

6TH ANNUAL REPORT 2016-17



KARNIMATA

COLD STORAGE

KARNIMATA COLD STORAGE LIMITED

CIN- L01403WB2011PLC162131

Regd. Office: Village – Chekuasole,

P.O. – Jogerdanga, P.S. – Goaltore,

Dist. – Paschim Medinipur, PIN– 721 121, West Bengal

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

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

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CORPORATE INFORMATION



BOARD OF DIRECTORS

- | | |
|-------------------------|------------------------|
| 1. Mr. Pradip Lodha | Managing Director |
| 2. Mrs. Asha Ladia | Chairperson & Director |
| 3. Mrs. Venus Kedia | Independent Director |
| 4. Mrs. Kalpana Agrawal | Independent Director |

Chief Financial Officer Mr. Sunil Kumar Churiwala

AUDITORS

M/s. Bidasaria & Associates

Chartered Accountants

14, Princep Street, 3rd Floor,
Suite# 5 , Kolkata- 700 072

PRINCIPAL BANKER

SBI, Garbeta, Midnapore (W)

REGISTRARS AND SHARE TRANSFER AGENTS

Bigshare Services Private Limited

E- 2/3, Ansa Industrial Estate, Sakhivihar Road
Sakinaka, Andheri (E), Mumbai- 400072

Maharashtra, India

Tel: +91-22- 62638200

Fax: +91-22-62638299

Email: investor@bigshareonline.com

REGISTERED OFFICE

Vill: Chekuasole **PO :** Jogerdanga

PS : Goaltore **Dist:** Paschim Medinipur

West Bengal – 721121

Tel No.: +91 3227 - 218314

Tele Fax No.: +91 3227 – 265193

Email Id: karnimatacoldstorage@gmail.com

Website: www.karnimatacoldstorage.com

CIN: L01403WB2011PLC162131

AUDIT COMMITTEE

Mrs. Venus Kedia - Chairperson

Mrs. Kalpana Agrawal - Member

Mr. Pradip Lodha - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mrs. Kalpana Agrawal -Chairperson

Mrs. Asha Ladia -Member

Mrs. Venus Kedia -Member

NOINATION & REMUNERATION COMMITTEE

Mrs. Kalpana Agrawal - Chairperson

Mrs. Vens Kedia - Member

Mrs. Asha Ladia - Member

RISK MANAGEMENT COMMITTEE

Mrs. Venus Kedia -Chairperson

Mrs. Asha Ladia -Member

Mr. Pradip Lodha -Member

Mrs. Kalpana Agrawal -Member

Company Secretary & Compliance Officer

Miss Chandni Gupta

KARNIMATA COLD STORAGE LIMITED

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NOTICE OF SIXTH ANNUAL GENERAL MEETING

Notice is hereby given that the 6th Annual General Meeting of the Company will be held on Saturday, the 26th Day of August, 2017 at the Registered Office of the Company at Village - Chekuasole, P.O. - Jogerdanga, P.S.- Goaltore, Dist – Paschim Medinipur, PIN– 721121, West Bengal at 11.30 A.M. to transact the following business:-

ORDINARY BUSINESS:

1. Adoption of Financial Statement:

To receive, consider, approve and adopt the Audited Balance Sheet as on 31st March, 2017, Statement of the Profit and Loss for the year ended on that date and the reports of the Auditors and Directors thereon.

2. Reappointment of Retiring Director:

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

3. Appointment of Auditors:

To ratify the appointment of auditors of the Company, and to fix their remuneration and to pass the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of Companies Act, 2013 and the Rules made there under and pursuant to the recommendations of the Audit Committee of the Board, and pursuant to the resolution passed by the members at the AGM held on 23rd September, 2014 ,M/s. Bidasaria and Associates, Chartered Accountants having Firm registration no. 315101E as Statutory Auditors of the Company to hold office till the conclusion of the 8th AGM be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2018 as may be determined by the audit committee in consultation with the auditors.”

SPECIAL BUSINESS:

4. Increment of Remuneration of Managing Director:

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), or any other law for the time being in force and on the recommendation of Nomination & Remuneration Committee of the Board and the Board of Directors, consent of the shareholders of the company be and is hereby accorded for increase in the remuneration of Mr. Pradip Lodha (DIN: 03006602), the Managing Director of the Company, w.e.f. 01st April, 2017, on such terms and conditions hereinafter mentioned and varied from time to time by the Board in such manner as may be mutually agreed, subject to such approvals as may be required and within applicable limits of the Companies Act, 2013.”

Consolidated Salary: Upto a Maximum of Rs. 7.2 Lacs p.a. (i.e., Rs. 60,000/- per month), including all benefits (whether by way of salary or any other means), within the limits specified in Schedule V of the Companies Act, 2013.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect(s) to the above resolution(s) and to file necessary forms with the Registrar of Companies, (Kolkata) West Bengal.”

5. Adoption of new set of Articles of Association:

To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable Provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company and the Company Secretary be and are hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolution(s), including filing of necessary forms with the Registrar of Companies, Kolkata, West Bengal, as may be required in relation to such amendments and to comply with all other requirements in this regard.”

**By Order of the Board
For Karnimata Cold Storage Limited**

Place: Paschim Medinipur

Date: 05/07/2017

Sd/-
Chandni Gupta
Company Secretary

Registered office:

Village - Chekuasole, P.O. - Jogerdanga, P.S.- Goaltore,
Dist – Paschim Medinipur, PIN– 721121, West Bengal

NOTES:

1. The relative Explanatory Statement pursuant to Section 102(1) of the Companies act, 2013 (“Act” setting out material facts concerning the business under item No. 4 & 5 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), of the person seeking re-appointment as Director under Item No. 2 of the Notice, are also annexed with the notice.
2. **A Member entitled to attend and to vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the company.** The instrument appointing the proxy, in order to be effective, must be deposited at the registered office of the company, duly completed and signed, not less than 48 hours before the commencement of the AGM. 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.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **19th August, 2017 to 26th August, 2017** (both days inclusive).
5. Members/Proxies/Authorized Representatives are requested to bring the attendance slip duly completed and signed, mentioning therein details of their DP ID and Client ID/ Folio No. along with a valid identity proof such as PAN Card, Passport or Aadhaar Card or for attending the meeting.
6. In case of joint members attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, contact numbers, etc., to their depository participant (DP).
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agents, Bigshare Services Pvt. Ltd (BSPL).
9. Members are requested to send all communications relating to shares to the Company’s Share Transfer Agent to **M/s Bigshare Services Pvt. Ltd., E- 2/3, Ansa Industrial Estate, Sakhivihar Road, Saki Naka, Andheri (East), Mumbai- 400072.**
10. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company or BSPL for assistance in this regard.
11. The route map showing directions to reach the venue of the Sixth AGM is annexed.

12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No.SH-13. The said form can be downloaded from the Company's website www.karnimatacoldstorage.com (In 'Investor Relation Contact' section). Members holding shares in physical form may submit the same to BSPL. Members holding shares in electronic form may submit the same to their respective depository participant.
13. Members who are yet to register their e-mail address with the Company or with the depository are once again requested to register the same. The form for registration of e-mail address with the Company can be downloaded from the Companies Corporate website www.karnimatacoldstorage.com under the section News and announcement dated 11/08/2014 and also requested to send their e-mail address to the following: karnimatacoldstorage@gmail.com.
14. A member desirous of getting any information on the accounts or operations of the Company is required to forward his/her queries to the Company at least ten days prior to the meeting so that the required information can be made available at the meeting.
15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 ('the Act'), will be available for inspection by the members at the AGM.
16. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company from 11.00 A.M. to 1:00 P.M. on all working days, up to the date of the Annual General Meeting.
17. The Members whose names will appear in the register of the members / list of beneficial owners as on **(Friday) 28th July, 2017, being the cut-off date**, are entitled to receive notice to attend the 6th Annual General Meeting of the Company.
18. The Notice of AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. Members may also note that this Notice and the Annual Report 2016-17 will also be available on the Company's website viz. www.karnimatacoldstorage.com.
19. All the members requested to physically present at the Meeting in person or by proxy to attend the 6th AGM of the Company.
20. The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to it at the registered office address or e-mail their grievances/queries to the Company Secretary at the following e-mail address: karnimatacoldstorage@gmail.com.

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

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

Item No- 04

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

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

In view of the aforesaid facts, the Board of Directors of the Company at their Meeting held on 24th March, 2017, on the recommendations of the Nomination and Remuneration Committee had approved the increment in the remuneration of Mr. Pradip Lodha w.e.f. 01st April, 2017 as set out in the Resolution. However the proposed remuneration as mentioned in the resolution is within the said limits specified in Schedule V of the Companies Act, 2013.

The approval of the members being sought for the increase remuneration of Mr. Pradip Lodha Upto a Maximum of Rs. 7.2 Lacs p.a. (.i.e., Rs. 60,000/- per month), including all benefits (whether by way of salary or any other means).

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, the Board recommends the Ordinary Resolution set out at item no. 04 of the accompanying Notice for the approval of the Members.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or affected by the proposed resolution(s) set out at Item No. 04 except Mr. Pradip Lodha and the holders of shares in general.

Item No- 05:

Upon enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956 have been repealed and in view of the same the Articles of Association of the Company needs to be re-aligned as per the provisions of the new Act. Hence, it is considered expedient to wholly replace the existing AoA by a new set of Articles of Association which shall be in conformity with the new companies Act, 2013. The Board of Directors in its meeting held on 05th July 2017 decided (subject to the approval of members) to adopt a new set of Articles of Association in place of and to the exclusion of existing Articles of Association of the Company.

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

The draft AOA shall be available for inspection during the meeting and can be inspected by members during the business hours at the registered office of the company.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of the Notice.

**By Order of the Board
For Karnimata Cold Storage Limited**

Place: Paschim Medinipur
Date: 05/07/2017

Sd/-
Chandni Gupta
Company Secretary

Registered office:
Village - Chekuasole, P.O. - Jogerdanga, P.S.- Goaltore,
Dist – Paschim Medinipur, PIN– 721121, West Bengal

DETAILS OF THE DIRECTORS SEEKING REAPPOINTMENT AT THE 6th ANNUAL GENERAL MEETING

Particulars	Mrs. Asha Ladia
Date of Birth	January 26, 1962
Date of Appointment	April 29, 2011
Category	Non-Executive Director
Qualifications	B.A and B.Ed.
DIN No.	03504170
Expertise in specific functional areas	-Relevant experience in Trading and Investment Businesses. -Experience of being an agent for Life Insurance Corporation of India.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Nil
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee).	Nil
Number of shares held in the Company	74000
Number of Board Meetings attended during the year	8
Disclosure of relationships between directors inter-se	Nil

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ATTENDANCE SLIP

6th ANNUAL GENERAL MEETING

Name of the Member/Proxy: _____	
Address: _____	
Email-Id: _____	
Folio No./Client ID: _____	DP ID: _____
No(s). of Shares held: _____	

*Applicable for shareholding in electronic form.

I certify that I am a registered shareholder/Proxy for the registered shareholder of the Company. I/We hereby record my presence at the Sixth (6th) Annual General Meeting of the Company on 26th August, 2017 at 11.30 A.M. at Village: Chekuasole, Po: Jogerdanga, Ps: Goaltore, Dist: Paschim Medinipur, PIN-721 121, West Bengal.

Signature of Member/Proxy

Note:

1. Please bring this attendance slip to the Meeting and hand over at the entrance of the meeting hall duly filled & signed.
2. Members who hold shares in dematerialized form are requested to furnish their Client ID and DP ID for easy identification of attendance at the Meeting.
3. Proxies are requested to bring their identity proof for verification at the entrance of the Meeting.

