

**BOARD OF DIRECTORS**

Sri Kanhaiya Kumar Todi - Chairman  
 Sri Dipak Dey  
 Sri Beni Gopal Daga  
 Sri Om Prakash Kanoria  
 Smt Shikha Todi  
 Sri Sushil Kumar Todi  
 Sri Ashok Kumar Todi  
 Sri Raja Saraogi  
 Sri Udit Todi - Managing Director

**COMPANY SECRETARY**

Ms. Sneha Jain

**AUDITORS**

Agarwal Maheswari & Co  
 Chartered Accountants  
 2B, Grant Lane,  
 Kolkata - 700 012

**SHARE TRANSFER AGENTS**

S K Infosolutions Pvt. Ltd.  
 34/1A, Sudhir Chatterjee Street,  
 Kolkata - 700 006  
 Tel : + 91-33-2219 6797  
 Email : skcdilip@gmail.com

**REGISTERED OFFICE**

4, Black Burn Lane,  
 Kolkata - 700 012

**CORPORATE OFFICE**

1/1, Camac Street, 5th Floor,  
 Kolkata - 700 016  
 Tel : +91-33-2217 2222/23/24  
 Email : coastalgroup@vsnl.net  
 www.coastalroadways.com

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## NOTICE

Notice is hereby given that the Forty-Ninth Annual General Meeting of the members of **COASTAL ROADWAYS LIMITED** will be held on **TUESDAY, the 5TH DAY OF SEPTEMBER, 2017 at 11:00 A.M.** at the **Calcutta Chamber of Commerce, Stephen Court, 18H Park Street, Kolkata - 700071** to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To consider and adopt the audited financial statement of the Company for the financial year ended 31st March 2017, the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sri Kanhaiya Kumar Todi (DIN 00112633), who retires by rotation at this Annual General Meeting, and being eligible has offered himself for re-appointment.
3. To appoint a Director in place of Smt. Shikha Todi (DIN 00268540), who retires by rotation at this Annual General Meeting, and being eligible has offered herself for re-appointment.
4. 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 Section 139 of the Companies Act 2013 read with Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Patanjali & Co., Chartered Accountants (Firm Registration Number 308163E) be and are hereby appointed as the Auditors of the Company, for a term of maximum five consecutive years, to hold office from the conclusion of this Annual General Meeting until the conclusion of 54th Annual General Meeting to be held in the calendar year 2022 (subject to ratification by the members at all Annual General meetings) and that the Board of Directors be and is hereby authorized to fix their remuneration as may be recommended by the Audit Committee in consultation with the Auditors."

### **SPECIAL BUSINESS:**

#### **5. Re-appointment of Sri Kanhaiya Kumar Todi as Whole Time Director**

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded for the re-appointment and remuneration of Sri Kanhaiya Kumar Todi (DIN: 00112633) as Whole Time Director (liable to retire by rotation) designated as 'Chairman' of the Company with effect from 5th August 2017 for a period of 3 (three) years on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Sri Kanhaiya Kumar Todi, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 and Rules made thereunder, for the time being in force.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

#### **6. Re-appointment of Sri Sushil Kumar Todi as Whole Time Director**

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the

time being in force), approval of the Company be and is hereby accorded for the re-appointment and remuneration of Sri Sushil Kumar Todi (DIN 00309839) as Whole-time Director (liable to retire by rotation) of the Company, with effect from 5th August 2017 for a period of 3 (three) years on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Sri Sushil Kumar Todi, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 and Rules made thereunder, for the time being in force.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

#### 7. Re-appointment of Sri Ashok Kumar Todi as Whole Time Director

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded for the re-appointment and remuneration of Sri Ashok Kumar Todi (DIN 00309721) as Whole-time Director (liable to retire by rotation) of the Company, with effect from 5th August 2017 for a period of 3 (three) years on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Sri Ashok Kumar Todi, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 and Rules made thereunder, for the time being in force.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

#### 8. Appointment of Sri Udit Todi as Managing Director

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded for the appointment and remuneration of Sri Udit Todi (DIN: 00268484) as Managing Director (liable to retire by rotation) designated as 'Managing Director & Chief Executive Officer (CEO)' of the Company, for a period of 3 (three) years, with effect from 29th May 2017 to 28th May 2020, on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Sri Udit Todi, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 and Rules made thereunder, for the time being in force."

#### 9. Appointment of Sri Raja Saraogi as Director

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section(s) 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force to any of the

forgoing), Sri Raja Saraogi (DIN 00271334), who was appointed as an Additional Director by the Board of Directors of the Company wef 29th May 2017 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company."

#### 10. Appointment of Sri Raja Saraogi as Whole Time Director

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded for the appointment and remuneration of Sri Raja Saraogi (DIN:00271334) as Whole-time Director (not liable to retire by rotation) designated as 'Whole Time Director & Chief Financial Officer (CFO)' of the Company, for a period of 3 (three) years with effect from 29th May 2017 to 28th May 2020, on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Sri Raja Saraogi , subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 and Rules made thereunder, for the time being in force.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

*Registered Office:*  
4 Black Burn Lane  
Kolkata - 700 012  
**CIN: L63090WB1968PLC027373**  
The 29th day of May 2017.

*By Order of the Board*  
**Sneha Jain**  
Company Secretary  
**For COASTAL ROADWAYS LIMITED**

#### NOTES :

1. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company and carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided that not less than three days of the notice in writing is given to the Company.

4. Brief resume of Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of board committees, shareholding as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 are provided as Annexure of this Notice.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 24th July 2017 to Wednesday, 26th July 2017 (both days inclusive).
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
7. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Shareholders who have not yet encashed their dividend warrant(s) relating to the financial year 2009-10, 2010-11 and 2011-12 are therefore, advised to approach the Company for the payment thereof as the same will be transferred to the 'Investor Education and Protection Fund' of the Central Government on 9th September 2017, 17th August 2018 and 26th August 2019 respectively pursuant to Section 124(5) and 125 of the Companies Act, 2013.
9. The Ordinary Shares of the Company are listed Bombay Stock Exchange Limited. The Company confirms that it has paid Annual Listing Fees to the said Exchanges for the year 2017-2018.
10. Members holding shares in physical form are requested to notify any change in their address including Pin Code, Bank Mandate, Income Tax Permanent Account Number, etc. to the Company's Registrar & Share Transfer Agent, M/s S K Infosolutions Pvt Ltd, 34/1A Sudhir Chatterjee Street, Kolkata - 700 006. Members holding shares in dematerialized form are requested to furnish this information to their respective depository participants for updating of the records.
11. Members who hold shares in physical Form in multiple folios in identical name or joint holding in the same order of names are requested to send the share certificates to its RTA for consolidating into single folio. The share certificates will be returned to the Members after making requisite changes thereon.
12. Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the Company. Request may be made to the Company or its RTA for the Nomination Form.
13. The SEBI has mandated the submission of PAN by every participant in the security market. Members holding shares in electronic Form /physical Form are therefore, requested to submit their PAN to the Company or its RTA.
14. The Securities and Exchange Board of India (SEBI) has made it mandatory for all the Companies to use bank details furnished by the Investors for distributing Dividends or other cash benefits through National Electronic Clearing Services (NECS). In the absence of NECS facility, Companies are required to print the bank details on the payment instrument for distribution of dividend. Members holding shares in physical mode are requested to provide their bank details to the RTA in the NECS Mandate form, which is being sent along with the Annual Report. Whereas, members holding shares in demat mode are requested to record the same with their respective Depository Participant(s).
15. Pursuant to Sections 101 and 136 of the Companies Act, 2013, read with the relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Members who have not yet registered their e-mail address with the Company or their respective Depository are requested to do so.

