services provided by Central depository Services Limited (CDSL). Please note that voting through Electronic means is optional.

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

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
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	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</li> </ul>

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant Karnimata Cold Storage Limited on which you choose to vote. EVSN of Karnimata Cold Storage Limited is **140826112**.

(xi) 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.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) 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.



(xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to 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.

**In case of members receiving the physical copy:**

(A) Please follow all steps from sl. no. (i) to sl. no. (xvi) above to cast vote.

(B) The voting period begins on **19<sup>th</sup> September, 2014 at 9 AM and ends on 20<sup>th</sup> September, 2014 at 6 PM**. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18<sup>th</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) 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).

5. Mr. B. L. Patni, Practicing Company Secretaries (Membership No. FCS 1321) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

6. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblocks the votes in the presence of at least two (2) witness not in the employment and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

7. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL within two (2) days of passing of the resolution at the AGM of the Company and communicated to BSE SME.

8. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

9. As per the provision of clause 49 of the Listing Agreement, particulars of Directors to be appointed / re-appointed at the 3rd Annual General Meeting are given separately in the notice.

10. Notice of Annual General Meeting will be sent to those shareholders / beneficial owners, whose name will appear in the register of the members / list of beneficiaries received from the depositories as on 18<sup>th</sup> August, 2014.

11. The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to her at the registered office address or e-mail their grievances/queries to the Company Secretary at the following e-mail address: karnimatacoldstorage@gmail.com

14. The name and address of the Stock Exchange where the Company's Shares are listed, is given below:-

**The BSE SME Platform**

**25<sup>th</sup> Floor,P.J. Towers,**

**Dalal Street,Fort, Mumbai- 400 001**

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013("the Act")**

The following Statements sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

**Item No-4**

Ms. Venus Kedia has been regularized as the Independent Director of the Company on 2<sup>nd</sup> Annual General Meeting of the Company. Now as per the applicable Section 149, 152 of the Companies Act, 2013 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Agreements, it is required to appoint the Independent Director for a term of Five years. In this regard the Board in its meeting held on 30<sup>th</sup>, May, 2014 noted the appointment of Ms. Venus Kedia as Independent Director from the date of this Annual General Meeting.

Ms. Venus Kedia (DIN: 06422518) is a Practicing Chartered Accountants having Membership No: 063876 has completed her B.Com from Kolkata University. She is a Fellow Member of the Institute of Chartered Accountants of India (ICAI). She is a Partner in M/s. Kedia Singhanian & Co. Chartered Accountants since 2005. She has hence acquired relevant experience in the field of Accounts, Auditing, Taxation and Statutory Compliance.

Your Board considers that Ms. Venus Kedia's association with the Company as an Independent Director would benefit the Company. Declaration has been received from Ms. Kedia that she meets the criteria of Independence prescribed under Section 149 of the Act and the Companies

(Appointment and Qualification of Directors) Rules, 2014. Your Board is also of the opinion that Ms. Kedia fulfils the condition specified in the Act and Rules thereunder for her appointment as Independent Director and that she is Independent to the Management. The sitting fees for attending meetings of the Board and Committees as may be determined by the Board.

Notice under Section 160 of the Act, has been received from Ms. Venus Kedia proposing her appointment as Director of the Company. Requisite consent, pursuant to Section 152 of the Act, has been filed by Ms. Kedia to act as a Director if appointed.

Ms. Kedia is interested in this Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

#### **Item No-5**

Ms. Kalpana Agrawal, has been regularized as the Independent Director of the Company on 2<sup>nd</sup> Annual General Meeting of the Company. Now as per the applicable Section 149, 152 of the Companies Act, 2013 read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Agreements, it is required to appoint the Independent Director for a term of Five year. In this regard the Board in its meeting held on 30<sup>th</sup>, May, 2014 noted the appointment of Ms. Kalpana Agrawal, as Independent Director from the date of this Annual General Meeting.

Ms. Kalpana Agrawal (DIN: 02976827) has completed her B.Ed from Indira Gandhi National Open University and M.Sc. (Botany) from Revenshaw College, Cuttack (Utkal University). She has over 10 years of teaching experience and is currently employed as a teacher at Shri Jain Vidyalaya, Howrah (West Bengal).

Your Board considers that Ms. Kalpana Agrawal's association with the Company as an Independent Director would benefit the Company. Declaration has been received from Ms. Agrawal that she meets the criteria of Independence prescribed under Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014. Your Board is also of the opinion that Ms. Agrawal fulfils the condition specified in the Act and Rules thereunder for her appointment as Independent Director and that she is Independent to the Management. The sitting fees for attending meetings of the Board and Committees as may be determined by the Board.

Notice under Section 160 of the Act, has been received from Ms. Kalpana Agrawal proposing her appointment as Director of the Company. Requisite consent, pursuant to Section 152 of the Act, has been filed by Ms. Agrawal to act as a Director if appointed.

Ms. Agrawal is interested in this Resolution. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval.

#### **Item No- 6**

The Board of Directors at their meeting held on 17th August, 2013 appointed Mr. Pradip Lodha as a “non-retiring Director” of the Company with effect from 2nd September, 2013 and subject to necessary approvals as the “Managing Director” of the Company for a period of five years with effect from the said date.

Mr. Pradip Lodha completed his B. Com from Kolkata University and also holds a Bachelor’s Degree in Law from North Orissa University. He has vast industry experience of agricultural products (especially potatoes) having been associated as a trader, agriculturist and also as a consultant in professional capacity with Cold Storage Units in West Bengal for over 20 years. His role in our company includes supervision of all operational activities as well strategizing and leading the overall organizational execution.

The approval of the members being sought for the increase remuneration of Mr. Pradip Lodha from **Rs. 18,000/- per month to Rs. 25000/- per month** including all benefits.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (corresponding to Sections 198, 269, 309 and any other applicable provisions of the Companies Act, 1956), the Board recommends the Ordinary Resolution set out at item no. 6 of the accompanying Notice for the approval of the Members.

Except Mr. Pradip Lodha, Ms. Sushila Lodha and Shri Supreme Lodha none of the directors and key managerial persons of the Company, or their relatives is concerned or interested in the resolution set out at Item No.6.

**Place:** Paschim Medinipur

**Date:** 11/08/2014

By Order of the Board

**Karnimata Cold Storage Limited**

**Subrat Kumar Nayak**

Company secretary &

Compliance Officer

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE 3<sup>RD</sup> ANNUAL GENERAL MEETING**

Name of the Director/Qualification/DIN/Date of Birth(DOB)/ Date of Appointment(DOA)	Profession/expertise in specific functional Areas	Directorship in other Companies	Committee position held in other Companies
<b>Ms. Asha Ladia</b> B.A and B.Ed. DIN: 03504170 DOB: 26/01/1962 DOA: 29/04/2011	-Relevant experience in Trading and Investment Businesses -Experience of being an agent for Life Insurance Corporation of India.	SRG Trading Private Limited Dynasty Inn Private Limited Pratyush Mercantile Private Limited	Nil
<b>Ms. Venus Kedia</b> B.Com and CA DIN: 06422518 DOB: 30/11/1979 DOA: 15/11/2012	Being a practicing Chartered Accountant she has relevant experience of eight years in the field of Accounts, Auditing, Taxation & Statutory Compliance	Nil	Nil
<b>Ms. Kalpana Agrawal</b> BE.d. and M.S.C. in (Botany) DIN: 02976827 DOB: 26/12/1967 DOA: 15/11/2012	15 years of teaching experience in major subjects like "Botany", "Life Science" etc	Maa Purnima Printers Private Limited Ortek Controls Limited G Raj Financial Consultancy Limited	Nil

## MESSAGE FROM CHAIRMAN



**Dear Shareowners,**

With great joy, I am welcoming you to the Company's 3<sup>rd</sup> Annual General Meeting. This AGM assumes immense significance, as it is our first AGM post the IPO (Initial Public Offering) of the Company. We must record our sincere thanks and appreciation to all those who applied in our IPO and have stood by us with their investments.

A wonderful benefit of this opportunity was the addition of a number of new shareowners into the KCSL (Karnimata Cold Storage Limited) family, and I along with the Board and all the existing shareowners warmly welcome them and look forward to a bright future together with everyone's strong support and participation.

In order to augment our capital base for providing Seasonal Loans to farmers/ traders, your Company came out with its Initial Public Offering of 15,18,000 equity shares with face value of Rs. 10/-each at a price of Rs. 20/- (including securities premium of Rs. 10/-). The issue was accepted well in the market and was oversubscribed by 2.33 times. The shares were allotted to successful allottees on 12<sup>th</sup> March, 2014 and listed on the SME Platform of BSE for trading from 18<sup>th</sup> March, 2014.

The Listing of the Company was an important milestone and the next step is to take the Company to a higher level of growth and operational scale. As of being listed the Company's public profile raises with customers, suppliers, investors, financial institutions etc. and at the same time it added more responsibilities and more compliance, which we are sure to take care with the support of our team.

The Company did quite well in FY 2013-14, reporting a rise in its revenues and profits as can be seen from the Annual Report.

Looking at the overall picture and business environment, I feel we have made good progress in FY 2013-14, inspite of the fact that your Company's Board and management had intensively invested its time and resources to roll out the Company's IPO successfully. Now, we should be able to post even better results next year as we are all set to strongly focus on taking our business to higher levels of operational

excellence and growth. This gives me the confidence to say that with Nature's blessings, team's hard work and your support; we shall be able to report better results for the next year.

To proceed, the Board believes that the Company will need to follow a very sharp business strategy so that it will possible for the Company to compete with others and fulfill the needs of the farmers and traders of potatoes. The endeavor of the Company's management is always striving towards the optimal results and strengthening the relationship with the farmers and traders of potatoes.

With your support, I am confident of leveraging opportunities and overcoming challenges to report exciting success in the coming times as well. Thank you once again for the ample support to the Company and your solid belief in the Board and the Management.