Form No. MGT-11

PROXY FORM

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

KARNIMATA COLD STORAGE LIMITED

CIN- L01403WB2011PLC162131

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6th ANNUAL GENERAL MEETING

Name of the Member(s):
Registered address:
E-mail Id:
Folio No./Client ID:
DP ID:

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

1. Name :

Address :

Email Id :

Signature:, or failing him

2. Name :

Address :

Email Id :

Signature:, or failing him

3. Name :

Address :

Email Id :

Signature:, or failing him

as my/our proxy to attend and vote for me/us and on my/our behalf at the 6th Annual General Meeting of the Company, to be held on 26th August, 2017 at 11.30 A.M. at Vill: Chekuasole, Po: Jogerdanga, Ps: Goaltore, Dist: Paschim Medinipur, PIN-721 121, West Bengal and at any adjournment thereof in respect of such resolutions as are indicated below:-

Resolution No.	Business	Vote(Optional. See Note 4) (Please mention no. of shares)		
		For	Against	Abstain
1	Adoption of Financial Statements			
2	Re-appointment of Mrs. Asha Ladia, who retires by rotation.			
3	Ratification of Appointment of Auditors and fixing their remuneration.			
4	Increment of Remuneration of Managing Director.			
5	Adoption of new set of Articles of Association.			

Signed this _____ day of _____ 2017

Signature of the Member

Affixed

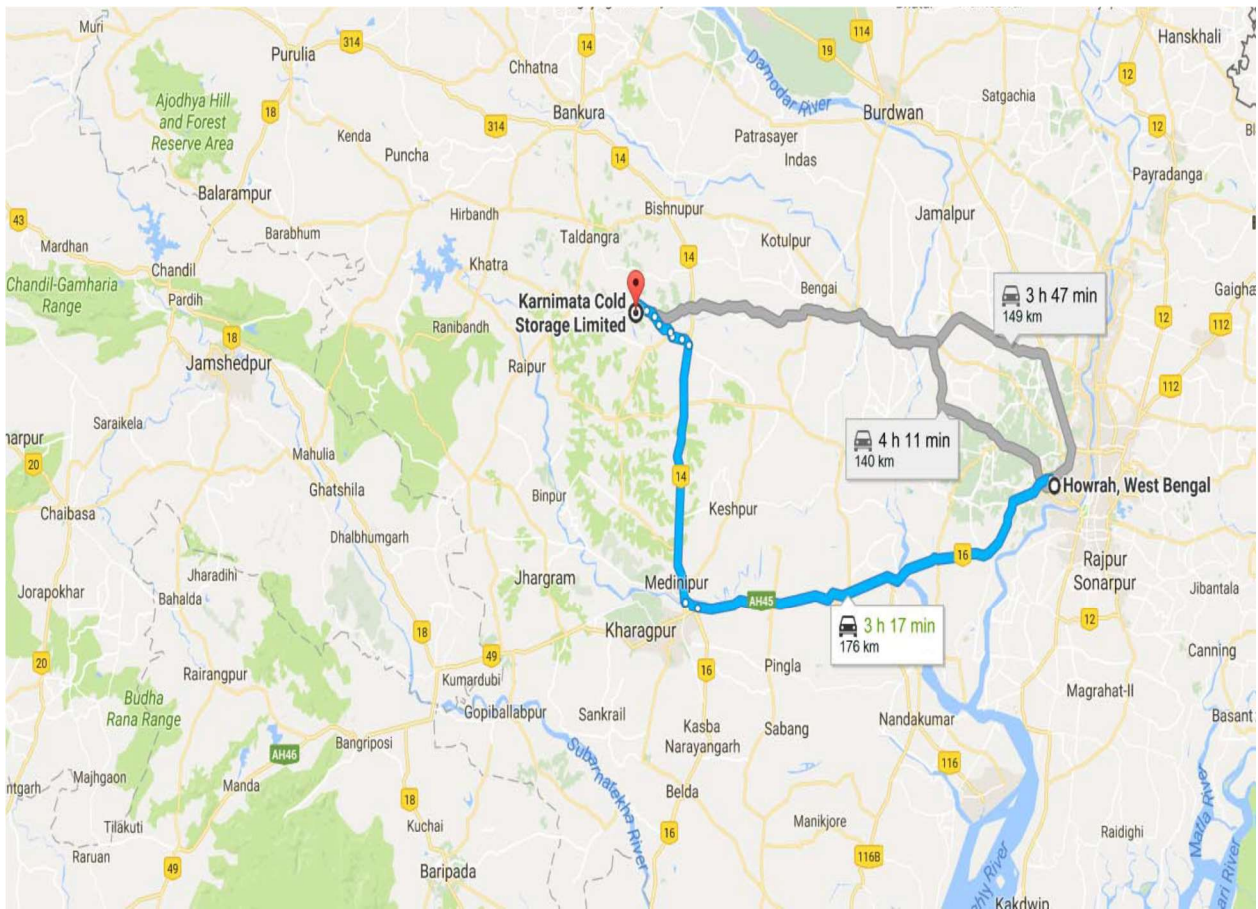
Rs.1
revenue
stamp

Signature of Proxy holder(s)

Note:

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

ROUTE MAP TO THE VENUE OF 06TH ANNUAL GENERAL MEETING



DIRECTORS' REPORT



To

The Members,

Karnimata Cold Storage Limited

Your Directors are pleased to present their 6th Annual Report on the business and operations of your Company together with the Audited Accounts for the year ended 31st March, 2017.

The Financial performance of the Company for the year ended 31st March, 2017 is summarized below:-

<u>Financial Result</u>	31st March, 2017	31st March, 2016
	(Rs. in lacs)	(Rs. in lacs)
Profit before taxation	14.43	8.56
Less: Provision for Taxation	(2.75)	(1.64)
Add: MAT credit entitlement	2.75	1.35
	<hr/>	<hr/>
Profit after Tax	14.43	8.28
Add: Profit brought forward from previous year	28.65	20.37
	<hr/>	<hr/>
Balance carried over to Balance Sheet	43.08	28.65

COMPANY'S PERFORMANCE

The revenue from operations for FY 2016-17 at `Rs.463.56 lacs was increased by 8.99% over last year (`Rs. 425.34 lacs in FY 2015-16) Profit before taxation was Rs.14.43 lacs against Rs.8.56 lacs in the previous year. Profit after tax ("PAT") for the year was ` 14.43 lacs recording a growth of 74.34% over the PAT of ` 8.28 lacs of FY 2015-16.

SHARE CAPITAL

The paid up equity capital as on March 31, 2017 was Rs.5,08,40,000 (Five Crores Eight Lacs Forty Thousand). The Company does not issued any Shares during the year, and neither issued any bonus shares nor granted stock options nor sweat equity during the year under review.

DIVIDEND

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year ended 31st March, 2017.

TRANSFER TO RESERVES

The Board of the company has not proposed any amount to carry to its reserves.

EXTRACT 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 details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as “Annexure I”.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

Companies which has become/ceased to be subsidiaries, JVs or Associates during the year: Not Applicable.

The provisions of the Rule 8(1) of the Chapter IX Rules are not applicable to the company as the Company does not have any subsidiaries, associates and joint ventures.

INFORMATION TECHNOLOGY AND COMMUNICATION

The Company continues to adopt and use the latest technologies to improve the productivity and quality of its services to meet the current and emerging business needs.

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

Pursuant to Section 134(3) of the Companies Act, 2013, read with Rule 8 (3) of Companies (Accounts) Rules, 2014, the relevant information is given below:

CONSERVATION OF ENERGY

RESEARCH AND DEVELOPMENT

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

TECHNOLOGY IMPORT ABSORPTION

The Company has not imported any technology. Indigenous technology available is continuously upgraded to improve overall performance. The Company has not made any expenditure on Research & Development throughout the year.

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

PUBLIC DEPOSIT

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

DIRECTOR AND KEY MANAGERIAL PERSONNEL

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

During the year Miss Chandni Gupta, was appointed as the Company Secretary & Compliance Officer of the Company, at the board meeting held on 01st July, 2016. The same was approved by the Board.

DECLARATION BY INDEPENDENT DIRECTOR

Mrs. Kalpana Agrawal (DIN: 02976827) and Mrs. Venus Kedia (DIN: 06422518), independent directors of the Company have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“SEBI Listing Regulations”).

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors and the board as a whole was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

POLICY ON DIRECTORS’ APPOINTMENT AND REMUNERATION

The Company’s policy on directors’ appointment and remuneration provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report.

MEETINGS

Eight meetings of the board were held during the year. For details of meetings of the board, please refer to the Corporate Governance Report, which is a part of this report.

AUDIT COMMITTEE

The details pertaining to the composition of the audit committee are included in the Corporate Governance Report, which is a part of this report.

DIRECTOR'S RESPONSIBLY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of the accounts for the financial year ended 31st March, 2017; the applicable accounting standards have been followed along with proper explanation relating to material departure.
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared the accounts for the financial year ended 31st March, 2017 on a going concern basis.
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

PARTICULARS OF EMPLOYEES

The information required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. **ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17:**

Name of the directors	Ratio to median remuneration
Executive directors	
Pradip Lodha	0.29
Non-executive directors	
Mrs. Asha Ladia	-
Mrs. Kalpana Agarwal	-
Mrs. Venus Kedia	-

- b. **The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year 2016-17:**

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. Pradip Lodha, Managing Director	16.29
Mr. Supreme Lodha, Chief Financial Officer	21.88
Miss Chandni Gupta, Company Secretary, w.e.f July 01, 2016	@

@ Miss Chandni Gupta was appointed on July 01, 2016. Accordingly, the disclosures with respect to increase in their salary are not given.

- c. **The percentage increase in the median remuneration of employees in the financial year: 8.28%**
- d. **The number of permanent employees on the rolls of Company: 15**
- e. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
The average annual increase was around 7.41%. Average increase in managerial remuneration for the year was 19.08%.
- f. **Affirmation that the remuneration is as per the remuneration policy of the Company:**
It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under Section 188 (1) of the Companies Act, 2013 during the year under review. There are no transactions to be reported in Form AOC – 2.

CODE OF CONDUCT

The details in respect of code of conduct is included in the Corporate Governance report, which is a part of this report.

PUBLIC ISSUE

During the year under review, the Company has not issued any securities to the public.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Board of Directors of the Company framed a policy to provides a channel to the employees and directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or legal or regulatory requirements, incorrect or mis-representation of any financial statements and reports etc.

This Policy intends to cover serious concerns that could have serious impact on the operations and performances of the Company and malpractices and events which have taken place or suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

RISK MANAGEMENT POLICY

The board of directors of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

This Policy intends to cover concerns that could have serious impacts on the operational and financial performance of the Company. The scope of the policy is to identify, assess and treat the risk associated with the Company and building framework and risk management programs, reviewing of the effectiveness of such programs and collectively to achieve the target of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

[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]:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROL SYSTEMS AND ITS ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

STATUTORY AUDITORS

At the 3rd Annual General Meeting held on 25th September, 2014, M/s Bidasaria & Associates, Chartered Accountants were appointed as statutory auditors of the Company to hold office till the conclusion of 8th Annual General Meeting of the Company. In the terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Bidasaria & Associates, Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the shareholders. In this, regard, the Company has received a certificate from the Auditors to the effect that if they are re-appointed, it would be in-accordance with the provisions of Section 141 of the Companies Act, 2013.

AUDITORS' REPORT

The observations of the auditors in their report are self-explanatory and therefore, in the opinion of the Directors, do not call for further comments. The Auditor's report for fiscal 2016-2017 does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITOR

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. Saket Kumar, a whole time Company Secretary in practice having Membership No. 40686 & C.P. No.15166, to undertake the Secretarial Audit of the Company for the Financial Year 2016-17.

SECRETARIAL AUDIT REPORT

As required under section 204(1) of the Companies Act, 2013 the Company has obtained a Secretarial Audit Report. The Secretarial Audit report for fiscal 2017 does not contain any qualification, reservation or adverse remark. The Secretarial Audit report is annexed herewith as “Annexure II” to the Board’s report in this Annual report.

DISCLOSURE REQUIREMENTS

As per SEBI Listing Regulations, corporate governance report with auditors’ certificate thereon and management discussion and analysis are attached, which form part of this report.

INVESTOR COMPLAINTS AND COMPLIANCE

There were no complaints received during the year.

