



32nd Annual Report 2015-16

Kalindee Rail Nirman (Engineers) Ltd.
(CIN No. L64120DL1984PLC114336)



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CORPORATE INFORMATION

Directors

Mr. Sandeep Fuller, Managing Director
 Mr. Hemant Kumar, Director
 Mr. Shanti Narain, Director
 Mr. Suresh Kumar Khanna, Director
 Mr. Kamal Kishore Agarwal, Director
 Mr. Mahendra Kumar Khanna, Director
 Mrs. Akella Rajalakshmi Venkateshwar, Director
 Mr. Varun Bharthuar, Director
 Mr. Dulal Chandra Mitra, Director
 Mr. Pervesh Kumar Gandhi, Director
 Mr. M S Mohan Kumar, Executive Director

Auditors

M/s. S.S. Kothari Mehta & Co., New Delhi.

Bankers

State Bank of India
 State Bank of Patiala
 Axis Bank Limited
 ICICI Bank Limited
 HDFC Bank Limited
 IndusInd Bank Limited
 IDBI Bank Limited
 Yes Bank Limited

Registered Office

F-5, Gautam Nagar, Gulmohar Park Road,
 New Delhi - 110049

Corporate Office

2nd Floor, Building No. 9A, Cyber City,
 DLF Phase – III, Gurgaon – 122 002.
 Phone : 0124 - 4674800
 Fax : 0124 - 4674887/888
 Website : www.kalindee.net

Registrar & Share Transfer Agent

MCS Share Transfer Agent Limited
 F-65, 1st Floor, Okhla Industrial Area
 Phase -I, New Delhi – 110 020.
 Phone : 011 - 41406149
 Fax : 011 - 41709881
 Email : admin@mcsregistrars.com

Company Secretary

Mr. Anil Sharma

Chief Financial Officer

Mr. Prakash Chandra Kejriwal

CIN : L64120DL1984PLC114336

Our Board of Directors



Mr. Sandeep Fuller, Managing Director, is a highly qualified young professional about 50 (B.Tech'86, IIT Kanpur & PGD in Management). He brings with him an outstanding experience of his working for nearly 21 years with Indian Railways in various capacities, and thereafter Larsen & Toubro before taking over his present assignment. His core experience is in the domain of Metro Coaches, Locomotives, Traction and maintenance. He has been a recipient of several distinguished awards for outstanding performance, notably the Railway Minister's Award for the year 2008-09 for Mumbai Railway operations including suburban operations. He has to his credit a series of papers presented by him on Modern Rolling Stock used in Delhi Metro and other related subjects. His high academic attainments and job experience are backed by specialized professional training at France in IT, University of York, UK, in International Traction Systems and other innovative programmes in Singapore and Malaysia.



Mr. Hemant Kumar, Director, is a graduate in Electrical Engineering from Agra University of the class of 1961. He started his professional career with L&T with having tenure of about 10 years. He joined STC of India Ltd in 1970 as Marketing Manager handling Project Export of Textile Machinery and successfully executed number of Projects in Egypt, South Korea & other countries. He has been with Texmaco Limited for over 36 years and has handled various challenging assignments including heading Marketing of Textile Machinery Division, International Division as Sr. Vice President, New Delhi. In 1983, he was deputed to Birla Textiles (Prop. Texmaco Limited), Delhi as Chief Executive where he successfully re-structured the operation with a remarkable turnaround. He presently holds the charge as Executive Director, Texmaco Infrastructure & Holding Limited, Delhi spearheading the Company's forays in Real Estate Sector. Mr. Hemant Kumar is closely associated with Birla Institute of Technology and Science (BITS), Pilani as Member of the Board of Governors. He was President of Textile Association Delhi and Vice Chairman of Textile Machinery Manufacturers Association. Mr. Hemant Kumar is also the Member Secretary, KK Birla Academy.



Mr. Shanti Narain, Director, is a former Member (Traffic), Railway Board, Ministry of Railways and ex-officio Secretary to the Government of India. He has 39 years of experience of managing Operating and Commercial Departments of Indian Railways at all levels of hierarchy including the Apex level. He has thorough knowledge and expertise in working of Railways. He has rich experience of corporate management. He is also a Consultant to Asian Development Bank and Government of Bangladesh for reforms and restructuring program for Bangladesh Railways.



Mr. Suresh Kumar Khanna, Director, is a former Member (Electrical), Railway Board, Ministry of Railways and ex-officio Secretary to the Government of India. He looked after monitoring and planning of the working of Electrical and Signal & Telecommunication Departments of Indian Railways. He is technically sound and has expert knowledge of management of Railways. He has held various important posts in Indian Railways in Executive and Administrative capacity. He has brought his expertise and knowledge forward to help Kalindee plan for business growth.



Mr. K. K. Agrawal, Director, has 39 years of long and wide experience of working in Indian Railways in various capacities of administrative, technical and management functions. He is a former Member (Traffic), Railway Board, Ministry of Railways and ex-officio Secretary to the Government of India. As a Railway Board member his duties involved monitoring and guiding Commercial and Operational, Safety and Strategic Planning activities for entire network of Indian Railways. His association has been very beneficial to Kalindee in planning their activities for building Railway Infrastructure.



Mr. Mahendra Kumar Khanna, Director, a retired IAS Officer, has more than 41 years of long administrative experience including six & half years in Indian Army. As an IAS officer he has held several senior assignments including Commissioner, Housing Board and Commissioner Industries in the state of Rajasthan. His immense exposure and experience in Govt. is expected to bring in certain dynamism in the company. His was inducted in the Board on 29.04.2011.



Mrs. Akella Rajalakshmi Venkateshwar, Director is a postgraduate in Textiles from Madras University has 37 years of experience in Railway Finance & Accounts in various capacities in Central, southern, south Central, East Coast and North Eastern Railway, She has wide-ranging experience in Project and Contract Management, Budgets and Financial Control, personnel and Material Management besides Accountal of Revenue Receipts. She has also worked as Director of Indian Railway institute of Financial Management, Secunderabad.



Mr. Varun Bharthuar, Director is presently the Chief Executive (Projects) of Texmaco Rail & Engineering Limited. Mr. Bharthuar earned his reputation as an earnest and devoted professional with degrees in Mechanical and Electrical Engineering from the Council of Engineering Institutions, London, and Institution of Engineers, India. He also holds Masters Degree in Business Administration. Mr. Bharthuar has to his credit an outstanding career of 38 years with Indian Railways in various capacities including Technical and Administrative Management related to operational logistics of train movements, maintenance of Coaches and Wagons and Manufacturing Units. During this period, he worked both as a leader and a player on cross-functional teams in the areas of Operations, Project Management, Macro-Engineering, Maintenance and Human Resource Optimization & Welfare. He retired from Indian Railways in July, 2012 with his last prestigious assignments as General Manager, Eastern Railway, and General Manager, East Central Railway. Mr. Bharthuar as the General Manager of East Central Railway exercised financial control over pilot projects having an annual outlay of close to Rs.4,500 crores and was the Executive Head of over 75000 employees (including officers of the Central Organised Services of the Government of India).



Mr. Dulal Chandra Mitra, Director has joined Texmaco Rail & Engineering Limited, as Senior Vice President (Bridges) on and from he 16th April 2014. Mr. Mitra is highly acclaimed and qualified professional with a degree in Civil Engineering from Jadavpur University and Fellow of Institute of Engineers (India) and Institute of Permanent Way Engineers. Mr. Mitra has to his credit an outstanding career of 35 years with Indian Railways in various capacities including Technical and Administrative Management related to Construction projects, Bridge, Track maintenance, operational logistics of train movements etc. He was also the Managing Director of RVNL prior to his retirement and spearheaded many critical and important projects of Indian Railways. He has been trained in numerous countries for up-gradation of Railway systems. He had been to DB Railways, Germany on a World Bank Program and Egypt on invitation from Egyptian Government to advise on improvements of Egyptian National Railways.



Mr. Pervesh Kumar Gandhi, Director is Group President, Human Resources, has been associated with Adventz since 2009. A leading HR practitioner with a rich experience of over 36 years, he has worked for notable organizations such as Tata Steel, Bechtel and Punj Lloyd Ltd. before joining the Adventz Group. At Tata Steel, he played a pivotal role in designing several of the HR practices for which the company is renowned. His areas of interest include organisation development, strategy, management training, leadership and change management. Mr. Gandhi drives the strategic imperative of the Adventz' vision: to be an Indian conglomerate with global ambitions that participates in and contributes to the country's growth and prosperity through transformational change. A graduate from the prestigious Shri Ram College of Commerce (SRCC), he post-graduated in Personnel Management from Xavier Institute of Social Service, Ranchi in 1977. As a special interest, Mr. Gandhi has been actively associated with sustainability initiatives since 1982, long before CSR became a buzzword for corporates.



Mr. M S Mohan Kumar is a qualified Electrical Engineer experience of 26+ years encompassing a gamut of varied responsibilities including strategic planning, tendering, sales & marketing along with profit & loss management of strategic Business units in electrical System and equipment sector, steel strategy formulation & implementation, application engineering, operations management, enhancing quality standards and site execution. Adept at contract management, generating new business and responsibility, building & management. Develop and manage sizeable teams along with fostering capability of professionally qualified team members.

KALINDEE RAIL NIRMAN (ENGINEERS) LTD.
CIN No. – L64120DL1984PLC114336
Registered Office :F-5, Gautam Nagar, Gulmohar Park Road, New Delhi- 110049
Email: info@kalindee.net, Website: www.kalindee.net
Phone No.: 011-26857375

Notice to Shareholders

Notice is hereby given that the 32nd Annual General Meeting of KALINDEE RAIL NIRMAN (ENGINEERS) LIMITED will be held on Friday, the 30th day of September, 2016 at 11.00 a. m. at Saras Garden, G T Karnal Road, Mukhmel Pur Bandh, Near Hanuman Mandir, Alipur, Delhi 110 036, to transact the following businesses :

AS ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company, the Directors' and Auditors' Report thereon for the year ended 31st March, 2016.
2. To appoint Director in place of Mr. Sandeep Fuller (DIN: 06754262), who retires by rotation and being eligible, offers himself for re - appointment.
3. To appoint Director in place of Mr. Varun Bharthuar (DIN:03345634), who retires by rotation and being eligible, offers himself for re - appointment.
4. To ratify the appointment of Statutory Auditors, and to fix their remuneration. In this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution :

“**RESOLVED THAT** pursuant to the provisions of Section 139 (2) and 142(1) read with Chapter V of the Companies Act, 2013 the appointment of M/s. S.S. Kothari Mehta & Co., Chartered Accountants (Firm registration No. : 000756N), New Delhi be and is hereby noted and ratified and that Board be and is hereby authorized to finalise remuneration including various out of pocket expenses incurred therein, as may be determined and finalized by the Board of Directors in consultation with Statutory Auditors.”

AS SPECIAL BUSINESS:

Item no. 5

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

“**RESOLVED THAT** pursuant to the provisions of sections 197, 198 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013, Mr. Mohan Kumar Mysore Subbanna (DIN No. 07426606), who was appointed as an Additional Director of the Company w.e.f. 4th February, 2016 by the Board of Directors and who holds office as per section 161 of the Companies Act, 2013 ('Act') up to the date of this Annual General Meeting and in respect of whom, the Company has, pursuant to Section 160 of the Act, received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as an Executive Director of the Company, w.e.f. 4th February, 2016 as stated in the Explanatory Statement.”

By order of the Board
Sd/-
Hemant Kumar
Director
DIN: 03599801

Place: Gurgaon
Date: 23.07.2016

Notes:

- (i) *A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of him/her behalf and the proxy need not be a Member of the Company.*

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

Proxy shall carry his / her identity proof (any one of PAN Card, Voter ID Card, AADHAR Card, Driving License, Passport) at the venue of Annual General Meeting.

- (ii) The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
- (iii) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- (iv) The Register of Members and Transfer Books of the Company will be closed from Saturday, 24th day of September, 2016 to Friday, 30th day of September, 2016 (both days inclusive).
- (v) In terms of Section 152 of the Companies Act, 2013, Mr. Sandeep Fuller (DIN: 06754262) and Mr. Varun Bharthuar (DIN: 03345634), retire by rotation at the Meeting and being eligible, offer themselves for re - appointment. The Board of Directors of the Company recommend their respective re - appointments. Details of Directors proposed to be appointed/ re - appointed as required in terms of SEBI Listing Regulations entered with Stock Exchange and Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India are provided in the Report on Corporate Governance forming part of the Annual Report.
- (vi) The Explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the Special Business(es) to be transacted at the Meeting is annexed hereto.
- (vii) Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- (viii) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agent, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to MCS Share Transfer Agent Limited, being the Registrar for the Company.

- (ix) Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or MCS Share Transfer Agent Limited for assistance in this regard.
- (x) Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
- (xi) In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- (xii) Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
- (xiii) To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with RTA/Depositories.
- (xiv) Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office and Corporate Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
- (xv) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / MCS Share Transfer Agent Limited.
- (xvi) M/s. SPJ & Co., Company Secretaries, New Delhi has been appointed as scrutinizer for e-voting process as well as voting at the venue of Annual General Meeting.
- (xvii) Voting through electronic means:
 - (a) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 (Amended Rules, 2015) and Regulation 44 of the Listing Regulations (Voting by Shareholders) and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the 32nd Annual General Meeting (AGM) by Electronic means and the business may be transacted through e-voting services..
 - (b) The Company has engaged the services of Central Depository Services Limited (“CDSL”) as the Agency to provide e-voting facility.
 - (c) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. Thursday, 22nd September, 2016.

- (d) Voting rights will be reckoned on the paid –up value of shares registered in the name of the Members as on Thursday, 22nd September, 2016 (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date will be entitled to cast their votes by remote e-voting.
- (e) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Thursday, 22nd September, 2016 may obtain the User ID and password in the manner as mentioned below:
- The voting period begins on Monday, 26th September, 2016 from 9.00 a.m. and ends on Thursday, 29th September, 2016 (both days inclusive) at 5.00 p.m. 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) i.e. Thursday, 22nd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - The Shareholder who have already casted their vote through remote e-voting cannot vote again. However, such Shareholder shall be entitled to attend the Meeting
 - The shareholders should log on to the e-voting website www.evotingindia.com.
 - Click on Shareholders.
 - 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.

Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below :

For Members holding shares in Demat Form and Physical Form

| | |
|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on envelope on Annual Report. • In case the sequence 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. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details or Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth in (dd/mm/yyyy) format as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- After entering these details appropriately, click on “SUBMIT” tab.
- Members holding shares in physical form will then directly reach 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.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant Kalindee Rail Nirman (Engineers) Limited on which you choose to vote.
- 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.
- Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 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.
- Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- 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.
- Note for Non – individual Shareholders and Custodians.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- 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, under help section or write an email to helpdesk.evoting@cdslindia.com.
- The chairman shall at the AGM, at the end of discussion on the resolution on which voting held with the assistance of scrutinizer, allow use of ballot papers for all those members who are present at the AGM but have not casted their votes by availing the remote e-voting facility.
- The Results of the e-voting will be declared on or after the date of the AGM i.e. Friday, 30th September, 2016. The declared Results, along with the Scrutiniser's Report will be available on the Company's website www.kalindee.net and on the website of CDSL www.cdslindia.com, such Results will also be forwarded to the Stock Exchanges where the Equity Shares of the Company are listed.
- Shareholders who are not the Members of the Company as on the record date shall treat this Notice for information purpose only.

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 5

Mr. Mohan Kumar Mysore Subbanna (DIN: 07426606) who was appointed as an Additional Director on the Board of Directors of the Company w.e.f. 4th February, 2016 and has been designated as an Executive Director of the Company. As per the provisions of Section 161 of the Companies Act, 2013, Mr. Mohan Kumar shall hold office up to the date of the ensuing Annual General Meeting of the Company, and he has expressed his intention and eligibility to continue acting as director and has accordingly furnished declaration as required under section 164, 184 and 167 of the Companies Act, 2013.

Background Details

Mr. Mohan Kumar Mysore Subbanna is a qualified Electrical Engineer with experience of more than 26 years encompassing a gamut of varied responsibilities including strategic planning, tendering, sales & marketing along with profit & loss management of strategic business units in electrical system and equipment sector, steel strategy formulation & implementation, application engineering, operations management, enhancing quality standards and site execution. He has adequate experience in contract management, generating new business management techniques to develop and manage sizeable teams of professionally qualified personnel.

Remuneration Proposed

Pursuant to the provisions of Sections 196, 197 and 203 and any other applicable provisions read with Schedule V of the Companies Act, 2013 together with the Rules framed thereunder (including any Statutory modification(s) or re-enactment thereof Mr. Mohan Kumar Mysore Subbanna be appointed on the following terms and conditions:-

| | | |
|---|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Salary | Rs. 3,10,000 per month with increments as may be decided by the Board of Directors from time to time within the ceiling as prescribed under the provisions of applicable laws, if any. |
| 2 | Perquisites CATEGORY –A | |
| | a) Housing | Free furnished accommodation or HRA up to 40% of the basic salary. |
| | b) Medical Reimbursement | Reimbursement of actual expenses incurred for self and his family subject to the ceiling of one month's salary. |
| | c) Leave Travel Concession | For Self and his family once in a year subject to the ceiling of one month's salary. |
| | d) Bonus/ Exgratia | As per the Rules of the Company. |
| | e) Leave | As per the Rules of the Company. |
| | f) Conveyance | Car with chauffeur provided by Company. |
| | CATEGORY – B | |
| | a) Contribution to Provident Fund | As per the Rules of the Company |
| | b) Gratuity | As per the Rules of the Company |

- a) Besides the remuneration proposed to be paid to him, the Executive Director does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.
- b) The information and disclosure of the remuneration paid to the Executive Director have been mentioned in the Annual Report under the Corporate Governance Report.
- c) Except Mr. M S Mohan Kumar, no other Director or Key Managerial Personnel including their relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to their Shareholding interest, if any, in the Company.
- d) The Company has received valid notice and requisite deposit from a Member of the Company under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. M S Mohan Kumar for appointment as an Executive Director.

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting in pursuance of SEBI (Listing Obligations and Disclosure Requirements), 2015

| Name of Director | Mr. Sandeep Fuller | Mr. Varun Bharthuar | Mr. M S Mohan Kumar |
|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Age (in years) | 50 | 64 | 50 |
| Qualification | B.Tech & PGD in Management | B. Tech, C. Eng., Masters in Business Administration | B. Eng. |
| Date of First Appointment on the Board | 7th February, 2014 | 31st August, 2015 | 4th February, 2016 |
| Expertise in specific functional areas | <ul style="list-style-type: none"> • Experience of 21 years with Indian Railways in various capacities and in Larsen & Toubro. • Core experience in the domain of Rolling Stock, Metro Coaches, Locomotives, Traction and Maintenance. | <ul style="list-style-type: none"> • Experience of 39 years with Indian Railways in various capacities. • Worked as a leader and a player on cross-functional terms in the area of Operations, Project Management, Macro-Engineering, Maintenance and Human Resource Optimization & Welfare. | <ul style="list-style-type: none"> • Experience of 26 years encompassing a gamut of varied responsibilities including strategic planning, tendering, Sales & Marketing etc. • Adequate experience in contract management, enhancing quality standards and site execution. |
| Remuneration last drawn (in Lacs.) | Nil | Nil | 7.08 |
| Shareholding in the Company | Nil | Nil | Nil |
| Relationship with other Director in the Company | Nil | Nil | Nil |
| Directorship held in other Companies | <ul style="list-style-type: none"> • Texmaco Rail & Engineering Limited • Bright Power Projects (India) Private Limited • Texmaco Hi-tech Private Limited | Nil | Nil |

| | | | |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|
| | <ul style="list-style-type: none"> • Wabtec Texmaco Rail Private Limited • TouaxTexmaco Railcar Leasing Private Limited • Simon India Limited* | Nil | Nil |
| Chairmanship/Membership of Committees in Companies including those in the Company | <ul style="list-style-type: none"> • Stakeholder Relationship Committee (Member) • Corporate Social Responsibility Committee (Member) of the Company • Texmaco Hi-tech Private Limited • Audit Committee (Member) • Nomination & Remuneration Committee (Member) | Nil | Nil |

**Appointed w.e.f.10th May, 2016*



DIRECTORS' REPORT 2015-16

Dear Members

Your Directors have pleasure in presenting the 32nd Operational Annual Report of the Company along with the Audited Financial Statements of the company for the year ended 31st March, 2016.

OPERATIONS

The revenue from operations continued to grow at a healthy rate and has now touched a figure of Rs.372 crores which on year-to-year basis has increased by 20% and comparing to the performance of orders book, the growth is nearly 50%. This growth is better than the average growth in the business sector. The gist of financial performance is enumerated as hereunder :

Turnover

| Financial year | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
|-----------------------|-----------|-----------|-----------|-----------|-----------|
| Amount (Rs. In lakhs) | 24,433.11 | 25,722.21 | 25,398.53 | 30,852.05 | 37,226.97 |

Results

(Rs. In Lakhs)

| Particulars | Year ended 31st March | |
|---------------------------------------------------------------------|-----------------------|------------|
| | 2016 | 2015 |
| Profit before finance cost, depreciation, exceptional items and tax | 3,780.90 | 2,755.08 |
| Less: Finance Cost | 3,460.00 | 2,371.84 |
| Profit/Loss before deprecation, exceptional items and tax | 320.90 | 383.24 |
| Less: Depreciation | 208.68 | 180.30 |
| Profit/ Loss before exceptional items and tax | 112.22 | 202.94 |
| Add: Amount transferred from Profit & Loss A/c | 5,477.21 | - |
| Less: Exceptional items | 5,477.21 | 1,621.05 |
| Profit/ (Loss) before tax | 112.22 | (1,418.11) |
| Less: Tax expenses/ (income) | 25.76 | (445.03) |
| Profit/ (Loss) after taxation | 86.46 | (973.08) |

Your Company has earned a profit though insignificant, yet same is an indicator that the progress of the Company is in the right direction and the coming years should be better.