**Warm Regards,**

Pradip Lodha

**Chairman**

## DIRECTORS' REPORT



To

The Members,

**Karnimata Cold Storage Limited**

Your Directors are pleased to present their 3<sup>rd</sup> Annual Report on the business and operations of your Company together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2014.

The Financial performance of the Company for the year ended 31<sup>st</sup> March, 2014 is summarized below:-

<b>Financial Result</b>	<b>31<sup>st</sup> March, 2014</b>	<b>31<sup>st</sup> March, 2013</b>
	<b>(Rs. in lacs)</b>	<b>(Rs. in lacs)</b>
Profit for the year ended	6.64	2.77
Less: Provision for Taxation	(1.27)	(0.53)
Add: MAT credit entitlement	1.27	0.53
	<hr/>	<hr/>
Profit After Tax	6.64	2.77
Add: Profit brought forward from previous year	7.44	4.67
	<hr/>	<hr/>
Balance carried over to Balance Sheet	14.08	7.44

### **DIVIDEND:**

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year ended 31<sup>st</sup> March, 2014.

### **PARTICULAR OF EMPLOYEES:**



During the year under review, no employee of the Company was in receipt of the remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

**INFORMATION TECHNOLOGY AND COMMUNICATION:**

During the financial year 2013-14, apart from upgrading the existing software application with enhanced/added features to meet the current and emerging business needs.

**ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND R & D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Pursuant to Section 217(1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, as amended the relevant information is given below:

**CONSERVATION OF ENERGY:**

**RESEARCH AND DEVELOPMENT:**

The Company has no formal research and development department but the Company is continuously making efforts to strength research and development activities to improve quality and reduce cost.

**TECHNOLOGY IMPORT ABSORPTION:**

The Company has not imported any technology. Indigenous technology available is continuously upgraded to improve overall performance.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the year under review there was no earnings and outgo in foreign exchange.

**INITIAL PUBLIC OFFERING**

The Company has spent/utilized the proceeds of the fund raised under the IPO as per the Object of the issue upto 30<sup>th</sup> April, 2014.

**STATEMENT OF UTILIZATION OF ISSUE PROCEEDS BY COMPANY AS ON 31<sup>ST</sup> MARCH, 2014**

The use of IPO proceeds as per the “object of the issue” is as follows: **(Rs. In Lacs)**

Funds raised through IPO (Initial Public Offering) **303.60**

Deployed in providing Seasonal Loans to farmers/traders in FY 2013-14 **267.30**

Deployed in Issue Related Expenses **34.85**

Deployed in providing Seasonal Loans to farmers/traders in FY 2014-15 **1.45**

**CORPORATE GOVERNANCE:**

Pursuant to the Clause 52 of the listing agreement with the SME Platform of Bombay Stock Exchange Limited, Report on Corporate Governance is annexed herewith.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Pursuant to Clause 52 of the listing agreement with the SME Platform of Bombay Stock Exchange Limited, Report on Management Discussion and Analysis Report is annexed herewith.

### **PUBLIC DEPOSIT**

Your Company has not accepted any deposits from the public during the year.

### **DIRECTORATE**

Ms. Asha Ladia, director of the Company liable to retire by rotation and being eligible has offered themselves for re-appointment.

Further appointment of Mrs. Venus Kedia and Kalpana Agrawal as per the applicable Sections of Companies Act, 2013 and any others Rules for a term of five years is also noted by the Board.

Your directors recommend the above re-appointment and appointments.

### **BONUS ISSUE**

The Company has not allotted any bonus issue during the year.

### **PUBLIC ISSUE**

During the year under review your Company entered into the Capital Market with a maiden Public Issue of 15,18,000 equity shares of Rs. 10/- each at a premium of Rs. 10/-per share aggregating to Rs.303.60 lacs . The issue received an overwhelming response and the same was oversubscribed by 2.33 times. The equity shares have been listed and are being traded on the SME platform of Bombay Stock Exchange Limited.

### **AUDITORS:**

The Board of Directors of the Company has on recommendation of the Audit Committee proposed that M/s Bidasaria & Associates, Chartered Accountants, Kolkata be re-appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting for a term of Five years have forwarded their certificates to the Company stating that their re-appointment, if made, will be within the limit specified in that behalf in Sub-section (1B) of Section 224 of the Companies Act, 1956.

Your Directors request you to appoint the auditors and fix their remuneration.

### **AUDITORS' REPORT:**

The observations of the auditors in their report are self-explanatory and therefore, in the opinion of the Directors, do not call for further comments.

### **INVESTOR COMPLAINTS AND COMPLIANCE**

All the investor complaints duly resolved and as on date there is no complaints pending.

### **LISTING OF SHARES:**

The equity shares of your Company are listed on the SME Platform of BSE Limited, 25<sup>th</sup> Floor, P.J. Towers, Dalal Street, Mumbai – 400001 and listing fees for the year 2013-14 has been paid.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2014; the applicable accounting standards have been followed along with proper explanation relating to material departure.
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 and loss of the Company for the year under review.
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a going concern basis.

**ACKNOWLEDGEMENT:**

Your directors place on record their appreciation for co-operation and support extended by the Banks, SEBI, Shareholders, Bankers to the Issue, RTA and farmers and Traders for their continued support extended to the Company at all times.

The Directors further express their deep appreciation to all employees for high degree of professionalism and enthusiastic effort displayed by them during the year.

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

**Date:** 30/05/2014

**Place:** Paschim Medinipur

PRADIP LODHA

**Chairman and Managing Director**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT



### **INDUSTRY STRUCTURE & DEVELOPMENTS:**

Cold storages in India preserve agricultural produce for a fixed period of time (varying from one day and extending upto several months) at low temperature. Refrigerated storage helps in eliminating sprouting, rottage and tuber moth damage and in reducing weight loss of the agricultural produce. As a general practice, the arrangement of products within the cold storage is managed by the cold storage staff members and not by the product owner, therefore the responsibility to deliver the product in appropriate condition, remains in the hands of the cold storage owner or the insurance company.

Majority of the cold chain infrastructure in India was developed in 1960s which majorly supports the storage of potatoes and potato seeds. About 75% of the total capacity of cold storages is suitable only for potatoes. Cold chain Infrastructure for other temperature sensitive goods is at abysmal state right now. On an average, about 30-40% of horticultural produce gets wasted annually in India. Even though India is the second largest producer of vegetables worldwide but its share in global export of vegetables is around 1.3% only. This is mainly caused by the lack of cold chain infrastructure which includes both storage and transportation facilities.

We believe that the need for setting up and construction of cold storage facilities is highly required for the preservation of potatoes which is a cash crop and the same shall be equally beneficial to both producers and consumers and shall there by strengthen the rural economy of perishable commodities. Our project envisages perfect backward and forward linkage of marketing activities as an essential pre-condition. Further it has become a practice to accommodate necessary finance to hirers of the cold storage against their stocks stored in the cold storage in order to keep the price of potato steady and allow the support price to the growers of potato. Providing this seasonal finance is an important factor in the growth of our business.

### **OPPORTUNITIES & THREATS**

The Government of India through the Ministry of Food Processing Industries has formulated a number of policies for extending assistance in the form of grant, subsidy and soft loan to agro food processing industries. In order to give impetus to promotion of all Agro Food Processing Industries several incentives and concessions have been granted. The government has actively supported cold chain, pre and post harvest network area near the production sites. Public-Private Partnership has been encouraged to establish cold chain, pre and post harvest net work infrastructures by the West Bengal Government. We believe that since our core business adds tremendous value to the supply chain of agro produce and empowers farmers/traders to be able to get good prices for their produce, this sector shall continue to get support and encouragement from the government going forward.

Our Unit located in the district of Paschim Medinipur of West Bengal, which is traditional potato growing region and also West Bengal is one of the top three potato growing states in India and hence we believe that the chances of shortfall in the crop may not happen in the near future. However there are some threats of crop failure due to the weak monsoons, lower seed sown by farmers as the price volatility of potatoes in the earlier year, natural calamities, crop diseases and labor scarcity etc. As your Company's main revenue is the rental income from storing potatoes and any shortfall in the crop harvest will affect to achieve the targeted capacity.

### **SEGMENT REPORTING**

The Company is engaged in the business of providing cold storage facility on rental basis and providing loans to traders and farmers and as such Accounting Standard 17 regarding Segment-wise Reporting issued by the Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Rules, 2006 doesn't apply to your Company.

### **OUTLOOK**

India cold chain industry has been marked and recognized as the emerging sector as it's holds a lot of untapped opportunities due to large current infrastructural demand and supply gap. With the advent of new technologies and demand generated by the major perishable products, India cold chain market revenue growing rapidly.

In order to increase Foreign Direct Investment (FDI) in cold storage sector, Government has permitted 100% FDI under automatic route as per the extant FDI policy. This policy mandates minimum investment of US\$ 100 million with at least 50% of total FDI being invested in 'back-end infrastructure' within three years of the first tranche of FDI, where 'back-end infrastructure' will include capital expenditure on all activities, excluding that on front-end units.

Potato growing would appear to be increase due to high and stable price of potatoes and also the increasing demand from other neighboring states. Hence the capacity of our unit along with the expanded chamber would achieve the 100% capacity. Accordingly 2014-15 could prove to be satisfactory year for the Cold Storage sector.

### **RISKS AND CONCERNS**

The management cautions that the risks outlined below are not exhaustive and are for information purposes only. Stakeholders are requested to exercise their own judgment in assessing various risks associated with the industry and the Company.

Cold storage units provide storage facility to agricultural products on rental basis and your Company providing storage facility of Potatoes. Hence the main revenue of the Company depends on the potato growing, especially in the Paschim Medinipur area and adjacent areas of Paschim Medinipur, West Bengal i.e. the prime areas of potato harvesting. As cold storage industry related to agro products there are several risks associated with. Failure of potato crop in West Bengal State and specifically in and around Paschim Medinipur location, variation in potato prices in West Bengal and technical failures of key utility infrastructure such as power, water, machinery etc. And also in West Bengal the rent chargeable by the Company to the farmers and traders is set and controlled by the State Government. A decrease in rents ordered by the State Government or a substantial increase in operating costs not accompanied by the matching increase in rent would adversely affect our results.