LISTING OF SHARES

The equity shares of your Company are listed on the SME Platform of BSE Limited, 25th Floor, P.J. Towers, Dalal Street, Mumbai – 400001 and listing fees for the year 2016-17 has been paid.

ACKNOWLEDGEMENT

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

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

For and on behalf of the Board of Director

Date: 26/05/2017
Place: Paschim Medinipur

Sd/-
ASHA LADIA
(CHAIRPERSON)

Registered office:
Village - Chekuasole, P.O. - Jogerdanga, P.S.- Goaltore,
Dist – Paschim Medinipur, PIN– 721121, West Bengal

Form No MGT -9
Extract of Annual Return
as on the financial year ended 31st March, 2017

[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:

1.	CIN	L01403WB2011PLC162131
2.	Registration Date	29/04/2011
3.	Name of the Company	KARNIMATA COLD STORAGE LIMITED
4.	Category/Sub-Category of the Company	NON-GOVT PUBLIC LIMITED COMPANY
5.	Address of the Registered Office and Contact details	Vill: Chekuasole, Po: Jogerdanga, Ps: Goaltore, Dist: Paschim Medinipur, West Bengal: 721121 Email id: karnimatacoldstorage@gmail.com Website: www.karnimatacoldstorage.com Tel: +91 3227 218314 Fax: +91 3227 265193
6.	Whether Listed Company (Yes/No)	Yes
7.	Name, Address and contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited E-2/3, Ansa Industrial Estate Sakhivihar Road, Sakinaka, Andheri (E), Mumbai: 400072, Maharashtra, India Tel: +91-22-62638200 Fax: +91-22-62638299 Contact Person: Mr. Lawoo Email: investor@bigshareonline.com Website: www.bigshareonline.com

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	Warehousing of refrigerated (cold storage)	52101	92.42

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of share held	Applicable Section
1	NIL	N.A.	N.A.	N.A.	N.A.

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

i) Category-wise Share Holding

Category of shareholder	No. of Shares held at the beginning of the year				No. of Shares 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	172000	-	172000	3.38	172000	-	172000	3.38	-
b.Central Govt.	-	-	-	-	-	-	-	-	-
C.State Govt.	-	-	-	-	-	-	-	-	-
d.Bodies Corp.	860000	-	860000	16.92	860000	-	860000	16.92	-
e.Bank/FI	-	-	-	-	-	-	-	-	-
f.Any Other	-	-	-	-	-	-	-	-	-
Sub-Total-A(1)	1032000	-	1032000	20.30	1032000	-	1032000	20.30	-
2.Foreign									
a.NRI-Individuals	-	-	-	-	-	-	-	-	-
b.Other Individuals	-	-	-	-	-	-	-	-	-
c.Body Corporate	-	-	-	-	-	-	-	-	-
d.Bank/FI	-	-	-	-	-	-	-	-	-
e.Any Others	-	-	-	-	-	-	-	-	-
Sub Total –A(2)	-	-	-	-	-	-	-	-	-
Total shareholder of promoters (1+2)	1032000	-	1032000	20.30	1032000	-	1032000	20.30	-
B. Public Shareholding									
1.Institution									
a.Mutual Funds	-	-	-	-	-	-	-	-	-
b.Bank/FI	-	-	-	-	-	-	-	-	-
c.Cent. Govt.	-	-	-	-	-	-	-	-	-
d.State Govt.	-	-	-	-	-	-	-	-	-
e.Venture Capital	-	-	-	-	-	-	-	-	-
f.Insurance Co.	-	-	-	-	-	-	-	-	-
g.FIIIs	-	-	-	-	-	-	-	-	-
h.Foreign portfolio Corporate	-	-	-	-	-	-	-	-	-
i.Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
j. Others	-	-	-	-	-	-	-	-	-
Sub-Total B(1)	-	-	-	-	-	-	-	-	-
2.Non-Institution									
a.Body Corp	545000	-	545000	10.72	782000	35000	763000	15.01	4.29
b.Individual									
i.Individual Shareholders holding nominal share capital upto Rs 1 lakh	1023000	669000	1692000	33.28	939000	534000	1473000	28.97	-4.31
j.Individual Shareholders holding nominal share capital in excess of Rs 1 lakh	1178000	400000	1578000	31.04	1275000	280000	1555000	30.59	-0.45
c.Others (specify)									
i.Clearing member	-	-	-	-	-	-	-	-	-
ii.Market Maker	237000	-	237000	4.66	261000	-	261000	5.13	0.47

Sub-Total -B(2)	2983000	1069000	4052000	79.70	3203000	849000	4052000	79.70	-
Total Public Shareholding (B) = (B)(1) + (B) (2)	2983000	1069000	4052000	79.70	3203000	849000	4052000	79.70	-
C.Shares heldby Custodianfor GDRs&ADRs	-	-	-	-	-	-	-	-	-
Grand Total(A+B+C)	4015000	1069000	5084000	100	4235000	849000	5084000	100	-

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/e ncumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/e ncumbered to total shares	
1	ASHA LADIA	74000	1.46	-	74000	1.46	-	-
2	SUSHILA LODHA	74000	1.46	-	74000	1.46	-	-
3	PRADIP LODHA	24000	0.47	-	24000	0.47	-	-
4	SRG TRADING PRIVATE LIMITED	580000	11.40	-	580000	11.40	-	-
5	PRATYUSH MERCANTILE PRIVATE LIMITED	280000	5.51	-	280000	5.51	-	-
	TOTAL	1032000	20.30	-	1032000	20.30	-	-

Note: There is no change in the shareholding of the promoters of the Company throughout the year.

iii) Change in Promoter's Shareholding (Please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	1032000	20.30	-	-
	Date wise increase/decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e. g. allotment/transfer/ bonus /sweat equity etc):	-	-	-	-
	At the end of the year	1032000	20.30	-	-

Note: There was no change in promoter's shareholding throughout the year.

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDR and ADRs):

Sl. No.	Top Ten Shareholders	Shareholding at the beginning of the year 01-04-2016		Shareholding at the end of the year 31-03-2017	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company

1	BINDU FOOD PROCESSORS PRIVATE LIMITED	317000	6.24	469000	9.23
2	VASUNDHARA MERCHANTS LIMITED	237000	4.66	261000	5.13
3	BRAHMANAND HIMGHAR LIMITED	174000	3.42	240000	4.72
4	SONAL AGRAWAL	180000	3.54	180000	3.54
5	MONA KEDIA	100000	1.97	100000	1.97
6	RAJESH KUMAR	55000	1.08	55000	1.08
7	NEELU DEVI	55000	1.08	55000	1.08
8	ANJANA PRASAD	50000	0.98	50000	0.98
9	GYARSI LAL GOYAL	50000	0.98	50000	0.98
10	KUMAR RISHAB	50000	0.98	50000	0.98

*Please note that during the year i.e., from 01/04/2016 to 31/03/2017, M/s Bindu Food Processors Private Limited purchased 152000 shares, M/s Vasundhara Merchants Limited purchased 24000 shares and M/s Brahmanand Himghar Limited purchased 66000 shares of the Company.

v) Shareholding of Director's and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	ASHA LADIA (Director)	74000	1.46	74000	1.46
2	PRADIP LODHA (Director)	24000	0.47	24000	0.47

V. INDEBTEDNESS

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

PARTICULARS	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01-04-2016	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)	(Rs in Lacs)
1) Principal Amount	1320.41	-	-	1320.41
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	35.06	-	-	35.06
Total of (1+2+3)	1355.47	-	-	1355.47
Change in indebtedness during the financial year				
Addition	0.11	-	-	0.11
Reduction	(274.07)	-	-	(274.07)
Net Change	(273.96)	-	-	(273.96)
Indebtedness at the End of the year 31-03-2017				
1) Principal Amount	1046.45	-	-	1046.45
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	29.92	-	-	29.92
Total of (1+2+3)	1076.37	-	-	1076.37

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total amount (Rs in Lacs)
		PRADIP LODHA (MD)	
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	4.14	4.14
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission -as % of profit -others, specify	- -	- -
5.	Others, please specify-	-	-
	Total (A)	4.14	4.14
	Ceiling as per the Act	`84 Lacs*	

*as the company has inadequate profit, limit mentioned is calculated as per effective capital.

B. Remuneration to the other Directors

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount (Rs. In lacs)
		Ms. Venus Kedia	Ms Kalpana Agrawal	
1.	Independent Director			
	- Fee for attending board committee meetings	0.11	0.11	0.22
	- Commission	-	-	-
	- Others, please specify	-	-	-
	Total(1)	0.11	0.11	0.22
2.	Other Non-Executive Director	Asha Ladia		
	- Fee for attending board committee meeting	0.11		0.11
	- Commission	-		-
	- Others, please specify	-		-
	Total(2)	0.11		0.11
	Total B = (1+2)			0.33
	Ceiling as per the Act	` 1 lac per meeting		

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Name of the KMP		Total Amount(Rs. In Lacs)
		Shri Supreme Lodha (CFO)	Miss Chandni Gupta (COMPANY SECRETARY) Appointed w.e.f. 01/07/2016	
1.	Gross Salary			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	3.9	1.85	5.75
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-		
	c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-		
2.	Stock Option	-		
3.	Sweat Equity	-		
4.	Commission - As % of profit - Others, specify	- -		
5.	Others, please specify			
	Total (C)	3.9	1.85	5.75

VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty/punishment /Compounding fees imposed	Authority[RD/ NCLT/Court]	Appeal made, if any (give details)
A. Company	N.A.	NIL	NIL	NIL	NIL
B. Directors	N.A.	NIL	NIL	NIL	NIL
C. Others Officers in default	N.A.	NIL	NIL	NIL	NIL

FORM No MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[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,
M/s Karnimata Cold Storage Limited
Vill-Chekuasole, P.O.-Jogerdanga,
P.S.- Goaltore,
Dist- Paschim Medinipur,
PIN-721121, West Bengal
CIN: L01403WB2011PLC162131

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Karnimata Cold Storage Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Karnimata Cold Storage Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion the Company has, during the audit period covering the financial year ended 31st March, 2017 complied with the 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 the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Karnimata Cold Storage Limited ('the Company') for the financial year ended 31st March, 2017 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 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 there under;
- iv) Foreign Exchange Management Act, 1999 and rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the company during the audit period).
- v) 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, 2015.
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time (Not applicable to the Company during the audit period).
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (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 the 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).
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).
- vi) I have relied on the representation made by the Company and its officers for systems and mechanism framed by the Company for compliances under other applicable Acts, laws and Regulations to the Company, Internal Audit Report, Statutory Auditors Report, etc. The list of other laws applicable specifically to the Company is given in **Annexure – I**

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with BSE Limited on SME platform read with the Securities and Exchange Board of India (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.

I further report that:

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.

Adequate notice is 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.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

I 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.

I further report that during the audit period the Company has no specific events/ actions having a major bearing the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place: Kolkata

Signature:

Dated: 26/05/2017

Name of the Company

Secretary in Practice : SAKET KUMAR

ACS No. : 40686

C.P. No. : 15166

Note:

This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.

ANNEXURE – I

List of other laws applicable specifically to the Company:-

1. **Labour Laws and other applicable laws** related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation, maternity viz. The payment of wages Act, 1936, The Payment of Gratuity Act, 1972, etc, has been complied by the company.
2. Acts for the **prevention & Control of Pollution** viz. Air (Prevention and Control of Pollution) Act, 1981, etc.
3. Acts as prescribed under **Direct Tax and Indirect Tax** and rules made thereunder viz. The Income Tax Act, 1960, Service Tax Act, etc.
4. The West Bengal Cold Storage (Licensing and Regulation) Act, 1966.
5. Negotiable Instruments Act, 1881;
6. Information Technology Act, 2000, etc.