As on 31st March, 2016, your Company has an executable order backlog of Rs. 1500 crores with an identified order pipeline of another Rs. 500 crores. This will ensure better revenue generation which in turn will improve

the profitability of the operations. The Company has significant orders extending almost entire country covering all facets of railway constructions.

MANAGEMENT DISCUSSION AND ANALYSIS

The year 2015-16 will be considered a watershed in the history of Kalindee due to award of single largest signaling and telecommunication contract in Indian railway sector. The contract awarded to a consortium of Hitachi, Mitsui and Texmaco has Kalindee as a specialized sub-contractor for the erection & commissioning activity. The execution of this contract will propel Kalindee into the front-line of major EPC players in the railway sector. This is also likely to open further growth opportunities not only in India but also in other global markets.

The Management Discussion and Analysis Report and Report on Corporate Governance, as required under the Listing Regulations, forms part of the Annual Report.

OPPORTUNITIES

Your Company has started pursuing overseas opportunities. Specific business opportunities have been identified in countries like Saudi Arabia, Kuwait, Qatar, Bangladesh, Sri Lanka and Thailand. The proposed investment by Indian Government in Chabahar Port, Iran will also present significant business opportunities.

Technology tie-ups with various world leaders will further strengthen the Company's position in both existing as well as emerging markets.

IT INITIATIVE



Your Company is successfully running operations on a company - wide ERP system which is ensuring process of efficient and timely data management which in turn has enabled effective decision making.

IT based systems covering HR & Administrative functions have also improved employee management. The company is now intending to set up own IT infrastructure to host various IT functions.

BUSINESS SCENARIO

Indian economy has now become the fastest growing economy in the world and the railway systems are at the fore - front of all these growth. This reflects that the GDP will continue to grow @ 8+%. Significant initiatives in speeding up various railway projects is creating a new paradigm in award of contracts. It is expected that Zonal Railways will look for awarding large value contract on a turn-key EPC basis rather than the present system of small to medium range item based contracts. Such a system will substantially increase the customer base for your Company and thus afford more opportunities

Additional investment envisaged in port - connectivity, Konkan Railway, Metro Projects in both B & C tier Cities will also present significant business opportunities.

HUMAN RELATIONS

We have been constantly adding quality man-power in line with various contractual requirements. A performance based reward system was implemented in the previous year. Brief training programme on developing soft skills was provided to 150 executives over the financial year. Selected candidates were also

sponsored for various knowledge and skill based development programmes.

DIVIDEND

Your Board is not in a position to recommend dividend for the financial year under review in view of non-availability of suitable profits from current years operations. The move will help your Company to consolidate the financial position of the Company.

FUTURE OUTLOOK

As envisaged in the Business Scenario and implementation of the initiative which are underway, the company expect higher orders in domestic market and significant orders in international market.

HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

Texmaco Rail & Engineering Limited, is the holding company of your Company. Your Company do not have any Subsidiary and /or Associate Company.

DEPOSIT

During the year, the Company has not accepted any Deposits under the Companies Act, 2013. There are no unclaimed deposits as on March 31, 2016.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year, your Company has not given any guarantee, loans or provided any security, hence there is nothing required to be furnished on this count.

AUDIT COMMITTEE AND AUDITORS

Audit Committee

The composition and other nuances of the Audit Committee is provided in the Report on Corporate Governance as attached to the Directors' Report and should be read as integral part of the Annual Report.

Statutory Auditors:

The Company's Statutory Auditors M/s.S S Kothari Mehta and Co., Chartered Accountants (ICAI Firm Registration No. 000756N), New Delhi requires resolution for ratification of appointment in view of their appointment being carried out by members at the AGM for year ended 31.03.2014, which was effected for a period of 5 years as required pursuant to applicable provisions.

The said firm being eligible and expressing willingness for continuing as such their appointment by way of ratification is proposed for consideration and approval as such by members in ensuing AGM.

Your Board is in receipt of certificate from the Statutory Auditors to the effect that they are eligible for continuing as Statutory Auditors under the applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended, time to time.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Board had appointed M/s. Jatin Gupta & Associates, New Delhi a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year ended 31st March, 2016. The Secretarial Audit Report is attached as **Annexure A**.

The Statutory Auditors' Report and the Secretarial Auditor' Report for the financial year ended 31st March, 2016 do not contain any qualification, reservation, adverse remark or disclaimer. Your Board will decide for Secretarial Audit for ensuing year in time to come including name of Secretarial Auditors.

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors, including audit of the internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, your Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2015-16.

Pursuant to the requirements under Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, your Board hereby confirm that:

- (i) in the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures from the same;
- (ii) 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 as at 31st March, 2016 and of the Profit of the Company for the year ended as on that date;
- (iii) the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts of the Company on a "going concern" basis;
- (v) the Directors have laid down internal financial controls to be followed by the Company and the such internal financial controls are considered adequate and are operating effectively; and
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that systems are considered adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY

Your Company has ended the last FY in losses, hence the only criteria applicable to Company is constitution of CSR Committee and CSR Policy, spending is not supported by the financials of your Company. Despite this, your company understands its responsibility and has indulged in various CSR initiatives performed at

'Adventz' level. Keeping in view of the fact that 80% of its employees are located in remote project sites, individual project teams are engaged in implementing various CSR projects like –

- a) Water conservations
- b) Solar energy utilization
- c) Using LED lights
- d) Training local resources in relevant skill developments

The company thus endeavors to add significant value to the society and the environment at its work places.

The Committee has formulated the CSR policy pursuant to Section 135 and Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and your Board has adopted same as its CSR policy.

Your Board has strived hard each time to support the locals and environment including flora and fauna in its endeavor. The other relevant disclosures required in terms of applicable provisions are enumerated as hereunder:

Composition

The CSR and Sustainability Committee presently comprises of three directors, one of whom Mr. Shanti Narain, Independent Director is Chairman of the Committee.

The names of the members of the CSR and Sustainability Committee, including its Chairman, are provided under the section 'Board of Directors and Committees' in the Report and Accounts.

Meetings and Attendance

Details of CSR Committee Meetings during the financial year

Despite no allocable surplus, one meeting of CSR Committee was convened on 4th February, 2016. The CSR policy stands uploaded on the company's website: www.kalindee.net & Annual Report on CSR is enclosed as **Annexure B**.

RELATED PARTY TRANSACTION:

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review specifying the nature, value and terms and conditions of the transactions.

Your Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website

Details of the transactions with Related Parties are provided in the accompanying financial statements.

INTERNAL FINANCIAL CONTROLS AND RISK MANAGEMENT

Your Company has proper and adequate system of internal controls. This ensures that all transactions are authorised, recorded and reported correctly, and assets are safeguarded and protected against loss from

unauthorized use or disposition. In addition there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. The system is commensurate with the size and nature of operations of the Company.

Your Company also has in place a Risk Management Policy, pursuant to Section 134 of the Act. This Risk Management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage. It also describes the risk management approach across the enterprise at various levels.

Major risks identified by business and functions are systematically addressed through mitigation actions on a periodic basis. Existing control measures are evaluated against the relevant Key Performance Indicators.

The Company has laid down procedures to inform the Audit Committee as well as the Board about risk assessment and management procedures and status. These procedures are periodically reviewed to ensure that the executive management monitors and controls risks. The Internal Audit team is responsible for coordinating with various heads of Departments with respect to risk identification, assessment, analysis and mitigation. The major risks forming part of the Enterprise Risk Management process are linked to the audit universe and are also covered as part of the annual risk based audit plan.

Your Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

DIRECTORS

The Board of Directors (the Board), an apex body formed by the shareholders, serve and protect the overall interests of stakeholders; provides and evaluates the strategic directions of the Company; formulates and reviews management policies and ensure their effectiveness.

The Board represents an optimum mix of professionalism, knowledge and experience. As on 31st March, 2016, the total strength of the Board was 11 (Eleven) directors. No directors are member of more than ten committees or chairman of more than five committee across in all companies in which they are directors. The Company has benefited from the professional expertise of the Independent Directors.

Your Board confirms that company has Nomination and Remuneration Committee (N & R Committee) in its place, yet considering no director on Board of your Company drawing any remuneration, there was no need to hold a separate meeting of said committee, except when Mr. Mohan Kumar Mysore Subbanna was appointed as Executive Director as on 4th February, 2016 whereupon said Committee duly met, considered and approved said appointment by way of recommendation to Board. The policy on directors' appointment and remuneration exists which include entire gamut of coverage as prescribed pursuant to Section 178 of the Companies Act, 2013 i.e. criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178.

Appointment, Resignation and Retirement of Directors

Furthermore Mr. Sandeep Fuller and Mr. Varun Bharthuar, Directors are liable to retire by rotation at the Annual General Meeting and being eligible, offer themselves for re - appointment. Your directors recommend their re - appointment at the ensuing Annual General Meeting in the overall interest of the Company.

Also, Mr. Mohan Kumar Mysore Subbanna, COO of the Company was appointed as Additional Director on 04.02.2016 consequent upon intent of Texmaco Rail & Engineering Limited to appoint him as Director on the Board. On account of applicability of provisions of Section 160 & 161 of the Companies Act, 2013 the tenure of person acting as additional director shall come to an end on the date of ensuing AGM. Accordingly his candidature has been considered as Special Business in notice convening AGM for FY ended 31.03.2016.

The brief resume of Directors retiring by rotation and seeking re - appointment along with director whose candidature is been considered in ensuing AGM is appended in the notice for calling Annual General Meeting.

Your directors recommend their re - appointment and candidature at ensuing Annual General Meeting in the overall interest of the Company.

During the year, Mr. Vikram Singhal resigned as a Non - Executive and Non - Independent Director of the Company. The Board would like to place on record its appreciation for the contribution made by Mr. Singhal while he was on the Board.

Mr. Prakash Chandra Kejriwal was appointed as CFO of the Company in view of resignation by erstwhile CFO i.e. Mr. Vikas Jain. There has been no other change in key managerial personal during the year.

Declaration by Independent Directors

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulation 16 (1) (b) of the Listing Regulations. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

Governance Guidelines:

The Company has adopted Governance Guidelines on Board Effectiveness. The Governance Guidelines cover aspects related to composition and role of the Board, Directors, Board diversity, and definition of independence, Director's term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Directors remuneration, Code of Conduct, Board Effectiveness, Review and Mandates of Board Committees.

Annual Evaluation of Board Performance and Performance of its Committees and Directors:

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the performance Evaluation process for the Board, its Committees and Directors. The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/support to the management outside Board / Committee Meetings. Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Non Independent Directors was carried out by Independent Directors, who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

REMUNERATION POLICY

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and the Listing Regulations. The Remuneration Policy is attached as **Annexure C**.

DISCLOSURES:

Significant & Material Orders Passed by the Regulators

During the year no significant and material orders has been passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future. Hence there is nothing to be stated on this count.

Particulars of Employees and related disclosures

The information required under Section 197 (12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure D**.

The information required under Rule 5 (2) and (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of the Report.

None of the employees listed in the said Annexure is related to any Director of the Company.

Policy on Prevention, Prohibition and Reddressal of Sexual Harassment at Workplace

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Reddressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Reddressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action.

The Company has not received any complaint of sexual harassment during the financial year 2015-16.

Other items

No disclosure or reporting is required in respect of the following items as there were no transaction on these items during the year under review:

1. Details relating to deposit and unclaimed deposits or interest thereon.
2. Issue of equity shares with differential rights as to dividend or voting.
3. Issue of shares (including sweat equity shares) and Employee Stock Option Scheme of the Company under any scheme.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern and Company's operation in future.

Vigil Mechanism

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the chairperson of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The Policy on Vigil Mechanism and Whistle Blower Policy may be accessed on the Company's website at www.kalindee.net

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Information relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, required to be made pursuant to section 134(3) (m) of the Companies Act 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 is given in **Annexure E** and forms part of this report.

ABSTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in Form MGT-9 is annexed here with as **Annexure F**.

CHANGES IN SHARE CAPITAL

The Company has not issued any Equity Shares during the year under review. During the year under review the Company has neither issued shares in general and nor with differential voting rights or granted stock options or sweat equity and does not have any scheme to fund its employees to purchase the shares of the Company. As on 31st March, 2016, none of the Directors of the Company hold convertible instruments.

TAKE NOTE OF CORPORATE GOVERNANCE REPORT

The Corporate Governance report as certified by M/s. S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi being the Statutory Auditors of the Company is also enclosed and should be read as part and parcel of present Annual Report including management report on Corporate Governance, Management Discussion and Analysis Report.

A separate section on Corporate Governance is attached as a separate Annexure and forms a part of this report.

A certificate from Chartered Accountants regarding compliance of the conditions of Corporate Governance as stipulated under LODR with stock exchanges is attached as a separate Annexure and forms a part of this report.

A certificate from the Managing Director that all board members and senior management personnel have affirmed compliance with the code of conduct for the year ended March 31, 2016 is attached as a separate Annexure and forms a part of this report.

CEO / CFO certificate is attached as a separate Annexure and forms a part of this report.

EMPHASIS OF MATTER

Statutory auditors had drawn attention of Board to note no. 3 of their report that the Company has withdrawn Rs. 5477.21 lacs from balance of statement of profit & loss. There is no specific accounting treatment prescribed in the Accounting Standards and the Companies Act, 2013 but the Company has transferred the amount based on an expert opinion obtained. However, the Statutory Auditors report is not qualified in respect of this matter.

Accordingly, the Board approved the below stated reply for the Emphasis of matter given by the auditors :

Post the takeover of Company by Texmaco, it has brought in Standard and prudent accounting and business practices in the system to have better control over the financials of the Company. As a part of such standard and prudent process, the Company has initiated the process of balance confirmations and account reconciliation of all trade receivables even without insistence of auditors in the regard.

The Company has reconciled majority of its trade receivables / loans and advances. Pursuant to such reconciliation, the company has made a provision for doubtful debts of Rs. 5477.21 lacs in statement of profit & loss for the year ended 31st March, 2016. Considering these trade receivables / loans and advances as past due, an equivalent amount has been transferred from surplus in statement of profit & loss of the earlier years. This transfer to the statement of profit and loss is based on an expert opinion obtained by the Company. As the aforesaid accounting adjustments pertain to past due, it has been disclosed as an exceptional item.

GREEN INITIATIVES

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copies of the notice of the AGM are sent to all members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their e-mail addresses, physical copies are sent through the permitted mode.

FOREIGN EXCHANGE EARNINGS AND OUTGO

- a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services:
Continued drive is being made to develop new export markets in the field of Railway EPC.
- b) Total foreign exchange used and earned:
Used: Rs. 1.66 Lacs
Earned: Rs. NIL Lacs

MAJOR EVENT

Scheme of Amalgamation

Your company is undergoing amalgamation process which entails your Company to get merged with Texmaco Rail & Engineering Limited (Texmaco). The merger scheme of Kalindee with Texmaco has been approved by the Hon'ble High Court, Calcutta vide its order dated 26th February 2016. The approval of the Hon'ble High Court, Delhi, where the Kalindee's Registered Office is located, is still awaited.

Cash Flow Analysis

As stipulated, the financial statements were prepared by the Company in accordance with applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the same together with the Auditors Report thereof form part of the Annual Report.

Dematerialisation of Equity Shares

Your company is in agreement with CDSL & NSDL for dematerialization and Company's ISIN Number is INE178D01010. The company has already appointed M/s MCS Share Transfer Agent Ltd. as its Registrar and Share Transfer Agent, for handling requests related to demat as well as for physical transfer of equity shares and other related issues of the Company.

ACKNOWLEDGMENTS

Your directors wish to place on record their appreciation for the continued support of the customers, financial institutions and suppliers. Your directors also wish to record the appreciation for the valuable contribution made by employees at all levels and the continued support of your collaborators.

On behalf of the Board of Directors, We would like to convey to our Hon'ble members that over the years your deep and abiding trust and invaluable support has enabled us to continuously improve our performance despite extremely challenging time in the recent past where in sourcing raw materials / components at competitive prices have become an arduous task and further hope they will continue to give their support in full spirit in the year to come.

For and on behalf of the Board

Date: 23.07.2016
Place: Gurgoan

Sd/-
Hemant Kumar
Director

Sd/-
Sandeep Fuller
Managing Director

ANNEXURE - A

Form No. MR - 3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2016****Pursuant to Section 204 (1) of the Companies Act, 2013 and
Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014**

To
The Members,
Kalindee Rail Nirman (Engineers) Limited

1. We have conducted, the Secretarial Audit of compliance of applicable statutory provisions and adherence to good corporate practices by Kalindee Rail Nirman (Engineers) Ltd. (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and accordingly expressing our opinion thereupon.
2. Based on our verification of books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the Company, has during the audit period covering the financial year ended on 31.03.2016 generally complied with various Statutory provisions listed hereunder and also that the Company has proper Board – Processes and compliance – mechanism in place to the extent, in the manner and subject to reporting made hereinafter.
3. We have examined the registers, records, books, papers, minutes books, forms and returns filed and other records as required to be maintained by the Company for the year ended 31.03.2016 according to the applicable provisions of :
 - i. The Companies Act, 2013 (hereinafter referred as 'Act') and Rules made there under and various allied acts warranting compliance;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder ;
 - iii. The Depositories Act, 1996 and the Regulations and Bye - Laws framed thereunder ;
 - iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2009 and amendments from time to time.

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (i) Other laws applicable specifically to the Company namely:
 - i) Nil as Company is Infrastructure Company and is not governed by any Sector Specific act.

We have also examined compliance with the applicable clauses of the following :

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Uniform Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

4. Based on our verification of books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit. We hereby report that :
 - i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - ii. Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - iii. The Company has proper Board-processes and compliance mechanism in place to the extent and has complied with the applicable statutory provisions, Act, rules, regulations, guidelines, standards, etc., as stipulated under the provisions of the Companies Act, 2013 and the Rules made under the Act, and the Memorandum and Articles of Association of the Company.

5. We further report that:
- i. the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities;
 - ii. the Company has obtained all necessary approvals under various provisions of the Act where necessary;
 - iii. there was no prosecution initiated or show cause notice received by the Company during the year under review under the Companies Act and rules, regulations and guidelines under these Acts.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.



**For Jatin Gupta & Associates
Company Secretaries**

**Place: New Delhi
Date: 20.07.2016**

**Sd/-
Jatin Gupta
Proprietor
CP No.: 5236
FCS No.: 5651**

‘Annexure 1’

To,
The Members
Kalindee Rail Nirman (Engineers) Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Jatin Gupta & Associates
Company Secretaries**

**Place: New Delhi
Date: 20.07.2016**

**Sd/-
Jatin Gupta
Proprietor
CP No.: 5236
FCS No.: 5651**

ANNEXURE B

Annual Report on Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

- 1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

Company is part of Adventz Group and is guided by its principles towards various initiatives. Our projects and initiatives are guided by our CSR Policy, and reviewed by CSR Committee institutionalized and adopted by the Board of Directors as per the Section 135 of Companies Act, 2013. The policy is available on the website of the Company, www.kalindee.net

The Company is committed to upholding the highest standards of corporate social responsibility. The Company has continued its progress on community initiatives with renewed vigour and devotion. Present management has taken legacy of erstwhile management who were instrumental and committed towards CSR in their personal capacity, much earlier than present mandatory concept of CSR as enunciated by Ministry of Corporate Affairs.

- 2. The Composition of the CSR committee**

| | | |
|-----------------------|---|----------|
| a) Mr. Shanti Narain | : | Chairman |
| b) Mr. Sandeep Fuller | : | Member |
| c) Mr. Hemant Kumar | : | Member |

- 3. Average net Profits of the company for the last three financial years**

Average profit before tax (Rs. in Cr.) Rs.(8.08)

- 4. Prescribed CSR expenditure**

2% of the net profit (Rs. in Cr.) Rs. NIL

- 5. In case the Company has failed to spend the 2% of the average net profit of the last 3 years or any part thereof, the Company shall provide the reasons for not spending the amount in the Board's Report.**

The Company incurred loss in last years operations, hence the allocable surplus was not sufficient to support cause of CSR. Furthermore, In terms of policy, said activity and spending shall start as and when circumstances improve.

- 6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and the Policy of the Company.**

The CSR Committee confirms that the implementation and monitoring of CSR Policy is in line with the CSR objectives and Policy of the Company.

Sd/-
Sandeep Fuller
Managing Director

Sd/-
Shanti Narain
Chairman of the Committee

ANNEXURE C

REMUNERATION POLICY

The policy on remuneration of Directors, Key Managerial Personnel and other employees has been formulated by the Nomination and Remuneration Committee (N&R Committee) and thereafter, has been approved by the Board of Directors of the Company.

Definitions:

“**Act**” means Companies Act, 2013 and rules framed thereunder including any amendment or modification thereof.

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“**Key Managerial Personnel**” means Key Managerial Personnel as defined under the Companies Act, 2013 and includes Executive Chairperson of the Company.

Objectives:

This policy is framed with the following objectives:

- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and other employees;
- To provide to Key Managerial Personnel & other employees reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations by way of incentives, increments etc.; and
- It also seeks to enable the Company to provide a well - balanced and performance - related compensation package, taking into account stakeholder's interests.

Policy for remuneration to Directors, Key Managerial Personnel and other employees:

1) Remuneration to Executive Director(s) / Key Managerial Personnel:

The Remuneration to be paid to Executive Director(s) is governed as per the provisions of the Companies Act, 2013 & rules made thereunder and the approvals obtained from the Members of the Company. If, in any financial year, the Company has no profits or inadequate profits, the Company shall pay minimum remuneration as per contractual provisions to its Managerial Personnel. In case the minimum remuneration exceeds the limits prescribed under the provisions of Schedule V of the Companies Act, 2013, the Company shall seek requisite approval as per the provisions of the Companies Act, 2013 including the approval of Central Government wherever required.

The Key Managerial Personnel shall be eligible for remuneration as may be approved by the Board on the recommendation of the N&R Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

2) Remuneration to Non - Executive / Independent Directors:

The Non - Executive / Independent Directors receive sitting fees as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the N&R Committee and approved by the Board of Directors.

3) Remuneration to other employees:

The remuneration of employees is determined according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organisation. Individual remuneration is determined on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs evaluated by HR department and approved by a Key Managerial Personnel.