### **Risk Mitigation**

The Company has built excellent relationship over the years with the local farmers and traders of potatoes. Also there is no other cold storage facility of our size and capabilities within a radius of approximately 10kms from our storage unit. And your Management continuously is trying to focus on long term strategies to identify such locations where there is demand supply mismatch; for future growth and expansion and mitigating the risk.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has proper and effective internal control systems commensurate with its nature of business and size of operations to ensure that all controls and procedures function satisfactorily at all times and all policies are duly complied with as required. These are considered adequate to reasonably safeguard its assets against loss or misappropriation through unauthorized or unintended use.

There is adequate and effective internal audit system that employs periodic checks on on-going process. The Audit Committee of the Board of Directors regularly reviews the effectiveness of internal control system in order to ensure due and proper implementation and due compliance with applicable laws, accounting standards and regulatory guidelines.

#### **HUMAN RESOURCES**

The Company has dedicated team of employees who have been contributing to the progress and growth of the Company. The manpower requirement of offices of the Company is assessed continuously and recruitment is conducted accordingly.

Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Your Company has developed a comprehensive “in-house” induction training module to make sure that new employees understand the basic aspect of the Company in its all operations.

#### **CAUTIONARY STATEMENT**

Statement in this Directors’ Report and Management Discussion and Analysis describing the Companies objectives, projections, estimates, expectations or predictions may be “forward looking statements” within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those either expressed or implied.

**For and on behalf of the Directors**

**Date:** 30<sup>th</sup> May, 2014

**Place:** Paschim Medinipur

**Pradip Lodha**  
**Chairman & Managing Director**

## CORPORATE GOVERNANCE REPORT



In terms of Clause 52 of the Listing Agreement with SME Platform of BSE Limited the reports containing details of corporate governance systems and processes at Karnimata Cold Storage Limited is as under:

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company's Corporate Governance Philosophy is based on trusteeship, transparency, empowerment, control and ethical corporate citizenship. The Company believes that the practice of each of these create a right culture and fulfills the true purpose of Corporate governance. The Company remained committed towards protection and enhancement of overall long term value for its entire stakeholders – customer, lenders, employee and society.

Your company has consistently aimed at developing such policies and implementing best-in-class actions that make it a good model of corporate governance. To that effect your Company has adopted practice mandated in Clause 52 of listing agreement & has established procedure & systems to be fully compliant with it.

### **BOARD OF DIRECTORS**

In terms of Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of Company as trustees of the shareholders.

#### **Composition:**

The Board of Directors of the Company has an optimum combination of Executive and Non- Executive Directors as per Clause 52 of the listing agreement. The Board comprises of six (6) directors out of which three (3) directors are Promoter-Director and the rest three (3) are Non-Executive Independent Director. The Independent Directors take active part at the Board and Committee meetings, which adds value in the decision making process. Half of the Board comprise of non-executive Independent directors.

Composition of the Board as on 31<sup>st</sup> March, 2014:

Sl. No.	Name of the Director	Designation	Category
1	Pradip Lodha	Chairman & Managing Director	Executive Director & Promoter
2	Sushila Lodha	Director	Non-Executive Director & Promoter
3	Asha Ladia	Director	Non-Executive Director & Promoter
4	Jay Prakash Heerwal	Director	Non-Executive Independent Director
5	Kalpana Agrawal	Director	Non-Executive Independent Director
6	Venus Kedia	Director	Non-Executive Independent Director

#### Board Meetings and Attendance of Directors:

During the year under review 11 (eleven) Board meetings were held, on the following dates.

13-05-2013, 06-06-2013, 19-06-2013, 03/07/2013, 20-07-2013, 17-08-2013, 01-10-2013, 18-01-2014, 10-02-2014, 12-02-2014 and on 12-03-2014.

Sl. No.	Designation	Name of the Director	Board Meetings during the year 2013-14		*No. of Directorship in other Companies	Members of Committee		Attendance in last AGM held on 26/09/2013
			Held	Attended		Member	Chairperson	
1	Chairman & Managing Director	Pradip Lodha	11	10	Nil	1	Nil	Yes
2	Director	Sushila Lodha	11	11	Nil	1	Nil	Yes
3	Director	Asha Ladia	11	11	Nil	Nil	Nil	Yes
4	Director	Jay Prakash Heerwal	11	09	Nil	2	1	Yes
5	Director	Kalpana Agrawal	11	07	2	1	1	Yes
6	Director	Venus Kedia	11	08	Nil	1	1	Yes

\*Excludes directorship in Indian private limited companies, unlimited companies, foreign companies and companies incorporated under section 25 of the Companies Act, 1956.

**Note:** None of the Director is a member in more than ten (10) committees and act as a Chairman in more than five committees across all companies in which he is a Director.

#### GENERAL BODY MEETING

##### 1. Annual General Meeting

The last two Annual General Meeting of the Company were held within the statutory time period and the details of the same are as under:

Particulars	Date & Time	Venue
1 <sup>ST</sup> AGM	29/09/2012 AT 11.00 AM	Lodha Mansion, Vill: Radhanagar, Po: Amlagora, Midnapore, West Bengal- 721 121
2 <sup>ND</sup> AGM	26/09/2013 AT 11.00 AM	Village – Chekuasole, P.O. – Jogerdanga, P.S. – Goaltore, Dist. – Paschim Medinipur, West Bengal – 721 121



## 2. Details of Extra Ordinary General Meetings:

Particulars	Date & Time	Venue
EGM	10/09/2013	Village – Chekuasole, P.O. – Jogerdanga, P.S. – Goaltore, Dist. – Paschim Medinipur, West Bengal – 721 121

## Special Resolutions Passed at Previous AGM's/EGM's:

Extra Ordinary General Meeting held on 10/09/2013	No Special Resolution was passed
2 <sup>nd</sup> Annual General Meeting held on 26/09/2013	Further issue of Shares as per Section 81(1A) of Companies Act, 1956 Alteration of Article of Association

## 3. Postal Ballot:-

The Company has not put any resolution for postal ballot in previous Annual General Meeting. In ensuing Annual General Meeting there is no business requiring postal ballot.

## COMMITTEES OF BOARD

### A. AUDIT COMMITTEE

As per 292 of Companies Act, 1956 and taking into consideration of the proposed Listing of the Company complying with the Clause 52 of the Listing Agreement, the Audit Committee of Karnimata Cold Storage Limited has been constituted on 1<sup>st</sup> October, 2013 by the Board. It consists of two independent directors and one Managing Director. All have good knowledge of finance, accounts and company law. Mr. Jay Prakash Heerwal, who is a Practicing Chartered Accountant, is the Chairman of the Audit Committee. Also Mrs. Venus Kedia is a Practicing Chartered Accountant. All the members are financially literate. The Company Secretary Shri Subrat Kumar Nayak acts as the Secretary of the Audit Committee.

The Audit Committee conforms to extant SEBI guidelines and Clause 52 of Listing Agreement in all respects concerning its constitution, meetings, functioning, role and powers, mandatory review of required information, approved related party transaction and accounting treatment for major items. It also fulfills the requirements as set out in the Companies Act, 2013.

During the period between constitution of the Committee i.e. from 1<sup>st</sup> October, 2013 and 31<sup>st</sup> March, 2014 the Committee met three (4) times on 01/09/2013, 18/01/2014, 12/02/2014 and 12/03/2014

### Details of Attendance at the Audit Committee:

Name and Designation	Attendance
Mr. Jay Prakash Heerwal (Chairman)	4
Ms. Venus Kedia (Member)	4
Mr. Pradip Lodha (Member)	4

## **B. REMUNERATION COMMITTEE**

### **( i ) Brief Description of Terms of Reference**

The Remuneration Committee has been constituted to recommend and review remuneration package of Managing for the appointment of Independent, Executive and Non- executive directors and also for the other Key Managerial Personnel as and when required.

### **(ii) Composition of the Committee**

The Remuneration Committee consists of three non-executive independent directors to comply with and meets the requirements of the listing agreement and Companies Act, 1956. Mrs. Venus Kedia is the Chairman of the Committee and Mr. Jay Prakash Heerwal and Ms. Kalpana Agrawal are the members of the Committee. Shri Subrat Kumar Nayak who is the Company Secretary of the Company act as the Secretary of the meeting.

### **(iii) Meeting and Attendance**

The Committee met two (2) times during the year on 17/08/2013 and 01/10/2013

#### **Details of Attendance at the Remuneration Committee:**

<b>Name and Designation</b>	<b>Attendance</b>
Ms. Venus Kedia (Chairman)	1
Mr. Jay Prakash Heerwal (Member)	2
Ms. Kalpana Agrawal (Member)	2

### **(iv) Details of Remuneration of Director**

The details of remuneration paid to the directors during the financial year ended on 31<sup>st</sup> March, 2014 are as under:

<b>Name</b>	<b>Remuneration</b>	<b>Commission</b>	<b>Sitting Fees</b>	<b>Total</b>
Mr. Pradip Lodha	`126000/-	Nil	Nil	`126000/-
Mrs. Sushila Lodha	`75000/-	Nil	Nil	`75000/-
Mrs. Asha Ladia	`60000/-	Nil	Nil	`60000/-
Mr. Jay Prakash Heerwal	Nil	Nil	`1500/-	`1500/-
Mrs. Venus Kedia	Nil	Nil	`1500/-	`1500/-
Mrs. Kalpana Agrawal	Nil	Nil	`1500/-	`1500/-

### **(v) Shares held by Non- Executive Independence Directors**

All Non- Executive Independent Directors hold nil shares in Karnimata Cold Storage Limited.

## **C. SHAREHOLDERS / INVESTOR'S GRIEVANCES COMMITTEE**

**This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:**

1. Allotment and listing of our shares in future

2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Company Secretary of our Company acts as the Secretary to the Committee.