To,
The Members,
M/s Karnimata Cold Storage Limited
Vill-Chekusole, P.O. – Jogerdanga,
P.S.- Goaltore,
Dist- Paschim Medinipur,
PIN-721121, West Bengal
CIN: L01403WB2011PLC162131

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

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

Place: Kolkata
Date: 26/05/2017

Name of Company
Secretary in Practice: SAKET KUMAR
ACS No.: 40686
C.P. No.: 15166

CORPORATE GOVERNANCE REPORT



1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's Corporate Governance Philosophy is based on trusteeship, transparency, empowerment, control and ethical corporate citizenship. The Company believes that the practice of each of these create a right culture and fulfills the true purpose of Corporate governance.

Your company has consistently aimed at developing such policies and implementing best-in-class actions that make it a good model of corporate governance. The Company has adopted a Code of Conduct for its board of directors and senior management personnel of the Company. These codes are available on the Company's website. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

2. BOARD OF DIRECTORS

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

Composition:

The Board of Directors of the Company has an optimum combination of Executive and Non- Executive Directors in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. The Board comprises of four (4) directors out of which two (2) directors are Promoter-Director and the rest two (2) are Non-Executive Independent Director. The Independent Directors take active part at the Board and Committee meetings, which adds value in the decision making process. Half of the Board comprise of non-executive Independent directors.

None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies, if any, in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2017 have been made by the Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance

with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other public companies as on March 31, 2017 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. Chairmanships / Memberships of Board Committees shall only include Audit Committee and Stakeholders' Relationship Committee.

Composition of the Board as on 31st March, 2017:

Sl. No.	Name of the Director	Designation	Category
1	Pradip Lodha	Managing Director	Executive Director & Promoter
2	Asha Ladia	Chairperson & Director	Non-Executive Director & Promoter
3	Kalpna Agrawal	Director	Non-Executive Independent Director
4	Venus Kedia	Director	Non-Executive Independent Director

Board Meetings and Attendance of Directors:

During the year under review 8 (Eight) Board meetings were held, on the following dates.

30-05-2016, 01-07-2016, 05-08-2016, 29-09-2016, 14-11-2016, 10-02-2017, 20-02-2017 and 24-03-2017

Sl. No.	Designation	Name of the Director	Board Meetings during the year 2015-16		*No. of Directorship in other Public Companies	Number of Committee positions held in other Public Companies		Attendance in last AGM held on 26/09/2016
			Held	Attended		Member	Chairperson	
1	Managing Director	Pradip Lodha	8	8	Nil	Nil	Nil	Yes
2	Chairperson & Director	Asha Ladia	8	8	Nil	Nil	Nil	Yes
3	Director	Kalpna Agrawal	8	8	2	Nil	Nil	Yes
4	Director	Venus Kedia	8	8	Nil	Nil	Nil	Yes

Note: None of the Director is Director in more than 10 (ten) public limited companies or acts as an Independent Director in more than 7 (seven) listed companies.

Details of equity shares of the Company held by the Directors as on March 31, 2017 are given below:

Name	Category	Number of equity shares
Mr. Pradip Lodha	Non-Independent, Executive	24,000
Mrs. Asha Ladia	Non-Independent, Non-Executive	74,000

3. SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by the code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 20th day of March, 2017 to review the performance of Non-independent directors (including the Chairperson) and the Board as a whole. The Independent directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its committees which is necessary to effectively and reasonably perform and discharge their duties and terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

4. TRAINING TO BOARD MEMBERS

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

5. GENERAL BODY MEETING

i. Annual General Meeting

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

Particulars	Date & Time	Venue
3 rd AGM	25/09/2014 AT 02.00 PM	Village – Chekuasole, P.O. – Jogerdanga, P.S. – Goaltore, Dist. – Paschim Medinipur, PIN– 721 121, West Bengal
4 th AGM	23/09/2015 AT 02.00 PM	Village – Chekuasole, P.O. – Jogerdanga, P.S. – Goaltore, Dist. – Paschim Medinipur, PIN– 721 121, West Bengal
5 th AGM	26/09/2016 AT 02.00 PM	Village – Chekuasole, P.O. – Jogerdanga, P.S. – Goaltore, Dist. – Paschim Medinipur, PIN– 721 121, West Bengal

ii. Details of Extra Ordinary General Meetings:

Particulars	Date & Time	Venue
NIL	NA	NA

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

5 th Annual General Meeting held on 26/09/2016	No Special Resolution were passed at the previous AGM.
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iii. Postal Ballot:-

In ensuing Annual General Meeting there is no business requiring postal ballot.

6. COMMITTEES OF BOARD

A. AUDIT COMMITTEE

The Board has constituted a well-qualified Audit Committee. The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.

The Audit Committee conforms to the Regulation 18 of SEBI (Listing of Disclosures Requirements) Regulations, 2015, in all respects concerning its constitution, meetings, functioning, role and powers, mandatory review of required information, approved related party transaction and accounting treatment for major items, wherever applicable. It also fulfills the requirements as set out in the Companies Act, 2013.

During the financial year the Committee met Four (4) times on 30/05/2016, 05/08/2016, 14/11/2016 and 10/03/2017.

Details of Attendance at the Audit Committee:

Name and Designation	No. of Meeting Attended
Mrs. Venus Kedia (Chairperson)	4
Mrs. Kalpana Agrawal (Member)	4
Mr. Pradip Lodha (Member)	4

B. NOMINATION AND REMUNERATION COMMITTEE

(i) Brief Description of Terms of Reference

The Nomination and Remuneration Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

- Recommend to the Board the setup and composition of the Board and its committees.
- Recommend to the Board the Appointment/Re-appointment of Directors and Key Managerial Personnel.
- Carry out evaluation of every director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors.
- Recommend to the Board the Remuneration Policy for directors, executive team or Key Managerial Personnel as well as the rest of employees.
- Oversee familiarization programmes for directors.

(ii) Performance Evaluation Criteria for Independent Directors

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors that were evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

(iii) Composition of the Committee

The Nomination and Remuneration Committee consists of three non-executive directors out of which there are two independent directors. Mrs. Kalpana Agrawal is the Chairperson of the Committee and Mrs. Venus Kedia and Mrs. Asha Ladia are the members of the Committee.

(iv) Meeting and Attendance

The Committee met Three (3) times during the year on 01/07/2016, 05/08/2016 and 10/03/2017

Details of Attendance at the Nomination and Remuneration Committee:

Name and Designation	Attendance
Mrs. Kalpana Agrawal (Chairperson)	3
Mrs. Venus Kedia (Member)	3
Mrs. Asha Ladia (Member)	3

(v) Details of Remuneration of Director

The details of remuneration paid to the directors during the financial year ended on 31st March, 2017 are as under:

Name	Remuneration(In Rs.)	Commission (In Rs.)	Sitting Fees(In Rs.)	Total (In Rs.)
Mr. Pradip Lodha	` 4,14,000/-	Nil	Nil	`4,14,000/-
Mrs. Asha Ladia	Nil	Nil	`11000/-	`11000/-
Mrs. Venus Kedia	Nil	Nil	`11000/-	`11000/-
Mrs. Kalpana Agrawal	Nil	Nil	`11000/-	`11000/-

(vi) Remuneration Policy:

The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors (“Board”), Key Managerial Personnel (“KMP”) and the Senior Management Personnel (“SMP”) of the Company (collectively referred to as “Executives”). The expression “senior management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

This Policy lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive or Non –Executive) and persons who may be appointed in KMP and SMP positions and to evaluate the performance of Directors. The said policy has been also put up on the website of the Company at the following link.

http://www.karnimatacoldstorage.com/admin/product_img/thumbs/147530943649.pdf

(vii) Shares held by Non- Executive Independence Directors

All Non- Executive Independent Directors doesn't hold any shares in Karnimata Cold Storage Limited.

C. STAKEHOLDER'S RELATIONSHIP COMMITTEE

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

Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act-

- Allotment and listing of our shares in future.
- Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;

Composition of the Stakeholders Relationship Committee:

The stakeholders' relationship committee consists of two Non- Executive Independent Directors and one Non-Executive Director. Mrs. Kalpana Agrawal is the Chairperson of the Committee who is Non-Executive Independent Director of the Company. And Ms. Venus Kedia and Mrs. Asha Ladia are the Members of the Committee. The Company Secretary of the Company shall act as the Secretary to the Committee.

Meeting and Attendance:

The Committee met 5 (five) times i.e. on 30/04/2016, 29/07/2016, 28/10/2016, 25/01/2017 and 10/02/2017.

Details of Attendance at the Stakeholders Relationship Committee:

Name and Designation	Attendance
Mrs. Kalpana Agrawal (Chairperson)	5
Mrs. Venus Kedia (Member)	5
Mrs. Asha Ladia (Member)	5

D. RISK MANAGEMENT COMMITTEE:

The Risk management committee shall inform to the Board about the risk assessment and minimization procedures and the Board shall be responsible for framing implementing and monitoring the risk management plan of the Company.

The Committee reviewed the risk trend, exposure and potential impact analysis carried out by the management. It was specifically confirmed to the Committee by the Managing Director and senior managements that the mitigation plans are finalized and up to date. The Risk Management Committee met once in a year, which was held on 20/03/2017.

The risk management committee comprises of the following members.

Sl. No.	Name of the Director	Category	No. of meetings held/Attended
1	Mrs. Venus Kedia	Independent(Chairperson)	1 of 1
2	Mrs. Asha Ladia	Non-executive(Member)	1 of 1
3	Mr. Pradip Lodha	Managing Director(Member)	1 of 1
4	Mrs. Kalpana Agrawal	Independent (Member)	1 of 1

7. COMPLIANCE OFFICER

Miss Chandni Gupta, Company Secretary (w.e.f.01/07/2016)

KARNIMATA COLD STORAGE LIMITED

Vill: Chekuasole, Po: Jogerdanga

Ps: Goaltore, Dist: Paschim Medinipur

West Bengal- 721 121

Tel No.: +91 3227 - 218314;

Tele Fax No.: +91 3227 – 265193

Email Id: karnimatacoldstorage@gmail.com

8. DETAILS OF SHAREHOLDERS COMPLAINTS

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

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

9. OTHER DISCLOSURES

i) Related Party Transaction:

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large. The details of transactions with the Company and related parties are given in notes to accounts. The board approved policy for related party transactions is uploaded on the website of the Company at the following link.

http://www.karnimatacoldstorage.com/admin/product_img/thumbs/1475310074851.pdf

ii) Statutory Compliance, Penalties and Strictures:

The Company has complied with the requirements of the Stock Exchanges/ SEBI/ and Statutory Authorities to the extent applicable excluding the submission of shareholding pattern for the half year ended 31st March, 2016 on time. The Company has made payment of Rs. 2290/- to BSE Ltd. for the payment of penalty imposed by it, which relates to delay submission of Shareholding Pattern as per Regulation 31 for the half year ended 31st March, 2016.

iii) Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link.

http://www.karnimatacoldstorage.com/admin/product_img/thumbs/1421220033.pdf

iv) Policy for Determination of materiality of events or information:

The Company has adopted a Policy for Determination of materiality of events or information under Regulation 30(4) of SEBI Listing Regulations. The board approved policy for Determination of materiality of events or information is uploaded on the website of the Company at the following link-

http://www.karnimatacoldstorage.com/admin/product_img/thumbs/1475310220129.pdf

v) Policy on Archival and Preservation of Documents:

The Company has adopted a Policy on Archival and Preservation of Documents under Regulation 30(8) and 9 of SEBI Listing Regulations. The approved policy on archival is uploaded on the website of the Company at the following link-

http://www.karnimatacoldstorage.com/admin/product_img/thumbs/1475310391569.pdf.

vi) Reconciliation of Share Capital Audit:

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

vii) Code of Conduct:

The Company has a Code of Conduct which is applicable to board of directors and senior management personnel of the Company. The Company believes in conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations. The "Code of Conduct" is available on the Corporate Governance section of the Company's website at the following link-

http://www.karnimatacoldstorage.com/admin/product_img/thumbs/1495479632.php

The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and management personnel in their business dealings and in particular on matters relating integrity in the work place, in business practices and complying with applicable laws etc.