Amendment

The Company reserves its right to amend or modify this policy in whole or in part, at any time without assigning any reason whatsoever.



ANNEXURE - D

Disclosure relating to remuneration as required under Section 197 (12) of the Act, read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| a. | The ratio of remuneration of the Executive Director to the median remuneration of the employees of the Company for the financial year ending March 31, 2016 is as below: | | | |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------------------------------------------------------------|--------------------------------------------------------------|
| S. No | Name of Directors / KMP | Designation | Ratio of Remuneration to Median Remuneration of all the employees | Increase in remuneration over previous Financial Year (in %) |
| (i) | Mr. M S Mohan Kumar | ED & COO | 15.92:1 | - |
| (ii) | Mr. P C Kejriwal | CFO | 12.05:1 | - |
| (iii) | Mr. Shanti Narian | Director | 0.25:1 | - |
| (iv) | Mr. S. K. Khanna | Director | 0.25:1 | - |
| (v) | Mr. K. K. Agarwal | Director | 0.25:1 | - |
| (vi) | Mr. M. K. Khanna | Director | 0.25:1 | - |
| (vii) | Mrs. Akella Rajalakshmi Venkateshwar | Director | 0.10:1 | - |
| (viii) | Mr. Varun Bharthuar | Director | 0.09:1 | - |
| (ix) | Mr. P. K. Gandhi | Director | 0.09:1 | - |
| (x) | Mr. D. C. Mitra | Director | 0.04:1 | - |
| (xi) | Mr. Sandeep Fuller | Director | 0.00:1 | - |
| (xii) | Mr. Vikram Singal | Director | 0.00:1 | - |
| b. | The percentage increase in the median remuneration of employees in the financial year ending March, 2016. | | | 14.41% |
| c. | The number of permanent employees on the Company as at March 31, 2016: | | | 557 Nos. |
| d. | The explanation on the relationship between average increase in remuneration and Company's performance. | | | |

- Median Remuneration and Average Remuneration of all employees have increased by 14.41%.
- Average remuneration of employees excluding Key Management Personnel has also increased by 14.41%, which is based on their performance. The increase in remuneration is in line with the market trends, internal parity and current salary of the employees. In order to ensure that remuneration reflects Company's performance, the variable pay is linked to organization and business unit's performance, apart from individual's performance.
- Remuneration of Key Management Personnel has increased by 10%

e. Remuneration to employees for the year 2015-16 has not exceeded the remuneration paid to any of the Directors.

f. The remuneration of the Directors, Key Management Personnel and other employees is in accordance with the Remuneration Policy of the Company as provided as Annexure to the Directors' Report which forms part of the Report and Accounts.

g. Comparison of each remuneration of the key managerial personnel against the performance of the Company.

| Particulars | Mr.M S Mohan Kumar | Mr. Prakash Chandra Kejriwal |
|------------------------------------------|----------------------------------------------|------------------------------|
| | Executive Director & Chief Operating Officer | Chief Financial Officer |
| Remuneration in FY 2015-16 (Rs. in Lacs) | 7.08 | 34.32 |
| Revenue (Rs. in Lacs) | 37,699.89 | 37,699.89 |
| Remuneration of KMPs (as % of revenue) | 0.02% | 0.09% |
| Profit After Tax (PAT) (Rs. in Lacs) | 86.46 | 86.46 |
| Remuneration of KMP (as % of PAT) | 8.19% | 39.69% |

| h. Variation in the market capitalisation of the Company, price earning ratio as on the closing date of the current financial year and previous financial year: | Particulars | FY 2015-16 | FY 2014-15 | Changes |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|------------|------------|---------|
| | Market Capitalisation (In Cr.) | 170.16 | 204.86 | (34.70) |
| | P/E Ratio | 198.23 | (21.07) | 219.32 |

i. The key parameters for any variable component of remuneration availed by the directors

The variable component of remuneration for the Executive Director is based on performance of the Company and is recommended by the Nomination and Remuneration Committee to the Board for consideration.

The Board of Directors consider the recommendation of the Nomination and Remuneration Committee and approve the variable component accordingly.

ANNEXURE E

Information as per Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 as part of the Director's Report for the year ended 31st March, 2016

(A) Conservation of energy:

Energy conservation is an area of priority and the Company has made all efforts to ensure continuous monitoring and improvement in energy consumption in all its offices.

(B) Technology absorption:

Being in the business of creation of infrastructure for Railway companies predominantly, the Company is constantly looking at innovation and technology absorption to increase efficiency in its business.

Additional Information is stated as hereunder:

a) **Energy Conservation measures taken:**

To conserve energy, Company uses more sophisticated Machinery which can do more work in lesser time and maximize saving in two specific areas:

- i) Electric Energy
- ii) Fuel oil consumption

Since most of Company's operations are carried on at different locations, its machines are subjected to harsh conditions, the rate of depreciation is accordingly very high. The focus on energy efficiency will bring energy conservation through well planned actions such as preventive maintenance, machinery up - gradation, modernization and introduction of sophisticated control system. Fuel oil consumption has been reduced by implementing regular preventive maintenance measures and introducing new fuel efficient engines coupled with newer advance machinery and reducing idle running of equipments.

b) **Additional investment and proposals, if any, being implemented for reduction of consumption of energy:**

Investments are made in phases to replace old machineries with newer more sophisticated and more fuel efficient ones. The replacement theory is applied in repairs and renewals also.

c) **Impact of the measures (a) and (b) for reduction of energy consumption and consequent impact on the cost of production:**

The company has been able to reduce electrical energy and fuel oil consumption. Though it is not possible to quantify the impact, the measures are expected to result in considerable savings.

d) **Total energy consumption and energy consumption as per unit of production as per prescribed Form A of the annexure in respect of industries specified in Schedule thereto:**

Not applicable as the Company is not covered under the list of specified industries.

ANNEXURE - F

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

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

I. REGISTRATION AND OTHER DETAILS :

- i) CIN: L64120DL1984PLC114336
- ii) Registration Date: 15th February 1984
- iii) Name of the Company: Kalindee Rail Nirman (Engineers) Limited
- iv) Category: Public Company
- v) Sub-Category of the Company: Limited by Shares
- vi) Address of the Registered office and contact details: F-5, Gautam Nagar, Gulmohar Park Road, New Delhi-110049
- vii) Whether listed company : Yes
- viii) Name, Address and Contact details of Registrar and Transfer: MCS Share Transfer Agent Limited
F-65, 1st Floor, Okhla Industrial Area, Phase -I, New Delhi – 110 020
Phone no.- 011 41406149

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ Service | % to total turnover of the company |
|---------|--------------------------------------------------|----------------------------------|------------------------------------|
| 1 | Construction* | - | 100% |

* The Company's operations predominantly relates to construction as EPC contractors for railway sector.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

| SL. No. | Name and Addresses of the Company | CIN/GLN | HOLDING / SUBSIDIARY / ASSOCIATE | % of Shares held | Applicable Sections |
|---------|---------------------------------------------------------------------------|------------------------|----------------------------------|------------------|---------------------|
| 1 | Texmaco Rail & Engineering Limited Belgharia, Kolkata – 700 056 | L292161WB1998PLC087404 | Holding | 42.87 | 2(46) |

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

(i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year * | | | | % Change during the year |
|---------------------------------------------------------------|-------------------------------------------------|----------|----------------|-------------------|---------------------------------------------|----------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual / HUF | - | - | - | - | - | - | - | - | - |
| b) Central Govt | - | - | - | - | - | - | - | - | - |
| c) State Govt(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | 6865898 | - | 6865898 | 41.59 | 7076293 | - | 7076293 | 42.87 | 1.27 |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any Other..... | - | - | - | - | - | - | - | - | - |
| Sub-total | 6865898 | 0 | 6865898 | 41.59 | 7076293 | - | 7076293 | 42.87 | 1.27 |
| (2) Foreign | | | | | | | | | |
| a) NRIs- Individuals | - | - | - | - | - | - | - | - | - |
| b) Other – Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any other... | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (2) :- | 6865898 | - | 6865898 | 41.59 | 7076293 | - | 7076293 | 42.87 | 1.27 |
| Total shareholding of Promoter (A) = (A) (1) + (A) (2) | 6865898 | - | 6865898 | 41.59 | 7076293 | - | 7076293 | 42.87 | 1.27 |

| | | | | | | | | | |
|----------------------------------------------------------------------------------|---------------|-------------|---------------|-------------|---------------|----------|---------------|-------------|---------------|
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 3903 | - | 3903 | 0.02 | 11461 | - | 11461 | 0.07 | 0.05 |
| b) Banks / FI | 15690 | 8300 | 23990 | 0.15 | 8280 | - | 8280 | 0.05 | (0.10) |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | 232074 | - | 232074 | 1.41 | - | - | - | - | (1.41) |
| g) FIIs | 324035 | - | 324035 | 1.96 | 331305 | - | 331305 | 2.01 | 0.05 |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Qualified Foreign Investors | - | - | - | - | - | - | - | - | - |
| Foreign Nationals | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1):- | 575702 | 8300 | 584002 | 3.54 | 351046 | - | 351046 | 2.13 | (1.41) |
| | | | | | | | | | |
| 2. Non- Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 1823722 | 5900 | 1829622 | 11.08 | 2020974 | 16800 | 2037774 | 12.34 | 1.26 |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 5621275 | 329422 | 5950697 | 36.05 | 4479094 | 329748 | 4808842 | 29.13 | (6.92) |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 1150437 | 11900 | 1162337 | 7.04 | 2115852 | 0 | 2115852 | 12.82 | 5.78 |
| c) Others (specify) | | | | | | | | | |
| Trusts | 2540 | - | 2540 | 0.02 | 2540 | - | 2540 | 0.02 | 0.00 |
| Non Resident Indians | 112501 | - | 112501 | 0.68 | 115250 | - | 115250 | 0.70 | 0.02 |

| | | | | | | | | | |
|-------------------------------------------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-------------|
| Sub-total (B)(2):- | 8710475 | 347222 | 9057697 | 54.87 | 8733710 | 346548 | 9080258 | 55.01 | 0.14 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 9286177 | 355522 | 9641699 | 58.41 | 9084756 | 346548 | 9431304 | 57.13 | (1.27) |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 16152075 | 355522 | 16507597 | 100.00 | 16161049 | 346548 | 16507597 | 100.00 | |

(ii) Shareholding of Promoters

| Sl No. | Shareholder's Name | Shareholding at the beginning of the year | | | Share holding at the end of the year* | | | % Change in shareholding during the year |
|--------|------------------------------------|-------------------------------------------|----------------------------------|--------------------------------------------------|---------------------------------------|----------------------------------|--------------------------------------------------|------------------------------------------|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Texmaco Rail & Engineering Limited | 6865898 | 41.59 | - | 7076293 | 42.87 | - | 1.27 |
| | Total | 6865898 | 41.59 | - | 7076293 | 42.87 | - | 1.27 |

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

| Sl. No. | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 6865898 | 41.59 | 6865898 | 41.59 |
| | Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | | | | |
| | 17.07.15 | 199695 | 1.21 | 7065593 | 42.80 |
| | 31.07.15 | 10700 | 0.07 | 7076293 | 42.87 |
| | At the End of the year | | | 7076293 | 42.87 |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

| Sr No. | For each of the top Ten Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|------------------------------------------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 1 | Brijlata Gemini | | | | |
| | At the beginning of the year | 00.00 | 00.00 | 00.00 | 00.00 |
| | Increase / Decrease in shareholding during the year | | | | |
| | 18.03.16 | 937110 | 5.67 | 937110 | 5.67 |
| | At the end of the year | | | 937110 | 5.67 |
| 2 | RAM DAYAL SHARMA | | | | |
| | At the beginning of the year | 140755 | 0.85 | 140755 | 0.85 |
| | Increase / Decrease in shareholding during the year | | | | |
| | 26.02.16 | 796355 | 4.82 | 937110 | 5.68 |
| | 18.03.16 | (937110) | 5.68 | 0 | 0.00 |
| | At the end of the year | | | 0 | 0.00 |
| 3 | STATE BANK OF INDIA-OVERSEAS BRANCH NEW DELHICP-ALLOTMENT | | | | |
| | At the beginning of the year | 796355 | 4.82 | 796355 | 4.82 |
| | Increase / Decrease in shareholding during the year | | | | |
| | 26.02.16 | (796355) | (4.82) | 0 | 0.00 |
| | At the end of the year | | | 0 | 0.00 |

| | | | | | |
|------------------------|-----------------------------------------------------|----------|--------|--------|-------|
| 4 | RATNABALI CAPITAL MARKET PRIVATE LIMITED | | | | |
| | At the beginning of the year | 00.00 | 00.00 | 00.00 | 00.00 |
| | Increase / Decrease in shareholding during the year | | | | |
| | 28.08.15 | 66083 | 0.40 | 66083 | 0.40 |
| | 04.09.15 | (30092) | (0.18) | 35991 | 0.22 |
| | 11.09.15 | (20200) | (0.12) | 15791 | 0.10 |
| | 30.09.15 | (11291) | (0.07) | 4500 | 0.30 |
| | 02.10.15 | 2000 | 0.01 | 6500 | 0.40 |
| | 09.10.15 | 19800 | 0.12 | 26300 | 0.16 |
| | 16.10.15 | 21263 | 0.13 | 47563 | 0.29 |
| | 23.10.15 | 9550 | 0.06 | 57113 | 0.35 |
| | 30.12.15 | (7093) | (0.04) | 50020 | 0.30 |
| | 06.11.15 | (10400) | (0.06) | 39620 | 0.24 |
| | 13.11.15 | 15200 | 0.09 | 54820 | 0.33 |
| | 20.11.15 | 54525 | 0.33 | 109345 | 0.66 |
| | 27.11.15 | (60251) | (0.36) | 49094 | 0.30 |
| | 18.12.15 | (30094) | (0.18) | 19000 | 0.12 |
| | 25.12.15 | 21000 | 0.13 | 40000 | 0.24 |
| | 31.12.15 | 69542 | 0.42 | 109542 | 0.66 |
| | 08.01.16 | 156458 | 0.95 | 266000 | 1.61 |
| | 15.01.16 | 4000 | 0.02 | 270000 | 1.64 |
| | 22.01.16 | 3018 | 0.02 | 273018 | 1.65 |
| | 26.02.16 | (122500) | (0.74) | 150518 | 0.91 |
| | 04.03.16 | 65500 | 0.40 | 216018 | 1.31 |
| 11.03.16 | 57000 | 0.35 | 273018 | 1.65 | |
| 25.03.16 | 1000 | 0.01 | 274018 | 1.66 | |
| 31.03.16 | 38982 | 0.24 | 313000 | 1.90 | |
| At the end of the year | | | 313000 | 1.90 | |

| | | | | | |
|---|-----------------------------------------------------|---------|--------|--------|------|
| 5 | GLOBE CAPITAL MARKET LTD. | | | | |
| | At the beginning of the year | 338764 | 2.05 | | |
| | Increase / Decrease in shareholding during the year | | | | |
| | 10.04.15 | (22164) | (0.13) | 316600 | 1.92 |
| | 17.04.15 | (48426) | (0.29) | 268174 | 1.62 |
| | 01.05.15 | 20921 | 0.13 | 289095 | 1.75 |
| | 15.05.15 | 11461 | 0.07 | 300556 | 1.82 |
| | 29.05.15 | (3312) | (0.02) | 297244 | 1.80 |

| | | | | |
|------------------------|----------|--------|--------|------|
| 05.06.15 | 18871 | 0.11 | 316115 | 1.92 |
| 12.06.15 | 6645 | 0.04 | 322760 | 1.96 |
| 19.06.15 | 17069 | 0.10 | 339829 | 2.06 |
| 26.06.15 | (199583) | (1.21) | 140246 | 0.85 |
| 24.07.15 | 5000 | 0.03 | 145246 | 0.88 |
| 31.07.15 | 9785 | 0.06 | 155031 | 0.94 |
| 07.08.15 | 83197 | 0.50 | 238228 | 1.44 |
| 21.08.15 | 50 | 0.00 | 238278 | 1.44 |
| 04.09.15 | 100000 | 0.61 | 338278 | 2.05 |
| 11.09.15 | 4439 | 0.03 | 342717 | 2.08 |
| 18.09.15 | (17385) | (0.11) | 325332 | 1.97 |
| 25.19.15 | (1353) | (0.01) | 323979 | 1.96 |
| 30.09.15 | 5043 | 0.03 | 329022 | 1.99 |
| 09.10.15 | 136 | 0.00 | 329158 | 1.99 |
| 16.10.15 | (18422) | (0.11) | 310736 | 1.88 |
| 23.10.15 | (11771) | (0.07) | 298965 | 1.81 |
| 30.10.15 | (5000) | 0.03 | 293965 | 1.78 |
| 20.11.15 | (75142) | (0.46) | 218823 | 1.33 |
| 27.11.15 | (16) | (0.00) | 218807 | 1.33 |
| 04.12.15 | (22987) | (0.14) | 195820 | 1.19 |
| 11.12.15 | (7238) | (0.04) | 188582 | 1.14 |
| 18.12.15 | (10000) | (0.06) | 178582 | 1.08 |
| 08.01.16 | (5373) | (0.03) | 173209 | 1.05 |
| 15.01.16 | 17000 | 0.10 | 190209 | 1.15 |
| 22.01.16 | 11834 | 0.07 | 202043 | 1.22 |
| 29.01.16 | 2583 | 0.02 | 204626 | 1.24 |
| 05.02.16 | 16838 | 0.10 | 221464 | 1.34 |
| 12.02.16 | (1000) | (0.01) | 220464 | 1.34 |
| 26.02.16 | 5036 | 0.03 | 225500 | 1.37 |
| 04.03.16 | 9999 | 0.06 | 235499 | 1.43 |
| 11.03.16 | 1 | 0.00 | 235500 | 1.43 |
| | | | | |
| At the end of the year | | | 235500 | 1.43 |

| | | | | | |
|----------|-----------------------------------------------------|--------|--------|--------|------|
| 6 | SSD SECURITIES PRIVATE LIMITED | | | | |
| | At the beginning of the year | 221359 | 1.34 | | |
| | Increase / Decrease in shareholding during the year | | | | |
| | 03.04.15 | (1850) | (0.01) | 219509 | 1.33 |
| | 10.04.15 | 6491 | 0.04 | 226000 | 1.37 |
| | 17.04.15 | (9300) | (0.06) | 216700 | 1.31 |
| | 24.04.15 | 9300 | 0.06 | 226000 | 1.37 |
| | 08.05.15 | (9300) | (0.06) | 216700 | 1.31 |
| | 15.05.15 | 5000 | 0.03 | 221700 | 1.34 |
| 22.05.15 | 4300 | 0.03 | 226000 | 1.37 | |

| | | | | |
|----------|---------|--------|--------|------|
| 29.05.15 | (4000) | (0.02) | 222000 | 1.34 |
| 05.06.15 | (13400) | (0.08) | 208600 | 1.26 |
| 12.06.15 | (33999) | (0.21) | 174601 | 1.06 |
| 19.06.15 | 36070 | 0.22 | 210671 | 1.28 |
| 26.06.15 | 14029 | 0.08 | 224700 | 1.36 |
| 03.07.15 | 1300 | 0.01 | 226000 | 1.37 |
| 10.07.15 | (3500) | (0.02) | 222500 | 1.35 |
| 17.07.15 | 3500 | 0.02 | 226000 | 1.37 |
| 24.07.15 | (5900) | (0.04) | 220100 | 1.33 |
| 31.07.15 | 5900 | 0.04 | 226000 | 1.37 |
| 14.08.15 | (385) | (0.00) | 225615 | 1.37 |
| 21.08.15 | (908) | (0.01) | 224707 | 1.36 |
| 28.08.15 | 769 | 0.00 | 225476 | 1.37 |
| 04.09.15 | (18026) | (0.11) | 207450 | 1.26 |
| 11.09.15 | (18150) | (0.11) | 189300 | 1.15 |
| 18.09.15 | 30500 | 0.18 | 219800 | 1.33 |
| 25.09.15 | 6200 | 0.04 | 226000 | 1.37 |
| 30.09.15 | (632) | (0.00) | 225368 | 1.37 |
| 02.10.15 | 432 | 0.00 | 225800 | 1.37 |
| 09.10.15 | (16500) | (0.10) | 209300 | 1.27 |
| 16.10.15 | (5100) | (0.03) | 204200 | 1.24 |
| 23.10.15 | 1276 | 0.01 | 205476 | 1.24 |
| 30.10.15 | 10759 | 0.07 | 216235 | 1.31 |
| 06.11.15 | 1845 | 0.01 | 218080 | 1.32 |
| 13.11.15 | 4855 | 0.03 | 222935 | 1.35 |
| 20.11.15 | 915 | 0.01 | 223850 | 1.36 |
| 27.11.15 | 1229 | 0.01 | 225079 | 1.36 |
| 04.12.15 | (5579) | (0.03) | 219500 | 1.33 |
| 11.12.15 | (6414) | (0.04) | 213086 | 1.29 |
| 18.12.15 | 264 | 0.00 | 213350 | 1.29 |
| 25.12.15 | (11100) | (0.07) | 202250 | 1.23 |
| 31.12.15 | 2169 | 0.01 | 204419 | 1.24 |
| 08.01.16 | 11581 | 0.07 | 216000 | 1.31 |
| 15.01.16 | 10000 | 0.06 | 226000 | 1.37 |
| 22.01.16 | (9100) | (0.06) | 216900 | 1.31 |
| 29.01.16 | (8080) | (0.05) | 208820 | 1.27 |
| 05.02.16 | (15320) | (0.09) | 193500 | 1.17 |
| 12.02.16 | (14538) | (0.09) | 178962 | 1.08 |
| 19.02.16 | 12438 | 0.08 | 191400 | 1.16 |
| 26.02.16 | (8400) | (0.05) | 183000 | 1.11 |
| 04.03.16 | 38000 | 0.23 | 221000 | 1.34 |

| | | | | | |
|--|------------------------|--------|--------|--------|------|
| | 11.03.16 | (300) | (0.00) | 220700 | 1.34 |
| | 18.03.16 | (2600) | (0.02) | 218100 | 1.32 |
| | 25.03.16 | 7900 | 0.05 | 226000 | 1.37 |
| | At the end of the year | | | 226000 | 1.37 |

| | | | | | |
|---|-----------------------------------------------------|--------|------|--------|------|
| 7 | DAVOS INTERNATIONAL FUND | | | | |
| | At the beginning of the year | | | | |
| | Increase / decrease in shareholding during the year | 180450 | 1.09 | 180450 | 1.09 |
| | At the end of the year | | | 180450 | 1.09 |

| | | | | | |
|---|-----------------------------------------------------|---------|--------|--------|------|
| 8 | DALMIA SEC.PVT.LTD. | | | | |
| | At the beginning of the year | | | | |
| | Increase / decrease in shareholding during the year | 00.00 | 0.00 | | |
| | 15.03.15 | 00.00 | 0.00 | | |
| | 05.02.16 | 65095 | 0.39 | 65095 | 0.39 |
| | 12.02.16 | 12932 | 0.08 | 78027 | 0.47 |
| | 19.02.16 | 54723 | 0.33 | 132750 | 0.80 |
| | 26.02.16 | (32796) | (0.20) | 99954 | 0.61 |
| | 04.03.16 | 72761 | 0.44 | 172715 | 1.05 |
| | At the end of the year | | | 172715 | 1.05 |

| | | | | | |
|---|-----------------------------------------------------|--------|------|--------|------|
| 9 | LEMMA DIVERSIFIED FUND | | | | |
| | At the beginning of the year | 120000 | 0.73 | | |
| | Increase / decrease in shareholding during the year | | | | |
| | At the end of the year | | | 120000 | 0.73 |

| | | | | | |
|----|-----------------------------------------------------|--------|------|--------|------|
| 10 | LAXMI GEMINI | | | | |
| | At the beginning of the year | 0.00 | 0.00 | | |
| | Increase / decrease in shareholding during the year | | | | |
| | 08.01.16 | 101375 | 0.61 | | |
| | 31.03.16 | | | | |
| | At the end of the year | | | 101375 | 0.61 |

These data are as on Benpos Date as provided by NSDL/CDSL.