**Composition of the Shareholders'/Investors' Grievance Committee:**

As on 31<sup>st</sup> March, 2014, the Shareholders'/Investors' Grievance Committee consists of two Non-Executive Independent Directors and one Non-Executive Director. Mrs. Kalpana Agrawal is the Chairman of the Committee who is Non-Executive Independent Director of the Company. And Mr. Jay Prakash Heerwal and Mrs. Sushila Lodha are the Members of the Committee. Shri Subrat Kumar Nayak, who is the Company Secretary of the Company act as the Secretary to the Committee.

**Compliance Officer:**

**Shri Subrat Kumar Nayak, Company Secretary**

**KARNIMATA COLD STORAGE LIMITED**

Vill: Chekuasole, Po: Jogerdanga

Ps: Goaltore, Dist: Paschim Medinipur

West Bengal- 721 121

**Tel No.:** +91 3227 - 218314;

**Tele Fax No.:** +91 3227 – 265193

Email Id: [karnimatacoldstorage@gmail.com](mailto:karnimatacoldstorage@gmail.com)

**Details of Shareholders Complaints:**

The details of complaints received /solved/pending during the year are as under:

No. of Shareholders' Complaints received during the year	Nil
No. of Complaints not solved to the satisfaction of shareholder	Nil
No. of pending complaints	Nil

**DISCLOSURES**

**Related Party Transaction**

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large. The details of transactions with the Company and related parties are given in notes to accounts.

**Statutory Compliance, Penalties and Strictures:**

The Company has complied with the requirements of the Stock Exchanges/ SEBI/ and Statutory Authorities to the extent applicable, accordingly no penalties have been imposed on the Company on any matter related to Capital Markets during the year.

**Whistle Blower Policy:**

The Company does not have a formal Whistle Blower Policy as on 31<sup>st</sup> March, 2014 and as per recommendation by the Audit Committee the Company is under drafting of a Policy called Whistle Blower or Vigil Mechanism Policy and your directors assures you that before the ensuing Annual General Meeting the Company will adopt the said Policy. Also your Directors affirm that no personnel have been denied access to the Audit Committee and other Managerial personnel.

**Proceeds from Initial Public Offer of the Company:**

The details about the utilization of the proceeds raised through Initial Public Offer (IPO) of equity shares of the Company have been disclosed to the Audit Committee. The Company has not utilized these funds for the purposes other than those mentioned in the Prospectus of the Company.

**Reconciliation of Share Capital Audit:**

In line with the requirements stipulated by Securities Exchange Board of India (SEBI), Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary to confirm that the aggregate number of equity shares National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form tally with the total number of issued, paid-up, listed and admitted capital of the Company.

**Compliance with Non-Mandatory Requirements**

The status of compliances with the non-mandatory requirements is as under:

**Board**

No separate office for the Chairman is maintained, and hence no reimbursement is made towards the same.

**Remuneration Committee**

Details regarding Remuneration Committee are provided and forms part of this report.

**Shareholders' Rights**

The Company has posted its half yearly and yearly financial results on its website- [www.karnimatacoldstorage.com](http://www.karnimatacoldstorage.com)

**Audit Qualification**

It has always been the Company's endeavour to present unqualified financial statements. There are no audit qualifications in the Company's financial statements for the year ended 31<sup>st</sup> March, 2014.

**Training to Board Members**

The Board is equipped to perform its role through inputs from various sources from time to time. Directors are fully briefed on all matters concerning the business and operation of the Company, risk assessment and minimization procedures and new initiatives proposed by the Company. The Board members regularly interact with the management in order to obtain any information that they may require

### Means of Communication

The half yearly and yearly financial results are regularly submitted to the Stock Exchange in accordance with the Listing Agreement and also uploaded on the Company's website. Any official news and announcements always posted on the Company's website.

### Code of Conduct

The Company has a Code of Conduct adopted by the Board for prevention of Insider Trading in place as prescribed by the Securities Exchange Board of India. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

### General Shareholders Information

1. **Financial Year: 1<sup>st</sup> April to 31<sup>st</sup> March**
2. **Annual General Meeting: Date & Day- 25<sup>th</sup> September, 2014, Thrusday, Time: 2.00 P.M.**
3. **Venue: Vill: Chekuasole, Po: Jogerdanga,Ps: Goaltore, Dist: Paschim Medinipur, WB-721121**

**4. Financial Calendar:-**

For the Financial Year 2014-15, Financial Results will be announced as per the following tentative schedule.

Half year ending September, 2014	By 14 <sup>th</sup> November, 2014
Year ending March, 2015	By 30 <sup>th</sup> May, 2015
Annual General Meeting	By September, 2015

**Dividend and Book Closure:**

Dividend	No dividend has been declared
Book Closure	19 <sup>th</sup> September, 2014 to 25 <sup>th</sup> September, 2014 (both days inclusive)

5. **Face value of equity shares:** Rs. 10/- share

**6. Listing on Stock Exchanges:**

The equity shares of the Company are listed on the SME Platform of BSE Limited.

**7. Stock Code:**

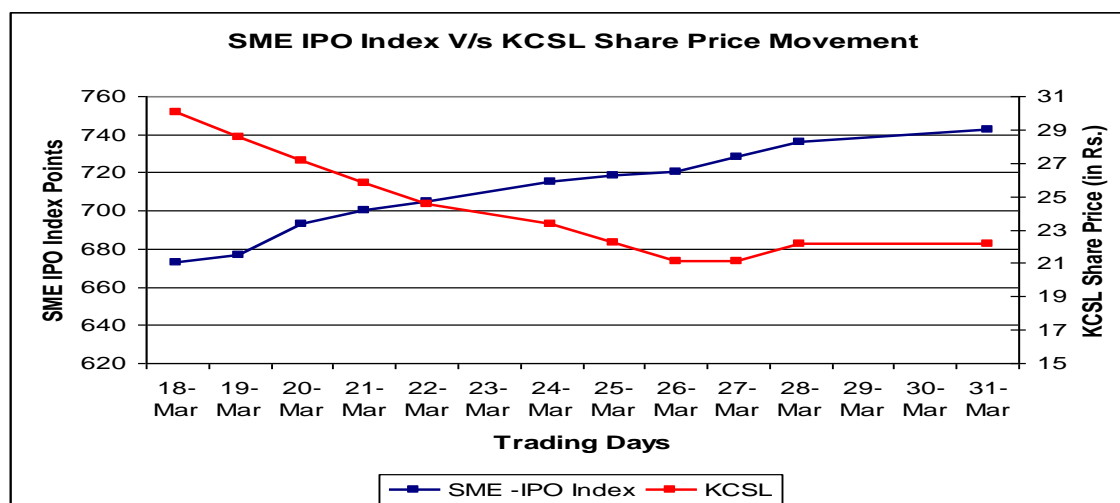
<b>Scrip ID/Code</b>	<b>KCSL/537784</b>
<b>ISIN with NSDL &amp; CDSL</b>	<b>INE576P01019</b>

**8. Market Price Data:**

The Market price data on SME Platform of BSE Limited for the listing date i.e. 18/03/2013 to 31/03/2013 are given below:

Date	Open	High	Low	Close
18/03/2014	29.05	30.00	27.60	30.00
19/03/2014	28.55	28.55	28.55	28.55
20/03/2014	27.15	27.15	27.15	27.15
21/03/2014	25.80	25.80	25.80	25.80
22/03/2014	24.55	24.55	24.55	24.55
24/03/2014	23.35	23.35	23.35	23.35
25/03/2014	22.20	22.20	22.20	22.20
26/03/2014	21.10	21.10	21.10	21.10
28/03/2014	22.00	22.15	22.00	22.15
31/03/2014	22.15	22.15	22.15	22.15

#### Performance-comparison with BSE SME IPO:



#### 9. Registrar and Share Transfer Agent:

##### Bigshare Services Pvt. Ltd.

E- 2/3, Ansa Industrial Estate,

Sakivihar Road, Saki Naka,

Andheri (E), Mumbai- 400 072

Tel: +91 22 28470652 / 40430200

Fax: +91 22 28475207

Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.bigshareonline.com)

### 10. Share Transfer System:

Share transfers have been normally processed and returned within 21 days from the date of lodgment, provided the necessary documents were in order.

### 11. Distribution of Shareholding as on 31<sup>st</sup> March, 2014

Shareholding Nominal Rs.	of Rs.	No of Shareholders	Percentage of Total	Share amount (Rs.)	Percentage of Total
30001	40000	4	0.9901	160000	0.3147
40001	50000	99	24.5050	4950000	9.7364
50001	100000	208	51.4851	16550000	32.5531
100001	999999999	93	23.0198	29180000	57.3958
Total		404		50840000	100.0000

### 12. Category of Shareholders as on 31<sup>st</sup> March, 2014

Category	No. of shareholders	No of Shares Held	Shareholding %
1.Promoter and Promoter Group	5	1032000	20.30
2. Mutual funds/UTI	0	0	0
3.Banks/Financial Institution	0	0	0
4. Foreign Institutional Investors	0	0	0
5. Bodies Corporate	4	54000	1.06
6. NRIs	0	0	0
7. Clearing Members	4	60000	1.18
8. Market Maker	1	42000	0.83
9. Indian Public	390	3896000	76.63
<b>Total</b>	<b>404</b>	<b>5084000</b>	<b>100</b>

Note: None of the shares of promoters/promoter group's are pledged or encumbered with any of the banks or any financial institutions.

### 13. Dematerializations of Shares and Facility of simultaneous transfer

As on 31<sup>st</sup> March, 2014, the dematerialized shares as follows:

	No of Shares	Percentage (%)
Dematerialized shares on CDSL	10,59,000	20.83
Dematerialized shares on NSDL	21,21,000	41.72
Held in Physical	19,04,000	37.45
<b>Total</b>	<b>50,84,000</b>	<b>100.00</b>

**14. Outstanding ADRs / GDRs**

The Company has not issued any ADRs/GDRs.

**15. Initial Public Offer (IPO)**

During the year the Company has come out with an Initial Public Offering of 15,18,000 equity shares of face value Rs 10/- each at a premium of Rs. 10/- and received Rs. 306.30 lacs. The same has been fully utilized as per the object mentioned in the Prospectus.