The members of the board and senior management personnel under Regulation 17 of SEBI Listing regulations, have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2017.

viii) Subsidiary companies:

The Company does not have any subsidiary company.

ix) Discretionary Requirements:

The status of compliances with the non-mandatory requirements under Schedule II Part E of the SEBI Listing Regulations are as under:

- No separate office for the Chairperson is maintained, and hence no reimbursement is made towards the same.
- The Company has posted its half yearly and yearly financial results on its website- www.karnimatacoldstorage.com
- The auditors' report on statutory financial statements of the Company are unqualified.
- The Company has complied with the requirement of having separate persons to the post of Chairperson and Managing Director / Chief Executive Officer.
- M/s Kshitiz & Co., the internal auditors of the Company, may directly report to the audit committee.

10. MEANS OF COMMUNICATION

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

11. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

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

12. GENERAL SHAREHOLDERS INFORMATION

I. **Financial Year: 1st April to 31st March**

II. **Annual General Meeting: Date & Day- 26th August, 2017, Saturday, Time: 11.30 A.M.**

III. **Venue: Vill: Chekuasole, Po: Jogerdanga, Ps: Goaltore, Dist: Paschim Medinipur, PIN-721121, West Bengal**

IV. **Financial Calendar:-**

Year ending	31 ST March
AGM in	August
Listing on Stock Exchange	BSE SME Platform, 25th floor, P. J. Towers, Dalal Street, Fort, Mumbai 400 001

Dividend and Book Closure:

Dividend	No dividend has been declared
Book Closure	As mentioned in the Notice of the AGM to be held on August 26, 2017

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

VI. **Listing on Stock Exchanges:**

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

VII. **Stock Code:**

Scrip ID/Code	KCSL/537784
ISIN with NSDL & CDSL	INE576P01019

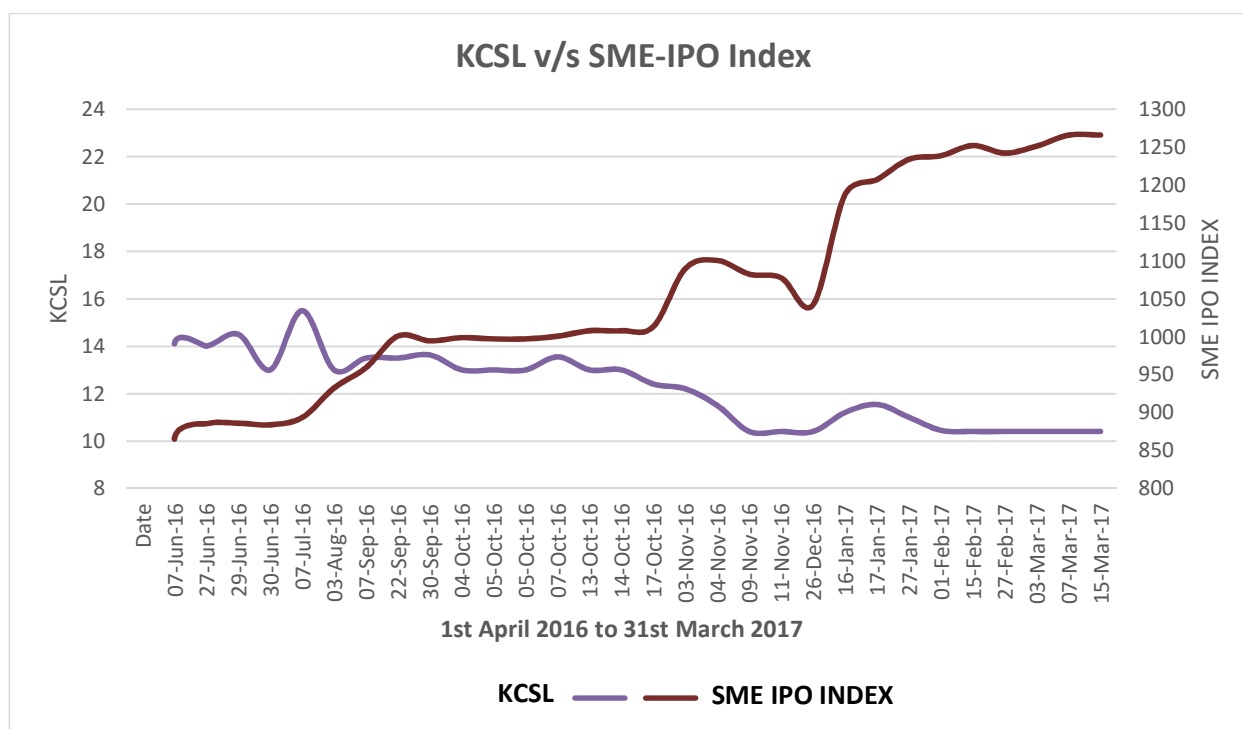
VIII. **Corporate Identity Number: L01403WB2011PLC162131**

IX. Market Price Data:

The Market price data on SME Platform of BSE Limited for the listing date i.e. 01/04/2016 to 31/03/2017 are given below:

Date	Open	High	Low	Close
07/06/2016	14.10	14.10	14.10	14.10
27/06/2016	14.00	14.00	14.00	14.00
29/06/2016	14.50	14.50	14.50	14.50
30/06/2016	17.00	17.00	13.00	13.00
07/07/2016	15.50	15.50	15.50	15.50
03/08/2016	13.00	13.00	13.00	13.00
07/09/2016	13.00	13.50	13.00	13.50
22/09/2016	13.50	13.50	13.50	13.50
30/09/2016	14.00	14.00	13.25	13.63
04/10/2016	14.00	14.00	13.00	13.00
05/10/2016	13.00	13.00	13.00	13.00
07/10/2016	13.50	13.60	13.50	13.55
13/10/2016	13.00	13.00	13.00	13.00
14/10/2016	13.00	13.00	13.00	13.00
17/10/2016	10.40	13.95	10.40	12.40
03/11/2016	11.40	13.00	11.40	12.20
04/11/2016	11.50	11.50	11.50	11.50
09/11/2016	10.40	10.40	10.40	10.40
11/11/2016	10.40	10.40	10.40	10.40
26/12/2016	10.40	10.40	10.40	10.40
16/01/2017	11.30	11.30	11.20	11.20
17/01/2017	11.30	12.50	11.30	11.54
27/01/2017	10.40	11.00	10.40	11.00
01/02/2017	10.40	10.45	10.40	10.45
15/02/2017	10.40	10.40	10.40	10.40
27/02/2017	10.40	10.40	10.40	10.40
03/03/2017	10.40	10.40	10.40	10.40
07/03/2017	10.40	10.40	10.40	10.40
15/03/2017	10.40	10.40	10.40	10.40

Performance-comparison with BSE SME IPO



X. Registrar and Share Transfer Agent:

Bigshare Services Pvt. Ltd.

E- 2/3, Ansa Industrial Estate,

Sakivihar Road, Saki Naka,

Andheri (E), Mumbai- 400 072

Tel: +91 22 62638200/40430200

Fax: +91 22 62638299

Email: info@bigshareonline.com

Website: www.bigshareonline.com

XI. Share Transfer System:

83.30% of the equity shares of the Company are in electronic form. Transfer of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with BSPL at any of the above mentioned addresses.

Transfer of shares in physical form is normally processed within ten to twelve working days from the date of receipt, if the documents are complete in all respects. The Directors and certain Company

officials (including Chief Financial Officer and Company Secretary), under the authority of the board, severally approve transfers, which are noted at subsequent board meetings.

XII. Distribution of Shareholding as on 31st March, 2017

Number of shares	Holding (Rs.)	Percentage to capital	Number of Accounts	Percentage to total accounts
1001-2000	20000	0.04	1	0.32
2001-4000	400000	0.79	10	3.22
4001-5000	3600000	7.08	72	23.15
5001-10000	10770000	21.18	143	45.98
10001-above	36050000	70.91	85	27.33
Grand Total	50840000	100.00	311	100.00

XIII. Category of Shareholders as on 31st March, 2017

Category	No. of shareholders	No of Shares Held	Shareholding %
1.Promoter and Promoter Group	5	1032000	20.30
2. Mutual funds/UTI	0	0	0
3.Banks/Financial Institution	0	0	0
4. Foreign Institutional Investors	0	0	0
5. Bodies Corporate	8	763000	15.01
6. NRIs	0	0	0
7. Clearing Members	0	0	0
8. Market Maker	1	261000	5.13
9. Indian Public	297	3028000	59.56
Total	311	5084000	100

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

XIV. Dematerializations of Shares and Facility of simultaneous transfer

As on 31st March, 2017, the dematerialized shares as follows:

	No of Shares	Percentage (%)
Dematerialized shares on CDSL	19,07,000	37.51
Dematerialized shares on NSDL	23,28,000	45.79
Held in Physical	8,49,000	16.70
Total	50,84,000	100.00

XV. Outstanding ADRs / GDRs

The Company has not issued any ADRs/GDRs.

XVI. Plant Location

The location of the Cold Storage Unit is at:

Vill: Chekuasole, PO: Jogerdanga

PS: Goaltore, Dist: Paschim Medinipur

PIN- 721 121, West Bengal

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

XVII. Investor's Correspondence may be addressed to

Miss Chandni Gupta

Company Secretary & Compliance Officer

KARNIMATA COLD STORAGE LIMITED

Vill: Chekuasole, Po: Jogerdanga

Ps: Goaltore, Dist: Paschim Medinipur

West Bengal- 721 121

Tel: +91 3227 218314

Fax: +91 3227 265193

E-mail – karnimatacoldstorage@gmail.com

OR

Bigshare Services Pvt. Ltd.

E- 2/3, Ansa Industrial Estate,

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

Tel: +91 22 62638200/ 40430200

Fax: +91 22 62638299

Email: info@bigshareonline.com/lawoo@bigshareonline.com

Website: www.bigshareonline.com

XVIII. CEO/CFO Certification

As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Chief Executive Officer and Chief Financial officer of the Company have certified to the Board of Directors, inter-alia, the accuracy of the financial statements and adequacy of internal control for the financial reporting purpose, is attached to this Report.

XIX. Compliance Certificate of the Auditors

A Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this Report.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANIES CODE OF CONDUCT

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

As the Managing Director of Karnimata Cold Storage Limited and as per compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, hereby declare that all the Board Members and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company, for the financial year ended on 31st March, 2017.

Place: Paschim Medinipur
Date: 26th May, 2017

Sd/-
Pradip Lodha
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT



INDUSTRY STRUCTURE & DEVELOPMENTS:

Cold storages in India preserve agricultural produce for a fixed period of time (varying from one day and extending upto several months) at low temperature. Refrigerated storage helps in eliminating sprouting, rottage and tuber moth damage and in reducing weight loss of the agricultural produce.

India's cold chain sector is a combination of surface storage and refrigerated transport. The industry has been growing at a CAGR of 20% for the last three years. The cold chain market in India is anticipated to reach Rs 624 billion (US\$13 billion) by 2017, according to 2014 estimates. Cold stores are the major revenue contributors of the Indian cold chain industry. Currently, India has 6,300 cold storage facilities unevenly spread across the country, with an installed capacity of 30.11 million metric tonne. These are mostly used for storing potatoes. However, the market is gradually getting organised and focus towards multi-purpose cold storages is rising. More than 50% of the cold storage facilities in India are currently concentrated in Uttar Pradesh and West Bengal, while other states still face a challenge with investments from the government and private operators.

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

OPPORTUNITIES & THREATS:

The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. The growing use of genetically modified crops will likely improve the yield for Indian farmers. The Government of India through the Ministry of Food Processing Industries has formulated a number of policies for extending assistance in the form of grant, subsidy and soft loan to agro food processing industries. In order to give impetus to promotion of all Agro Food Processing Industries several incentives and concessions have been granted. The government has actively supported cold chain, pre and post harvest network area near the production sites. Public-Private Partnership has been encouraged to establish cold chain, pre and post harvest network infrastructures by the West Bengal Government. We believe that since our core business adds tremendous value to the supply chain of agro produce and empowers farmers/traders to be able to get good prices for their produce, this sector shall continue to get support and encouragement from the government going forward.