(v) Shareholding of Directors and Key Managerial Personnel

Our Directors and Key Managerial Personnel do not hold any shares in the Company.

V. INDEBTEDNESS

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

(Rs. in Lacs)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|------------------------------------------------------------|----------------------------------|------------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 12,531.76 | 5,500.00 | - | 18,031.76 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 16.37 | 87.55 | - | 103.91 |
| Total (i+ii+iii) | 12,548.13 | 5,587.55 | - | 18,135.67 |
| Change in Indebtedness during the financial year | | | | |
| · Addition | 1,916.25 | 5,826.62 | - | 7,742.87 |
| · Reduction | - | - | - | - |
| Net Change | 1,916.25 | 5,826.62 | - | 7,742.87 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 14,409.42 | 11,200.00 | - | 25,609.42 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 54.96 | 214.17 | - | 269.13 |
| Total (i+ii+iii) | 14,464.38 | 11,414.17 | - | 25,878.55 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Rs. In Lacs)

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/Manager | | | Total Amount |
|----------|-------------------------------------------------------------------------------------|------------------------|-----------------------|------------------------------|--------------|
| | | Mr.Sandeep Fuller | Mr. M. S. Mohan Kumar | Mr. Prakash Chandra Kejriwal | |
| 1 | Gross Salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961 | - | 33.13 | 45.70 | 78.83 |
| | (b) Value of perquisites u/s 17(2) Income-Tax Act, 1961 | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income- Tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission | - | - | - | - |

| | | | | | |
|----------|-------------------------------------------|---|--------------|--------------|--------------|
| | i) As % of profit | - | - | - | - |
| | ii) Others, specify | - | - | - | - |
| 5 | Others :- | | | | |
| | i) Co's Contribution to PF / Pension Fund | | 1.44 | 1.66 | 3.10 |
| | ii) Value of Furniture | - | - | - | - |
| | iii) Superannuation | - | - | - | - |
| | Total | - | 34.57 | 47.36 | 81.93 |
| | Ceiling as per the Act | | | | |

**Remuneration of Mr. M.S.Mohan Kumar is given for the financial year 2015-16 based on form 16.

B. Remuneration to other directors:

| Sl. no. | Particulars of Remuneration | Name of Directors | | | | | | | | | |
|---------|----------------------------------------------|-------------------|-------------------------|---------------------------|---------------------------|--------------------------------------|------------------|---------------------|-------------------------|--------------------------|--------------|
| | | Mr. Shanti Narain | Mr. Suresh Kumar Khanna | Mr. Kamal Kishore Agrawal | Mr. Mahendra Kumar Khanna | Mrs. Akella Rajalakshmi Venkateshwar | Mr. Hemant Kumar | Mr. Varun Bharthuar | Mr. Dulal Chandra Mitra | Mr. Pervesh Kumar Gandhi | Total Amount |
| | 3. Independent Directors | | | | | | | | | | |
| | · Fee for attending board committee meetings | 0.725 | 0.725 | 0.725 | 0.725 | 0.500 | - | - | - | - | 3.400 |
| | · Commission | | | | | | | | | | |
| | · Others, please specify | | | | | | | | | | |
| | Total (1) | 0.725 | 0.725 | 0.725 | 0.725 | 0.500 | - | - | - | - | 3.400 |
| | 4. Other Non-Executive Directors | | | | | | | | | | |
| | · Fee for attending board committee meetings | - | - | - | - | - | 0.500 | 0.250 | 0.125 | 0.250 | 1.125 |
| | · Commission | | | | | | | | | | |
| | · Others, please specify | | | | | | | | | | |
| | Total (2) | - | - | - | - | - | 0.500 | 0.250 | 0.125 | 0.250 | 1.125 |
| | Total (B)=(1+2) | 0.725 | 0.725 | 0.725 | 0.725 | 0.500 | 0.500 | 0.250 | 0.125 | 0.250 | 4.525 |
| | Total Managerial Remuneration | | | | | | | | | | 86.455 |
| | Ceiling as per the Act | | | | | | | | | | |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

The information are provided in Sl No. (A).

VII. There were no penalties / Punishment / Compounding of Offences under the Companies Act, 1956 / 2013 for the year ended 31st March, 2016.

REPORT ON CORPORATE GOVERNANCE

[Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Company's philosophy on Code of Governance

Kalindee as a part of the Adventz group is committed to the highest standards of business ethics and values. The Company has over the years consistently demonstrated good corporate governance practices believes in managing its affairs with diligence, transparency, accountability and responsibility. Good Corporate Governance is an integral part of the Company's value system and the Company Management places considerable emphasis on compliance therewith aimed at providing good governance. The Company has an obligation, to conduct business in accordance with highest ethical and legal standards, superior product quality and services, to all its stakeholders including shareholders, employees, customers, suppliers and communities.

2. Compliance with SEBI guidelines and standards

The Company comply with broad selection of key governance principles and regulations. Securities Exchange Board of India (SEBI) has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) on September 2, 2015, replacing the earlier Listing Agreement (w.e.f. December 1, 2015)

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has executed fresh Listing Agreement with the Stock Exchanges.

3. Corporate Governance Guidelines

Over the years, the Board has developed Corporate Governance guidelines to help fulfill corporate responsibility towards our stakeholders. These guidelines ensure that the Board will have the necessary authority and processes to review and evaluate our operations as and when required. Further, these guidelines allow the Board to make decisions which are independent of the Management. The Board may change these guidelines as and when required to achieve our stated goals / objectives.

4. Board of Directors

The Company's Board comprises Eleven (11) Directors, representing optimum mix of professionalism, knowledge and experience and Executive and Non - Executive Directors. Five (5) Directors of the current strength of the Board are Independent Directors fulfilling the criteria of independence as stated in Section 149 of the Companies Act, 2013. The Composition of Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Act.

The category of Directorship, number of meetings attended, attendance at the last Annual General Meeting (AGM), Directorships in other Companies, number of Committees in which such Director is member, are mentioned below :-

| Name of Director | Category of Directorship | Director Identification Number (DIN) | No. of Board Meeting Attended | Attendance at the last AGM | No. of Directorship in other Companies | No. of Chairmanship/ Membership of Board/ Committees in Companies # | |
|--------------------------------------|-------------------------------------------|--------------------------------------|-------------------------------|----------------------------|----------------------------------------|---------------------------------------------------------------------|--------|
| | | | | | | Chairman | Member |
| Mr. Sandeep Fuller | Executive / Managing Director | 06754262 | 5 | No | 5 | - | 1 |
| Mr. Hemant Kumar | Non-Executive / Non-Independent Director | 03599801 | 4 | Yes | 1 | 1 | - |
| Mr. Shanti Narain | Independent Director | 00233438 | 5 | No | 1 | 1 | 1 |
| Mr. Suresh Kumar Khanna | Independent Director | 00233505 | 5 | No | - | 1 | 2 |
| Mr. Kamal Kishore Agarwal | Independent Director | 02655349 | 5 | No | - | - | 1 |
| Mr. Mahendra Kumar Khanna | Independent Director | 03509134 | 5 | No | - | - | 3 |
| Mrs. Akella Rajalakshmi Venkateshwar | Independent Director | 07145571 | 2 | No | - | - | 1 |
| Mr. Varun Bharthuar | Non-Executive / Non-Independent Director | 03345634 | 2 | No | - | - | - |
| Mr. Pervesh Kumar Gandhi | Non -Executive / Non-Independent Director | 06369107 | 2 | No | 1 | - | - |
| Mr. Dulal Chandra Mitra | Non -Executive / Non-Independent Director | 00479920 | 1 | No | - | - | - |
| Mr. Mohan * Kumar Mysore Subbanna | Executive /Director | 07426606 | 1 | No | - | - | - |
| Mr. Vikram** Singhal | Non -Executive / Non-Independent Director | 01178530 | - | No | - | - | - |

*Appointed w.e.f. 4th February, 2016.

**Resigned w.e.f. 4th February, 2016.

Membership / Chairmanship in Audit Committee, and Stakeholders Relationship Committee, are only considered for the purpose of Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including those in the Company.

No Director of the Company was a member of more than 10 (Ten) Committees or Chairman of more than 5 (Five) Committees across all the public/listed Companies in which he/she was a Director.

Five (5) Board Meetings were held during the year 2015-2016 on the following dates :

| | | |
|--------------------|--------------------|-------------------|
| 21st May, 2015 | 3rd August, 2015 | 31st August, 2015 |
| 5th November, 2015 | 4th February, 2016 | - |

5. INTERNAL AUDIT

The Company has appointed M/s Prakash Sachin & Co., Chartered Accountants, Delhi to oversee and carry out internal audit of the Company's activities. The audit is based on an internal audit plan, which is reviewed each year. In line with accepted practice, the conduct of internal audit is oriented towards review of internal controls and risks in company's operations, if any and acts as a catalyst to Vigil Mechanism.

6. COMMITTEES OF THE BOARD

Currently, the Board has 4 (four) committees : Audit Committee, Corporate Social Responsibility (CSR) Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

The composition of these Committees are in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013 and of erstwhile Listing Agreement (to the extent applicable).

A. AUDIT COMMITTEE

Terms of Reference And Composition

The terms of reference of the Committee cover the matters specified for the Audit Committee under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013.

The Audit Committee comprises following five (5) Directors, and their attendance in the Committee Meeting is given alongside.

| Name of the Member | Designation | Category | No. of meetings held | No. of meetings attended |
|-------------------------|-------------|----------------------|----------------------|--------------------------|
| Mr. Shanti Narain | Chairman | Independent Director | 4 | 4 |
| Mr. Suresh Kumar Khanna | Member | Independent Director | 4 | 4 |

| | | | | |
|--------------------------------------|--------|----------------------|---|---|
| Mr. Kamal Kishore Agarwal | Member | Independent Director | 4 | 4 |
| Mr. Mahendra Kumar Khanna | Member | Independent Director | 4 | 4 |
| Mrs. Akella Rajalakshmi Venkateshwar | Member | Independent Director | 4 | 1 |

Four (4) Audit Committee Meetings were held during the year 2015-16 as on the following dates :

| | | | |
|----------------|------------------|--------------------|--------------------|
| 21st May, 2015 | 3rd August, 2015 | 5th November, 2015 | 4th February, 2016 |
|----------------|------------------|--------------------|--------------------|

B. NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference and Composition

The terms of reference of the Committee cover the matters specified for the Nomination and Remuneration Committee under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises the following 3 (Three) Directors, and their attendance in the Committee Meeting is given alongside.

| Name of the Director (s) | Designation | Category | No. of meetings held | No. of meetings attended |
|---------------------------|-------------|----------------------|----------------------|--------------------------|
| Mr. Suresh Kumar Khanna | Chairman | Independent Director | 1 | 1 |
| Mr. Shanti Narain | Member | Independent Director | 1 | 1 |
| Mr. Mahendra Kumar Khanna | Member | Independent Director | 1 | 1 |

In view of No Director drawing any remuneration from the Company during the year under review no meeting of the Committee was required to be convened. With advent of Mr. M S Mohan Kumar as Executive Director on Board, the Committee though met on 04th February, 2016 and recommended to Board as to appointment of Mr. M S Mohan Kumar as Executive Director.

DETAILS OF REMUNERATION TO ALL THE DIRECTORS FOR THE YEAR:

Remuneration of Directors

The Remuneration of Executive Directors is fixed by the Board of Directors upon recommendation by the Nomination and Remuneration Committee.

Non-executive Directors are eligible for sitting fee.

The details of the payment made to the Directors during the year 2015-16 are as follows:

D) Non-executive Directors

| Name of the Director | Sitting Fee for the year (Rs.) | Commission for the year (Rs.) | Total (Rs.) | No. of Shares held in the Company |
|--------------------------------------|--------------------------------|-------------------------------|-------------|-----------------------------------|
| Mr. Hemant Kumar | 50,000 | - | 50,000 | Nil |
| Mr. Shanti Narain | 72,500 | - | 72,500 | Nil |
| Mr. Suresh Kumar Khanna | 72,500 | - | 72,500 | Nil |
| Mr. Kamal Kishore Agarwal | 72,500 | - | 72,500 | Nil |
| Mr. Mahendra Kumar Khanna | 72,500 | - | 72,500 | Nil |
| Mrs. Akella Rajalakshmi Venkateshwar | 27,500 | - | 27,500 | Nil |
| Mr. Varun Bharthuar | 25,000 | - | 25,000 | Nil |
| Mr. Dulal Chandra Mitra | 12,500 | - | 12,500 | Nil |
| Mr. Pervesh Kumar Gandhi | 25,000 | - | 25,000 | Nil |
| Mr. Vikram Singhal* | - | - | - | Nil |

Note:

* Resigned w.e.f. 4th February, 2016.

The details of the remuneration paid to the Executive Directors during the year 2015-16 are given below:

ii) Executive Directors

| Name of the Director | Designation | Salary (Rs.) | Perquisites and Allowances # (Rs.) | Sitting Fees (Rs.) | Retirement Benefits (Rs.) |
|--------------------------------------|--------------------|--------------|------------------------------------|--------------------|---------------------------|
| Sandeep Fuller | Managing Director | N.A. | N.A. | N.A. | N.A. |
| Mr. Mohan Kumar** Mysore Subbanna | Executive Director | 5,76,551.72 | 1,31,591.81 | N.A. | As per Company's Rule |

** Appointed w.e.f. 4th February, 2016.

Perquisites and Allowances include House Rent Allowance, LTA, Medical Benefits, Contribution to P.F., Superannuation Fund, Ex-gratia etc

REMUNERATION POLICY:

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. In determining the remuneration package of Directors and other incumbents under the provisions of Companies Act, the Committee evaluates the remuneration paid is competitive in the market. The compensation is also linked to individual and Company performance. The Company pays remuneration to Mr. Mohan Kumar by way of salary, benefits, perquisites and allowances (fixed component) amongst Executive Directors. Annual increments, if any, are

decided by the Remuneration Committee within the salary scale approved initially at the time of appointment and are effective till the term of the candidate.

During the year 2015-16, the Company paid sitting fees of Rs. 12,500 per meeting to its Non-Executive Directors for attending meetings of the Board, Rs. 2,500 per meeting to Audit Committee members.

Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as Annexure 'C' to the Directors' Report.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Terms of Reference and Composition

The terms of reference of the Committee cover the matters specified for the Stakeholders Relationship Committee under Section 178 of the Companies Act, 2013 and Rules prescribed thereunder.

The Stakeholders Relationship Committee comprises the following 2 (Two) Directors and their attendance in the Committee Meeting is given alongside

| Sr. No. | Name of the Director (s) | Designation | Category of Directorship | No. of meetings held | No. of meetings attended |
|---------|--------------------------|-------------|---------------------------------------------|----------------------|--------------------------|
| 1 | Mr. Hemant Kumar | Chairman | Non - Executive & Non- Independent Director | 6 | 6 |
| 2 | Mr. Sandeep Fuller | Member | Executive Director | 6 | 6 |

DETAILS OF COMPLIANCE OFFICER

Lalit Rajput Compliance Officer,

Kalindee Rail Nirman (Engineers) Ltd.

Registered Office : F-5, Gautam Nagar, Gulmohar Park Road, New Delhi – 110 049.

Corporate Office : 2nd Floor, Building No. 9A, Cyber City, DLF Phase – III, Gurgaon-22 002, Haryana, India.

Tel. No. : 0124-4674800

Fax No. : 0124-4674887/888

Details of investor complaints received and redressed during the year 2015- 16 are as follows:

| Opening Balance | Received During the Year | Resolved During the Year | Closing Balance |
|-----------------|--------------------------|--------------------------|-----------------|
| 0 | 4 | 4 | Nil |

The Committee expresses satisfaction with the Company's performance in dealing with Investor Grievances. All the complaints have been attended / resolved to the satisfaction of complainants during the year except in cases which are constrained by disputes or legal impediments or other sub-judice matter, if any.

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Terms of Reference and Composition

The terms of reference of the Committee cover the matters specified for the CSR Committee under Section 135 of the Companies Act, 2013 and Rules prescribed thereunder.

The CSR Committee comprises the following 3 (three) Directors:

| Name of the Member(s) | Designation | Category | No. of meetings held | No. of meetings attended |
|---------------------------|-------------|----------------------|----------------------|--------------------------|
| Mr. Shanti Narain | Chairman | Independent Director | 1 | 1 |
| Mr. Suresh Kumar Khanna | Member | Independent Director | 1 | 1 |
| Mr. Mahendra Kumar Khanna | Member | Independent Director | 1 | 1 |

In view of non allocable surplus at its disposal only 1 meeting was convened on 4th February, 2016 during the year under review.

7. GENERAL BODY MEETING (S) :

Details of the General Meetings held during the last three years till 31st March, 2016, are given below:

a. Annual General Meeting(s) :

| Financial Year | Time & Date of AGM | Venue | No. of Resolution approved |
|----------------|-----------------------|----------------------------------------------------------------------------------------------|----------------------------|
| 2012-13 | 2.30 PM : 30.09.2013 | Pearey Lal Bhawan, 1 & 2 Bahadurshah Zafar Marg, Near, ITO, New Delhi-110002 | - |
| 2013-14 | 11.00 AM : 14.11.2014 | Royal Garden, G T Karnal Road, Mukhmel Pur Bandh, Near Hanuman Mandir, Alipur, Delhi 110 036 | 3 |
| 2014-15 | 11.00 AM : 30.09.2015 | Royal Garden, G T Karnal Road, Mukhmel Pur Bandh, Near Hanuman Mandir, Alipur, Delhi 110 036 | - |

b. Court Convened Meeting(s) :

Pursuant to Company's application seeking direction to convene meetings of Equity Shareholders, Secured Creditors and Un-secured Creditors seeking approval to Scheme of Amalgamation of Company with Texmaco Rail & Engineering Company Limited, the Hon'ble High Court of Delhi vide its order dt. 25th May, 2015 directed to convene the meetings as hereunder:

| Category | Day, Date and time | Venue |
|----------------------|----------------------------------|----------------------------------------------------------------------------------------------|
| Equity Shareholders | Saturday ,11.07.2015 : 10.30 A.M | Royal Garden, G T Karnal Road, Mukhmel Pur Bandh, Near Hanuman Mandir, Alipur, Delhi-110036. |
| Secured Creditors | Saturday, 11.07.2015 : 1.00 P.M | |
| Un-secured Creditors | Saturday, 11.07.2015 : 2.00 P.M | |

To comply with said directions, the meetings were convened accordingly as aforesaid including that of e-voting and postal ballot which were chaired by persons appointed by Hon'ble High Court and the resolutions were declared to be passed as resolution by requisite majority and this fact was apprised to Hon'ble High Court by respective Chairman. The present status of Company's merger application is pending disposal before Hon'ble High Court.

c. Independent Directors Meeting

One meeting of the Independent Directors of the Company was held on 30th March, 2016 during the financial year 2015-16. All the Independent Directors attended the Meeting.

- The matters discussed at the Independent Director's Meeting, inter alia were :
 - Evaluation of performance of Non-Independent Directors.
 - Familiarization programme for Independent Directors :
- The Company has carried out the board and directors performance evaluation during the year. The performance of the independent directors was evaluated by the Board as a whole and the director being evaluated did not participate in the meeting at the time of their evaluation. The independent directors evaluated the performance of the non-independent directors. During the year under review, the Company has taken steps to familiarize its directors including independent directors about the Company operations, business model, industry in which the Company operates and their roles and responsibilities. The details of the familiarisation programme of the Independent Directors are available on the website of the Company, www.kalindee.net and the link for the same is <http://kalindee.net/media/573c4cdd0f488.pdf>

8. DISCLOSURE

a. Related Party Transactions:

There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, Associates etc. that may have potential conflict with the interests of the Company at large. Transactions carried out with the related parties are disclosed in Note No. 37 of Audited Financial Statements.