16. All the documents referred to in the accompanying Notice and Statement are open for inspection by the Members at the Registered Office of the Company during normal business hours on all working days including the date of the Annual General Meeting of the Company.
17. Members desiring any information about accounts or otherwise, are requested to write to the Company, at least 10 days in advance of the Annual General Meeting, to facilitate compilation thereof.
18. The Notice of the 49th AGM and instructions for e-voting, along with the Attendance slip and Proxy form, is being sent by electronic mode to all members whose email addresses are registered with the Company/ Depository Participant(s), unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.

**19. INFORMATION AND OTHER INSTRUCTION RELATING TO REMOTE E-VOTING AND VOTING AT AGM:**

In compliance with Section 108 of the Companies Act 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by Companies (Management and Administration) Amendment, Rules 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to the members to exercise their votes electronically through the electronic voting service facility arranged by National Securities Depository Limited (NSDL). The Facility for voting, through ballot paper, will also be made available at the AGM and the member attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through Ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The e-voting details and instructions for e-voting are as under:

1. The remote e-voting period commences on 1st September 2017 (9:00 am) and ends on 4th September 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 29th August 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.
2. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. Members already registered with NSDL for e-voting will not receive the PDF and shall use their existing User ID & Password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
    - (iii) Click on Shareholder -Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select "EVEN" of "Coastal Roadways Limited".
    - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.



- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [dmaa64@yahoo.co.in](mailto:dmaa64@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided at the bottom of the Attendance Slip for the AGM.
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
  4. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
  5. You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).
  6. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 29th August 2017.
  7. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 29th August 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [coastalgroup@vsnl.net](mailto:coastalgroup@vsnl.net)/[skcdilip@gmail.com](mailto:skcdilip@gmail.com).
  8. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
  9. Sri Debasish Mukhopadhyay Practicing Company Secretary, C.P. No.: 5323 has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  10. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  11. The Scrutinizer shall after scrutinizing the votes cast at the meeting through Ballot Paper and through remote e-voting will not later than 3 days of conclusion of meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the company [www.coastalroadways.com](http://www.coastalroadways.com) and on the website of NSDL. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
  12. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting i.e. 5th September 2017.

## ANNEXURE TO THE NOTICE

Statement pursuant to Section 102(1) of the Companies Act, 2013 :

### Item No.5 to 7

Sri Kanhaiya Kumar Todi, Sri Sushil Kumar Todi and Sri Ashok Kumar Todi were appointed as Whole Time Directors of the Company by the members at the Annual General Meeting held on 5th day of August 2014 for a period of 3 years. The aforesaid Directors are proposed to be re-appointed for a further period of 3 years with effect from 5th August 2017 and their remuneration is also proposed for the same period and they shall all be liable to retire by rotation and their respective designations have been set out in the resolutions proposed at item no. 5 to 7 of notice.

The broad terms and conditions of their re-appointment and remuneration payable to them are as follows :

#### 1. DUTIES AND RESPONSIBILITIES:

Sri Kanhaiya Kumar Todi, Sri Sushil Kumar Todi and Sri Ashok Kumar Todi shall subject to the provisions of the Companies Act, 2013 and overall superintendence and control of the Board of Directors of the Company perform such duties and exercise such powers as has been or may from time to time be entrusted to or conferred on them by the Board of Directors of the Company.

#### 2. REMUNERATION:

Basic Salary (per month)

<u>Name</u>	<u>Amount</u>
1. Sri Kanhaiya Kumar Todi	₹ 125000/-
2. Sri Sushil Kumar Todi	₹ 100000/-
3. Sri Ashok Kumar Todi	₹ 100000/-

Subject to such increments as the Board may determine.

#### Others

1. Housing : The Directors who use the accommodation provided by the company shall pay fair rent of the same to the company as may be determined by the Board.
2. Company's contribution to Provident Fund as per Rules of the company.
3. Use of car, telephone and other necessary appliances as may be required for company's business.
4. Reimbursement of expenses incurred in relation to the business of the company.

#### 3. MINIMUM REMUNERATION:

In the event of absence or inadequacy of profits during their period of service, they shall be entitled to the same Salary and Perquisites as stated herein above.

A Statement containing the information, as required under Schedule V Part II of Companies Act, 2013 is given at the end of this Annexure.



The above may be treated as written memorandum setting out the terms of re-appointment of Sri Kanhaiya Kumar Todi, Sri Sushil Kumar Todi and Sri Ashok Kumar Todi under Section 190 of the Act. The Board considers that their association will be beneficial to and in the interest of the Company.

Brief resume of Sri Kanhaiya Kumar Todi, Sri Sushil Kumar Todi and Sri Ashok Kumar Todi, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/ chairmanships of Board committees, shareholding and relationships between directors inter-se as stipulated under Listing Regulations with the Stock Exchanges, are provided in Annexure to this Notice.

Save and except Sri Kanhaiya Kumar Todi, Smt Shikha Todi, Sri Udit Todi, Sri Sushil Kumar Todi and Sri Ashok Kumar Todi and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the resolutions set out at item no.5 to 7 of the Notice.

Your consent by way of special resolutions as proposed is required under Section 196 of the Companies Act, 2013 read with Schedule V thereto.

The Board recommends the Ordinary resolutions set out at Item No. 5 to 7 of the Notice for approval by the Members.

#### **Item No. 8**

Pursuant to the resignation of Sri Kanhaiya Kumar Todi as Managing Director & CEO, the Board of Directors, based on the recommendation of Nomination and Remuneration Committee ("NRC Committee") and subject to the approval of the members of the Company elevated Sri Udit Todi, Whole Time Director & CFO as Managing Director & CEO for a period of 3 years with effect from 29th May 2017 on the terms and conditions as set out in the resolution.