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

SEGMENT REPORTING:

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

OUTLOOK:

The agriculture and food processing sectors in India have been developing and today India is a net exporter of food grains. However, lack of proper and adequate food storage, processing and cold chain logistics remains a serious challenge. The government had earlier constituted a National Task Force on Cold Chain in 2008. The Government of India is one of the driving forces in developing the cold chain industry and supports private participation through various subsidy schemes and grants. Investment in cold chain in India was also opened under the automatic route for 100% FDI participation. The existing cold chain in India largely comprised comparatively small private companies with a regional or local footprint.

Reserve Bank of India has classified loan to food & agro-based processing units and Cold Chain under Agriculture activities for Priority Sector Lending (PSL) subject to aggregate sanctioned limit of INR 100 Crore per borrower. It will ensure greater flow of credit to entrepreneurs for setting up of food processing units and attract investment in the sector.

Globally cold chains have now become an integral part of supply chain management for the storage and transportation of temperature-sensitive goods. The focus has now shifted from increasing production to better cold storages and transportation of food produce. The utilisation of cold chain logistics includes both cold storages and refrigerated transportation and is used to increase the shelf life of food produce.

Potato growing would appear to be increase due to high and stable price of potatoes and also the increasing demand from other neighboring states. Hence the capacity of our unit along with the expanded chamber would achieve the 100% capacity. Accordingly 2016-17 could prove to be satisfactory year for the Cold Storage sector.

RISKS AND CONCERNS:

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

Cold storage units provide storage facility to agricultural products on rental basis and your Company providing storage facility of Potatoes. Hence the main revenue of the Company depends on the potato growing, especially in the Paschim Medinipur area and adjacent areas of Paschim Medinipur, West Bengal i.e. the prime areas of potato harvesting. As cold storage industry related to agro products there are several risks associated with. Failure of potato crop in West Bengal State and specifically in and around Paschim Medinipur location, variation in potato prices in West Bengal and technical failures of key utility infrastructure such as power, water,

machinery, uncertain climatic condition etc. And also in West Bengal the rent chargeable by the Company to the farmers and traders is set and controlled by the State Government. A decrease in rents ordered by the State Government or a substantial increase in operating costs not accompanied by the matching increase in rent would adversely affect our results.

Risk Mitigation

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

There is adequate and effective internal audit system that employs periodic checks on on-going process. During the year the Company has appointed M/s Kshitiz & Co., 51, Nalini Sett Road, 5th Floor, Room No- 19, Kolkata- 700007 as the Internal Auditor of the Company. The Audit Committee of the Board of Directors regularly reviews the internal audit report and the effectiveness of internal control system in order to ensure due and proper implementation and due compliance with applicable laws, accounting standards and regulatory guidelines.

HUMAN RESOURCES

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

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

CAUTIONARY STATEMENT

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

For and on behalf of the Directors

Date: 26thMay, 2017
Place: Paschim Medinipur

Sd/-
Pradip Lodha
Managing Director



CEO & CFO CERTIFICATION TO THE BOARD

To
The Board of Directors,
Karnimata Cold Storage Limited

We, Mr. Pradip Lodha, Chief Executive Officer and Managing Director, and Sunil Kumar Churiwala, Chief Financial Officer of Karnimata Cold Storage Limited, certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2017 and to the best of our knowledge and belief:
- 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) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2017 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. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d) i) There has not been any significant change in internal control over financial reporting during the year under reference;
- ii) There has been a significant change in accounting policies during the year and the required disclosure has been given in the notes to the financial statements; and
- iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Yours Sincerely,

Sd/-
Sunil Kumar Churiwala
Chief Financial Officer

Sd/-
Pradip Lodha
CEO & Managing Director

Place: Paschim Medinipur
Date: 26/05/2017

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To
The Members of
Karnimata Cold Storage Limited**

We have examined the compliance of provisions of Corporate Governance by Karnimata Cold Storage Limited ("the Company"), for the year ended on 31st March, 2017, as per the relevant provisions of Securities And Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as applicable. Since the company is listed on BSE SME Platform, the Company has complied with Corporate Governance provisions as applicable to it.

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

We conducted our examination in accordance with the Guidance Note on Reports Certificates for Special purposes (Revised 2016) issued by Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality control for firms that perform audits and reviews of Historical Financial Information and other assurance and related services engagements.

In our opinion and to the best of my information and according to the explanations given to us, we certify that the Company has complied with the provisions of Corporate Governance as specified above, as applicable.

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

For **Bidasaria & Associates**
Chartered Accountants
FRN: 315101E

Sd/-
R. K. Bidasaria
Partner
M. No: 052251

Kolkata
Date: 26thMay, 2017

INDEPENDENT AUDITORS' REPORT



BIDASARIA & ASSOCIATES

CHARTERED ACCOUNTANTS

14, PRINCEEP STREET

3RD FLOOR, SUITE # 5

KOLKATA- 700 072

Ph: 033 2212 9596

E-mail: bidasaria1@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of KARNIMATA COLD STORAGE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of KARNIMATA COLD STORAGE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information, which we have signed under reference to this report.

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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, 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 standalone 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 there under.

We conducted our audit in accordance with the Standards on Auditing 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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 aforesaid financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017; and
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date.
- c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by "the Companies (Auditor's Report) Order, 2016", issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "order"), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, We give in the Annexure B 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the 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 the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 A.
 - (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 does not have any pending litigations which would impact its financial position.
 - (ii) The Company has no material foreseeable losses on long-term contracts including derivative contracts, if any,
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The Company has provided requisite disclosure as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer to Note to the Financial Statements.

For BIDASARIA & ASSOCIATES
Chartered Accountants
(FRN: 315101E)

14, Princep Street
Kolkata – 700 072

Dated, the 26th day of May, 2017

Sd/-
R. K. BIDASARIA
Partner
M.NO.-052251

ANNEXURE-A TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) 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 Karnimata Cold Storage Limited ("the Company") as of March 31, 2017 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 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.

Auditors' 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, issued by ICAI and deemed to be prescribed 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.

Our 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 audit opinion on the Company's internal financial controls system 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:

Contd...2

(2)

- 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 31 March 2017, 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.

14, Princep Street
Kolkata – 700 072

Dated, the 26th day of May, 2017

For BIDASARIA & ASSOCIATES
Chartered Accountants
(FRN: 315101E)

Sd/-
R. K. Bidasaria
Partner
M.NO.-052251

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Karnimata Cold Storage Limited (The Company)

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;

(c) All the title deeds of immovable properties are held in the name of the company.
- ii. a) As explained to us the inventory has been physically verified by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification adopted by the management are reasonable and adequate in relation to the size of the company and nature of its business.

(c) The company is maintaining proper records of inventory and no material discrepancies were obtained on physical verification.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- iv. According to the information and explanations given to us and on the basis of our examination of the books of accounts, in respect of loans and investments the provisions of sections 185 and 186 of the Companies Act 2013 have been complied with. The Company has not given any guarantee and security. As the company is engaged in the business of providing infrastructural facilities, covered under para 2 of Schedule VI, therefore, section 186 is not applicable to the company.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act 2013.
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India ;

(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes

- viii. According to the records of the company examined by us and as per the information and explanations given to us, the company has availed loans from banks and is regular in repayment of its dues.
- ix. According to the records of the company examined by us and as per the information and explanations given to us, the company has not raised moneys during the year through further public offer.
- x. During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company, by its officers or employees, noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
- xi. According to the records of the company examined by us and as per the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act.
- xii. This company is not a "Nidhi Company" therefore provisions of this para do not apply to the company.
- xiii. According to the records of the company examined by us and as per the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act 2013 where applicable and the details have been disclosed in the Financial Statements as required by AS 18.
- xiv. According to the records of the company examined by us and as per 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.
- xv. According to the records of the company examined by us and as per the information and explanations given to us the company has not entered into any non-cash transactions with directors or persons connected with them.
- xvi. According to the records of the company examined by us and as per the information and explanations given to us the company is not required to be registered under section 45-IA of the Reserve Bank of India Act,1934.

For BIDASARIA & ASSOCIATES
Chartered Accountants
(FRN: 315101E)

*14, Princep Street
Kolkata – 700 072*

Dated, the 26th day of May, 2017

Sd/-
R. K. Bidasaria
Partner
M.NO.-052251

Balance Sheet as at 31st March, 2017

Particulars	Note No	As at 31st March, 2017	As at 31st March, 2016
		Amount in Rupees	Amount in Rupees
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	4	50,840,000	50,840,000
Reserves and Surplus	5	17,229,395	15,786,511
Non-Current Liabilities			
Long Term Borrowings	6	48,926,109	60,524,431
Current Liabilities			
Short Term Borrowings	7	55,173,698	70,944,939
Other Current Liabilities	8	5,285,614	8,936,681
Short Term Provisions	9	184,844	-
Total		177,639,660	207,032,562
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	10	110,672,022	115,165,073
Non-Current Investments	11	1,100,000	1,100,000
Long Term Loans & Advances	12	800,621	591,347
Other Non-Current Assets	13	2,500,000	2,500,000
Current Assets			
Inventories	14	213,870	1,327,525
Trade Receivables	15	4,556,115	4,190,928
Cash and Bank balances	16	7,410,859	10,260,870
Short Term Loans & Advances	17	50,386,173	71,896,819
Total		177,639,660	207,032,562
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For BIDASARIA & ASSOCIATES
(Chartered Accountants)
Firm Registration No.: 315101E

Sd/-
R.K. BIDASARIA
(Partner)
Membership No. 052251

Place: Kolkata
Dated: 26th Day of May, 2017

for and on behalf of the Board of Directors

Sd/-
Pradip Lodha
Managing Director
DIN: 03006602

Sd/-
Sunil Kumar Churiwala
Chief Financial Officer

Sd/-
Asha Ladia
Director
DIN: 03504170

Sd/-
Chandni Gupta
Company secretary

Statement of Profit and Loss for the period ended 31st March, 2017

	Particulars	Note No	For the period ended	For the period ended
			31st March, 2017	31st March, 2016
			Amount in Rupees	Amount in Rupees
I	Revenue			
	Revenue from Operations	18	46,355,730	42,534,014
	Other Income	19	2,993,751	3,595,804
	Total Revenue :		49,349,481	46,129,818
II	Expenses			
	Purchases of Stock-in-Trade	20	108,360	1,225,475
	Change in Inventories of Stock-in-Trade	21	(108,360)	(1,225,475)
	Employee Benefits Expense	22	4,577,694	4,452,745
	Finance Costs	23	13,650,088	13,107,827
	Depreciation & Amortisation Expenses	24	4,584,550	4,510,828
	Other Expenses	25	25,094,265	23,392,377
	Total Expenses :		47,906,597	45,463,777
III	Profit/(Loss) Before Exceptional & Extraordinary Items		1,442,884	666,041
IV	Exceptional Items	26	-	(72,355)
V	Profit/(Loss) Before Extraordinary Items		1,442,884	593,686
VI	Extraordinary Items	27	-	262,500
V	Profit/(Loss) Before Tax (III - IV)		1,442,884	856,186
VI	Tax Expense:			
	Current Tax (MAT)		274,942	163,690
	Less: MAT Credit Entitlement		(274,942)	(135,151)
	Net Current Tax		-	28,539
	Deferred Tax		-	-
VII	Profit/(Loss) for the year (V - VI)		1,442,884	827,647
VIII	Earning per equity share:			
	Basic and Diluted	28	0.28	0.16
	Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For BIDASARIA & ASSOCIATES
(Chartered Accountants)
Firm Registration No. : 315101E