**16. Plant Location**

The location of the Cold Storage Unit is at:

**Vill: Chekuasole, Po: Jogerdanga**

**Ps: Goaltore, Dist: Paschim Medinipur**

**West Bengal- 721 121**

The Registered Office of the Company is within the premises of the Cold Storage Unit.

**17. Investor's Correspondence may be addressed to**

**Shri Subrat Kumar Nayak**

Company Secretary & Compliance Officer

**KARNIMATA COLD STORAGE LIMITED**

Vill: Chekuasole, Po: Jogerdanga

Ps: Goaltore, Dist: Paschim Medinipur

West Bengal- 721 121

Tel: +91 3227 218314

Fax: +91 3227 265193

E-mail – [karnimatacoldstorage@gmail.com](mailto:karnimatacoldstorage@gmail.com)

**OR**

**Bigshare Services Pvt. Ltd.**

E- 2/3, Ansa Industrial Estate,

Sakivihar Road, Saki Naka, Andheri (E), Mumbai- 400 072

Tel: +91 22 28470652 / 40430200

Fax: +91 22 28475207

Email: [info@bigshareonline.com](mailto:info@bigshareonline.com)

Website: [www.bigshareonline.com](http://www.bigshareonline.com)



## **18. Compliance Certificate of the Auditors**

A Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Clause 52 of the Listing Agreement is attached to this Report.

**Pradip Lodha**

**Place: Paschim Medinipur**

**Date: 30<sup>th</sup> May, 2014**

**Chairman and Managing Director**

### **Declaration Regarding Compliance By Board Members And Senior Management Personnel With The Companies Code Of Conduct:**

This is to confirm that the Company has adopted a Code of Conduct for the Board of directors and Senior Management of the Company. The same is available on the website of the Company [www.karnimatacoldstorage.com](http://www.karnimatacoldstorage.com)

As the Chairman and Managing Director of Karnimata Cold Storage Limited and as per compliance with Clause 52(1) (D) of the Listing Agreement of the BSE SME Stock Exchange, I, hereby declare that all the Board Members and senior management personnel of the Company have affirmed compliance with the Code of Conduct for the financial year 2013-14

**Pradip Lodha**

**Chairman & Managing Director**

## CEO CERTIFICATION TO THE BOARD

To

The Board of Directors,

Karnimata Cold storage Limited

### Financial Statement for the period ended 31<sup>st</sup> March, 2014

I, Pradip Lodha, Managing Director of the Company on the basis of the review of the Financial Statements for the year ended on 31<sup>st</sup> March, 2014 along with Cash Flow Statement for that period and to the best of my knowledge and belief, certify under Clause 52V of the listing agreement that:-

- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- 2) These statements together present a true and fair view of Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- 3) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ending 31<sup>st</sup> March, 2014 that are fraudulent, illegal or volatile of the Company's Code of Conduct.
- 4) We 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.

We have indicated to the Auditors and the Audit Committee:

- i) Significant changes in internal control over financial reporting during the year;
- ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii) Instances of significant fraud, if any, of which we became 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.

**Pradip Lodha**

**Place: Paschim Medinipur**

**Date: 30<sup>th</sup> May, 2014**

**Chairman & Managing Director**

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To**

**The Members of**

**Karnimata Cold Storage Limited**

We have examined the Compliance of conditions of Corporate Governance by Karnimata Cold Storage Limited ("the Company"), for the year ended on 31<sup>st</sup> March, 2014 as stipulated in Clause 52 of the Listing Agreement of the said company with Stock Exchange.

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 conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. No investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company.

In our opinion and to the best of my information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 52 of the Listing Agreement.

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

For **Bidasaria & Associates**

**Chartered Accountants**

**FRN: 315101E**

**R. K. Bidasaria**

**Partner**

**M. No: 052251**

## INDEPENDENT AUDITORS' REPORT



### **BIDASARIA & ASSOCIATES**

CHARTERED ACCOUNTANTS

14, PRICEP STREET

3<sup>RD</sup> FLOOR, ROOM NO. 5

KOLKATA- 700 072

Ph: 033 22129596

033 22129695

e-mail : [bidasaria1@gmail.com](mailto:bidasaria1@gmail.com)

To the Members of **KARNIMATA COLD STORAGE LIMITED**

#### **Report on the Financial Statements:**

We have audited the accompanying financial statements of **KARNIMATA COLD STORAGE LIMITED** ("the Company"), which comprise the Balance Sheet as at **March 31, 2014**, and the Statement of Profit and Loss and 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 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 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.
- (c) in the case of 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 (Auditor's 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.

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 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 comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- 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 Companies Act, 1956.

**For BIDASARIA & ASSOCIATES**

(Chartered Accountants)

FRN: 3 1 5 1 0 1 E

**R K BIDASARIA**

(Partner)

M No: 0 5 2 2 5 1

Place: Kolkata

Dated: 30th day of May, 2014

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our report of even date)

**Re: Karnimata cold Storage Limited**

- i) In respect of the Company's fixed assets:
- a) The Company maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) No fixed assets were disposed of during the year.
- ii) In respect of the Company's inventories:
- a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- iii) The Company has not granted or taken any loans, secured or unsecured, to/ from companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956.
- 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 with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- v) As per information and explanations given and on the basis of records provided to us, there are no particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 to be entered in the Register required to be maintained under that section.
- vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year within the meaning of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956.
- vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii) We have broadly reviewed the books of accounts maintained by the company pursuant to rules made by the central government for maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- ix) a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Cess and other statutory dues applicable to it.

- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Cess or any other statutory dues were in arrears as at 31.3.2014 for a period of more than six months from the date they became payable.
- c) According to the information and explanation given to us, there are no dues of Income Tax, Wealth Tax 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 has not incurred cash loss in the current financial year.
- xi) According to the information and explanations given to us, the Company has taken term loans from a bank and is regular in repayment of dues.
- xii) According to the information and explanations given to us, 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) The Company is not a chit fund, nidhi or a mutual benefit society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's 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 or debentures and other investments. Therefore, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are 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 or financial institutions. Therefore, the provisions of clause 4 (xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xvi) According to the information and explanations given to us, the term loan taken from SBI, Garbeta has been duly applied for the purpose for which it was taken.
- xvii) In our opinion and according to the information and explanations given to us and on an overall examination of the balance sheet, we report that funds raised on short-term basis have not been used during the year for long- term investment.
- xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix) The Company has not issued any debentures.
- xx) The Company has raised money by Public Issue during the year. Disclosure of end use of the money raised by the Public Issue is disclosed in Note No. 4(c), of Notes to the financial statements and the same has been duly verified.
- xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For BIDASARIA & ASSOCIATES**

(Chartered Accountants)

FRN: 3 1 5 1 0 1 E

Place: Kolkata

Dated: 30th day of May, 2014

**R K BIDASARIA**

(Partner)

M No: 0 5 2 2 5 1

**KARNIMATA COLD STORAGE LIMITED**

**Balance Sheet as at 31st March, 2014**

Particulars	Note No	As at	As at
		31st March, 2014	31st March, 2013
		Amount in Rupees	Amount in Rupees
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	<b>4</b>	50,840,000	35,660,000
Reserves and Surplus	<b>5</b>	13,102,965	744,172
<b>Non-Current Liabilities</b>			
Long Term Borrowings	<b>6</b>	69,999,596	53,796,610
<b>Current Liabilities</b>			
Short Term Borrowings	<b>7</b>	33,832,666	35,105,000
Other Current Liabilities	<b>8</b>	12,466,914	9,852,493
Short Term Provisions	<b>9</b>	75,906	-
<b>Total</b>		<b>180,318,047</b>	<b>135,158,275</b>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	<b>10</b>	122,197,048	88,768,541
Long Term Loans & Advances	<b>11</b>	271,299	144,097
Other Non-Current Assets	<b>12</b>	9,327,687	6,022,195
<b>Current Assets</b>			
Inventories	<b>13</b>	1,045,216	6,986,894
Trade Receivables	<b>14</b>	3,868,098	2,996,077
Cash and Bank balances	<b>15</b>	2,054,948	9,415,999
Short Term Loans & Advances	<b>16</b>	41,553,751	20,824,472
<b>Total</b>		<b>180,318,047</b>	<b>135,158,275</b>
Summary of significant accounting policies	<b>3</b>	-	-



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

As per our report of even date

**For BIDASARIA & ASSOCIATES**

(Chartered Accountants)

Firm Registration No. : 315101E

For and on behalf of Board of Directors

**R.K. BIDASARIA**

(Partner)

Membership No: 052251

**Pradip Lodha**

Managing Director

**Asha Iadia**

Director

Place: Kolkata

Dated: 30th day of May, 2014

**Subrat Kumar Nayak**

Company Secretary

**KARNIMATA COLD STORAGE LIMITED**

**Statement of Profit and Loss for the period ended 31st March, 2014**

	Particulars	Note No	For the period ended	For the period ended
			31st March, 2014	31st March, 2013
	-		Amount in Rupees	Amount in Rupees
I	<b>Revenue</b>			
	Revenue from Operations	<b>17</b>	39,646,971	36,312,131
	Other Income	<b>18</b>	1,937,449	1,415,161
	<b>Total Revenue :</b>		<b>41,584,420</b>	<b>37,727,292</b>
II	<b>Expenses</b>			
	Purchases of Stock-in-Trade	<b>19</b>	5,298,830	13,325,510
	Change in Inventories of Stock-in-Trade	<b>20</b>	5,606,555	(3,602,930)
	Employee Benefits Expense	<b>21</b>	1,733,789	1,611,603
	Finance Costs	<b>22</b>	10,733,402	11,800,556
	Depreciation & Amortization Expenses	<b>23</b>	4,383,642	4,708,255
	Other Expenses	<b>24</b>	13,164,296	9,168,630
	<b>Total Expenses :</b>		<b>40,920,514</b>	<b>37,011,624</b>
III	<b>Profit/(Loss) Before Extraordinary Items</b>		663,906	715,668
IV	Extraordinary Items	<b>25</b>	-	438,753
V	<b>Profit/(Loss) Before Tax (III - IV)</b>		663,906	276,915
VI	<b>Tax Expense:</b>			
	Current Tax (MAT)		127,202	52,767
	Less: MAT Credit Entitlement		(127,202)	(52,767)
	Deferred Tax		-	-
VII	<b>Profit/(Loss) for the year (V - VI)</b>		<b>663,906</b>	<b>276,915</b>
VIII	Earning per equity share:			
	Basic and Diluted	<b>26</b>	0.18	0.08
	Summary of significant accounting policies	<b>3</b>		