Sri Udit Todi has been serving the company since 2004 and has been a Whole Time Director since 2008. Keeping in view his professional academic background that Sri Udit Todi has rich and varied experience in the industry and his continuous association and active participation in the day-to-day management has been very fruitful to the company. It would be in the interest of the company to appoint him for a period of 3 years as Managing Director & CEO of the Company.

The broad terms and conditions of the appointment of and remuneration payable to Sri Udit Todi are as follows :

#### **1. DUTIES AND RESPONSIBILITIES:**

Sri Udit Todi shall subject to the provisions of the Companies Act, 2013 and overall superintendence and control of the Board of Directors of the Company perform such duties and exercise such powers as has been or may from time to time be entrusted to or conferred on them by the Board of Directors of the Company.

#### **2. REMUNERATION:**

Basic Salary (per month)

₹ 1,25,000/- per month, subject to such increments as the Board may determine.

#### **Others**

1. Housing : The Director who uses the accommodation provided by the company shall pay fair rent of the same to the company as may be determined by the Board.
2. Company's contribution to Provident Fund as per Rules of the company.

3. Use of car, telephone and other necessary appliances as may be required for company's business.
4. Reimbursement of expenses incurred in relation to the business of the company.

### 3. MINIMUM REMUNERATION:

In the event of absence or inadequacy of profits during their period of service, he shall be entitled to the same Salary and Perquisites as stated hereinabove.

A Statement containing the information, as required under Schedule V Part II of Companies Act, 2013 is given at the end of this Annexure.

The above may be treated as written memorandum setting out the terms of re-appointment of Sri Udit Todi under Section 190 of the Act. The Board considers that their association will be beneficial to and in the interest of the Company.

Brief resume of Sri Udit Todi, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board committees, shareholding and relationships between directors inter-se as stipulated under Listing Regulations with the Stock Exchanges, are provided in Annexure to this Notice.

Save and except Sri Kanhaiya Kumar Todi, Smt. Shikha Todi, Sri Udit Todi, Sri Sushil Kumar Todi and Sri Ashok Kumar Todi and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the resolutions set out at item no.8 of the Notice.

Your consent by way of Ordinary resolutions as proposed is required under Section 196 of the Companies Act, 2013 read with Schedule V thereto.

### Item Nos. 9 and 10

With an aim to broad-base the Board by co-opting experienced and expert professionals, and in order to elevate/promote the desirable candidate, the Board of directors, based on the recommendation of Nomination and Remuneration Committee ("NRC Committee") and subject to the approval of the members of the Company, have elevated and appointed Sri Raja Saraogi, President as an Additional Director designated as Whole Time Director and Chief Financial Officer of the Company for a period of 3 years with effect from 29th May 2017 on the terms and conditions as set out in the resolution.

Sri Raja Saraogi is a Chartered Accountant and a Company Secretary and has around 15 years of professional experience across various businesses in the Coastal Group. As President of the Company, he has been overseeing the Transportation and Logistic business of the Company since 2007. He has managed to add a series of laurels to his merit. In the year 2013, he was facilitated as Youth Transport Personality - Eastern India at Transport Excellence Awards by Zee News & Mahindra.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013, along with the requisite deposit from a Member specifying his intention to propose the appointment of Sri Raja Saraogi as a Director on the Board of the Company.

The Members are also informed that appointment of Sri Raja Saraogi as the Whole Time Director with effect from 29th May 2017, was made at the then remuneration which he was drawing in his capacity as the President of the Company.

The broad terms and conditions of the appointment of and remuneration payable to Sri Raja Saraogi are as follows:

### 1. DUTIES AND RESPONSIBILITIES:

Sri Raja Saraogi shall subject to the provisions of the Companies Act, 2013 and overall superintendence and control of the Board of Directors of the Company perform such duties and exercise such powers as has been or may from time to time be entrusted to or conferred on them by the Board of Directors of the Company.

### 2. REMUNERATION:

Basic Salary (per month)

₹ 70,000/- per month, subject to such increments as the Board may determine.

House Rent Allowance (per month)

₹ 30,000/- per month, subject to such increments as the Board may determine.

#### Others

1. Company's contribution to Provident Fund as per Rules of the company.
2. Use of car, telephone and other necessary appliances as may be required for company's business.
3. Reimbursement of expenses incurred in relation to the business of the company.
4. Leave and encashment of leave as per policy of the company.
5. Gratuity and/or contribution to the Gratuity Fund of the company.
6. For the purposes of Gratuity, Provident Fund and other like benefits, if any, the service of Sri Raja Saraogi will be considered as continuous service with the Company from the date of joining the Coastal Group.

### 3. MINIMUM REMUNERATION:

In the event of absence or inadequacy of profits during their period of service, he shall be entitled to the same Salary and Perquisites as stated hereinabove.

A Statement containing the information, as required under Schedule V Part II of Companies Act, 2013 is given at the end of this Annexure.

The above may be treated as written memorandum setting out the terms of appointment of Sri Raja Saraogi under Section 190 of the Act. The Board considers that their association will be beneficial to and in the interest of the Company.

Brief resume of Sri Raja Saraogi, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/chairmanships of Board committees, shareholding and relationships between directors inter-se as stipulated under Listing Regulations with the Stock Exchanges, are provided in Annexure to this Notice. Sri Raja Saraogi is not related to any other Director and Key Managerial Personnel of the Company.

Except Sri Raja Saraogi and his relatives, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution(s). The Board commends the ordinary resolution(s) as set out in Item No(s). 9 and 10 of this Notice for your approval.

**Statement containing information, as required under Schedule V Part II of the Companies Act, 2013 covering item nos. 5 to 10 of the notice is as follows :**