The board has approved a policy for related party transactions which has been uploaded on the Company's website, www.kalindee.net and the link for the same is: http://kalindee.net/admin/_tmp/573c4d1c43dd6.pdf

During the last three years, there were no strictures or penalties imposed either by SEBI or the Stock Exchanges or any statutory authorities for non-compliance of any matter related to Issued Capital Market.

b. Whistle Blower Mechanism

The Company has approved Whistle Blower Policy and established necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations and Companies Act, 2013 for directors and employees to report concerns about unethical behavior. In certain circumstances, employees may also report to the Chairman of the Audit Committee. The said policy has been also put up on the website of the Company, www.kalindee.net and the link for the same is: <http://kalindee.net/media/56fcb9342067a.pdf>

c. Details of Compliances :

The Company has complied with all the requirements including the provisions of Clause 49 of the Listing Agreements entered into with the Stock Exchanges as well as regulations and guidelines of the Securities and Exchange Board SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 i.e LODR. It is confirmed that no penalties were imposed or strictures were passed against your Company by SEBI, Stock Exchanges or statutory authorities. The Company has complied with and adopted the mandatory requirements of the Corporate Governance Code.

d. Reconciliation of Share Capital Audit Report :

A qualified Practicing Company Secretary (PCS) carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”) and the total issued and listed equity share capital. The Audit Report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

e. Internal Control System

The Internal Control System of the Company is aimed at proper utilization and safeguarding of the Company's resources and to promote operational efficiency. The findings of the Internal Audit and consequent corrective actions initiated and implemented from time to time are appraised to Audit Committee, as deems appropriate by Board. The Audit Committee vouch for such findings and the adequacy of the Internal Control System. The Board has established a risk assessment and minimization procedure which is reviewed by the Board periodically. There is a structure in place to identify and mitigate various identifiable risks faced by the Company from time to time.

f. Code of Conduct :

The members of the board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended March 31, 2016. The Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. All Directors and Senior Management personnel of the Company have affirmed compliance with the Code. A declaration signed by Managing Director to this effect is appended at the end of this Report. These Codes are available on the Company's website, www.kalindee.net and the link for the same is <http://kalindee.net/media/573c4d65a451d.pdf>

9. Means of Communication

The Quarterly, Half – Yearly and the Annual Financial Results of the Company as taken on record and approved respectively by the Board of Directors of the Company are published generally in one “National newspaper” in English language and one “Regional newspaper” in Hindi. It is also sent immediately to all the Stock Exchanges with which the Shares of the Company are listed. These results are also displayed on Company's website, www.kalindee.net.

10. GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting
 - Date and Time : 30th September, 2016 at 11.00 AM.
 - Venue : Saras Garden, Mukhmelpur, G.T.Karnal Road
Near Hanuman Mandir, Delhi- 110036
2. Financial Calender : Held on 23rd July, 2016
 - Un-audited Results for
Quarter ended on 30 June, 2016

Tentative and subject to change

- Un-audited Results for
Quarter ending on 30 September, 2016 : 2nd week of November, 2016
- Un-audited Results for
Quarter ending on 31st December, 2016 : 2nd week of February, 2017
- Audited Results for
Quarter ending on 31st March, 2016 : 2nd week of May, 2017
- 3. Date of Book Closure : 24-09-2016 to 30-09-2016 (both days inclusive)
- 4. Registered Office : F - 5, Gautam Nagar, Gulmohar Park Road,
New Delhi-110 049, India
- 5. Corporate Office : 2nd Floor, Building No. 9A, Cyber City,
DLF Phase III, Gurgaon- 122002, Haryana
- 6. Listing on Stock Exchanges : 1. BSE Ltd, Mumbai
2. The National Stock Exchange of India Ltd, Mumbai

Listing fees up to the year ended 31.03.2016 have been paid to all the above mentioned stock exchanges.

7. Stock Code/Symbol:
 - BSE Limited : 522259
 - National Stock Exchange of
India Limited. : KALINDEE EQ
8. Address of R & T Agent : MCS Share Transfer Agent Limited
F - 65, 1st Floor, Okhla Industrial Area Phase - I,
New Delhi- 110 020, India
E mail: admin@mcsregistrars.com
9. E-mail ID for Investor Grievance : investorgrievance@kalindee.net
10. Stock Market data for the year 2015-16

| Month | BSE Limited | | National Stock Exchange of India Limited | |
|-------------|-------------|--------|------------------------------------------|--------|
| | High | Low | High | Low |
| April, 2015 | 139.10 | 113.10 | 139.10 | 113.30 |
| May, 2015 | 125.00 | 109.00 | 125.00 | 108.00 |
| June, 2015 | 125.00 | 105.70 | 125.20 | 106.20 |
| July, 2015 | 132.50 | 111.10 | 132.50 | 111.60 |

| | | | | |
|-----------------|--------|--------|--------|--------|
| August, 2015 | 116.00 | 98.90 | 117.00 | 96.95 |
| September, 2015 | 116.90 | 100.80 | 117.00 | 100.20 |
| October, 2015 | 136.00 | 113.30 | 133.80 | 112.70 |
| November, 2015 | 152.30 | 117.10 | 152.15 | 121.00 |
| December, 2015 | 157.00 | 132.00 | 169.95 | 132.00 |
| January, 2016 | 158.00 | 121.60 | 157.80 | 121.20 |
| February, 2016 | 152.00 | 94.30 | 151.75 | 94.20 |
| March, 2016 | 115.60 | 99.60 | 115.55 | 99.65 |

11. EXCHANGE INDICES:

| Month | BSE Limited | | National Stock Exchange of India Limited | |
|-----------------|-------------|-----------|------------------------------------------|---------|
| | High | Low | High | Low |
| April, 2015 | 29,094.61 | 26,897.54 | 8844.80 | 8144.75 |
| May, 2015 | 28,071.16 | 26,423.99 | 8489.55 | 7997.15 |
| June, 2015 | 27,968.75 | 26,307.07 | 8467.15 | 7940.30 |
| July, 2015 | 28,578.33 | 27,416.39 | 8654.75 | 8315.40 |
| August, 2015 | 28,417.59 | 25,298.42 | 8621.55 | 7667.25 |
| September, 2015 | 26,471.62 | 24,833.54 | 8055.00 | 7539.50 |
| October, 2015 | 27,618.14 | 26,168.71 | 8336.30 | 7930.65 |
| November, 2015 | 26,824.30 | 25,451.42 | 8116.10 | 7714.15 |
| December, 2015 | 26,256.42 | 24,867.73 | 7979.30 | 7551.05 |
| January, 2016 | 26,197.27 | 23,839.76 | 7972.55 | 7241.50 |
| February, 2016 | 25,002.32 | 22,494.61 | 7600.45 | 6825.80 |
| March, 2016 | 25,479.62 | 23,133.18 | 7777.60 | 7035.10 |

12. Share Transfer System

The average time taken for processing and registration of share Transfer requests received is less than 15 days. All dematerialization requests are processed within 15 days.

13. Distribution of Shareholding (as at year end i.e. 31st March, 2016)

| Range | | No. of Folios | % of Folios | No. of shares held | % of Shareholding |
|------------------|--------|---------------|---------------|--------------------|-------------------|
| 1 | 500 | 28,403 | 94.86 | 27,47,672 | 16.64 |
| 501 | 1000 | 853 | 2.85 | 6,85,124 | 4.15 |
| 1001 | 2000 | 345 | 1.15 | 5,27,669 | 3.20 |
| 2001 | 3000 | 105 | 0.35 | 2,71,113 | 1.64 |
| 3001 | 4000 | 51 | 0.17 | 1,82,122 | 1.10 |
| 4001 | 5000 | 48 | 0.16 | 2,25,508 | 1.37 |
| 5001 | 10000 | 56 | 0.19 | 4,17,284 | 2.53 |
| 10001 | 50000 | 63 | 0.21 | 13,35,250 | 8.09 |
| 50001 | 100000 | 10 | 0.03 | 7,53,412 | 4.56 |
| And above | | 9 | 0.03 | 93,62,443 | 56.72 |
| | | 29,943 | 100.00 | 165,07,597 | 100.00 |

14. Category of Shareholders (as at year end i.e. 31 March, 2016)

| Category | No. of Shares Held | % of Shareholding |
|---------------------------------------------------|--------------------|-------------------|
| Promoters | 70,76,293 | 42.87 |
| Mutual Fund | 11,461 | 0.07 |
| Bank, financial Institutions, Insurance companies | 8,280 | 0.05 |
| Private corporate Bodies | 20,37,774 | 12.34 |
| FII's | 3,31,305 | 2.01 |
| Indian Public | 69,24,694 | 41.95 |
| NRI / OCBs | 1,15,250 | 0.70 |
| Other(including Employees) / Trust & Foundation | 2,540 | 0.02 |
| Total | 165,07,597 | 100.00 |

15. Dematerialisation of shares and liquidity

The Shares of the Company are in compulsory dematerialized segment and are available for trading system of both National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). The Company has arrangements with both NSDL and the CDSL. The shareholders can get their shares dematerialized with either NSDL or CDSL. As on March 31, 2016 the total percentage of shares of the Company that have been dematerialized upto March 31, 2016 is 97.90%.

The name and address of the Depositories are as under:

1. National Securities Depository Limited, Trade World, 4 Floor, Kamala Mills Compound, Senapathi Bapat Marg, Lower Parel, Mumbai-400 013
2. Central Depository Services (India) Limited, Phiroze Jeejeebhoy Towers, 17 Floor, Dalal Street, Mumbai-400 023.

16. Share Transfer System

Securities lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. The Executives of the Registrar are empowered to approve transfer of shares and other investor related matters. Grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within 15 days. The following compliances pertain to share transfers, grievances, etc.:

- (1) Pursuant to Regulation 7(3) of the SEBI Listing Regulations, certificates are filed with the stock exchanges on half yearly basis by the Compliance Officer and the representative of the Registrar and Share Transfer Agent for maintenance of an appropriate share transfer facility.
- (2) Pursuant to Regulation 13(2) of the SEBI Listing Regulations, a statement on pending investor complaints is filed with the stock exchanges and placed before the Board of Directors on a quarterly basis.

17. Address for correspondence

Share transfers, dividend payment and all other investor related activities are attended to and processed at the office of its Registrar i.e MCS Share Transfer Agents Limited, Registrar and Share Transfer Agents. Shareholders may lodge the transfer deeds and any other documents, grievances and complaints at their address stated elsewhere in this report.

The Company has an investor relations cell at its Corporate office to deal with the services and complaints of its shareholders at the below stated address:

Kalindee Rail Nirman (Engineers) Limited, 2 Floor , Building No. 9A, Cyber city, DLF Phase III , Gurgaon-122002 Phone: 0124-4674800 Fax : 0124-4674887/ 888
E-mail: info@kalindee.net, Website: www.kalindee.net

Shareholder correspondence may be directed to the Company Registrar and share transfer agent, whose detail is given as hereunder:

MCS Share Transfer Agent Limited,
F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020,
Phone : 011-41406149, Fax : 011-41709881
E mail : admin@mcsregistrars.com

18. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on March 31, 2016, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

19. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund (“IEPF”):

Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/unpaid dividend pertaining to the Company remaining unpaid or unclaimed for period of seven years from the date they became due for payment, have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claims. Members who have not yet encashed their dividend warrant(s) for the financial years 2008-09 and onwards, are requested to make their claims without any delay to the Company's Registrar and Transfer Agent, MCS Share Transfer Agents Limited.

The Company declared dividend 2011 only. As such, the question of complying with the requirements of Section 125 of the Companies Act, 2013 by remitting all amounts due to be credited to the Investor Education & Protection Fund does not arise at this point of time.

20. Green Initiative

In support of the “Green Initiative” undertaken by the Ministry of Corporate Affairs, the Company had during the financial year 2015-16 sent various communications including intimation of dividend and Half Yearly Communiqué by email to those shareholders whose email addresses were registered with the depositories or the Registrar and Transfer Agents. All agenda papers for the Board and Committee meetings are disseminated electronically. In line with the SEBI Listing Regulations, the Company has emailed soft copies of its Annual Report to all those shareholders who have registered their email address for the said purpose. We would greatly appreciate and encourage more Members to register their email address with their Depository Participant or the Registrar and Transfer Agent of the Company, to receive soft copies of the Annual Report, Postal Ballot Notices and other information disseminated by the Company, on a real-time basis without any delay.

21. Plant Location:

Not Applicable as Company is an Engineering, Procurement Construction (EPC) Company.

22. Address for correspondence :

Kalindee Rail Nirman (Engineers) Limited
 F – 5, Gautam Nagar, Gulmohar Park Road
 New Delhi 110 049

| | | |
|-----------|---|-------------------|
| Telephone | : | 011-26857375 |
| e-mail | : | info@kalindee.net |
| website | : | www.kalindee.net |

By order of the Board of Directors

Date : 23.07.2016
Place: Gurgaon

Sd/-
Hemant Kumar
Director

Sd/-
Sandeep Fuller
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of Kalindee Rail Nirman (Engineers) Limited.

We have examined the compliance of conditions of Corporate Governance by Kalindee Rail Nirman (Engineers) Limited (“the Company”) for the year ended 31st March, 2016, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirement) Regulations, 2015 (erstwhile clause 49 of the Listing Agreement) with the documents and records maintained by the Company and the report on corporate governance as adopted by the Board of Directors.

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

In our opinion and to the best of our information and according to the explanations given to us 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 the above mentioned Listing Regulations.

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

For S.S. Kothari Mehta & Co.
Chartered Accountants
ICAI Firm registration number: 000756N

Place: New Delhi
Date: 23.07. 2016

Sd/-
Sunil Wahal
Partner
Membership No.87294

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

Declaration - Compliance with Code of Conduct

In accordance with SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (LODR) and Listing Agreement entered with Stock Exchanges, I, Sandeep Fuller, Managing Director, of the Company, hereby declare that the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2016.

For Kalindee Rail Nirman (Engineers) Limited

Sd/-

Name: Sandeep Fuller

Designation : Managing Director

DIN: 06754262

Place: Gurgaon

Date: 23.07.2016



CEO / CFO Certification

To
The Board of Directors
Kalindee Rail Nirman (Engineers) Ltd.
F-5, Gautam Nagar, Gulmohar Park Road,
New Delhi – 110049.

Subject- CEO/CFO Certificate

Dear Member(s) of the Board,

(Issue in accordance with provisions of Regulation 17 (8) of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015)

We, Sandeep Fuller, Managing Director, and Prakash Chandra Kejriwal, Chief Financial Officer, of the Company, to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief, we state that :
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2016 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) During the year under reference:
 - (i) There were no significant changes in internal control over financial reporting;
 - (ii) No significant changes in accounting policies were made that require disclosure in the notes to the financial statements;
 - (iii) No instances of significant fraud 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, has come to our notice.

Place : Gurgaon
Date :23.07.2016

Sd/-
Sandeep Fuller
Managing Director

Sd/-
Prakash Chandra Kejriwal
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT To the Members of Kalindee Rail Nirman (Engineers) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Kalindee Rail Nirman (Engineers) Limited (“the Company”), which comprise the balance sheet as at March 31, 2016, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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, of the state of affairs of the Company as at March 31, 2016, its profit, and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 44 of financial statements. The Company has withdrawn Rs. 5477.21 lacs from balances of statement of profit and loss of the earlier years and transferred to the statement of profit & loss account of the current year. There is no specific accounting treatment prescribed in the Accounting Standards and the Companies Act, 2013 but the Company has transferred this amount based on an expert opinion obtained by the Company. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books;
 - (c) The balance sheet, statement of profit and loss, and cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. The Company has no amount to be transferred to the Investor Education and Protection Fund.

**For S.S. Kothari Mehta & Co.
Chartered Accountants
ICAI Firm registration number: 000756N**

**Sd/-
Sunil Wahal
Partner
Membership No. 87294**

**Place: New Delhi
Date: May 27, 2016**



Annexure A to the Independent Auditor's Report to the Members of Kalindee Rail Nirman (Engineers) Limited dated May 27, 2016.

Report on the matters specified in paragraph 3 of the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The company has a program of physical verification of fixed assets that covers every item of fixed assets over a period of three years. In our opinion, this periodicity and manner of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The fixed assets at some project sites have been physical verified by the management during the year. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year lying at various project sites. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii) In our opinion and according to the information and explanation given to us, the Company has not granted any loans to, whether secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of Companies Act, 2013. Therefore, the provisions of Clauses (iii) (a) and (b) of the said Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable. Hence, clause 3(iv) of the Order is not applicable to the Company.
- (v) As the Company has not accepted any deposits, from the public within the meaning of directives issued by the Reserve Bank of India and the provisions of sections 73 & 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub section(1) of Section 148 of the Act for any of the products of the Company.
- (vii)
 - (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in

respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (c) According to the information and explanations given to us and records of the Company examined by us, there are no dues of duty of custom, duty of excise and income tax which have not been deposited on account of any dispute, except the following dues of sales tax, works contract tax, entry tax, value added tax and service tax along with the forum where dispute is pending

| Name of the statute | Name of dues | Name of the State | Demand as on 31.03.2016 Amount Rs. | Amount Deposited Rs. | Period to which the amount relates | Forum where the dispute is pending |
|---------------------------------|-------------------|-------------------|------------------------------------|----------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| Central Sales Tax Act & VAT Act | Sales Tax | Andhra Pradesh | 17,34,499 | - | Assessment Year 2010-11 & 2011-12 | Asst. Commissioner (CT)-VI, Enforcement Wing, Hyderabad. |
| | Sales Tax | Tamil Nadu | 1,75,38,809 | - | Financial Year 2010-11, 2011-12, 2012-13 | Commercial Tax Officer (Enforcement) Group I, Office of the Asst Commissioner (CT) (Enforcement), Cuddalore |
| | Sales Tax | Jharkhand | 4,06,994 | - | Financial Year 2011-12 | DCCT, Singhbhum Circle, Jamshedpur |
| | Sales Tax | Uttar Pradesh | 1,44,14,369 | 34,19,787 | Financial Year 2009-10, 2011-12, 2013-14, 2015-16 | Dy. Commissioner Commercial Tax, Khand-12, Noida, Uttar Pradesh |
| | Entry Tax | Uttar Pradesh | 25,000 | - | Financial Year 2009-10 | Dy. Commissioner Commercial Tax, Khand-12, Noida, Uttar Pradesh |
| | Work Contract Tax | Uttar Pradesh | 74,25,384 | 45,63,345 | Financial Year 2008-09, 2009-10, 2010-11, 2011-12 | Dy. Commissioner Commercial Tax, Khand-12, Noida, Uttar Pradesh |
| Finance Act, 1994 | Service Tax | | 23,64,87,256 | - | Financial Year 2005-06, 2006-07 & 2007-08 (Upto 31.05.2007) | |

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, government, banks or debenture holders.

- (ix) In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer (including debt instruments), monies raised by way of term loans were applied for the purpose for which the loans were obtained.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us , the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Act.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.S. Kothari Mehta & Co.
Chartered Accountants
ICAI Firm registration number: 000756N

Sd/-
Sunil Wahal
Partner
Membership No.87294

Place: New Delhi
Date: May 27, 2016

Annexure B to the Independent Auditor's Report to the Members of Kalindee Rail Nirman (Engineers) Limited dated May 27, 2016

Report on the Internal Financial Controls under Clause (f) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Kalindee Rail Nirman (Engineers) Limited ('the Company') as of March 31, 2016, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable

assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.S. Kothari Mehta & Co.
Chartered Accountants
ICAI Firm registration number: 000756N

Place: New Delhi
Date: May 27, 2016

Sd/-
Sunil Wahal
Partner
Membership No.87294

Kalindee Rail Nirman (Engineers) Limited
Balance sheet as at 31st March, 2016

| | Note | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ |
|--------------------------------------------------------------------------------|------|--------------------------------|--------------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 165,075,970 | 165,075,970 |
| Reserves and surplus | 4 | 920,644,217 | 1,459,718,934 |
| | | <u>1,085,720,187</u> | <u>1,624,794,904</u> |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 2,617,893 | 96,729 |
| Other long-term liabilities | 6 | 159,296,083 | 179,014,126 |
| Long-term provisions | 7 | 19,609,521 | 9,501,763 |
| | | <u>181,523,497</u> | <u>188,612,618</u> |
| Current liabilities | | | |
| Short-term borrowings | 8 | 2,557,148,802 | 1,800,062,035 |
| Trade payables | | | |
| - Outstanding dues of micro, small and medium enterprises | 34 | | |
| - Outstanding dues of creditors other than micro, small and medium enterprises | | 622,647,269 | 579,049,848 |
| Other current liabilities | 9 | 316,814,017 | 282,420,456 |
| Short-term provisions | 7 | 3,650,283 | 174,212 |
| | | <u>3,500,260,371</u> | <u>2,661,706,551</u> |
| TOTAL | | <u>4,767,504,055</u> | <u>4,475,114,073</u> |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Tangible assets | 10 | 134,393,039 | 143,674,579 |
| Intangible assets | | 16,309,418 | 7,925,973 |
| | | <u>150,702,457</u> | <u>151,600,552</u> |
| Deferred tax assets (net) | 11 | 64,138,856 | 66,563,982 |
| Long-term loans and advances | 12 | 207,060,518 | 173,375,153 |
| Other non-current assets | 13 | 604,156,547 | 562,006,527 |
| | | <u>1,026,058,378</u> | <u>953,546,214</u> |
| Current assets | | | |
| Inventories | 14 | 153,387,397 | 283,278,011 |
| Trade receivables | 15 | 2,164,336,396 | 2,446,633,209 |
| Cash and bank balances | 16 | 358,160,756 | 363,400,645 |
| Short-term loans and advances | 12 | 264,570,723 | 120,011,702 |
| Other current assets | 13 | 800,990,405 | 308,244,293 |
| | | <u>3,741,445,677</u> | <u>3,521,567,859</u> |
| TOTAL | | <u>4,767,504,055</u> | <u>4,475,114,073</u> |



Significant accounting policies 2
 The accompanying notes form an integral part of these financial statements
 As per our report of even date

For **S.S. Kothari Mehta & Co.**
 Chartered Accountants
 Firm registration number: 000756N

Sd/-
Sunil Wahal
 Partner
 Membership No: 087294

Place: New Delhi
 Date: 27th May, 2016

For and on behalf of the Board of Directors of
Kalindee Rail Nirman (Engineers) Limited

Sd/-
Sandeep Fuller
 Managing Director
 DIN: 06754262

Sd/-
Hemant Kumar
 Director
 DIN: 03599801

Sd/-
Prakash C. Kejriwal
 Chief Financial Officer

Sd/-
Anil Sharma
 Company Secretary

Kalindee Rail Nirman (Engineers) Limited
Statement of profit and loss for the year ended 31st March, 2016

| | Note | For the year ended 31st March, 2016 ₹ | For the year ended 31st March, 2015 ₹ |
|-----------------------------------------------------------------|------|---------------------------------------------|---------------------------------------------|
| Revenue | | | |
| Revenue from operations | 17 | 3,722,696,717 | 3,085,204,733 |
| Other income | 18 | 47,292,261 | 113,960,869 |
| Total revenue | | 3,769,988,978 | 3,199,165,602 |
| Expenses | | | |
| Construction & operating expenses | 19 | 2,905,566,602 | 2,451,976,994 |
| Decrease/(increase) in inventories and work-in-progress | 20 | 129,890,614 | 171,740,989 |
| Employee benefits expenses | 21 | 225,130,787 | 180,601,156 |
| Finance cost | 22 | 345,999,957 | 237,183,583 |
| Depreciation and amortisation expenses | 23 | 20,868,424 | 18,029,675 |
| Other expenses | 24 | 131,310,518 | 119,339,155 |
| Total expenses | | 3,758,766,902 | 3,178,871,552 |
| Profit before exceptional items and tax | | 11,222,076 | 20,294,050 |
| Add: Amount transferred from opening statement of profit & loss | 43 | 547,721,000 | |
| Less: Exceptional item | 25 | (547,721,000) | (162,104,736) |
| Profit/ (Loss) before tax | | 11,222,076 | (141,810,686) |
| Tax expense | | | |
| Current tax | | - | - |
| Deferred tax | | 2,575,793 | (47,068,129) |
| Tax provision for earlier year | | - | 2,564,901 |
| Net profit/ (loss) for the year | | 8,646,283 | (97,307,458) |
| Earnings per share (Face value ₹ 10/- per share) | | | |
| - Basic (₹) | 35 | 0.52 | (5.89) |
| - Diluted (₹) | | 0.52 | (5.89) |

Significant accounting policies

The accompanying notes form an integral part of these financial statements

As per our report of even date

For S.S. Kothari Mehta & Co.