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

As per our report of even date

**For BIDASARIA & ASSOCIATES**

(Chartered Accountants)

Firm Registration No. : 315101E

For and on behalf of Board of Directors

**R.K. BIDASARIA**

(Partner)

**Pradip Lodha**

**Asha Ladia**

Membership No: 052251

Managing Director

Director

Place: Kolkata

**Subrat Kumar Nayak**

Dated: 30th day of May, 2014

Company Secretary

**KARNIMATA COLD STORAGE LIMITED**

**Cash Flow Statement for the year ended 31st March, 2014**

<b>Particulars</b>	<b>Year ended 31.03.2014 Rs.</b>	<b>Year ended 31.03.2013 Rs.</b>
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax	<b>663,906</b>	<b>276,915</b>
<b>Adjustments:</b>		
Add :Depreciation	4,383,642	4,149,405
Preliminary Expenses W/off	-	358,850
Add :Interest & Financial Charges	10,733,402	11,800,556
Less :Interest Income	(558,850)	(545,577)
<b>Operating cash Flow before working capital changes</b>	<b>15,222,100</b>	<b>16,040,149</b>
<b>Adjustment for :</b>		
(Increase)/ Decrease in Trade Receivable	(872,021)	(1,233,754)
(Increase)/ Decrease in Inventories	5,941,678	(3,843,837)
(Increase)/Decrease in Long Term Loans & Advance	(72,262)	-
(Increase)/Decrease in Short Term Loans & Advance	(20,729,279)	14,162,428
Increase/(Decrease) in Short Term Provisions	75,906	-
Increase/(Decrease) in Other Current Liabilities	614,421	(1,078,923)
<b>Operating cash flow after working capital changes</b>	<b>180,543</b>	<b>24,046,063</b>
<b>Less: Tax Paid</b>		
Income Tax	(54,940)	(106,904)
<b>Net Operating Cash flow</b>	<b>125,603</b>	<b>23,939,159</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(37,812,149)	(2,032,092)
Sale of Fixed Assets	-	-

Other Non-current Assets	(3,305,492)	(898,251)
Interest Income	558,850	545,577
<b>Net Cash Flow from Investing Activities</b>	<b>(40,558,791)</b>	<b>(2,384,766)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Term Loan	30,000,000	-
Net Proceeds from working capital loan	5,890,916	(5,062,300)
Proceeds from Primary marketing loan	26,341,750	35,105,000
Repayment of Primary marketing loan	(35,105,000)	(35,240,000)
Repayment of Term Loan	(5,997,014)	(4,306,806)
Interest and financial charges	(10,733,402)	(11,800,556)
Share Issue Expenses	(3,485,113)	-
Proceeds from unsecured loans	2,300,000	5,800,000
Proceeds from Issue of Share Capital + Premium	45,720,000	2,310,000
Refund of Share Application Money	(15,360,000)	(1,210,000)
Repayment of Unsecured Loans	(6,500,000)	-
<b>Net Cash flow from Financing Activities</b>	<b>33,072,137</b>	<b>(14,404,662)</b>
<b>Net Cash Inflow/ (Outflow)</b>	<b>(7,361,051)</b>	<b>7,149,731</b>
<b>Cash and Cash eq. at the beginning of the Period</b>	<b>9,415,999</b>	<b>2,266,268</b>
<b>Cash and Cash eq. at the end of the Period</b>	<b>2,054,948</b>	<b>9,415,999</b>

**Karnimata Cold Storage Limited**

**Cash Flow Statement for the Period ended 31st March, 2014**

**Notes :**

1) The figures in the cash flow statement are based on or have been derived from the financial statement of the company as on 31.03.2014.

2) Figures in the bracket represents outflow of the cash & cash equivalent.

3) Cash & cash equivalents comprises of :

	<b>Year ended 31.03.2014</b>	<b>Year ended 31.03.2013</b>
	<b>Rs.</b>	<b>Rs.</b>
Cash in hand	224,946	522,533
Cash at bank	1,830,002	8,893,466
	<b>2,054,948</b>	<b>9,415,999</b>

**Auditor's Report**

We have examined the above Cash Flow Statement of **Karnimata Cold Storage Limited** for the year ended 31st March, 2014 from the records maintained by the company in the ordinary course of business.

As per our report of even date

**For BIDASARIA & ASSOCIATES**

(Chartered Accountants)

Firm Registration No. : 315101E

For and on behalf of Board of Directors

**R.K. BIDASARIA**

(Partner)

Membership No: 052251

**Pradip Lodha**

Managing Director

**Asha Iadia**

Director

Place: Kolkata

**Subrat Kumar Nayak**

Dated: 30th day of May, 2014

Company Secretary

## **Karnimata Cold Storage Limited**

### **Notes to the financial statements for the year ended 31st March, 2014**

#### **1. Corporate Information:**

Karnimata Cold Storage Limited was incorporated as a private limited company on 29<sup>th</sup> of April, 2011 later on converted into a public limited company w.e.f. 4<sup>th</sup> December, 2012 under the provisions of the Companies Act, 1956. The company is engaged in cold storage business. It initially set up during FY 2011-12, 18,000 M.T. Cold storage in Medinipur district (West Bengal) for preservation of potatoes and during the FY 2013-14 the capacity was increased by 7,500 M.T. The company came with Initial Public Offering (IPO) of Rs 303.6 Lakhs during the year and was listed on SME Platform BSE Limited on 18<sup>th</sup> March 2014.

#### **2. Basis of preparation of financial statements:**

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting following generally accepted accounting principles in India (GAAP) and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India & notified under the Companies (Accounting Standards) Rules 2006 as amended and the relevant provisions of the Companies Act, 1956. The financial statements are presented in Indian rupees.

#### **3. Summary of significant accounting policies:**

- a. Use of estimates:** The preparation of the financial statements in the conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.
- b. Fixed Assets:** Fixed assets are stated at historical cost of acquisition/construction inclusive of duties, taxes, incidental expenses and erection/commissioning expenses up to the date the asset is ready for intended use.
- c. Depreciation and amortization:** On fixed assets, depreciation is provided on straight line method. The rates of depreciation prescribed in Schedule XIV of the Companies Act, 1956, are considered as minimum rates.
- d. Impairment of assets:** At each Balance Sheet date, management assesses, using external and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the present value as determined above. Actual results could differ from those estimates.
- e. Inventories:** Items of inventories are measured at lower of cost or net realizable. Stock of stores, spares and consumables valued at weighted average basis.
- f. Revenue recognition:**

- i. **Sales:** Revenue is recognized to the extent that it is probable the economic benefits will flow to the company and revenue can be reliably measured. Revenue from sale of goods is when all the significant risks & rewards of ownership of the goods have been passed to the recognized buyers, usually on delivery of the goods. The provisions of AS-9 are complied with the extent applicable to the company.
  - ii. **Income and expenditure:** Income and Expenditure are accounted for on accrual basis, wherever ascertainable.
  
- g. Employee benefits:** Short-term employees' benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related service is rendered.  
Regarding post employment benefits, the registration under LIC Group Gratuity scheme is under process. Provision for gratuity has been made in the accounts on the basis of Actuarial valuation made by LIC.  
Provisions of Employees Provident Funds and Miscellaneous Provisions Act, 1952 are, at present, not applicable to the company.
  
- h. Foreign exchange transactions:** Since the company did not have any foreign exchange transactions, the provisions of AS -11 are not applicable to the company
  
- i. Borrowing cost:** Borrowing cost that are directly attributable to the acquisition/ construction of the qualifying asset are capitalized until the time all the substantial activities necessary to prepare such assets for the intended use are complete. All other borrowing costs are recognized as expenditure during the period in which they are incurred
  
- j. Government grants:** Government Grants related to fixed assets are adjusted with the value of fixed assets/credited to capital reserve.  
Govt Grants related to revenue items are adjusted with the related expenditure/taken on income.
  
- k. Share issue expenses** has been written off against securities premium account
  
- l. Contingencies:** Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise, or is a present obligation that arises from past events but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.
  
- m. Taxation:** 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 enacted in India. 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.



**KARNIMATA COLD STORAGE LIMITED**

**Notes to the financial statements for the period ended 31st March, 2014**

	<b>31.03.2014</b>	<b>31.03.2013</b>
<b>4 <u>Share Capital</u></b>		
<b>Authorised</b>		
<b>Equity Share Capital</b>		
80,00,000 Equity Shares of Rs. 10 each	80,000,000	80,000,000
(80,00,000 Equity Shares of Rs.10 each)	<u>80,000,000</u>	<u>80,000,000</u>
<b><u>Issued, Subscribed &amp; Paid-up</u></b>		
<b>Equity Share Capital</b>		
50,84,000 Equity Shares of Rs. 10 each	50,840,000	35,660,000
35,66,000 Equity Shares of Rs. 10 each	<u>50,840,000</u>	<u>35,660,000</u>
<b><u>Terms/Rights attached to Equity Shares</u></b>		

Equity Shares carry voting rights at the General Meeting of the Company and are entitled to dividend and to participate in surplus, if any, in the event of winding up.