<b>I. General Information</b>	<b>Sri Kanhaiya Kumar Todi</b>	<b>Sri Udit Todi</b>	<b>Sri Sushil Kumar Todi</b>	<b>Sri Ashok Kumar Todi</b>	<b>Sri Raja Saraogi</b>
(1) Nature of Industry	Road Transport				
(2) Date or expected date of commencement of commercial production	24th September 1968				
(3) In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable				
(4) Financial Performance based on given indicators	Profit after tax for last 3 financial years (a) 2016-17 : ₹24 lacs (b) 2015-16 : ₹81 lacs (c) 2014-15 : ₹37 lacs .				
(5) Foreign Investments or collaborations if any	Not applicable				
<b>II. Information about the appointee</b>					
(1) Background details	Serving the company since 1974	Serving the company since 2008	Serving the company since 1995	Serving the company since 1994	Serving the company since 2002
(2) Past Remuneration	₹ 125000/- pm	₹ 100000/- pm	₹ 100000/- pm	₹ 100000/- pm	₹ 100000/- pm
(3) Recognition or awards	—	—	—	—	—
(4) Job Profile and his suitability	Whole time director & Chairman, 43 years of experience in the industry	Managing Director & CEO, dynamic management professional with 9 years of experience	Whole time director, over 33 years of experience in the industry	Whole time director, over 33 years of experience in the industry	Whole time director, & CFO, over 15 years of experience in the industry
(5) Remuneration proposed	₹ 125000/- pm	₹ 125000/- pm	₹ 100000/- pm	₹ 100000/- pm	₹ 100000/- pm
(6) Comparative remuneration profile with respect to industry, size of company, profile of the position and person	Commensurate with industry standards				
(7) Pecuniary Relations directly or indirectly with the company, or relationship with managerial personnel, if any	Remuneration as stated above, Whole Time Director & Promoter	Remuneration as stated above, Managing Director KMP & Promoter	Remuneration as stated above, Whole Time Director & Promoters relative	Remuneration as stated above, Whole Time Director & Promoters relative	Remuneration as stated above, Whole Time Director & KMP
<b>III. Other Information</b>					
(1) Reasons of Loss or inadequate profits	Oversupply of vehicles due to continuous launch of Start-Up companies with huge foreign funding resulted into weakening of freight rates.				
(2) Steps taken or proposed to be taken for improvement	Efforts are being taken to reduce costs & improve operating margins. With past track record of the company and the anticipated political stability and thrust to infrastructure development is expected to revive road transport business and enhance business volumes				
(3) Expected increase in productivity and profits in measurable terms	Though the turnover in the current period has remain almost same it is expected that with implementation of GST, entry barriers for unorganised players and revival of infra sector the business volumes will increase substantially and the company's operations will become profitable in years to come				

The Board of Directors is of the opinion that the above remuneration being paid / payable to them commensurate with the duties and responsibilities and is well within the limits specified in Schedule V of the Companies Act, 2013.

### Annexure

#### **Particulars of Directors proposed to be appointed / re-appointed at the 49th Annual General Meeting of the Company to be held on Tuesday, the 5th day of September, 2017 at 11:00 A.M.**

##### **1. Sri Kanhaiya Kumar Todi**

Sri Kanhaiya Kumar Todi, aged about 65 years is a well known industrialist having knowledge, experience and expertise on areas relating to road transportation, financial management, human resource development. He had joined the company as Director in 1974 and has been very instrumental in growth of the company over last 4 decades. He holds 330825 shares of the company in his name as on 31st March 2017.

Sri Kanhaiya Kumar Todi is also Director in the several other companies viz. Todi Projects Pvt. Ltd, Shikha Leasing & Finance Pvt Ltd, Snuk Housing & Holdings Pvt Ltd., Coastal Properties Pvt Ltd., Coastal Industrial Finance Ltd., Alps Housing & Holdings Ltd., Todi Investments Ltd., M M Udyog Ltd., Todi Services Ltd., Coastal Agro-Tech India Pvt Ltd., Udit Properties Pvt. Ltd., Todi Sons Ltd., Snuk Properties Pvt. Ltd., Syscon Logistic Services Pvt. Ltd., Satyam Merchandise Pvt. Ltd., Satabadi Agency Pvt. Ltd. and Annupurna Tie-up Pvt. Ltd. He is not a member of any committee in any other company.

##### **2. Sri Udit Todi**

Sri Udit Todi, aged about 32 years has done his Masters in Finance & Investments from The University of Nottingham, UK. He has knowledge, experience and expertise on areas relating to business and financial management. He holds 144600 shares of the company in his name as on 31st March 2017.

Sri Udit Todi is also Director in the several other companies viz. Todi Projects Pvt. Ltd, Shikha Leasing & Finance Pvt Ltd, Coastal Properties Pvt Ltd., Continental Road Carriers Pvt. Ltd, CRL Supply Chain Solution Pvt. Ltd., Alps Housing & Holdings Ltd., M M Udyog Ltd., Todi Services Ltd., Coastal Agro-Tech India Pvt Ltd., Udit Properties Pvt. Ltd., Todi Sons Ltd., Snuk Properties Pvt. Ltd., Syscon Logistic Services Pvt. Ltd., Satyam Merchandise Pvt. Ltd., Satabadi Agency Pvt. Ltd., Annupurna Tie-up Pvt Ltd and Snuk Housing & Holdings Pvt Ltd. He is not a member of any committee in any other company.

##### **3. Sri Sushil Kumar Todi**

Sri Sushil Kumar Todi, aged about 59 years is a well known industrialist having knowledge, experience and expertise on areas relating to road transport, financial management, business administration, express logistic. He does not hold any shares of the company in his name as on 31st March 2017.

Sri Sushil Kumar Todi is also Director in the several other companies viz. Todi Projects Pvt. Ltd, Todi Investments Ltd., and Coastal Trans Logistic Pvt Ltd. He is not a member of any committee in any other company.

##### **4. Sri Ashok Kumar Todi**

Sri Ashok Kumar Todi, aged about 57 years is a well known industrialist having knowledge, experience and expertise on areas relating to road transportation, supply chain management and logistics. He does not hold any shares of the company in his name as on 31st March 2017.

Sri Ashok Kumar Todi is also Director in the several other companies viz. Todi Projects Pvt. Ltd, Alps Housing & Holdings Ltd., CRL Logistic Pvt Ltd., Coastal Properties Pvt. Ltd., Saveon Logistics Pvt Ltd., Dhvani Developers Ltd., and Add Properties Pvt Ltd. He is not a member of any committee in any other company.