Chartered Accountants

Firm registration number: 000756N

Sd/-

Sunil Wahal

Partner

Membership No: 087294

For and on behalf of the Board of Directors of
Kalindee Rail Nirman (Engineers) Limited

Sd/-

Sandeep Fuller

Managing Director

DIN: 06754262

Sd/-

Hemant Kumar

Director

DIN: 03599801

Sd/-

Prakash C. Kejriwal

Chief Financial Officer

Sd/-

Anil Sharma

Company Secretary

Place: New Delhi

Date: 27th May, 2016

Kalindee Rail Nirman (Engineers) Limited
Cash flow statement for the year ended 31st March, 2016

| | For the year ended 31st March, 2016 ₹ | For the year ended 31st March, 2015 ₹ |
|---------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Cash flow from operating activities | | |
| Net profit / (Loss) before tax | 11,222,076 | (141,810,686) |
| Depreciation | 20,868,424 | 18,029,675 |
| Interest expenses | 345,999,957 | 237,183,583 |
| Amount transferred from opening statement of profit & loss | (547,721,000) | - |
| Interest income on fixed deposits | (37,481,353) | (45,941,365) |
| Loss / (Profit) on sale of fixed assets | (186,821) | 807,897 |
| Liabilities no longer required written back | (1,217,754) | (7,099,779) |
| Provision for doubtful debts | 547,721,000 | 162,104,736 |
| Sundry debit balances written off | 343,678 | 11,987,784 |
| Unrealised exchange (gain)/ loss (net) | (5,998,011) | (5,770,498) |
| Operating profit before working capital changes | 333,550,196 | 229,491,347 |
| <i>Changes in working capital</i> | | |
| Decrease in inventories | 129,890,613 | 171,740,989 |
| (Increase) in loans and advances | (142,607,825) | (151,944,121) |
| (Increase) in other current assets | (490,839,986) | (258,005,880) |
| (Increase) in trade receivables | (323,885,479) | (919,593,170) |
| Increase in trade payables | 31,487,719 | 298,684,724 |
| Increase in provisions | 13,583,829 | 5,098,704 |
| Increase in other liabilities | 13,172,817 | 68,376,961 |
| Cash used in operations | (435,648,116) | (556,150,446) |
| Income taxes paid | (35,980,239) | (46,546,736) |
| Net cash used in operations | (471,628,355) | (602,697,182) |
| Cash flows from investing activities | | |
| Purchase of fixed assets | (20,906,382) | (10,634,320) |
| Disposal of fixed asset | 1,122,874 | 3,037,962 |
| Investment proceeds | 22,938,962 | 18,790,732 |
| Interest received | 35,590,751 | 26,760,114 |
| Net cash from investing activities | 38,746,205 | 37,954,488 |
| Cash flows from financing activities | | |
| Proceeds from borrowings | 1,647,017,767 | 991,913,502 |
| Repayment of borrowings | (889,251,521) | (206,104,320) |
| Finance costs paid | (329,478,781) | (229,588,371) |
| Net cash from financing activities | 428,287,465 | 556,220,811 |
| Net (decrease) / increase in cash and cash equivalents | (4,594,685) | (8,521,883) |
| Cash and cash equivalents at the beginning of year | 68,656,669 | 77,178,552 |
| Cash and cash equivalents at the end of year | 64,061,984 | 68,656,669 |
| Components of cash and cash equivalents | | |
| Cash in hand | 49,647 | 100,535 |
| Current accounts with Banks | 64,012,337 | 68,556,134 |
| | 64,061,984 | 68,656,669 |

Note:

1. Cash & cash equivalents components are as per Note 16 of the financial statements
 2. Previous year figures have been regrouped/restated wherever considered necessary
- As per our report of even date

For S.S. Kothari Mehta & Co.
 Chartered Accountants
 Firm registration number: 000756N

Sd/-
Sunil Wahal
 Partner
 Membership No: 087294

Place: New Delhi
 Date: 27th May, 2016

For and on behalf of the Board of Directors of
Kalindee Rail Nirman (Engineers) Limited

Sd/-
Sandeep Fuller
 Managing Director
 DIN: 06754262

Sd/-
Hemant Kumar
 Director
 DIN: 03599801

Sd/-
Prakash C. Kejriwal
 Chief Financial Officer

Sd/-
Anil Sharma
 Company Secretary

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

1. Corporate Information

- (a) Kalindee Rail Nirman (Engineers) Ltd. ('the Company') is a public listed company registered under the erstwhile Companies Act, 1956 (superseded by Companies Act, 2013). The Company is in the business of construction, installation and setting up infrastructure for rail transport within and outside India.
- (b) The Company's principal place of business is located at '2nd Floor, Building No. 9A, Cyber City, DLF Phase-III, Gurgaon - 122002', India.
- (c) These financial statements are presented in Indian Rupees (₹).
- (d) The Company has filed with the Hon'ble High Court at New Delhi on 24th April 2015 for merger with Texmaco Rail & Engineering Ltd. The merger scheme has already been approved by the Stock Exchange.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in Indian (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 and the result of operations during the year. Differences between actual results and estimates are recognised in the year in which the results are known or materialised. Examples of such estimates are estimated useful life of assets, classification of assets/liabilities as current or non-current in certain circumstances, provision for doubtful receivables and retirement benefits, etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Fixed assets

Tangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation and impairment loss if any. Historical cost comprises the purchase price (net of cenvat / duty credits wherever applicable) and all direct costs attributable to bringing the asset to its working condition for intended use.

Intangible fixed assets

Capital expenditure on purchase and development of identifiable non-monetary assets without physical substance is recognized as intangible assets in accordance with principles given under AS-26 – Intangible assets. These are grouped and separately shown under the schedule of fixed assets. These are amortized over their respective expected useful lives.

2.4 Depreciation / amortisation

Tangible fixed assets

Depreciation on fixed assets is provided on the basis of useful life of assets at the rates prescribed in Schedule

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

II to the Companies Act, 2013 on straight line basis with no residual value . All assets costing ₹ 5,000 or below are fully depreciated in the year of addition.

Intangible fixed assets

Intangible assets are amortized over a period not exceeding five years on a straight-line basis.

2.5 Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Previously recognised impairment losses are reversed to the extent the recoverable amount exceeds the carrying amount.

2.6 Borrowing cost

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

2.7 Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost individually. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments in case of long term investments.

2.8 Inventories

Raw material, stores and spares are valued at lower of cost and net realisable value. Stock of materials at project site has been done after providing for obsolescence, if any, at lower of cost or net realizable value. The valuation of work-in-progress during the period is determined as the aggregate of opening work-in-progress, cost of construction and construction overheads incurred during the year as reduced by cost of work completed.

2.9 Revenue recognition

- (a) Revenue from construction contracts in accordance with Accounting Standard – 7 on “Construction Contracts” is recognised using the percentage of completion method. Percentage of completion method is determined as a proportion of cost incurred to date to the total estimated contract cost. Where the total cost of contract, based on technical and other estimates, is expected to exceed the corresponding contract value, such excess is provided during the year. For this purpose total contract costs are ascertained on the basis of actual

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

costs incurred and costs to be incurred for completion of contract in progress, which is arrived at by the management based on the current technical data, forecasts and estimate of expenditure to be incurred in the future including contingencies. Revision in projected profit and loss arising from change in estimates are reflected in each accounting period which however cannot be disclosed separately in the financial statements as the effect thereof cannot be determined accurately. The income on account of claims / extra item works are recognized to the extent company expects reasonable certainty about receipts or acceptance from the client.

- (b) In some old projects where substantial contract revenue has already been recognized in earlier periods, revenue is recognised as per Accounting Standard -9 "Revenue Recognition" where income from operations is determined and recognized, based on the bills raised on technical evaluation of work executed based on joint inspection with customers including railways. The income on account of claims/extra item works are recognized to the extent company expects reasonable certainty about receipts or acceptances from the client. The figures has been taken as per the management working on the basis of the work completed.
- (c) Interest income is recognized on time basis and is determined by the amount outstanding and rate applicable.
- (d) Dividend income is recognized as and when right to receive payment is established.
- (e) Rental income / lease rentals are recognized on accrual basis in accordance with the terms of agreements.
- (f) Insurance and other claims are accounted for as and when admitted by the appropriate authorities in view of uncertainty involved in ascertainment of final claim.
- (g) The company is in the business of engineering, procurement and construction. The contract awarded to the company are on lump sum price basis and the price is inclusive of all taxes and duties. The turnover of the company hence includes the taxes and duties.

2.10 Leases

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Where the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease. Initial direct costs relating to assets given on finance leases are charged to Statement of Profit and Loss.

2.11 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.12 Accounting for interests in Joint Ventures

Interests in joint ventures are accounted as follows:

| Type of joint venture | Accounting treatment |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Jointly controlled operations | Company's share of revenues, common expenses, assets and liabilities are included in revenues, expenses, assets and liabilities respectively on line by line basis. |
| Jointly controlled assets | Share of assets, according to nature of the assets, and share of the liabilities are shown as part of gross block and liabilities respectively. Share of expenses incurred on maintenance of the assets is accounted as expense. Monetary benefits, if any, from use of the assets are reflected as income. |
| Jointly controlled entities | (a) Integrated joint ventures: (i) Company's share in profits or losses of integrated joint ventures is accounted on determination of the profits or losses by the joint ventures. (ii) Investments in integrated joint ventures are carried at cost net of Company's share recognised in profits or losses. (b) Incorporated jointly controlled entities: (i) Income on investments in incorporated jointly controlled entities is recognised when the right to receive the same is established. (ii) Investment in such joint ventures is carried at cost after providing for any diminution in value of investment which is other than temporary in nature. |

Joint venture interests accounted as above, other than investments in incorporated jointly controlled entities, are included in the segments to which they relate.

For smooth execution of the projects, the company has entered into various joint ventures which comes under the purview of joint control operations. The proportionate financials of the joint ventures has already been incorporated in the financial statements of the company.

2.13 Foreign exchange transactions and forward contracts

(a) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of

Kalindee Rail Nirman (Engineers) Limited

Notes to the Financial statements for the year ended 31st March, 2016

the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

The financial transactions of an integral foreign operation are translated using the exchange rates as if all its transactions had been entered into by the reporting enterprise itself.

(c) Exchange Differences

Exchange differences arising on a monetary item that, in substance, form part of the company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognized as income or as an expense.

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

(d) Forward exchange contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

2.14 Employee benefits

(a) Short-term employee benefits

The Employee benefits payable only within 12 months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, leave travel allowance, short-term compensated absences, etc. and the expected cost of bonus are recognized in the period in which the employee renders the related services.

(b) Post employment benefits

Defined contribution plan : The Company has contributed to state governed Provident Fund Scheme, and Employee Pension Scheme which are Defined Contribution Plans. Contribution paid or payable under the Schemes is recognized during the period in which employee renders the related service.

Defined benefit plan : The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary, using the Projected unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company has an Employee Gratuity Fund managed by SBI Life Insurance Company. The provision made during the year is charged to profit and loss account.

(c) Other long-term employee benefits

Benefits under the Company's leave encashment constitute other long term employee benefits, recognised as an expense in the statement of profit and loss for the period in which the employee has rendered services. Estimated liability on account of these benefits is actuarially determined based on the projected unit credit method using the yield on government bonds, as on the date of the balance sheet, as the discounting rate. Actuarial gains and losses are charged to the Statement of profit and loss.

2.15 Taxation

Income tax expense comprises current tax, deferred tax charge or credit. Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions under the Income tax Act, 1961.

Kalindee Rail Nirman (Engineers) Limited**Notes to the Financial statements for the year ended 31st March, 2016**

The deferred tax charge or credit and the corresponding deferred tax liability and assets are recognised using the tax rates that have been enacted or substantively enacted on the balance sheet date. Deferred tax assets are recognised only to the extent where there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date to reassess their realisability.

Deferred tax consequences of timing differences that originate in the tax holiday period and reverse after the tax holiday period are recognised in the period in which the timing differences originate.

2.16 Provisions and contingent liabilities

The Company recognises a provision when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligations and the amount of such obligation can be reliably estimated. Provisions are not discounted to their present value and are determined based on the management's estimation of the outflow required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current management estimates. Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events, not wholly within the control of the Company. When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.17 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

2.18 Segment reporting**Identification of segments:**

The company's operating business are organized and managed separately according to the nature of products manufactured and services provided, with each segment representing a strategic business unit that offers different products.

Allocation of common costs:

Common allocable costs are allocated to each segment on reasonable basis.

Unallocated Items:

Unallocable assets & liabilities represent the assets & liabilities not allocable to any segment as identified as per the Accounting Standard.

Segment Policies:

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

Kalindee Rail Nirman (Engineers) Limited

Notes to the Financial statements for the year ended 31st March, 2016

3 Share capital

| | As at 31st March, 2016 | | As at 31st March, 2015 | |
|----------------------------------------------------|------------------------|-------------|------------------------|-------------|
| | Number | ₹ | Number | ₹ |
| Authorized shares | | | | |
| Equity shares of ₹10/- each | 65,000,000 | 650,000,000 | 65,000,000 | 650,000,000 |
| | 65,000,000 | 650,000,000 | 65,000,000 | 650,000,000 |
| Issued, subscribed and fully paid up shares | | | | |
| Equity shares of ₹10/- each | 16,507,597 | 165,075,970 | 16,507,597 | 165,075,970 |
| | 16,507,597 | 165,075,970 | 16,507,597 | 165,075,970 |

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

| | As at 31st March, 2016 | | As at 31st March, 2015 | |
|------------------------------------|------------------------|-------------|------------------------|-------------|
| | Number | ₹ | Number | ₹ |
| Equity Shares | | | | |
| At the beginning of the year | 16,507,597 | 165,075,970 | 16,507,597 | 165,075,970 |
| Add : Issued during the year | - | - | - | - |
| Outstanding at the end of the year | 16,507,597 | 165,075,970 | 16,507,597 | 165,075,970 |

b. Rights, preferences and restrictions attached to equity shares

The Company has only one type of equity share having par value of ₹10/- each per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share except, in respect of any shares on which any calls or other sums payable have not been paid. The Company pays and declares dividends in Indian Rupees. Whenever dividend is proposed by the Board of Directors, the same is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend, if any. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c. Particulars of shareholders holding more than 5% shares of a class of shares

| | As at 31st March, 2016 | | As at 31st March, 2015 | |
|----------------------------------------------|------------------------|-----------|------------------------|-----------|
| | Number | % Holding | Number | % Holding |
| Equity shares of ₹ 10 each fully paid | | | | |
| Texmaco Rail & Engineering Ltd (Texmaco) | 7,076,293 | 42.87% | 6,865,898 | 41.59% |
| Ram Dayal Sharma | - | - | 937,110 | 5.68% |
| Brijlata Gemini | 937,110 | 5.68% | - | - |

Texmaco has, in terms of a share purchase agreement dated July 20, 2013, agreed to purchase 19,37,960 equity shares held by the erstwhile promoters of the company. However, acquisition of only 9,14,575 equity shares (out of the above) has been completed till 31.03.2016, which have been taken into account while calculating Texmaco's 42.87% shareholding in the company mentioned above. After acquisition of balance 10,23,385 shares Texmaco holding will increase to 49.07%.

As per the records of the Company including its register of shareholders / members and other declaration received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

d. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date : Nil

e. Equity shares held by holding company

| | As at 31 March 2016 | | As at 31 March 2015 | |
|------------------------------------------|---------------------|------------|---------------------|---|
| | Number | ₹ | Number | ₹ |
| Texmaco Rail & Engineering Ltd (Texmaco) | 7,076,293 | 70,762,930 | - | - |

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

4 Reserves and surplus

| | As at 31st March, 2016 | As at 31st March, 2015 |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| | ₹ | ₹ |
| (a) Capital reserve | | |
| Opening balance | 6,751,500 | 6,751,500 |
| Add : Credited during the year | - | - |
| Closing balance | <u>6,751,500</u> | <u>6,751,500</u> |
| (b) Securities premium reserve | | |
| Opening balance | 876,186,226 | 876,186,226 |
| Add : Securities premium credited on share issue | - | - |
| Closing balance | <u>876,186,226</u> | <u>876,186,226</u> |
| (c) General reserve | | |
| Opening balance | 10,570,725 | 10,862,578 |
| Less: Depreciation on account of balance useful life being Nil as on 1st April 2014 as per schedule II of Companies Act, 2013 (net) | - | (291,853) |
| Closing balance | <u>10,570,725</u> | <u>10,570,725</u> |
| (d) Surplus in statement of profit and loss | | |
| Opening balance | 566,210,483 | 663,517,942 |
| Less: Transferred to statement of profit & loss (Refer Note 43) | (547,721,000) | - |
| Add: Net profit/ (loss) for the year | 8,646,283 | (97,307,458) |
| Closing balance | <u>27,135,766</u> | <u>566,210,483</u> |
| Total reserve and surplus | <u><u>920,644,217</u></u> | <u><u>1,459,718,934</u></u> |

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

5 Long term borrowings

| | Non-current | | Current | |
|-----------------------------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ |
| Secured* | | | | |
| Term Loan from banks | | | | |
| - HDFC Bank Ltd. Terms of repayment ₹ 22,700/-pm for 36 months | - | 22,495 | 22,495 | 254,552 |
| - HDFC Bank Ltd. Terms of repayment ₹ 254,543/-pm for 36 months | - | - | - | 2,670,326 |
| - HDFC Bank Ltd. Terms of repayment ₹ 10,100/- PM for 24 months | - | 74,234 | 74,234 | 92,153 |
| - HDFC Bank Ltd. Terms of repayment ₹ 9,360/- PM for 24 months | 187,027 | - | 70,973 | - |
| Term Loan from other parties | | | | |
| - Toyota Financial Services Ind. Ltd. Terms of repayment ₹ 35,550/- PM for 36 months | 526,315 | - | 353,783 | - |
| - Kotak Mahindra Prime Limited Terms of repayment ₹ 23,891/- PM for 60 months | 911,272 | - | 186,243 | - |
| - SREI Equipment Finance Pvt Ltd Terms of repayment ₹ 53,715/- PM for 36 months | 993,279 | - | 467,618 | - |
| Total | 2,617,893 | 96,729 | 1,175,346 | 3,017,031 |
| Less: Amount disclosed under the head 'other current liabilities' (Note no. 9) | - | - | (1,175,346) | (3,017,031) |
| Net amount | 2,617,893 | 96,729 | - | - |

*** Security, Terms & conditions of term loan**

Above loans from banks are secured by the hypothecation of the underlying assets (vehicle and software licences). The loans are repayable in equated monthly instalments in accordance with terms and conditions of loan agreement. The period of loan is ranges from 24 months to 60 months. The rate of interest ranges from 9.58% p.a. to 23.07% p.a. (previous year interest rates ranges from 9.58% p.a. to 23.07% p.a.)

6 Other long term liabilities

| | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ |
|-------------------------------------|--------------------------------|--------------------------------|
| Trade payables (Non-current)* | 61,316,447 | 74,643,903 |
| Mobilization advance from customers | 97,979,636 | 104,370,223 |
| | 159,296,083 | 179,014,126 |

* This represent vendor retention payable which are due after 31st March, 2017.

7 Provisions

| | Non-current | | Current | |
|-------------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ |
| Provision for Contingency | 4,842,053 | - | 3,116,217 | - |
| Provision for employees benefits | | | | |
| Provision for gratuity (Funded) | 10,557,758 | 7,436,219 | - | - |
| Provision for leave encashment (Unfunded) | 4,209,710 | 2,065,544 | 534,066 | 174,212 |
| | 19,609,521 | 9,501,763 | 3,650,283 | 174,212 |

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

8 Short term borrowings

| | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ |
|-------------------------------------------------------|--------------------------------|--------------------------------|
| a)Secured | | |
| Working capital loan from banks (repayable on demand) | 1,437,148,802 | 1,250,062,035 |
| b)Unsecured | | |
| Loan from banks | 300,000,000 | - |
| Loan from related parties | 470,000,000 | 150,000,000 |
| Loan from others | 350,000,000 | 400,000,000 |
| | <u>2,557,148,802</u> | <u>1,800,062,035</u> |

(a) The Company has availed cash credit facility from consortium of banks. The details of securities are as follows:

Primary

- First pari-passu charge on entire current assets of the company including receivable both present and future by way of hypothecation.