**4(a) Reconciliation of the shares outstanding at beginning & at end of the reporting period**

	<b>FV Per Share</b>	<b>No. of Shares</b>	<b>FV Per Share</b>	<b>No. of Shares</b>
<b><u>Equity Shares:</u></b>				
Balance as at the beginning of the year	Rs 10/- Share	3,566,000	Re 1/- Share	33,350,000
Add: Addition during the year	Rs 10/- Share	1,518,000	Re 1/- Share	1,810,000
Total No. of Shares	Rs 10/- Share	5,084,000	Re 1/- Share	35,160,000

Face Value Changed from Re 1/- Per Share to Rs 10/- Per Share	NA	NA	Rs 10/- Share	3,516,000
Add: Addition during the year	NA	NA	Rs 10/- Share	50,000
Balance as at the end of the year	Rs 10/- Share	<b>5,084,000</b>	Rs 10/- Share	<b>3,566,000</b>

<b>4(b)</b>	<b>Current Year</b>		<b>Previous Year</b>	
	<b>% holding</b>	<b>No of shares held of Rs. 10 each</b>	<b>% holding</b>	<b>No of shares held of Rs. 10 each</b>
<b>Details of shareholders holding more than 5% equity shares in the company</b>				
	5.51	280,000	7.01	250,000
	11.41	580,000	14.58	520,000
		Pratyush Mercantile Private Limited		
		SRG Trading Private Limited		

**4(c)** The use of IPO proceeds as per the " objects of issue" is as follows : (Rs. In Lacs)

Funds raised through Initial Public Offering (IPO)	<b>303.60</b>
Deployed in providing seasonal loans to farmers/traders in FY 2013-14	267.30
Deployed in Issue Related Expenses	34.85
Deployed in providing seasonal loans to farmers/traders in FY 2014-15	1.45
	<b>303.60</b>

## **5 Reserves and Surplus**

### **Securities Premium Account**

Opening Balance	-	-
Additions during the year	15,180,000	-
Deductions during the year		-
Set off IPO Expenses	(3,485,113)	-
<b><u>Closing Balance</u></b>	<b>11,694,887</b>	-

**Surplus/(Deficit) in the Statement of Profit & Loss**

Balance as per last Financial Statements	744,172	467,257
Add: Profit for the year	663,906	276,915
<b>Net Surplus /(Deficit)</b>	<b>1,408,078</b>	<b>744,172</b>

**6 Long Term Borrowing****Secured**

Term Loan (old) from State Bank of India, Garbeta	41,999,596	47,996,610
Term Loan (new) from State Bank of India, Garbeta	28,000,000	-

**Unsecured**

From Bodies Corporate	-	5,800,000
	<b>69,999,596</b>	<b>53,796,610</b>

*\* Secured by way of equitable mortgage of land, situated at Chekuasole, Goalture, Paschim Medinipur, 2 residential flats - one situated at paschim medinipur and one situated at kolkata, land & building at Salbony(paschim medinipur) fixed deposits of Rs. 65 lacs, SBI Life Insurance of Rs. 5 lacs and third party guarantee given by directors of the company.*

*Sactioned Rs. 6 crores on 18.11.2011 and now bears interest @ 12.95% p.a. repayable in 16 half yearly installments comprising of 1st 6 installments of Rs. 30 lacs each next 6 installments of Rs. 40 lacs each and last 4 installments of `Rs.45 lacs each due on 30th June and 31st December each year, starting from 30/06/2012.*

*Sactioned Rs.3 crores on 28.01.2014 and bears interest @ 13.70% p.a. repayable in 16 half yearly installments comprising of 1st 4 installments of Rs. 10 lacs each next 8 installments of Rs.15 lacs each next 2 installments of Rs.30 lacs each and last 2 installments of Rs.40 lacs each due on 30th September and 31st March each year, starting from 30/09/2014.*

**7 Short Term Borrowing****Loans Repayable on Demand from SBI, Garbeta (Secured)**

Primary Marketing Loan (PML) *	26,341,750	35,105,000
Working Capital Loan **	5,890,916	-

**Unsecured:**

From Directors***	1,600,000	-
	<b>33,832,666</b>	<b>35,105,000</b>

\* Bearing Interest @ 13.50% p.a. sanctioned on 10.03.2014, secured by way of assignment of receipts of potatoes stored.

\*\* Secured against hypothecation of stocks, fuel, lubricants, book debts, rent receivables and other current assets of the company, bearing interest @ 13.50% p.a.

\*\*\* Without any Interest, Repayable on demand

**8 Other Current Liabilities**

Current Maturities of Long Term Debt (Term Loan - SBI)	8,000,000	6,000,000
Interest accrued but not due on borrowings from Banks:		
Term Loan (old)	2,186,439	2,340,581
Term Loan (new)	606,072	-
Working Capital Loan	193,456	112,564
Primary Marketing Loan	204,566	-
Creditors for Capital Goods	117,543	163,249
Other Payables	1,158,838	1,236,099
	<b>12,466,914</b>	<b>9,852,493</b>

**9 Short Term Provisions**

Income Tax Provision (Net of TDS)	75,906	-
	<b>75,906</b>	-

## 10) Tangible Assets

Particulars	Rate	Gross Block				Depreciation				Net Block	
		As on 01.04.2013	Addition during the year	Deletion during the year	As on 31.03.2014	As on 01.04.2013	For the year	Adjustment	As on 31.03.2014	As on 31.03.2014	As on 31.03.2013
Land & Land Development	0.00%	7,269,920	-	-	7,269,920	-	-	-	-	7,269,920	7,269,920
Building	1.63%	9,525,592	4,260,548	-	13,786,140	149,330	161,165	-	310,495	13,475,645	9,376,262
Plant and Machinery	5.28%	73,799,601	32,098,374	-	105,897,975	4,100,093	4,040,560	-	8,140,653	97,757,322	69,699,508
Vehicles	9.50%	778,486	-	-	778,486	78,578	73,956	-	152,534	625,952	699,908
Electric Line Installation	5.28%	1,637,935	1,417,827	-	3,055,762	92,390	92,841	-	185,231	2,870,531	1,545,545
Furniture	6.33%	175,730	29,350	-	205,080	9,242	12,895	-	22,137	182,943	166,488
Laptop & Computer	16.21%	13,195	6,050	-	19,245	2,285	2,225	-	4,510	14,735	10,910
<b>Total</b>		<b>93,200,459</b>	<b>37,812,149</b>	<b>-</b>	<b>131,012,608</b>	<b>4,431,918</b>	<b>4,383,642</b>	<b>-</b>	<b>8,815,560</b>	<b>122,197,048</b>	<b>88,768,541</b>
Previous Year		90,668,367	2,532,092	-	93,200,459	282,513	4,149,405	-	4,431,918	88,768,541	-

## 11 Long Term Loans & Advances

*(Unsecured, Considered Good)*

Advance Tax and TDS Receivable	1,792	1,792
MAT Credit Entitlement	269,507	142,305
	<b>271,299</b>	<b>144,097</b>

## 12 Other Non Current Assets

*(Unsecured, Considered Good)*

### Other Bank Balances:

Deposits with Bank having original maturity exceeding 12 months

### Fixed Deposits

Principal Amount	6,825,000	4,500,000
Interest Accrued	1,002,687	522,195
SBI Life Insurance*	1,500,000	1,000,000

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**9,327,687**

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**6,022,195**

\* Sushila Lodha (Director )- Rs. 6,00,000/- (PY Rs 4,00,000) Pradip Lodha (MD) - Rs. 9,00,000 (P.Y. Rs. 6,00,000)

*Taken and pledged with SBI Garbeta as collateral security against term loan. No personal benefit arised or will arise to the policyholders.*

### **13 Inventories**

*(Valued at lower of cost and net realizable value)*

Stock-in-Trade - Potatoes	413,230	6,019,785
Stock of Stores and Spare Parts	427,186	568,424
Stock of Construction Materials	-	130,585
Stock of Diesel & Lubricants	204,800	268,100
	<hr/> <b>1,045,216</b> <hr/>	<hr/> <b>6,986,894</b> <hr/>

### **14 Trade Receivables**

*Unsecured, Considered doubtful, under litigation*

Outstanding for a period exceeding six months from the due date

	264,721	-
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*Secured by receipts of potato stored, Considered good*

Others	3,603,377	2,996,077
	<hr/> <b>3,868,098</b> <hr/>	<hr/> <b>2,996,077</b> <hr/>

### **15 Cash & Bank Balances**

Cash and Cash Equivalents:

Balances with Banks:

In Current Account	830,002	31,591
In Working Capital Account	-	7,693,851
In Fixed Deposits Account	-	1,168,024
In Axis Bank Public Issue Account	1,000,000	-
Cash in Hand	224,946	522,533

(As Certified by the Management)

	<u>2,054,948</u>	<u>9,415,999</u>
<b>16 <u>Short Term Loans &amp; Advances</u></b>		
<i>(Unsecured, Considered Good)</i>		
Loans & Advances	40,986,462	20,824,472
Others Receivables	567,289	-
	<u>41,553,751</u>	<u>20,824,472</u>
<b>17 <u>Revenue from Operations</u></b>		
Rent from Potato Storage	26,742,448	20,389,044
Sale of Potatoes	11,513,220	14,463,567
Interest Income From Loan to Traders/Farmers	1,391,303	1,459,520
	<u>39,646,971</u>	<u>36,312,131</u>
<b>18 <u>Other Income</u></b>		
Sale of Scrap	60,974	460,364
Interest Income:		
On FD with SBI (TDS:- Rs 55,890, PY Rs 54560)	558,850	545,577
Insurance Claim	1,178,756	368,875
Miscellaneous Income	138,869	40,345
	<u>1,937,449</u>	<u>1,415,161</u>
<b>19 <u>Purchase of Stock-in-Trade</u></b>		
Purchase of Potatoes	5,298,830	13,325,510
	<u>5,298,830</u>	<u>13,325,510</u>
<b>20 <u>Change in Inventories of Stock-in-Trade</u></b>		
Stock-in-Trade at the beginning of the year	6,019,785	2,416,855
Stock-in-Trade at the end of the year	413,230	6,019,785
	<u>5,606,555</u>	<u>(3,602,930)</u>