Sd/-
R.K. BIDASARIA
(Partner)
Membership No. 052251

Place: Kolkata
Dated: 26th Day of May, 2017

for and on behalf of the Board of Directors

Sd/-
Pradip Lodha
Managing Director
DIN: 03006602

Sd/-
Sunil Kumar Churiwala
Chief Financial Officer

Sd/-
Asha Ladia
Director
DIN: 03504170

Sd/-
Chandni Gupta
Company Secretary

Cash Flow Statement for the year ended 31st March, 2017

Particulars	Year ended 31.03.2017 Rs.	Year ended 31.03.2016 Rs.
A. Cash Flow from Operating Activities		
Net Profit before Tax	1,442,884	856,186
Adjustments:		
Add :Depreciation	4,584,550	4,510,828
Exceptional/Extra ordinary Items	-	72,355
Add :Interest & Financial Charges	13,650,088	13,107,827
Less :Interest Income	(737,432)	(815,277)
Operating cash Flow before working capital changes	18,940,090	17,731,919
Adjustment for :		
(Increase)/ Decrease in Trade Receivable	(365,187)	(50,614)
(Increase)/ Decrease in Inventories	1,113,655	(584,205)
(Increase)/Decrease in Long Term Loans & Advance	(209,274)	69,999
(Increase)/Decrease in Short Term Loans & Advance	21,609,622	(7,817,094)
Increase/(Decrease) in Short Term Provisions	184,844	(67,762)
Increase/(Decrease) in Other Current Liabilities	(3,651,067)	569,150
Operating cash flow after working capital changes	37,622,683	9,851,393
Less: Tax Paid		
Income Tax	(98,976)	(270,818)
Net Operating Cash flow	37,523,707	9,580,575
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(91,499)	(2,363,415)
Sale of Fixed Assets	-	345,000
Purchase of Non-Current Investments	-	(1,100,000)
Sale of Non-Current Investments	-	5,079,800
Other Non-current Assets	-	(500,000)
Interest Income	737,432	815,277
Net Cash Flow from Investing Activities	645,933	2,276,662
C. Cash Flow from Financing Activities		
Proceeds from Term Loan	-	1,650,000
Net Proceeds from working capital loan	(8,571,241)	(868,242)
Proceeds from Primary marketing loan	55,000,000	62,200,000
Repayment of Primary marketing loan	(62,200,000)	(49,200,000)
Repayment of Term Loan	(11,598,322)	(12,087,695)
Interest and financial charges	(13,650,088)	(13,107,827)
Capital Subsidy Received	-	1,227,004
Net Cash flow from Financing Activities	(41,019,651)	(10,186,760)
Net Cash Inflow/ (Outflow)	(2,850,011)	1,670,477
Cash and Cash eq. at the beginning of the Period	10,260,870	8,590,393
Cash and Cash eq. at the end of the Period	7,410,859	10,260,870

Notes: 1) The figures in the cash flow statement are based on or have been derived from

2) Figures in the bracket represents out flow of the cash and cash equivalent.

3) Cash and Cash equivalent comprises of:

	Year ended 31.03.2017 Rs.	Year ended 31.03.2016 Rs.
Cash in hand	288,122	966,506
Cash at bank	6,095	12,522
Fixed Deposits with Banks	7,116,642	9,281,842
	7,410,859	10,260,870

Auditor's Report

We have examined the above Cash Flow Statement of Karnimata Cold Storage Limited for the year ended 31st March, 2017 from the records maintained by the company in the ordinary course of business.

As per our report of even date

For BIDASARIA & ASSOCIATES

(Chartered Accountants)

Firm Registration No: 315101E

for and on behalf of the Board of Directors

Sd/-

R.K. BIDASARIA

Partner

Membership No. 052251

Sd/-

Pradip Lodha

Managing Director

DIN:03006602

Sd/-

Asha Ladia

Director

DIN:03504170

Sd/-

Sunil Kumar Churiwala

Chief Financial Officer

Sd/-

Chandni Gupta

Company Secretary

Place: Kolkata

Dated: 26th Day of May, 2017

Notes to the financial statements for the year ended 31st March, 2017

1. Corporate Information:

Karnimata Cold Storage Limited was incorporated as a private limited company on 29th of April, 2011 later on converted into a public limited company w.e.f. 4th December, 2012 under the provisions of the Companies Act, 1956. The company is engaged in cold storage business. It initially set up during FY 2011-12, 18,000 M.T. Cold storage in Medinipur district (West Bengal) for preservation of potatoes and during the FY 2013-14 the capacity was increased by 7,500 M.T. The company came with Initial Public Offering (IPO) of Rs 303.6 Lakhs during the FY -13-14, and was listed on SME Platform BSE Limited on 18th March 2014.

2. Basis of preparation of financial statements:

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting following generally accepted accounting principles in India (GAAP) and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India & notified under the Companies (Accounting Standards) Rules 2006 as amended and the relevant provisions of the Companies Act, 2013. The financial statements are presented in Indian rupees.

3. Summary of significant accounting policies:

- a. **Use of estimates:** The preparation of the financial statements in the conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.
- b. **Fixed Assets:** Fixed assets are stated at historical cost of acquisition/construction inclusive of duties, taxes, incidental expenses and erection/commissioning expenses up to the date the asset is ready for intended use.
- c. **Depreciation and amortization:** On fixed assets, depreciation is provided on straight line method. The depreciation has been provided as per schedule II, on the basis of useful life of assets. Useful life of Plant & Machinery (Continuous process plant), and electrical installations as per Schedule II of Companies Act, 2013, is 8yrs and 10yrs respectively but it has been taken 25yrs as per the certificate from technical consultant dated 30.10.2014
- d. **Impairment of assets:** At each Balance Sheet date, management assesses, using external and internal sources, whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the present value as determined above. Actual results could differ from those estimates.
- e. **Inventories:** Items of inventories are measured at lower of cost or net realizable value.

f. Revenue recognition:

- i. **Sales:** Revenue is recognized to the extent that it is probable the economic benefits will flow to the company and revenue can be reliably measured. Revenue from sale of goods is when all the significant risks & rewards of ownership of the goods have been passed to the recognized buyers, usually on delivery of the goods. The provisions of AS-9 are complied with the extent applicable to the company.
- ii. **Income and expenditure:** Income and Expenditure are accounted for on accrual basis, wherever ascertainable.

g. Employee benefits: Short-term employees' benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related service is rendered.

Regarding post employment benefits, the policy under LIC Group Gratuity scheme is in force. Provision for gratuity has been made in the accounts on the basis of Actuarial valuation made by LIC and all the eligible employees are covered by Provident Funds and Miscellaneous Provisions Act, 1952.

h. Foreign exchange transactions: Since the company did not have any foreign exchange transactions, the provisions of AS -11 are not applicable to the company

i. Borrowing cost: Borrowing cost that are directly attributable to the acquisition/ construction of the qualifying asset are capitalized until the time all the substantial activities necessary to prepare such assets for the intended use are complete. All other borrowing costs are recognized as expenditure during the period in which they are incurred

j. Government grants: Government Grants related to fixed assets are adjusted with the value of fixed assets/credited to capital reserve.

Govt. Grants related to revenue items are adjusted with the related expenditure/taken as income.

k. Contingencies: Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise, or is a present obligation that arises from past events but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

l. Taxation: Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and MAT credit entitlement if any, is adjusted against current tax. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

m. Change in Accounting Policy:

- i. Reclassification of current maturity of long term loans from Current liabilities to Noncurrent liabilities:

To tally with Bank the total outstanding figure of Term Loan at one place and to maintain the Net Working capital figure positive, the current maturity of term loan from bank not segregated.

- ii. Reclassification of Fixed Deposits with bank from Noncurrent assets to Current assets under "Cash and cash equivalents".

Deposits with bank having more than twelve months maturity are shown separately under Cash and cash equivalents which is due compliance with Note 6-Q of Part I of Schedule III.

	31.03.2017	31.03.2016
4 Share Capital		
Authorised		
Equity Share Capital		
80,00,000 Equity Shares of Rs. 10 each (80,00,000 Equity Shares of Rs.10 each)	80,000,000 <u>80,000,000</u>	80,000,000 <u>80,000,000</u>
Issued, Subscribed & Paid-up		
Equity Share Capital		
50,84,000 Equity Shares of Rs. 10 each	50,840,000 <u>50,840,000</u>	50,840,000 <u>50,840,000</u>

Terms/Rights attached to Equity Shares

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

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

	FV Per Share	No. of Shares	FV Per Share	No. of Shares
<u>Equity Shares:</u>				
Balance as at the beginning of the year	Rs 10/- Share	5,084,000	Rs 10/- Share	5,084,000
Add: Addition during the year	Rs 10/- Share	-	Rs 10/- Share	-
Total No. of Shares	Rs 10/- Share	5,084,000	Rs 10/- Share	5,084,000
Balance as at the end of the year	Rs 10/- Share	<u>5,084,000</u>	Rs 10/- Share	<u>5,084,000</u>

4(b)

Details of shareholders holding more than 5% equity shares in the company	Current Year		Previous Year	
	% holding	No of shares held of Rs. 10 each	% holding	No of shares held of Rs. 10 each
Pratyush Mercantile Private Limited	5.51	280,000	5.51	280,000
SRG Trading Private Limited	11.41	580,000	11.41	580,000
Bindu Food Processors Pvt Ltd.	9.23	469,000	6.24	317,000
Vasundhara Merchants Limited	5.13	261,000	-	-

5 Reserves and Surplus

Securities Premium Account

Opening Balance		11,694,887	11,694,887
Additions during the year		-	-
Deductions during the year		-	-
Closing Balance	(a)	<u>11,694,887</u>	<u>11,694,887</u>
Capital Subsidy	(b)	<u>1,227,004</u>	<u>1,227,004</u>

Surplus/(Deficit) in the Statement of Profit & Loss	31.03.2017	31.03.2016
Balance as per last Financial Statements	2,864,620	2,036,973
Add: Profit for the year	1,442,884	827,647
Net Surplus /(Deficit)	4,307,504	2,864,620
(c)		
(a+b+c)	17,229,395	15,786,511

6 Long Term Borrowing

Secured

#Term Loan (old) from State Bank of India, Garbeta*	25,954,765	33,977,956
#Term Loan (new) from State Bank of India, Garbeta**	22,879,482	25,910,106
Car Loan from Mahindra & Mahinda (for Ciaz)***	-	330,002
Car Loan from Mahindra & Mahinda (for Scorpio)***	91,862	306,367
	48,926,109	60,524,431

#The actual balance due on 31.03.2017

Secured by way of equitable mortgage of land, situated at Chekuasole, Goalture, Paschim Medinipur, 2 residential flats - one situated at paschim medinipur and one situated at kolkata, land & building at Salbony (paschim medinipur) fixed deposits of Rs. 65 lacs, SBI Life Insurance of Rs. 25 lacs and third party guarantee given by directors of the company.

*Sactioned Rs. 6 crores on 18.11.2011 and now bears interest @ 13% p.a. repayable in 16 half yearly installments comprising of 1st 6 installments of Rs. 30 lacs each next 6 installments of Rs. 40 lacs each and last 4 installments of `Rs.45 lacs each due on 30th June and 31st December each year, starting from 30/06/2012 .

**Sactioned Rs.3 crores on 28.01.2014 and now bears interest @ 13% p.a. repayable in 16 half yearly installments comprising of 1st 4 installments of Rs. 10 lacs each next 8 installments of Rs.15 lacs each next 2 installments of Rs.30 lacs each and last 2 installments of Rs.40 lacs each due on 30th September and 31st March each year, starting from 30/09/2014.

***Secured by Hypothecation of vehicles.

i. Ciaz car loan repayable in 33 installment of Rs.31000/- each and last 34th installment of Rs 6600/-starting from 15.06.2015.

ii. Scorpio car loan repayable in 21 installments of Rs.26000/- each and 17 installments of Rs.20000/- each and 8 installments of Rs 1750/- each starting from 05.06.2015.

(monthly Installments included Principals and interest.)

	31.03.2017	31.03.2016
7 Short Term Borrowing		
Loans Repayable on Demand from SBI, Garbeta (Secured)		
Primary Marketing Loan (PML) *	55,000,000	62,200,000
Working Capital Loan **	173,698	8,744,939
	55,173,698	70,944,939

* Bearing Interest @ 11.50% p.a. sanctioned on 16.02.2017, secured by way of assignment of receipts of potatoes stored.