Collateral

(i) First pari-passu charge on the entire fixed assets (both present and future) of the company including the following properties in the name of the company:

- Equitable mortgage of immovable property situated at Flat no. 103, Ground Floor (area of 135.62 Sq. Mtr.), Plot no. C4, Silver Oak, Sawai Jai Singh Highway, Bani Park, Jaipur, Rajasthan (measuring 2265 Sq. ft.)

- Equitable mortgage of immovable property situated at Room (Basement), measuring 1460 Sq. ft. at Plot no. C4, Silver Oak, Sawai Jai Singh Highway, Bani Park, Jaipur, Rajasthan

- Equitable mortgage of residential building (Ground Floor + 2 storeyed building) built on 469.26 Sq. mtrs of Plot no. 206, Sector-55, Urban Estate, Gurgaon, Haryana.

- Equitable mortgage of First Floor in a Split + 7 Storeyed building at flat no. 102, First floor, Plot no. 17/18, Wing-C, Gautam Complex, Sector-11, CBD, Belapur, Navi Mumbai, Distt. Thana (Maharashtra) measuring 1120 Sq. ft. super area.

- Equitable mortgage of First Floor in a Split + 7 Storeyed building at flat no. 104, First floor, Plot no. 17/18, Wing-C, Gautam Complex, Sector-11, CBD, Belapur, Navi Mumbai, Distt. Thana (Maharashtra) measuring 1120 Sq. ft. super area.

(ii) On first pari-passu basis FDR balance as on 31st March 2016 for 12,00,00,000 (Previous Year 12,00,00,000)

(b) Company obtained various short term inter corporate deposits from group companies and others during the year. The rate of interest ranges from 9.55% to 13.50% p.a. (previous year 11.75% to 13.50% p.a.) in respect of loans outstanding as at 31 March 2016. Interest is payable monthly, quarterly or at the time of repayment of respective loan depending upon the maturity of loans.

9 Other current liabilities

| | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ |
|----------------------------------------------------------|--------------------------------|--------------------------------|
| Current maturities of long-term borrowing (refer note 5) | 1,175,346 | 3,017,031 |
| Interest accrued but not due on borrowings | 26,912,551 | 10,391,375 |
| Other payables | | |
| Capital creditors | 6,111,945 | 41,490 |
| Statutory dues payable | 13,594,194 | 22,915,787 |
| Mobilization advance from customers | 220,043,234 | 218,311,079 |
| Other advances | 7,000,000 | 3,000,000 |
| Employee related liabilities | 21,677,440 | 18,577,158 |
| Expenses payable | 20,299,307 | 6,166,536 |
| | <u>316,814,017</u> | <u>282,420,456</u> |

Kalindee Rail Nirman (Engineers) Limited

Notes to the Financial statements for the year ended 31st March, 2016

10. Fixed assets

(i) Tangible assets

| Particulars | Leasehold land ₹ | Buildings ₹ | Electric fittings ₹ | Plant and machinery ₹ | Furniture and fixtures ₹ | Office equipment ₹ | Computers ₹ | Vehicles ₹ | Total ₹ |
|---------------------------------------|---------------------|----------------|------------------------|--------------------------|--------------------------------|--------------------------|----------------|---------------|-------------|
| Gross block | | | | | | | | | |
| Balance as at 1 April 2014 | 160,423 | 44,754,223 | 730,304 | 155,767,323 | 16,491,401 | 6,242,477 | 12,106,274 | 48,841,787 | 285,094,212 |
| Additions | - | - | - | 71,925 | 562,919 | 160,078 | 945,041 | 253,440 | 1,993,403 |
| Disposals | - | - | - | - | - | - | - | 4,947,927 | 4,947,927 |
| Balance as at 31 March 2015 | 160,423 | 44,754,223 | 730,304 | 155,839,248 | 17,054,320 | 6,402,555 | 13,051,315 | 44,147,300 | 282,139,688 |
| Balance as at 1 April 2015 | 160,423 | 44,754,223 | 730,304 | 155,839,248 | 17,054,320 | 6,402,555 | 13,051,315 | 44,147,300 | 282,139,688 |
| Additions | - | - | - | 4,695,802 | 421,086 | 1,145,812 | 222,130 | 3,125,749 | 9,610,579 |
| Disposals | - | - | - | - | - | - | 59,328 | 2,690,733 | 2,750,061 |
| Balance as at 31 March 2016 | 160,423 | 44,754,223 | 730,304 | 160,535,050 | 17,475,406 | 7,548,367 | 13,214,117 | 44,582,316 | 289,000,206 |
| Depreciation | | | | | | | | | |
| Balance as at 1 April 2014 | - | 11,110,753 | 730,304 | 57,919,852 | 8,674,314 | 4,519,739 | 11,623,749 | 27,231,217 | 121,809,928 |
| Depreciation for the year | 46,993 | 611,999 | - | 10,281,594 | 1,959,601 | 512,503 | 206,586 | 3,695,452 | 17,314,728 |
| Adjustments | - | - | - | - | - | 442,519 | - | - | 442,519 |
| Accumulated depreciation on disposals | - | - | - | - | - | - | - | 1,102,066 | 1,102,066 |
| Balance as at 31 March 2015 | 46,993 | 11,722,752 | 730,304 | 68,201,446 | 10,633,915 | 5,474,761 | 11,830,335 | 29,824,603 | 138,465,109 |
| Balance as at 1 April 2015 | 46,993 | 11,722,752 | 730,304 | 68,201,446 | 10,633,915 | 5,474,761 | 11,830,335 | 29,824,603 | 138,465,109 |
| Depreciation for the year | 1,625 | 613,676 | - | 10,552,960 | 2,013,976 | 665,450 | 752,688 | 3,355,691 | 17,956,066 |
| Accumulated depreciation on disposals | - | - | - | - | - | - | 59,328 | 1,754,680 | 1,814,008 |
| Balance as at 31 March 2016 | 48,618 | 12,336,428 | 730,304 | 78,754,406 | 12,647,891 | 6,140,211 | 12,523,695 | 31,425,614 | 154,607,167 |
| Net block | | | | | | | | | |
| As at 31 March 2015 | 113,430 | 33,031,471 | - | 87,637,802 | 6,420,405 | 927,794 | 1,220,980 | 14,322,697 | 143,674,579 |
| As at 31 March 2016 | 111,805 | 32,417,795 | - | 81,780,644 | 4,827,515 | 1,408,156 | 690,422 | 13,156,702 | 134,393,039 |

(ii) Intangible assets

| Particulars | Computer software ₹ | Total ₹ |
|-----------------------------|---------------------------|------------|
| Gross block | | |
| Balance as at 1 April 2014 | - | - |
| Additions | 8,640,920 | 8,640,920 |
| Balance as at 31 March 2015 | 8,640,920 | 8,640,920 |
| Balance as at 1 April 2015 | 8,640,920 | 8,640,920 |
| Additions | 11,295,803 | 11,295,803 |
| Balance as at 31 March 2016 | 19,936,723 | 19,936,723 |
| Amortisation | | |
| Balance as at 1 April 2014 | - | - |
| Amortisation for the year | 714,947 | 714,947 |
| Balance as at 31 March 2015 | 714,947 | 714,947 |
| Balance as at 1 April 2015 | 714,947 | 714,947 |
| Amortisation for the year | 2,912,358 | 2,912,358 |
| Balance as at 31 March 2016 | 3,627,305 | 3,627,305 |
| Net block | | |
| As at 31 March 2015 | 7,925,973 | 7,925,973 |
| As at 31 March 2016 | 16,309,418 | 16,309,418 |

Note: During the previous year, the company has revised depreciation on fixed assets as per the useful life specified in the schedule-II of the Companies Act 2013.

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016
11 Deferred tax assets (net)

| | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ |
|---------------------------------------------------------------|--------------------------------|--------------------------------|
| Opening balance of net deferred tax asset | 66,563,982 | 19,495,854 |
| Increase/(decrease) in deferred tax asset during the year | (1,237,381) | 47,933,554 |
| Decrease/(Increase) in deferred tax liability during the year | (1,187,745) | (865,426) |
| Closing balance of net deferred tax asset | 66,563,982 | 66,563,982 |

VALUE RESEARCH PREMIUM
12 Loan and advances

| | Non-current | | Current | |
|----------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ |
| Security deposits (Unsecured and considered good) | 793,782 | 503,500 | 6,487,051 | 6,481,257 |
| Advance income-tax (net of provisions ₹nil): | | | | |
| - Relating to projects in India | 146,580,922 | 115,540,708 | | |
| - Relating to projects outside India | 47,054,726 | 42,114,701 | | |
| | 193,635,648 | 157,655,409 | - | - |
| Other loans and advances | | | | |
| <i>Unsecured and considered good</i> | | | | |
| Advance to suppliers | - | - | 92,588,931 | 43,213,541 |
| Advance to employees | - | - | 4,802,318 | 3,695,126 |
| Prepaid expenses | 12,631,088 | 15,216,244 | 40,785,117 | 42,785,162 |
| VAT receivable | - | - | 118,328,665 | 23,258,616 |
| Other recoverables in cash or kind or for value to be received | - | - | 1,578,641 | 578,000 |
| | 12,631,088 | 15,216,244 | 258,083,672 | 113,530,445 |
| | 207,060,518 | 173,375,153 | 264,570,723 | 120,011,702 |

13 Other assets

| | Non-current | | Current | |
|----------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ |
| Fixed deposits with banks (refer note 16) | 60,112,349 | 82,406,107 | - | - |
| Unbilled revenue | - | - | 775,287,373 | 285,406,710 |
| Long term trade receivables (unsecured, considered good) | 538,225,663 | 473,766,361 | | |
| Interest accrued on fixed deposits | 5,818,535 | 5,834,059 | 15,253,318 | 13,347,192 |
| Earnest money deposit | - | - | 10,449,714 | 9,490,391 |
| | 604,156,547 | 562,006,527 | 800,990,405 | 308,244,293 |

14 Inventories (valued at lower of cost and net realisable value)

| | As at 31st March, 2016 ₹ | As at 31st March, 2015 ₹ |
|-------------------------------------|--------------------------------|--------------------------------|
| Construction materials & components | 13,479,023 | 154,912,405 |
| Work-in-progress | 139,908,374 | 128,365,606 |
| | 153,387,397 | 283,278,011 |

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

15 Trade receivables

| | <u>As at 31st March, 2016</u> | <u>As at 31st March, 2015</u> |
|-----------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| | ₹ | ₹ |
| Trade receivables outstanding for a period exceeding six months from the date they became due for payment | | |
| (a) Unsecured, considered good | 591,117,951 | 1,115,731,392 |
| (b) Doubtful | 709,825,736 | 162,104,736 |
| Less: Provision for doubtful debts | <u>(709,825,736)</u> | <u>(162,104,736)</u> |
| (A) | 591,117,951 | 1,115,731,392 |
| Other receivables | | |
| Unsecured, considered good | (B) 1,573,218,445 | 1,330,901,817 |
| (A) + (B) | <u>2,164,336,396</u> | <u>2,446,633,209</u> |

16 Cash and bank balances

| | <u>Non current</u> | | <u>Current</u> | |
|-----------------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | <u>As at 31st March, 2016</u> | <u>As at 31st March, 2015</u> | <u>As at 31st March, 2016</u> | <u>As at 31st March, 2015</u> |
| | ₹ | ₹ | ₹ | ₹ |
| Cash and cash equivalents | | | | |
| Cash on hand | - | - | 49,647 | 100,535 |
| Balance with banks | - | - | 64,012,337 | 68,556,134 |
| Other balances with banks | | | | |
| Margin money deposits | 60,112,349 | 82,406,107 | 294,098,772 | 294,743,976 |
| | <u>60,112,349</u> | <u>82,406,107</u> | <u>358,160,756</u> | <u>363,400,645</u> |
| Amount disclosed under non current assets (refer note 13) | <u>(60,112,349)</u> | <u>(82,406,107)</u> | <u>-</u> | <u>-</u> |
| | - | - | <u>358,160,756</u> | <u>363,400,645</u> |

Note: Margin money of ₹ 35.42 crore as on 31st March, 2016 includes ₹ 12 crore FDR (previous year ₹ 12 crore) given as collateral security to the bank against working capital loan.

17 Revenue from operations

Sales & services related to construction & project related activity

| | <u>For the year ended 31st March, 2016</u> | <u>For the year ended 31st March, 2015</u> |
|--|------------------------------------------------|------------------------------------------------|
| | ₹ | ₹ |
| | <u>3,722,696,717</u> | <u>3,085,204,733</u> |
| | <u>3,722,696,717</u> | <u>3,085,204,733</u> |

18 Other income

| | | |
|--------------------------------------|--------------------------|---------------------------|
| Interest income on bank deposits | 37,481,353 | 45,941,365 |
| Excess provision written back | 1,217,754 | 7,099,779 |
| Foreign exchange gain | 4,176,488 | 31,649,369 |
| Sales tax refund | - | 26,959,615 |
| Miscellaneous income | 4,229,845 | 2,310,741 |
| Profit on sale of fixed Assets (Net) | 186,821 | - |
| | <u>47,292,261</u> | <u>113,960,869</u> |

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

| | For the year ended 31st March, 2016 | For the year ended 31st March, 2015 |
|-----------------------------------------------------------|------------------------------------------------|------------------------------------------------|
| | ₹ | ₹ |
| 19 Construction & Operating Expenses | | |
| Cost of material and components | 1,807,132,268 | 1,495,058,042 |
| Cost of services | 816,431,397 | 689,341,058 |
| Hire charges | 73,370,239 | 48,909,994 |
| Power and fuel | 23,183,672 | 16,045,276 |
| Custom duty, clearing & forwarding charges | 58,078,874 | 31,120,304 |
| Inspection & testing charges | 5,978,299 | 5,041,884 |
| Royalties | 683,261 | 17,919,466 |
| Technical consultancy | 28,270,832 | 29,871,978 |
| Other construction and operating expenses | 92,437,760 | 118,668,992 |
| | 2,905,566,602 | 2,451,976,994 |
| 20 Change in inventories and work-in-progress | | |
| Work-in-Progress: | | |
| Inventory at the beginning of the year | 128,365,606 | 219,860,000 |
| Less: Inventory at the end of the year | 139,908,374 | 128,365,606 |
| | (11,542,768) | 91,494,394 |
| Inventory: Construction materials & components | | |
| Inventory at the beginning of the year | 154,912,405 | 235,159,000 |
| Less: Inventory at the end of the year | 13,479,023 | 154,912,405 |
| | 141,433,382 | 80,246,595 |
| | 129,890,614 | 171,740,989 |
| 21 Employee benefits | | |
| Salaries, wages and bonus | 198,020,997 | 162,067,568 |
| Contribution to provident and other funds | 11,578,129 | 9,634,547 |
| Staff welfare expenses & other benefits | 15,531,661 | 8,899,041 |
| | 225,130,787 | 180,601,156 |
| 22 Finance costs | | |
| Interest expenses | 262,674,568 | 167,972,703 |
| Other borrowing costs | 83,325,389 | 69,210,880 |
| | 345,999,957 | 237,183,583 |
| 23 Depreciation and amortisation | | |
| Depreciation on tangible assets | 17,956,066 | 17,314,728 |
| Amortisation of intangible assets | 2,912,358 | 714,947 |
| | 20,868,424 | 18,029,675 |



Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

| | For the year ended 31st March, 2016 ₹ | For the year ended 31st March, 2015 ₹ |
|----------------------------------------|---------------------------------------------|---------------------------------------------|
| 24 Other expenses | | |
| Rent | 19,191,294 | 18,042,485 |
| Rates & taxes | 1,400,940 | 1,188,312 |
| Insurance | 14,384,147 | 6,207,618 |
| Repair & maintenance | 2,985,437 | 6,554,511 |
| Legal & professional expenses | 26,148,141 | 32,935,414 |
| Auditors' remuneration | 2,041,887 | 2,479,033 |
| Travelling and conveyance | 20,847,753 | 16,858,677 |
| Sundry balances written off | 343,678 | 11,987,784 |
| Director sitting fee | 430,000 | 567,500 |
| Loss on sale of fixed assets | - | 807,897 |
| Printing & stationary | 4,262,739 | 2,988,433 |
| Communication charges | 13,723,147 | 4,766,991 |
| Tendor expenses | 316,731 | 311,683 |
| Vehicle Running & Maintenance expenses | 5,068,260 | 3,236,788 |
| Selling expenses | 4,495,170 | 3,766,501 |
| Miscellaneous expenses | 15,671,194 | 6,639,530 |
| | <u>131,310,518</u> | <u>119,339,155</u> |

25 Exceptional items

| | | |
|------------------------------|--------------------|--------------------|
| Provision for doubtful debts | 547,721,000 | 162,104,736 |
| | <u>547,721,000</u> | <u>162,104,736</u> |

Pursuant to reconciliation with trade receivables, the company has made a provision for bad debts of ₹ 5477.21 lacs (previous year ₹ 1621.05 lacs) which is shown as an exceptional items (refer note 43).

| | For the year ended 31st March, 2016 ₹ | For the year ended 31st March, 2015 ₹ |
|-------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| 26 Contingent liabilities | | |
| Service tax demands (including show cause notices) | 236,487,256 | 236,487,256 |
| Sales tax / VAT demands (Net amount paid ₹ 79,83,132 (previous year ₹ 33,09,489) | 33,561,923 | 37,067,388 |
| | <u>270,049,179</u> | <u>273,554,644</u> |

The above amount represents the duty and penalty as demanded in the order. If cases are settled against the Company, interest liability may arise on demand payable. The same has not been included as the same is indeterminable at this stage.

Based on favourable decisions in similar cases, legal opinion taken by the Company and discussions with the solicitors etc, the management of Company believes that there is a fair chance of favourable decisions in respect of the items listed above and hence no provision is necessary against the same.

27 Bank guarantees

Based on contractual agreements with customers the company has issued bank guarantees aggregating ₹365.40 crores (PY ₹377.44 crores). The management believes that none of the bank guarantees will be cashed by any of the customers.

28 Commitments

| | | |
|---------------------------------------------------------------------------------------------------------------------------------|------------------|----------|
| (a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 5,164,636 | - |
| (b) Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances) | - | - |
| | <u>5,164,636</u> | <u>-</u> |

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

| | For the year ended 31st March, 2016 ₹ | For the year ended 31st March, 2015 ₹ |
|-----------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| 29 Value of imports calculated on C.I.F basis | | |
| Raw materials & components | - | 35,459,941 |
| | - | 35,459,941 |
| 30 Expenditure in foreign currency (accrual basis) | | |
| Commission, consultancy, travelling and others | 168,086 | 1,015,582 |
| | 168,086 | 1,015,582 |
| 31 Earnings in foreign currency | | |
| Other income : Income from foreign operation | - | - |
| | - | - |
| 32 Payment to auditors (including service tax) | | |
| As auditor | | |
| - Statutory audit | 1,000,000 | 1,123,600 |
| - Tax audit | 203,280 | 393,260 |
| Other services | 627,950 | 782,585 |
| Reimbursement of expenses | 210,657 | 179,588 |
| | 2,041,887 | 2,479,033 |

33 Details regarding imported and indigenous materials consumed during the year

| | For the year ended 31st March, 2016 ₹ | % consumed | For the year ended 31st March, 2015 ₹ | % consumed |
|------------|------------------------------------------|------------|------------------------------------------|------------|
| Imported | - | 0.00% | 35,459,941 | 2.08% |
| Indigenous | 2,001,080,055 | 100.00% | 1,667,501,279 | 97.92% |
| | 2,001,080,055 | | 1,702,961,220 | |

34 Details of dues to micro, small and medium enterprises defined under the MSMED Act, 2006

The company has not received any information from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosure, if any, relating to the amount paid as at the year end together with interest payable/paid as required under the said act has not been furnished.

| | For the year ended 31st March, 2016 ₹ | For the year ended 31st March, 2015 ₹ |
|---------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| 35 Earning per share | | |
| - Net profit/ (loss) attributable to equity shareholders for calculation of basic and diluted EPS (₹) | 8,646,283 | (97,307,458) |
| - Weighted average number of equity shares outstanding during the period for calculation of basic EPS (No.) | 16,507,597 | 16,507,597 |
| - Weighted average number of equity shares outstanding during the period for calculation of diluted EPS (No.) | 16,507,597 | 16,507,597 |
| Basic EPS (₹) | 0.52 | (5.89) |
| Diluted EPS (₹) | 0.52 | (5.89) |

No diluted potential equity share outstanding as on date of balance sheet.

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

| | For the year ended 31st March, 2016 ₹ | For the year ended 31st March, 2015 ₹ |
|------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|
| 36 Leases | | |
| Operating leases as lessee | | |
| - The Company has taken a number of guest houses, registered office and corporate office under operating leases. | | |
| - Non-cancellable operating lease rentals payable (minimum lease payments) under these leases are as follows: | | |
| Within one year (₹) | 3,257,474 | 7,107,216 |
| Later than one year and not later than five years (₹) | - | 3,257,474 |
| Later than five years (₹) | - | - |
| | 3,257,474 | 10,364,690 |

During the year an amount of ₹19,191,294 (previous year ₹ 18,042,485) was recognised as rent expense in the Statement of Profit and Loss.