## 5. Smt. Shikha Todi

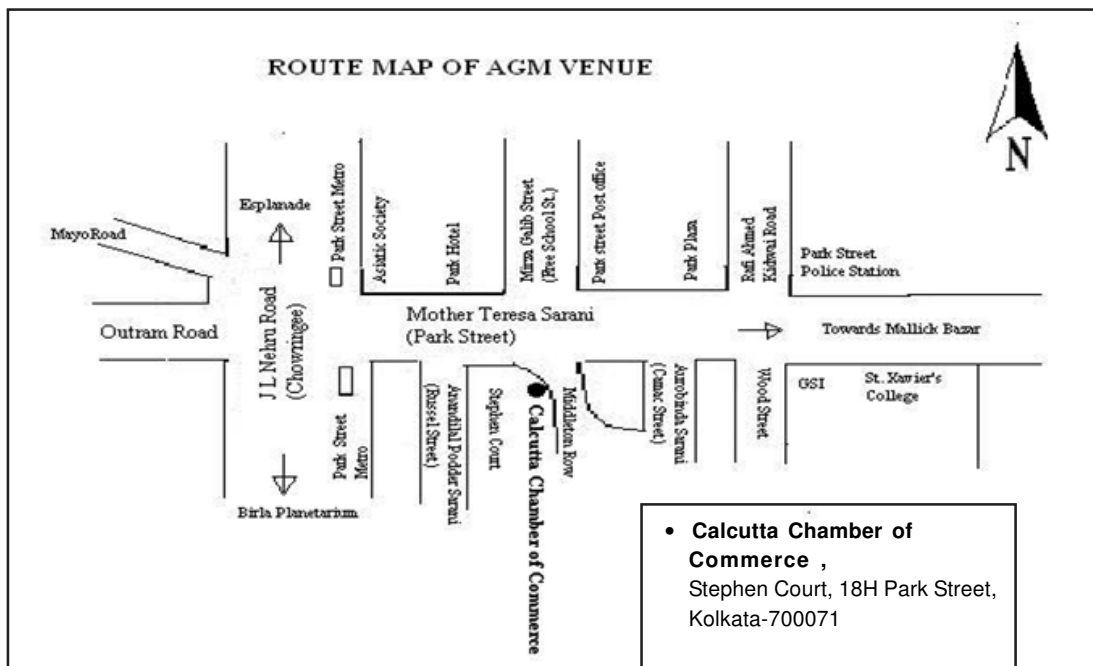
Smt. Shikha Todi, aged about 61 years is a Commerce Graduate from Sophia College, Mumbai. She possesses wide experience of managing investments into real estate and financial markets and has sharp acumen in human resource management. She has also been actively participating in administration of Social Welfare & Charitable services run by the trusts managed by the Coastal Group with special focus in activities relating to child & women welfare. She holds 165527 shares of the company in her name as on 31st March 2017.

Smt. Shikha Todi is a Director in several other Companies viz M M Udyog Ltd., Shikha Leasing & Finance Pvt. Ltd., Alps Housing & Holdings Ltd., Snuk Properties Pvt. Ltd., Syscon Logistic Services Pvt. Ltd., Coastal Properties Pvt. Ltd., Todi Sons Ltd., Coastal Agro-Tech India Pvt. Ltd., Udit Properties Pvt. Ltd., Todi Services Ltd., Todi Projects Pvt. Ltd., Snuk Housing & Holdings Pvt. Ltd. She is not a member of any Committee in any other company.

## 6. Sri Raja Saraogi

Sri Raja Saraogi, aged about 38 years had graduated in Commerce with Honours from St. Xavier's College, Kolkata. He is also a member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. Apart from his academic expertise in finance, accounts, taxation and corporate affairs, he has also excelled as a renowned Logistic Professional and has several awards and accolades to his merit. He does not hold any shares of the company in his name as on 31st March 2017.

Sri Raja Saraogi is also Director in the two other companies viz. CRL Supply Chain Solution Pvt. Ltd and Best Advertising Solution Ltd. He is not a member of any committee in any other company.





## DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting the 49th Annual Report together with the Audited statement of Accounts for the year ended 31st March, 2017.

### OPERATING RESULTS :

	2016-17 (₹ in lacs)	2015-16 (₹ in lacs)
Freight Earnings	<u>5628.51</u>	<u>5810.93</u>
Net Earnings	28.20	99.19
Less : Provision for Taxation	<u>4.78</u>	<u>18.37</u>
Net Surplus	23.42	80.82
Prior Period Adjustments	0.18	(0.23)
Balance brought forward from previous year	<u>(75.49)</u>	<u>(156.08)</u>
Balance carried forward to next year	<u>(51.89)</u>	<u>(75.49)</u>
Appropriations:		
Transfer to General Reserve	--	--
Balance carried forward to next year	<u>(51.89)</u>	<u>(75.49)</u>

### DIVIDEND:

In order to plough back profits for covering losses in the earlier years and support the ongoing expansion program, the Directors express their inability to recommend any dividend for the year ended 31st March 2017.

### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- i) the applicable accounting standards have been followed and wherever required, proper explanations relating to material departures have been given.
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- iii) proper and sufficient care has been taken for the 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 fraud and other irregularities.
- iv) the Accounts have been prepared on a going concern basis.
- v) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL:

#### Appointments and Re-Appointments

Sri Kanhaiya Kumar Todi and Smt. Shikha Todi retire from the board by rotation at conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Sri Kanhaiya Kumar Todi, Chairman, Managing Director & CEO would continue only as Executive Chairman which has been accepted by the Board on 29.05.2017 and the Board acknowledges its sincere appreciation and gratitude

for contributions made by him during his tenure. On 29.05 2017, Sri Udit Todi, Whole Time Director has been appointed as Managing Director & CEO and Sri Raja Saraogi, President has been elevated and appointed as Additional Director designated as Whole Time Director & CFO by the Board. Necessary resolutions seeking approval of the members for their appointments has been incorporated in the Notice of the ensuing Annual General Meeting. The Board also recommends extension of tenure of and remuneration payable to Whole Time Directors - Sri Kanhaiya Kumar Todi, Sri Sushil Kumar Todi and Sri Ashok Kumar Todi for a period of 3 year and seek your confirmation for their re-appointments.

#### **Declaration from Independent Directors**

The Independent Directors of the Company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and that there is no change in their status of Independence.

#### **Appointment of Key Managerial Personnel**

There has been no appointment/reappointment of any Key Managerial Personnel during the year under review.

#### **Remuneration & Selection Policies**

The Remuneration policy of the Company comprising the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of a Director and other related matters has been provided in the Corporate Governance Report which is annexed to this Report as Annexure - A.

#### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and applicable regulation of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, Independent Directors at their meeting without the participation of the Non-independent Directors and Management, considered/evaluated the Boards' performance, Performance of the Chairman and other Non-independent Directors.

The Board subsequently evaluated its own performance, the working of its Committees (Audit, Nomination and Remuneration and Stakeholders Relationship Committee) and Independent Directors (without participation of the relevant Director).

The criteria for performance evaluation have been detailed in the Corporate Governance Report, which is annexed to this Report as Annexure -A.

#### **CORPORATE GOVERNANCE:**

The compliance with provisions of Corporate Governance are non-mandatory for your company as per Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board remains committed to maintain the highest standards of Corporate Governance and has implemented several good practices as prevalent in the industry. Corporate Governance Report and Management Analysis and Discussion Report pursuant to Revised Listing Agreement with Stock Exchanges in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 are provided in separate annexure to this report as Annexure - A and B respectively.

#### **INTERNAL FINANCIAL CONTROLS:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operations were observed.

#### **RISK MANAGEMENT:**

Your Company laid down procedures to inform Board members about risk assessment and minimization and has implemented the Risk Management plan and continuously monitors it.

Details of Risk Management by the Company have been provided in the Management Discussion and Analysis Report which is annexed to this Report as Annexure - B.