*** Secured against hypothecation of stocks, fuel, lubricants, book debts, rent receivables and other current assets of the company, bearing interest @ 12.80% p.a.*

8 Other Current Liabilities	31.03.2017	31.03.2016
<u>Current Maturities of Long Term Debt</u>		
Car Loan from Mahindra & Mahinda (for Ciaz)	331,002	319,805
Car Loan from Mahindra & Mahinda (for Scorpio)	214,506	252,163
Interest accrued but not due on borrowings from Banks:		
Term Loan (old)	1,164,133	1,574,604
Term Loan (new)	1,047,557	1,178,524
Working Capital Loan	265,085	281,523
Primary Marketing Loan	515,137	470,885
Creditors for Capital Goods	50,000	299,430
Other Payables	1,698,194	4,559,747
	5,285,614	8,936,681
9 Short Term Provisions		
Income Tax Provision (Net of TDS)	184,844	-
	184,844	-
10 Tangible Asstes		
# Please refer the page no. 73 for details of Fixed Assets		
11 Non-Current Investments		
<u>Other Investments</u>		
Investments in Unquoted Equity Instruments (Valued at cost)		
Bravo Erection Pvt Ltd (10)		
(8000 Equity Shares @ Rs 137.50)	1,100,000	1,100,000
<i>(None of the bodies corporate are subsidiaries, associates, and joint ventures)</i>		
	1,100,000	1,100,000
<i>(No decline in the value other than of temporary nature)</i>		
12 Long Term Loans & Advances		
<i>(Unsecured, Considered Good)</i>		
Advance Tax and TDS Receivable	-	65,668
MAT Credit Entitlement	800,621	525,679
	800,621	591,347
13 Other Non Current Assets		
<i>(Unsecured, Considered Good)</i>		
SBI Life Insurance*	2,500,000	2,500,000
	2,500,000	2,500,000

* Sushila Lodha (Ex-Director) - Rs.10,00,000/- (PY Rs 10,00,000), Pradip Lodha (MD) - Rs.15,00,000 (P.Y. Rs. 15,00,000).
No personal benefit arised or will arise to the policyholders.

14 Inventories	31.03.2017	31.03.2016
<i>(Valued at lower of cost and net realizable value)</i>		
Stock-in-Trade – Potatoes	108,360	1,225,475
Stock of Stores and Spare Parts	21,160	58,800
Stock of Diesel & Lubricants	84,350	43,250
	213,870	1,327,525
15 Trade Receivables		
<i>Unsecured, Considered doubtful, under litigation</i>		
Outstanding for a period exceeding six months from the due date	264,721	264,721
<i>Secured by receipts of potato stored, Considered good</i>		
Others	4,291,394	3,926,207
	4,556,115	4,190,928
16 Cash & Bank Balances		
<u>Cash and Cash Equivalents:</u>		
Balances with Banks:		
In Current Account	6,095	12,522
<i>Fixed Deposits Accounts*</i>		
Having original maturity exceeding 12 months		
Prinicipal Amount	6,960,925	6,875,000
Interest Accrued	155,717	2,406,842
 <i>Cash in Hand</i>	 288,122	 966,506
<i>(As Certified by the Management)</i>	 7,410,859	 10,260,870
 17 Short Term Loans & Advances		
<i>(Unsecured, Considered Good)</i>		
Loans & Advances	37,653,186	64,449,659
Others Receivables	12,732,987	7,447,160
	50,386,173	71,896,819

*FD of Rs. 65 Lacs pledged with SBI Garbeta as collateral security against term loan & FD of Rs. 3.75 Lacs held by SBI as margin money against BG to WBSEDC Ltd.

	31.03.2017	31.03.2016
18 Revenue from Operations		
Rent from Potato Storage	42,844,241	41,012,180
Interest Income From Loan to Traders/Farmers	3,511,489	1,521,834
	46,355,730	42,534,014
19 Other Income		
Sale of Scrap	25,222	29,850
Interest Income:		
On FD with SBI	737,432	815,277
Insurance Claim	827,813	131,112
Electricity Subsidy	774,668	1,011,054
Interest on Loans	249,310	1,481,279
Miscellaneous Income	379,306	127,232
	2,993,751	3,595,804
20 Purchase of Stock-in-Trade		
Purchase of Potatoes	108,360	1,225,475
	108,360	1,225,475
21 Change in Inventories of Stock-in-Trade		
Stock-in-Trade at the beginning of the year	1,225,475	54,040
Less: Used for compensation	1,225,475	54,040
	-	-
Stock-in-Trade at the end of the year	108,360	1,225,475
	(108,360)	(1,225,475)
22 Employee Benefit Expenses		
Salary & Wages	4,255,627	3,971,087
Staff Welfare Expenses	213,766	385,227
LIC Gratuity Fund	108,301	96,431
	4,577,694	44,52,745
23 Finance Cost		
a) Interest Expenses		
Interest to Bank	13,231,929	12,818,486
Interest on Delayed Payment of Advance Tax	8,878	-
b) Other Borrowing Cost		
Primary Marketing Loan Processing Fees	318,955	249,266
Working Capital Processing Fees	-	40,075
Bank Guarantee Renewal	90,326	-
	13,650,088	13,107,827

24 Depreciation & Amortisation Expenses	31.03.2017	31.03.2016
Depreciation	4,584,550	4,510,828
Preliminary Expenses Written Off	-	-
	4,584,550	4,510,828
25 Other Expenses		
Power and Fuel	8,659,924	9,300,812
Consumption of Stores and Spare Parts	37,640	274,605
Compensation for Potato Damage	2,419,985	1,683,507
Conveyance & Travelling	141,983	180,678
Office Expenses	336,528	274,972
Profession Fee	250,288	286,512
Printing & Stationery	118,576	110,319
Rates and Taxes	74,200	95,999
Repair to Building	400,192	538,591
Repair to Machinery	927,581	1,095,406
Repairs & Maintenance-Others	581,952	385,904
Puja Expenses	201,972	166,368
Insurance	3,537,451	2,241,310
Bank Charges	235,260	93,509
Shed Supervision Charges	224,000	263,000
Machine Room Supervision charges	414,200	353,400
Loading - Daily Labour	2,643,762	2,534,073
Unloading - Daily Labour	2,803,763	2,581,354
Transportation Charges	35,040	231,570
Vehicles Expenses	292,247	249,854
Market Making Fees	276,000	274,200
Payment to Auditors:		
For Audit Fee	20,700	20,610
For Certificate	13,213	15,878
Miscellaneous Expenses	510,808	139,946
	25,094,265	23,392,377
26 Exceptional Items		
Loss on sale of Vehicle (Bolero Car)	-	(164,715)
Profit On sale of Investments	-	92,360
	-	(72,355)

27 Extra Ordinary Items	31.03.2017	31.03.2016
Robbery Claim Recd	-	262,500
	-	262,500

Extraordinary Items are income or expense that arises from events or transaction that are clearly distinct from the ordinary activities of the company and therefore, are not expected to recur frequently or regularly.

28 Earnings per share:

- (a) Profit after taxation as per Statement of Profit & Loss
 (b) Weighted average number of equity share outstanding
 (c) Basic and diluted earnings per share in rupees.

31.03.2017	31.03.2016
1,442,884	827,647
5,084,000	5,084,000
0.28	0.16

(Face Value Rs.10/- per share)

29 Contingent liability	2,000,000	2,000,000
(For bank guarantee given in favor of WBSSED CO.LTD.)		

30 Deferred Tax Asset

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

31 Government grants:

During the year sanction received for Rs 42.11 lacs as "Fixed Capital Investment Subsidy" under West Bengal State Support for Industries Scheme,2008 (WBSSIS-2008) , receivable in 10 installments. During the year 3 installments received after deduction of legal & processing fees. The amount received has been duly recognised under "Reserve & Surplus" vide Note no. 5

Revenue subsidy, in the form of waiver of electricity duty Rs. 7,74,668/-(P.Y.Rs. 10,11,054) received during the year and the same has been duly recognised in the statement of Profit and Loss vide Note No. 19.

32 Related Party Disclosure

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

Name of the related parties	Short Name	Relationship
(i) Pradeep Lodha	PL	Managing Director
(ii) Asha Ladia	AL	Director
(iii) Sushila Lodha	SL	Wife of PL
(iv) Supreme Lodha	SPL	CEO & Son of PL & SL
(v) Subrat Kumar Nayak	SKN	Company Secretary (EX)
(vi) Chandni Gupta	CG	Company Secretary
(vii) Karunamoy Bandyopadhyay	KB	Manager
(viii) Venus Kedia	VK	Independent Director
(ix) Kalpana Agrawal	KA	Independent Director
(x) Sunil Kumar Churiwala	SKC	CFO
		No relationship with Director (Appointed on 01.04.2017)

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

Transactions Description	Name of Related Parties	During the year ended 31st March, 2016 (Rs.)	During the year ended 31st March, 2015 (Rs.)
a) Remuneration	PL	414000	356000
b) Remuneration	SPL	390000	320000
c) Remuneration	SKN	-	116000
d) Remuneration	CG	184500	-
e) Remuneration	KB	212000	210000
f) Meeting Fees	AL	11000	2000
g) Meeting Fees	KA	11000	1500
h) Meeting Fees	VK	11000	2000

33 Disclosure of Specified Bank Notes (SBN):

Details of Specified Bank Notes (SBN) held and transacted during the period 09-11-2016 to 30-12-2016

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in Hand as on 08-11-2016	1,226,500	263,059	1,489,559
(+) Permitted Receipts	-	5,960,222	5,960,222
(-) Permitted Payments	-	994,166	994,166
(-) Amount Deposited in Banks	1,226,500	4,580,000	5,806,500
Closing Cash in Hand as on 30-12-2016	-	649,115	649,115

34 In the opinion of the board of directors, the current assets, loans and advances are approximately of the realisable value in the ordinary course of business unless otherwise stated. The Provision for all known liabilities are adequate and are not in excess of the amount reasonably necessary.

35 Based on the Information available with the company, the balance due to micro, small and medium enterprises as defined under the "Micro, small & medium enterprises development Act, 2006" is NIL.

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

As per our report of even date

For and on behalf of the Board of Directors

For **BIDASARIA & ASSOCIATES**
(Chartered Accountants)
Firm Registration No.: 315101E

Sd/-
Pradip Lodha
Managing Director
DIN: 03006602

Sd/-
Asha Ladia
Director
DIN: 03504170

Sd/-
R.K. BIDASARIA
Partner
Membership No. 052251

Sd/-
Sunil Kumar Churiwala
Chief Financial Officer

Sd/-
Chandni Gupta
Company Secretary

Place: Kolkata
Dated: 26th Day of May, 2017

10) Tangible Assets

Particulars	Gross Block				Depreciation				Net Block	
	As on 01.04.2016	Addition during the year	Deletion during the year	As on 31.03.2017	As on 01.04.2016	For the year	Adjustment	As on 31.03.2017	As on 31.03.2017	As on 31.03.2016
Land & Land Development	7,269,920	-	-	7,269,920	-	-	-	-	7,269,920	7,269,920
Building	13,786,140	-	-	13,786,140	746,743	218,124	-	964,867	12,821,273	13,039,397
Plant and Machinery	105,897,975	-	-	105,897,975	15,990,051	3,924,699	-	19,914,750	85,983,225	89,907,924
Vehicles	2,316,302	62,500	-	2,378,802	224,007	280,141	-	504,148	1,874,654	2,092,295
Electric Line Installation	3,055,762	-	-	3,055,762	412,943	113,856	-	526,799	2,528,963	2,642,819
Furniture	231,485	-	-	231,485	66,913	23,352	-	90,265	141,220	164,572
Laptop & Computer	76,803	28,999	-	105,802	28,657	24,378	-	53,035	52,767	48,146
Total	132,634,387	91,499	-	132,725,886	17,469,314	4,584,550	-	22,053,864	110,672,022	115,165,073

Previous Year	131,024,458	2,363,415	753,486	132,634,387	13,202,257	4,510,828	243,771	17,469,314	115,165,073	117,822,201
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