37 Related party disclosures

a. Name of the related parties and relationship as per Accounting Standard 18

| Relationship | Name of parties where relation exist (FY 2015-2016) | Name of parties where relation exist (FY 2014-2015) |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (A) Key Management Personnel | - Mr. Sandeep Fuller, (Managing Director) - Mr. MS. Mohan Kumar (Executive Director) (Appointed as an Executive Director w.e.f. 04.02.2016, earlier holding position as Chief Operating Officer) - Mr. Prakash Chandra Kejriwal (Chief Financial Officer) - Mr. Vikas Jain (VP - Finance & Accounts) | - Mr. Sandeep Fuller, (Managing Director) - Mr. MS. Mohan Kumar (Chief Operating Officer) - - Mr. Vikas Jain (VP - Finance & Accounts) |
| (B) Holding Company | - Texmaco Rail & Engineering Limited (Note 46) | - |
| (C) Reporting enterprise in as Associate Company of | - | - Texmaco Rail & Engineering Limited |
| (D) Joint Venture | - Kalindee Cobra JV - Kalindee Kapoor Railcon JV - Kalindee Karthik JV - Kalindee VNC JV - Kalindee IF&LS JV - GMR TPL KRNL JV - Kalindee Rahee JV - Kalindee URC JV | - Kalindee Cobra JV - Kalindee Kapoor Railcon JV - Kalindee Karthik JV - Kalindee VNC JV - Kalindee IF&LS JV - GMR TPL KRNL JV - Kalindee Rahee JV - Kalindee URC JV |
| (E) Enterprises under common control | - Lionel India Limited - Adventz Investments and Holdings Ltd - Adventz Securities Enterprises Ltd. - Adventz Finance Pvt. Ltd. - Bright Power Projects (India) Pvt Ltd. | - Lionel India Limited - Adventz Investments and Holdings Ltd - Adventz Securities Enterprises Ltd. - Adventz Finance Pvt. Ltd. - |

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

| b. Related party transactions | For the year ended 31st March, 2016 | For the year ended 31st March, 2015 |
|------------------------------------------------|------------------------------------------------|------------------------------------------------|
| | ₹ | ₹ |
| Sale of goods and services | | |
| Kalindee Cobra JV | 278,043,068 | 148,430,939 |
| Kalindee Kapoor Railcon JV | 532,898,867 | 637,757,912 |
| Kalindee Karthik JV | 46,555,280 | 194,461,370 |
| Kalindee VNC JV | 111,883,076 | 37,993,028 |
| Kalindee IF&LS JV | 203,301,396 | 128,938,022 |
| GMR TPL KRNL JV | 249,946,316 | 154,858,948 |
| Kalindee URC JV | 406,057,793 | |
| Rendering of services | | |
| Kalindee Rahee JV | 1,000,000 | - |
| Receiving of services | | |
| Lionel India Limited | 3,244,477 | 2,215,334 |
| Amount paid on behalf of the Company | | |
| Kalindee Cobra JV | - | 260,000 |
| Kalindee Kapoor Railcon JV | - | 2,020,000 |
| Kalindee Karthik JV | - | 30,000 |
| GMR TPL KRNL JV | - | 1,129,919 |
| Kalindee Rahee JV | 477,366 | 600,000 |
| Amount paid by the Company on behalf of | | |
| Kalindee Cobra JV | 8,614,182 | 15,730 |
| Kalindee Karthik JV | - | 6,000 |
| Kalindee Rahee JV | 17,731,901 | 171,651,217 |
| Kalindee VNC JV | 63,694,903 | - |
| Kalindee Kapoor Railcon JV | 3,453,000 | - |
| Loans received | | |
| Adventz Securities Enterprises Ltd. | 20,000,000 | 50,000,000 |
| Adventz Finance Pvt. Ltd. | - | 100,000,000 |
| Texmaco Rail & Engineering Limited | 300,000,000 | - |
| Loans repaid | | |
| Adventz Investments and Holdings Ltd | - | 100,000,000 |
| Interest paid on loans | | |
| Adventz Investments and Holdings Ltd | - | 6,768,494 |
| Adventz Securities Enterprises Ltd. | 6,798,086 | 2,995,890 |
| Adventz Finance Pvt. Ltd. | 13,521,626 | 8,987,669 |
| Texmaco Rail & Engineering Limited | 14,898,907 | - |
| Managerial remuneration | | |
| Mr. MS. Mohan Kumar | 4,591,810 | 4,164,353 |
| Mr. Prakash Chandra Kejriwal | 3,431,968 | - |
| Mr. Vikas Jain | 99,198 | 2,547,068 |



Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

| | <u>For the year ended</u> <u>31st March, 2016</u> ₹ | <u>For the year ended</u> <u>31st March, 2015</u> ₹ |
|-------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|
| c. Outstanding balances as at year end | | |
| Accounts receivable from related parties | | |
| Kalindee Cobra JV | 128,105,713 | 105,539,472 |
| Kalindee Kapoor Railcon JV | 174,455,784 | 325,632,599 |
| Kalindee Karthik JV | 12,762,775 | 82,597,940 |
| Kalindee VNC JV | 86,746,902 | 43,961,529 |
| Kalindee IF&LS JV | 192,307,522 | 185,012,712 |
| GMR TPL KRNL JV | 138,753,844 | 126,993,765 |
| Kalindee Rahee JV | 67,394,182 | 107,960,059 |
| Kalindee URC JV | 144,056,275 | - |
| Accounts payable to related parties | | |
| Lionel India Limited | 705,640 | 555,915 |
| Texmaco Rail & Engineering Limited | 13,947,994 | 545,820 |
| Kalindee - Cobra JV | - | 85,986,716 |
| Kalindee - Kapoor JV | - | 95,156,128 |
| GMR-TPL- Kalindee | - | 60,605,585 |
| Adventz Finance Pvt. Ltd. | 5,045,892 | 6,058,352 |
| Adventz Securities Enterprises Ltd. | 2,556,489 | 2,696,299 |
| Mr. MS. Mohan Kumar | 384,396 | 332,515 |
| Mr. Prakash Chandra Kejriwal | 254,888 | - |
| Mr. Vikas Jain | - | 105,973 |
| Loans from related parties | | |
| Adventz Securities Enterprises Ltd. | 70,000,000 | 50,000,000 |
| Adventz Finance Pvt. Ltd. | 100,000,000 | 100,000,000 |
| Texmaco Rail & Engineering Limited | 300,000,000 | - |

38 Disclosure pursuant to Accounting Standard 7 (Revised) "Construction Contract"

| Particulars | <u>For the year ended</u> <u>31st March, 2016</u> ₹ |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|
| i) Contract revenue recognised for the year | 3,218,654,428 |
| ii) Aggregate amount of cost incurred and recognised profits (less recognised losses) up to the balance sheet date for all contract in progress as at that date | 6,240,500,252 |
| iii) Amount of customer advances outstanding for contracts in progress as at balance sheet date | 315,212,870 |
| iv) Retention amount due from customers for contracts in progress | 932,328,920 |
| v) Gross amount due from customers for contract work | 664,411,167 |
| vi) Gross amount due to customer for contract work | 53,326,221 |

* Company has adopted AS-7 during the year only for the projects awarded recently so the comparative figures of previous year is not available.

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

39 Segment information

The company's operations predominantly relates to construction as EPC contractors for railway sector.

Accordingly during the current year, the financials of the company represent a single primary segment (railway construction work), Secondary segment by geographical location is as under:-

| Secondary Segment (Geographical Segments): | | Domestic | Overseas | Total |
|------------------------------------------------------------------|---------------------------|-----------------|-----------------|-----------------|
| Particulars | For the year ended | ₹ | ₹ | ₹ |
| Revenue from External Customer | 31.03.2016 | 3,655,475,082 | 67,221,635 | 3,722,696,717 |
| | 31.03.2015 | (3,017,638,292) | (67,566,441) | (3,085,204,733) |
| Total Carrying amount of segment assets | 31.03.2016 | 4,450,080,601 | 123,787,806 | 4,573,868,407 |
| | 31.03.2015 | (4,156,326,517) | (161,132,147) | (4,317,458,664) |
| Cost incurred on acquisition of assets (Tangible and Intangible) | 31.03.2016 | 20,800,286 | 106,095 | 20,906,381 |
| | 31.03.2015 | (10,497,707) | (136,616) | (10,634,323) |

40 Disclosures in respect of joint ventures pursuant to Accounting Standard (AS) 27 "Financial Reporting of Interests in Joint Ventures"

| Name of Joint Venture | Description of Interest / (Description of Job) | Country of Residence |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| Kalindee Kartik | Jointly controlled operations (civil work and signaling at Sini Jharkhand, SE Railway) | INDIA |
| Kalindee Kapoor | Jointly controlled operations (civil work and signaling at Rani Keshwaganj, Rajasthan and Lucknow Pilibhit, Uttar Pradesh) | INDIA |
| Kalindee ILFS | Jointly controlled operations (civil work and signaling at Sholapur division of Central Railway in the state of Maharashtra, India) | INDIA |
| Kalindee Rahee | Jointly controlled operations (civil work and signaling at Kolkata Metro division of KMRC in the state of Kolkata, India) | INDIA |
| Kalindee Cobra | Jointly controlled operations (civil work and signaling at Bina Kota division of RVNL in the state of Rajasthan, India) | INDIA |
| GMR-TPL-Kalindee | Jointly controlled operations (civil work and signaling of RVNL projects in the state of Uttar Pradesh and Rajasthan, India respectively) | INDIA |
| Kalindee VNC | Jointly controlled operations (civil work and track work of Bangalore Metro & Delhi Metro in the state of Bangaluru and Delhi, India respectively) | INDIA |
| Kalindee URC | Jointly controlled operations (civil work and signaling of RVNL Project in the state of Tamilnadu, India) | INDIA |

41 Disclosure as required under Clause 32 of listing agreement

There is no reportable amount of Loans and advances (excluding advance towards equity) in the nature of loans given to Subsidiaries, Joint Ventures and Associates.

42 Derivative instruments and unhedged foreign currency exposures

| | For the year ended 31-March-2016 | | For the year ended 31-March-2015 | |
|-------------------------------------------------------------------------------------------------------------------|-----------------------------------------|----------|-----------------------------------------|---------------|
| | Amount in foreign currency | ₹ | Amount in foreign currency | ₹ |
| (i) Derivative instruments: | | | | |
| Forward contract outstanding as at balance sheet date | - | - | - | - |
| (ii) The year-end foreign currency exposures that have not been hedged by a derivative instrument are given below | | | | |
| (a) Amounts receivable in foreign currency on account of the following | | | | |
| - Other advances receivable | - | - | USD 45,000.00 | 2,816,586.00 |
| (b) Amounts payable in foreign currency on account of the following | | | | |
| - Import of goods and services | - | - | EUR 433,747.00 | 29,282,428.07 |

Kalindee Rail Nirman (Engineers) Limited

Notes to the Financial statements for the year ended 31st March, 2016

- 43 During the year company has reconciled majority of its trade receivables/loans and advances. Pursuant to such reconciliation, the company has made a provision for bad debts of ₹5477.21 lacs (previous year ₹1621.05 lacs) in statement of profit & loss for the year ended 31st March 2016. Considering that these trade receivable/loans & advances are pertaining to previous periods before the current management took over, an equivalent amount has been transferred from balance surplus in statement of profit & loss of the earlier years. Considering the above, the same has been classified as an exceptional item.
- 44 In the opinion of the Board and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.
- 45 In the opinion of the management except for matters as mentioned above, there are no impairment indicator and as such the impairment exercise has not been carried out by the management.
- 46 At board meeting held on 31st August 2015, a change has been made in composition of Board of Directors by appointing four additional directors as a nominee from Texmaco Rail & Engineering Limited, after the change Texmaco Rail & Engineering Limited controls the composition of Board of Directors and has become the holding company of Kalindee Rail Nirman (Engineers) Limited.

47 Employee benefits

Defined Benefit Plan (Gratuity Funded and Leave Encashment Non-funded) - As per Actuarial Valuation on 31.03.2016.

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is funded with an insurance company in the form of a qualifying insurance policy.

Earned leave not availed during the year can be accumulated with subsequent year upto maximum 90 days. The earned leave accumulated beyond 90 days can be encashed at any point of time.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the plan.

| A. Expenses recognised in the statement of profit and loss | Gratuity (Funded) | | Leave Encashment (Non funded) | |
|-------------------------------------------------------------------------|---------------------|--------------------|-------------------------------|--------------------|
| | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Current service cost | 2,536,549 | 2,024,919 | 2,885,050 | 986,364 |
| Interest cost | 1,201,136 | 840,988 | 175,073 | - |
| Expected return on plan assets | (695,378) | (844,613) | - | - |
| Net actuarial [(gain) / loss] | 79,232 | 4,574,179 | 97,663 | - |
| Past service cost | - | - | - | 1,253,392 |
| Total expenses | 3,121,539 | 6,595,473 | 3,157,786 | 2,239,756 |
| Actual return on planned assets | 431,722 | 640,346 | - | - |
| B. Net asset / (liability) recognised in the balance sheet | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Present value of obligation as at year end | 17,130,414 | 15,366,418 | 4,743,776 | 2,239,756 |
| Fair value of plan assets as at year end | 6,572,656 | 7,930,199 | - | - |
| Less: unrecognised past service cost | - | - | - | - |
| Funded status - surplus /(deficit) | (10,557,758) | (7,436,219) | (4,743,776) | (2,239,756) |
| Net asset / (liability) as at year end | (10,557,758) | (7,436,219) | (4,743,776) | (2,239,756) |
| C. Change in the present value of the defined benefit obligation | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| Opening defined benefit obligation | 15,366,418 | 10,781,892 | 2,239,756 | - |
| Interest cost | 1,201,136 | 840,988 | 175,073 | - |
| Current service cost | 2,536,549 | 2,024,919 | 2,885,050 | 986,364 |
| Benefit paid out of funds | (1,789,265) | (2,651,293) | (653,766) | - |
| Benefit paid by company | - | - | - | - |
| Past service cost | - | - | - | 1,253,392 |
| Actuarial (gains)/losses on obligation | (184,424) | 4,369,912 | 97,663 | - |
| Closing defined benefit obligation | 17,130,414 | 15,366,418 | 4,743,776 | 2,239,756 |

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

| D. Change in the fair value of plan assets are as follows:- | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
|-------------------------------------------------------------|------------------|------------------|----------|----------|
| Opening fair value of plan assets | 7,930,199 | 9,652,720 | - | - |
| Expected return | 695,378 | 844,613 | - | - |
| Contribution by employer | - | 288,426 | - | - |
| Benefit paid | (1,789,265) | (2,651,293) | - | - |
| Actuarial gains/(losses) on obligation | (263,656) | (204,267) | - | - |
| Closing fair value of plan assets | 6,572,656 | 7,930,199 | - | - |

| The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:- | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
|-------------------------------------------------------------------------------------------------------------|---------|---------|----------------|----------------|
| Govt. Bonds | - | - | - | - |
| Corporate Bonds | - | - | Not Applicable | Not Applicable |
| Insurance Policy | 100.00% | 100.00% | - | - |
| Others | - | - | - | - |

| The principal assumptions used in determining gratuity & leave encashment for the Company's plans are shown below:- | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|---------|----------|---------|
| Discount rate | 8.00% | 7.80% | 8.00% | 7.80% |
| Normal retirement age | 58 years | | 58 years | |
| Expected rate of return on assets | 8.75% | 8.75% | - | - |
| Mortality table | Indian Assured Lives Mortality (2006-08) Ultimate | | | |
| Salary escalation | 5.00% | 5.00% | 5.00% | 5.00% |

Amounts for the current and previous four periods in respect of Gratuity & Leave Encashment are as follows:-

| Particulars | Gratuity (Funded) | |
|-------------------------------------------|-------------------|-------------|
| | 2015-16 | 2014-15 |
| Defined benefit obligation | 17,130,414 | 15,366,418 |
| Plan assets | 6,572,656 | 7,930,199 |
| Surplus / (deficit) | (10,557,758) | (7,436,219) |
| Experience adjustment on plan assets | (263,656) | (204,267) |
| Experience adjustment on plan liabilities | 150,881 | 4,369,912 |

| Particulars | Leave encashment (Non funded) | |
|-------------------------------------------|-------------------------------|-------------|
| | 2015-16 | 2014-15 |
| Defined benefit obligation | 4,743,776 | 2,239,756 |
| Plan assets | - | - |
| Surplus / (Deficit) | (4,743,776) | (2,239,756) |
| Experience adjustment on plan assets | - | - |
| Experience adjustment on plan liabilities | - | - |

- Disclosure in respect of previous three annual periods as required by paragraph 120n of Accounting Standards - 15 "Employee Benefits" is not presented as the management considers it impracticable in absence of requisite information.
- The expected return on plan assets has been determined considering several applicable factors mainly the composition of plan assets held, associated risks of assets management, historical results of returns and policies for plan assets.
- The estimates of future salary increase considered in actuarial valuation take into account inflation, seniority, promotions and other relevant factors such as supply and demand factors in the employment market.
- Based on the Guidance Note from the Institute of Actuaries of India, the Company's Actuary has reliably measured the provident fund liability in respect of Provident Fund (Trust) and there is no shortfall.

Kalindee Rail Nirman (Engineers) Limited
Notes to the Financial statements for the year ended 31st March, 2016

e) **Defined Contribution Plan**

Employer's contribution to Provident Fund and Other Funds aggregating to ₹11,578,129 (Previous year ₹9,634,547) has been included under Note 21 - Employee benefit expense.

e) Actuarial valuation for liability towards Gratuity & Leave encashment started from the current financial year 2015-2016.

48 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For **S.S. Kothari Mehta & Co.**
Chartered Accountants
Firm registration number: 000756N

For and on behalf of the Board of Directors of
Kalindee Rail Nirman (Engineers) Limited

Sd/-
Sunil Wahal
Partner
Membership No.: 087294

Sd/-
Sandeep Fuller
Managing Director
DIN: 06754262

Sd/-
Hemant Kumar
Director
DIN: 03599801

Place: New Delhi
Date: 27th May, 2016

Sd/-
Prakash C. Kejriwal
Chief Financial Officer

Sd/-
Anil Sharma
Company Secretary





KALINDEE RAIL NIRMAN (ENGINEERS) LTD.

CIN: L64120DL1984PLC114336

Registered office: F-5, Gautam Nagar, Gulmohan Park Road, New Delhi- 110049

Email: info@kalindee.net, Website: www.kalindee.net

Phone no. 011-26857375

ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the entrance of the Hall.

| | |
|----------------------------------------------------------------------------------------------------|--|
| NAME OF THE ATTENDING MEMBER (IN BLOCK LETTERS) | |
| *FOLIO NO. | |
| DP ID NO./ CLIENT ID NO. | |
| NO. OF SHARES HELD | |
| NAME OF PROXY(IN BLOCK LETTERS, TO BE FILLED IN IF THE PROXY ATTENDS INSTEAD OF THE MEMBERS) | |

I, hereby record my presence at the 32nd Annual General Meeting of the Company to be held on Friday, 30th September, 2016 at 11.00 a. m. at Saras Garden, G T Karnal Road, Mukhmel Pur Bandh, Near Hanuman Mandir, Alipur, Delhi-110 036.

Member's/Proxy's Signature

*Applicable in case of Shares held in Physical Form

NOTE:

- The attendance slip should be signed as per the specimen signature registered with the R&TA/Depository Participant (DP). Such duly completed and signed Attendance Slip should be handed over at the R&TA counter(s) at the venue against which R&TA will provide admission card.
- Entry to the hall will be strictly on the basis of admission card as provided by R&TA.
- Members in person/proxy holders may please carry photo-ID card for identification/verification purposes.
- Shareholder(s) present in person or through registered proxy shall only be entertained.
- Briefcase, mobile phone, bag, eatables, helmets and other belongings will not be allowed to be taken inside the venue of the meeting for security purposes and shareholder(s)/proxy holder(s) will be required to take care of their belonging(s).
- No gifts will be distributed at the Annual General Meeting

KALINDEE RAIL NIRMAN (ENGINEERS) LTD.

CIN: L64120DL1984PLC114336

Registered office: F-5, Gautam Nagar, Gulmohan Park Road, New Delhi- 110049

Email: info@kalindee.net, Website: www.kalindee.net

Phone no. 011-26857375

PROXY FORM (MGT -11)

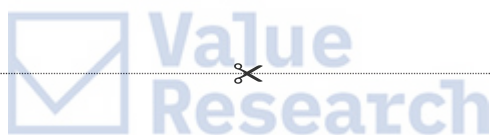
Please affix ₹ 1 revenue Stamp [Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

| | | |
|-------------------------------|--|--------------------------------------|
| Name of the Member (s) | | Please affix ₹ 1 revenue Stamp |
| Registered address | | |
| Folio No. / DP ID – Client ID | | |
| Email ID | | |

I/We, being the member(s) ofshares of the above named company, hereby appoint:

- Name:.....Address:.....
E-mail ID.....Signature:.....or failing him/ her
- Name:.....Address:.....
E-mail ID.....Signature:.....,or failing him/her
- Name:.....Address:.....
E-mail ID.....Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on or my/ our behalf at the 32nd Annual General Meeting of the Company to be held on Friday, 30th September, 2016 at 11.00A.M. and at any adjournment there of in respect of such resolutions as are indicated below:



- Resolution no. 1 : Adoption of Audited Financial Statements, Directors' and Auditors' Report thereon for the year ended 31st March, 2016.
- Resolution no. 2 : Re-appointment of Mr. Sandeep Fuller, who retires by rotation and eligible for re-election.
- Resolution no. 3 : Re-appointment of Mr. Varun Bharthuar, who retires by rotation and eligible for re-election.
- Resolution no. 4 : Ratification of appointment of M/s. S. S. Kothari Mehta & Co., Chartered Accountants, as Statutory Auditors and fixing their remuneration.
- Resolution no. 5 : Appointment of Mr. Mohan Kumar Mysore Subbanna as an Executive Director.

Signed this.....day of2016.

Signature of the Shareholder(s)

Signature of Proxy Holder(s).....

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office at the Company, F-5, Gautam Nagar, Gulmohar Park Road, New Delhi- 110 049 not less than 48 hours before the commencement of the Annual General Meeting.



Book-Post



adventz

If undelivered, please return to :-

Kalindee Rail Nirman (Engineers) Ltd.

F-5, Gautam Nagar, Gulmohar Park Road, New Delhi - 110 049

Tel.: 011-26857375

E-mail : info@kalindee.net, Website : <http://kalindee.net>