The Company also has constituted a Risk Management Committee (Non-Mandatory) which ensures that the Company has an appropriate and effective Enterprise Risk Management system with appropriate policies and processes which carries out risk assessment and ensures that risk mitigation plans are in place by validating the same at regular intervals.

A Risk Management status report is provided to the Audit Committee for its information on a regular basis.

#### **AUDITORS AND AUDITOR'S REPORT:**

##### **Statutory Auditors:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of M/s. Agarwal Maheswari & Co., Chartered Accountants as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company. The Board of Directors places on record its appreciation to the services rendered by M/s. Agarwal Maheswari & Co., Chartered Accountants as the Statutory Auditors of the Company. Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s Patanjali & Co., Chartered Accountants (ICAI Firm Registration Number 308163E) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013. Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification for the year under review.

##### **Secretarial Auditor:**

Sri Debasish Mukhopadhyay, Practising Company Secretary was appointed to conduct the secretarial audit of the Company for the financial year 2016-17, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The secretarial audit report for FY 2016-17 is annexed herewith as Annexure C to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board has re-appointed Sri Debasish Mukhopadhyay, Practising Company Secretary, as Secretarial auditor of the Company for the financial year 2017-18.

#### **DISCLOSURES:**

##### **Audit Committee:**

The Audit Committee comprises of Independent Directors namely Sri Dipak Dey (Chairman), Sri Om Prakash Kanoria and Sri Beni Gopal Daga as other members. All the recommendations made by the Audit Committee were accepted by the Board.

##### **Vigil Mechanism:**

The Vigil Mechanism of the Company also incorporates a whistle blower policy in terms of the Listing Agreement. Protected disclosures can be made by a whistle blower through e-mail, or telephone line or letter to the Whistle and Ethics Officer or to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website.

##### **Meetings of the Board:**

Four meetings of the board of Directors were held during the year. For further details, please refer the Report on Corporate Governance annexed to this Report as Annexure - A.

##### **Conservation of Energy, Technology Absorption and Foreign Exchange earnings and Outgo:**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under the Companies Act, 2013, are provided in Annexure - D to this Report.

##### **Extract of Annual Return:**

Extract of Annual Return of the Company is annexed herewith as Annexure - E to this report.

##### **Particulars of Loans, Guarantee and Investments:**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company are given in the notes to the financial statements.

**Particulars of Contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

**The names of the Company which have become or ceased to be its subsidiary, joint ventures or associate company during the year:**

There has been no such change during the year under review.

**Particulars of Employees and Related Disclosures:**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended are annexed herewith as Annexure - F to this report.

Disclosures pertaining to remuneration of top 10 employees as required under section 197(12) of the Companies Act, 2013 read with Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended are annexed herewith as Annexure - G to this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company during business hours on working days of the Company upto the date of the forthcoming Annual General Meeting. Any member interested in obtaining a copy of the same may write to the Company Secretary and the same will be provided free of cost to the member.

**GENERAL:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the company under any scheme.
4. The company does not have any subsidiary.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

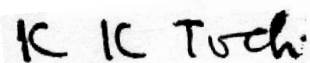
Your Directors also state that during the year under review, there were no complaints pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Directors further state that there have been no material changes and commitments affecting the financial position of the company between the end of the financial year under review and the date of this report.

**ACKNOWLEDGMENTS:**

The Board wishes to place on record its gratitude for the assistance and co-operation received from Banks, Government, Authorities, Customers, Vendors and finally to all its members for the trust and confidence reposed in the Company. The Board further wishes to record its sincere appreciation for the significant contributions made by employees at all levels for their competence, dedication and contribution towards the operations of the Company.

**On behalf of the Board of Directors**



(K. K. Todi)

**Chairman & Managing Director**

Place : Kolkata

Date : The 29th day of May, 2017

## ANNEXURE - A TO THE DIRECTORS' REPORT

### REPORT ON CORPORATE GOVERNANCE

#### COMPANY'S PHILOSOPHY

In tune with the Company's overall philosophy of excellence in all spheres of its operations it has consistently endeavored to attain the highest standards of Corporate Governance. The company firmly believes in the values of transparency, professionalism, accountability and equity in all facets of its dealings with its customers, suppliers, employees, lenders, shareholders and the society.

**Rights of Shareholders** Your Company protects and facilitates shareholders' rights, provides adequate and timely information, opportunity to participate effectively in general meeting and ensure equitable treatment to all shareholders.

**Role of stakeholders in Corporate Governance** Your Company recognizes the rights of stakeholders and encourages co-operation between the Company and stakeholders to enable participation in Corporate Governance process.

**Disclosures and transparency** Your Company ensures timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company.

#### GOVERNANCE STRUCTURE

The Corporate Governance Structure at Coastal Roadways Limited is as follow:

1. **Board of Directors:** The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibility, thus ensuring management adheres to the ethics, transparency and disclosure.
2. **Committees of the Board:** The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. Each of the said Committee has been mandate to operate within a given framework.

#### BOARD OF DIRECTORS

The Board is headed by Executive Chairman and comprises of persons with considerable industrial and professional experience. During the year under review 4 (Four) meetings were held on 11.05.2016, 11.08.2016, 09.11.2016 & 14.02.2017. The detailed particulars of the Directors and their attendance are as under:

Director	Director Identification Number	Category	Attendance		Other Companies			Share Holdings Equity Shares of ₹ 10/- each
			Board Meeting	Last AGM	Member of Board	Committees Member Chairman		
Sri Kanhaiya Kumar Todi *	00112633	Chairman & Managing Director	4/4	Yes	6	--	--	330825
Sri Dipak Dey	01141084	Independent Director	3/4	Yes	1	--	--	--
Sri Beni Gopal Daga	00307973	Independent Director	4/4	Yes	1	--	--	--
Sri Om Prakash Kanoria	00675485	Independent Director	4/4	Yes	2	--	--	--
Sri Sushil Kumar Todi	00309839	Whole Time Director	2/4	No	1	--	--	--
Sri Ashok Kumar Todi	00309721	Whole Time Director	2/4	No	2	--	--	--
Sri Udit Todi **	00268484	Whole Time Director	4/4	Yes	4	--	--	144600
Smt. Sikha Todi	00268540	Non Executive Non Independent Director	3/4	No	4	--	--	165527
Sri Raja Saraogi ***	00271334	Whole Time Director	NA	NA	1	--	--	--

\* Sri Kanhaiya Kumar Todi redesignated as Executive Chairman w.e.f. 29.05.2017

\*\* Sri Udit Todi redesignated as Managing Director w.e.f. 29.05.2017

\*\*\* Sri Raja Saraogi appointed as Additional Director designated as Whole Time Director w.e.f. 29.05.2017

1. The Directorship, Committee Membership/Chairmanship of only Public Limited Company (excluding Coastal Roadways Limited) have been considered.
2. Shareholdings represent holdings in Director's personal capacity. Total Shareholding of the Directors as on 31st March, 2017:6, 40,952 Equity Shares.