<b>21</b>	<b><u>Employee Benefit Expenses</u></b>		
	Salary & Wages	1,527,400	1,598,430
	Staff Welfare Expenses	113,692	13,173
	LIC Gratuity Fund	92,697	-
		<b>1,733,789</b>	<b>1,611,603</b>
<b>22</b>	<b><u>Finance Cost</u></b>		
	a) Interest Expenses		
	Interest to Bank	10,616,058	11,674,424
	Interest on Delayed Payment of Advance Tax	3,644	3,132
	b) Other Borrowing Cost		
	Primary Marketing Loan Processing Fees	91,200	105,000
	Working Capital Processing Fees	22,500	18,000
		<b>10,733,402</b>	<b>11,800,556</b>
<b>23</b>	<b><u>Depreciation &amp; Amortisation Expenses</u></b>		
	Depreciation	4,383,642	4,149,405
	Preliminary Expenses Written Off	-	558,850
		<b>4,383,642</b>	<b>4,708,255</b>
<b>24</b>	<b><u>Other Expenses</u></b>		
	Power and Fuel	6,592,761	5,752,273
	Consumption of Stores and Spare Parts	488,650	424,556
	Rates and Taxes	84,900	50,705
	Repair to Building	77,740	140,830
	Repair to Machinery	267,285	402,169
	Insurance	1,707,829	1,768,210
	Marketing Fees	158,625	144,900
	Bank Charges	66,352	7,063
	Loading - Daily Labour	2,032,504	-



Market Making Fees	20,000	
Payment to Auditors:		
As Auditors		
Audit Fee	16,854	16,854
Miscellaneous Expenses	1,650,796	461,070
	<b>13,164,296</b>	<b>9,168,630</b>

**25 Extraordinary Items** are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the company and, therefore, are not expected to recur frequently or regularly. Rs. 4,38,753 treated as extraordinary item in the Statement of Profit & Loss pertains to loss due to robbery that took place in the previous year.

**26 Earning per share:**

	31.03.2014	31.03.2013
( a ) Profit after taxation as per Statement of Profit & Loss	663,906	276,915
( b ) Weighted average number of equity share outstanding	3,649,178	3,528,778
*( c ) Basic and diluted earning per share in rupees.	0.18	0.08

(Face Value Rs.10/- per share)

\* For each 10 Equity shares of the company having face value of Rs. 1/- each, have been consolidated into 1 equity share of Rs. 10/- each, pursuant to the approval of share holders at the EGM held on 26th November, 2012. In accordance with AS-20 "Earning Per Share" the per share calculations for the year ended 31st March, 2013, the previous year, have been presented based on the revised number of shares to make them comparable.

**27 Contingent liability** **1,300,000** **1,300,000**

(for bank guarantee given in favour of WBSED CO.LTD.)

**28 Deferred Tax Asset**

On Carry forward of losses for the year under Income Tax Act in compliance with AS 22 and in consideration of prudence, no deferred tax asset has been created as there is no virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. On the same grounds no deferred tax Assets has been created in respect of Preliminary expenses.

**29 Government grants:** The Company has applied for state subsidy under The West Bengal State Support for Industries Scheme, 2008 but no subsidy received during the year.

**30 Related Party Disclosure**

(Parties with whom transactions have taken place during the year.)

<u>Name of the related parties</u>	<u>Short Name</u>	<u>Relationship</u>
(i) Pradeep Lodha	PL	Managing Director
(ii) Asha Ladia	AL	Director
(iii) Sushila Lodha	SL	Director
(iv) Supreme Lodha	SPL	Son of PL & SL
(v) Subrat Kumar Nayak	SKN	Company Secretary
(vi) Karunamoy Bandyopadhyay	KB	Manager
(vii) Nand Lal Lodha	NLL	Father of PL
(viii) Janu Infrastructure Pvt. Ltd.	JIPL	Associates of the Company
(ix) Pratyush Mercantile Pvt. Ltd.	PMPL	Associates of the Company
(x) SRG Trading Private Ltd.	STPL	Associates of the Company

The above parties are related parties in the broader sense of the term and are included for making the financial statements more transparent.

<b>Transactions Description</b>	<b>Name of Related Parties</b>	<b>During the year ended 31st March, 2014 (Rs.)</b>	<b>During the year ended 31st March, 2013 (Rs.)</b>
a) Short Term borrowing taken	PL	300,000	-
b) Short Term borrowing taken	SL	2,000,000	-
c) Repayment of Short Term Borrowings	SL	700,000	-
d) Remuneration	PL	126,000	-
e) Remuneration	SL	75,000	150,000
f) Remuneration	AL	60,000	120,000
g) Remuneration	SPL	195,000	-
h) Remuneration	SKN	100,500	-
i) Remuneration	KB	156,000	-
j) Rent Paid	NLL	156,000	18,000
k) Allotment of Shares (24000 Shares)	PL	480,000	-

l) Allotemnt of Shares (24000 Shares)	SL	480,000	-
m) Allotemnt of Shares (24000 Shares)	AL	480,000	-
n) Allotemnt of Shares (60000 Shares)	STPL	1,200,000	-
o) Allotemnt of Shares (30000 Shares, PY 30000 Shares)	PMPL	600,000	300,000
p) Advance Taken/ (repayment)	JIPL	(800,000)	800,000

Year End Balance of Short Term borrowings:- PL- Rs 3,00,000/-, SL 13,00,000/-, (Previous Year- PL- Nil, SL- NIL)

Year End Balance of Advance Taken/ (repayment):- JIPL- NIL, (Previous Year- JIPL - 8,00,000)

- 31** In the opinion of the board of directors, the current assets, loans and advances are approximately of the realisable value in the ordinary course of business unless otherwise stated. The Provision for all known liabilities are adequate and are not in excess of the amount reasonably necessary.
- 32** Based on the Information available with the company, the balance due to micro, small and medium enterprises as defined under the "Micro, small & medium enterprises development Act, 2006" is NIL
- 33** Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's disclosure.

As per our report of even date

**For BIDASARIA & ASSOCIATES**

(Chartered Accountants)

Firm Registration No. : 315101E

For and on behalf of Board of Directors

**R.K. BIDASARIA**

(Partner)

**Pradip Lodha**

**Asha Ladia**

Membership No: 052251

Managing Director

Director

Place: Kolkata

**Subrat Kumar Nayak**

Dated: 30th day of May, 2014

Company Secretary



## KARNIMATA COLD STORAGE LIMITED

CIN- L01403WB2011PLC162131

Regd. Office: Vill: Chekuasole, Po: Jogerdanga, Ps: Goaltore, Dist: Paschim Medinipur, West Bengal-  
721 121

### ATTENDANCE SLIP

### 3<sup>RD</sup> ANNUAL GENERAL MEETING

DP Id* _____	Name and Address of the registered shareholder
Client Id* _____	_____
Regd. Folio No. _____	_____
	_____

\*Applicable for shareholding in electronic form.

I certify that I am a registered shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the Third (3<sup>rd</sup>) Annual General Meeting of the Company held on 25<sup>th</sup> September, 2014 at 2.00 PM at Vill: Chekuasole, Po: Jogerdanga, Ps: Goaltore, Dist: Paschim Medinipur, West Bengal- 721 121.

**Signature of Shareholder/Proxy**

#### Note:

1. Please complete this attendance slip and hand it over at the entrance of the meeting hall.
2. Only shareholders of the Company or their proxies will be allowed to attend the meeting on production of the attendance slip duly completed and signed.



## KARNIMATA COLD STORAGE LIMITED

CIN- L01403WB2011PLC162131

Regd. Office: Vill: Chekuasole, Po: Jogerdanga, Ps: Goaltore, Dist: Paschim Medinipur, West Bengal-  
721 121

3<sup>RD</sup> ANNUAL GENERAL MEETING

### PROXY FORM

I / we, being the member (s) holding \_\_\_\_\_ shares of the above named Company, hereby appoint

1. Name :  
Address :

Email Id :

Signature:

(or failing him)

2. Name :  
Address :

Email Id :

Signature: (or failing him)

3. Name :  
Address :

Email Id :

Signature:

as my / our proxy to attend and vote for me/us and on my/our behalf at the 3<sup>rd</sup> Annual General Meeting of the Company, to be held on 25<sup>th</sup> September, 2014 at 2.00PM at Vill: Chekuasole, Po: Jogerdanga, Ps: Goaltore, Dist: Paschim Medinipur, West Bengal- 721 121 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Business	Vote (Optional. See Note 4) (Please mention no. of shares)		
		For	Against	Abstain
1	Adoption of Financial Statements			
2	Reappointment of Ms Asha Ladia, who retires by rotation			
3	Appointment of Auditors and fixing their remuneration.			
4	Appointment of Ms Venus Kedia as an Independent Director			
5	Appointment of Ms Kalpana Agrawal as an Independent Director			
6	To increase the remuneration of Managing Director Mr. Pradip Lodha.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Signature of the Member:

Affixed  Rs.1 revenue stamp
---

Registered Folio No.: \_\_\_\_\_ DP Id\*: \_\_\_\_\_ Client Id\*: \_\_\_\_\_

\*Applicable for shareholding in electronic form.

Note:

1. The Proxy need not be a member.
2. The Proxy form must be submitted so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.
3. In case of joint holders, the signature if any one holder will be sufficient but names of all the joint holders should be stated.
4. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

**BOOK POST**

**To**



*If undelivered please return to*

**KARNIMATA COLD STORAGE LIMITED**


**CIN: L01403WB2011PLC162131**

Vill: Chekuasole, Po: Jogerdanga, Ps: Goaltore

Dist: Paschim Medinipur, WB- 721121

## FORM A

Format of covering letter of Annual Audit Report to be filed with the Stock Exchange

1	Name Of The Company	KARNIMATA COLD STORAGE LIMITED
2	Annual Financial Statements For The Year Ended	31 <sup>st</sup> March, 2014
3	Type of Audit Observation	Unqualified
4	Frequency of Observation	Whether appeared first time /repetitive/since how long period Nil
5	To be signed  CEO/Managing Director  CFO  Auditor of the Company  Audit Committee Chairman	  As on 30 <sup>th</sup> May, 2014 the Company has not appointed CFO.  