Video/tele-conferencing facilities are used to facilitate Directors travelling abroad or present at other locations to participate in the meetings.

Sri Kanhaiya Kumar Todi is the spouse of Smt Shikha Todi and father of Sri Udit Todi. Sri Kanhaiya Kumar Todi, Sri Sushil Kumar Todi and Sri Ashok Kumar Todi are brothers. None of the other directors are related to any other director on the board.

### **Independent Directors**

Your Company appointed Independent Directors who are renowned people having expertise/experience in their respective field/profession. None of the Independent Directors are Promoters or related to Promoters. They do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

### **Performance evaluation of Directors**

The Nomination and Remuneration Committee of the Board laid down the criteria for performance evaluation of all Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

#### *Role & Accountability*

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.
- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views.

#### *Leadership & Initiative*

- Heading Board Sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

#### *Personal Attributes*

- Commitment to role & fiduciary responsibilities as a Board member.
- Attendance and active participation.
- Proactive, strategic and lateral thinking.

### **Meeting of Independent Directors**

During the year, meeting of Independent Directors was held to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board. Sri Dipak Dey, Chairman of the Meeting presented the views of the Independent Directors on matters relating to Board processes and the overall affairs of the Company to the full Board.



### **Familiarization Programme**

Your Company follows a structured orientation and familiarization programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. The details of the said programme are also available on the company's website and can be accessed at the link: <http://coastalroadways.com/investors.html>

### **AUDIT COMMITTEE**

The audit committee comprises of three non-executive independent directors Sri Dipak Dey (Chairman), Sri Om Prakash Kanoria and Sri Beni Gopal Daga. The committee met 4 times Sri Dipak Dey, Sri Beni Gopal Daga and Sri Om Prakash Kanoria attended all the 4 meetings.

The terms of reference of the Audit committee cover the matters specified in Regulation 18 read with Part C of Schedule II of Securities and Exchange board of India ( Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies act, 2013 all other applicable provisions.

### **NOMINATION & REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee has been constituted on 22nd May, 2014 and comprises of 3(three) non-executive independent directors, Sri Beni Gopal Daga (Chairman) and Sri Om Prakash Kanoria and Sri Dipak Dey and 1(one) whole time director Sri Kanhaiya Kumar Todi. The committee met 1(one) time and was attended by Sri Beni Gopal Daga, Sri Om Prakash Kanoria and Sri Kanhaiya Kumar Todi.

The Board has clearly defined terms of reference for the Nomination & Remuneration Committee, which are as follow:

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- Formulate the criteria for determining qualifications, positive attributes and independence of Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Formulate the criteria for evaluation of Independent Directors and the Board.
- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/ Whole-time Director(s) and Senior Management (one level below the Board of Directors);
- Reviewing the performance of the Managing/Whole-time Director(s)/Senior Management and recommending to the Board, the quantum of annual increments and annual commission;
- The Committee has the mandate to recommend the size and composition (including functional specialist) of the Board, establish procedures for the nomination process, and recommend candidates for selection to the Board/nominate Whole-time Director(s) and;
- Structure and design a suitable succession planning policy for the Board and Senior Management team of the Company.

### **REMUNERATION POLICY**

#### a. Remuneration to Non Executive Directors

The Non-Executive Directors are paid remuneration by way of sittings Fees for each meeting of the Board of Directors attended by them. The Non - Executive Independent Directors do not have any material pecuniary relationship or transaction with the Company.

#### b. Remuneration to Executive Directors & Key Managerial Personnel's

The appointment of Executive Directors including Chairman and Managing Director and whole-time Director shall be governed by the recommendation of Nomination& Remuneration Committee, resolution passed by the Board of Directors and shareholders of the Company. Payment of remuneration to Executive Directors shall be governed by the respective Agreements executed between them and the Company. The remuneration package of Chairman and Managing Director and whole-time Director comprises of salary, perquisites and allowances and contribution to Provident Fund as approved by the shareholders at the General Meeting. Annual increments are linked to performance and shall be decided by the Remuneration Committee and recommended to the Board for approval thereof.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. Presently, the Company does not have any scheme for grant of stock options or performance linked incentives for its Directors.

c. Remuneration to Other Employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs. Remuneration of middle and lower level employees of the Company consists mostly of fixed pay and a reasonable performance pay which is reviewed on an annual basis. Increase in the remuneration of employees is affected based on an annual review taking into account performance of the employee and the performance of the Company also. The employees are entitled for retirement benefits such as provident fund and gratuity.

**POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE**

1. The committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as director, KMP or senior management level and recommend to the Board his/ her appointment.
2. A person to be appointed as director, KMP or in senior management should possess adequate qualification, expertise and experience for the position he/she is considered for appointment to. The committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position and such other qualifications as prescribed or may be prescribed under the Companies Act, 2013 or any other statute that may be applicable to the operations of the company.
3. A person, to be appointed as director, should possess impeccable reputation for integrity, deep expertise and insights in sectors / areas relevant to the Company, ability to contribute to the Company's growth, and complementary skills in relation to the other Board members
4. A whole-time KMP of the Company shall not hold office in more than one company. However, a whole-time KMP can be appointed as a director in any company, with the permission of the Board of the Company.
5. The Independence of a Director, in case of his/her appointment as Independent Director shall be determined in accordance with provisions of SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015 with stock exchanges and Section 149(6) of the Companies Act, 2013 read with Companies (Appointment & Qualification of Directors) Rules, 2014 and all other applicable provisions of the said act including their continued adherence to the Code for Independent Directors as specified in Schedule - IV to the Companies Act, 2013

**REMUNERATION TO DIRECTORS**

The details of remuneration paid to the Directors during the year under review: -

Director	Salaries & Perquisites	Sitting Fees
Sri Kanhaiya Kumar Todi	₹ 15,00,000/-	—
Sri Sushil Kumar Todi	₹ 12,00,000/-	—
Sri Ashok Kumar Todi	₹ 12,00,000/-	—
Sri Udit Todi	₹ 12,00,000/-	—
Sri Dipak Dey	—	₹ 16,000/-
Sri Beni Gopal Daga	—	₹ 16,000/-
Sri Om Prakash Kanoria	—	₹ 16,000/-
Smt Shikha Todi	—	₹ 12,000/-

### **SHARE TRANSFERS**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has unanimously delegated the powers of share transfers to a committee comprising of Miss Sneha Jain, Company Secretary, Mr Jyotirmay Halder, Secretarial Officer and M/s .S. K.Infosolutions Pvt. Ltd., Registrars and Share Transfer Agents in order to expedite the process of Share Transfers, issue of duplicate certificates, and certificates after split/consolidation/renewal and rematerialisation. This committee meets at least once in a fortnight to expedite all matters as stated earlier.

The Company confirms that there were no share transfers pending as on 31.03.2017 and all request for dematerialisation of shares as on that date were confirmed /rejected into the NSDL system.

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee has 3 members with Sri Om Prakash Kanoria, non executive independent director, as its Chairman and Sri Kanhaiya Kumar Todi, Managing Director and Sri Udit Todi, whole time directors as its members with its terms of reference including matters specified in Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

#### Compliance Officer

Ms.Sneha Jain, Company Secretary and Compliance Officer, is the Compliance Officer for complying with requirements of Securities Laws and Listing Agreement with Stock Exchange.

#### Shareholder Complaints

During the year under review 4, complaints were received from shareholders and all were addressed and resolved within stipulated time:

<u>Nature of Complaints</u>	<u>No. of Complaints</u>
Non Receipt of Annual Reports	Nil
Non Receipt/Revalidation of Dividend Warrants	4
Non Receipt of Transfer Certificates	Nil

As on March 31st 2017, no complaints were outstanding.

### **GENERAL BODY MEETINGS**

The last three Annual General Meetings of the Company were held at Calcutta Chamber of Commerce, Stephen Court, 18H, Park Street, Kolkata - 700 071. The details of date, time and the special resolutions passed thereat are as under:

Year	Date	Time	Special Resolutions Passed
2015-16	11.08.16	11:00 am	No special resolution was passed in the meeting
2014-15	23.09.15	11:00 am	No special resolution was passed in the meeting
2013-14	05.08.14	11:00 am	1. Reappointment & Remuneration of Sri Kanhaiya Kumar Todi as Managing Director
			2. Reappointment & Remuneration of Sri Udit Todi as Whole Time Director
			3. Reappointment & Remuneration of Sri Sushil Kumar Todi as Whole Time Director
			4. Reappointment & Remuneration of Sri Ashok Kumar Todi as Whole Time Director
			5. Appointment of Sri Om Prakash Kanoria as Independent Director
			6. Appointment of Sri Beni Gopal Daga as Independent Director
			7. Appointment of Sri Dipak Dey as Independent Director
			8. Adoption of new Articles of Association of the Company

No special resolutions were required to be put through postal ballot last year nor are placed before the shareholders for approval at the ensuing meeting.

## **DISCLOSURES**

There were no materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc, that may have potential conflict with the interests of the company at large.

There had been no instance of non-compliance by the company on any matters related to Capital Markets as such no penalties, strictures were imposed on the Company by Stock Exchanges or SEBI or any statutory authority during the last 3 years.

The nature of business of the company does not involve any risks/require hedging activities.

The company has a vigil mechanism/Whistle Blower Policy under which the employees are free to report to violations of applicable laws and regulations and the code of conduct. The reportable matters may be disclosed to Whistle & Ethics Officer who operates under the supervision of Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

The compliance of Corporate Governance is non-mandatory for your company as per Regulation 15 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However the Board has taken all efforts to ensure maximum adherence to otherwise mandatory provisions of the Listing Regulation.

## **MEANS OF COMMUNICATION**

The Quarterly, Half-Yearly and Annual results of the Company are being published in leading financial news papers in English as well as in regional language. The same is also available at web-site of the company ([www.coastalroadways.com](http://www.coastalroadways.com)) and at the website of stock exchange where the company is listed. The Management Analysis & Discussion Report form part of this Annual Report and is also being posted to all shareholders.

## **GENERAL SHAREHOLDER INFORMATION**

- a) Annual General Meeting is proposed to be held on 5th September, 2017 at 11:00 AM at Calcutta Chamber of Commerce, Stephen Court, 18H, Park Street, Kolkata-700071
- b) Financial Year : April 1 to March 31
- c) Financial Calendar (tentative)
  - Annual Results (Audited) 29th May, 2017
  - Annual General Meeting 5th September, 2017
  - Quarterly Results Within 45 days from the end of the quarter
- d) Dates of Book Closure 24th July, 2017 to 26th July, 2017
- e) Listing of Equity Shares The Bombay Stock Exchange Ltd (Scrip Code 520131).
- f) Dematerialization National Securities Depository Ltd. (ISIN INE229E01019).
- g) Market Price data

Monthly high and low quotations as also the volume of shares traded on Bombay Stock Exchange Ltd.

<b>Months</b>	<b>High (Rs.)</b>	<b>Low (Rs.)</b>	<b>Volume</b>
April' 2016	14.00	13.30	500
May' 2016	18.35	13.96	1800
June' 2016	19.20	17.00	1600
July' 2016	22.45	17.70	2900
August' 2016	23.80	20.75	2000
September' 2016	25.65	21.40	11500
October' 2016	24.10	20.90	4000
November' 2016	27.15	21.90	3600
December' 2016	28.95	26.40	2300
January' 2017	32.80	27.50	5400
February' 2017	31.30	24.50	2900
March' 2017	34.55	31.35	1900

- h) Share Price Performance in comparison to broad based indices - BSE Sensex as on March 31, 2017. During the year under review the BSE Sensex increased by 16.88% and the stock prices of your company's equity shares increased by 131.79%.

i) Registrars & Share Transfer System

M/s .S K Infosolutions Pvt. Ltd., 34/1A, Sudhir Chatterjee Street, Kolkata - 700006 are the SEBI Registered Registrars and Share Transfer Agents appointed by the company. All requests for transfers, splits, consolidation, dematerialization etc may be sent directly to them or to the company's secretarial department at its corporate office at Kolkata.

j) Distribution of Share-holding as on 31st March 2017.

Shares Held	Shareholder		Shareholding	
	Number	%	Quantity	%
Upto 500	2725	91.32	385600	9.30
501 to 1000	142	4.76	126900	3.06
1001 to 2000	61	2.04	94600	2.28
2001 to 3000	11	0.37	27600	0.67
3001 to 4000	9	0.30	31500	0.76
4001 to 5000	8	0.27	38500	0.93
5001 to 10000	5	0.17	39700	0.96
10001 to 50000	11	0.37	334650	8.07
50001 to 100000	1	0.03	64023	1.54
100001 and above	11	0.37	3003492	72.43
<b>Total</b>	<b>2984</b>	<b>100.00</b>	<b>4146565</b>	<b>100.00</b>
Physical Mode	1920	64.34	467096	11.26
Electronic Mode	1064	35.66	3679469	88.74

k) Shareholding Pattern as on 31st March 2017

Category	No. of Shares	%
Indian Promoters	3109315	74.98
Mutual Funds & UTI	500	0.01
Banks, FIs and Insurance Cos.	200	0.00
Private Corporate Bodies	111050	2.69
Indian Public	815300	19.66
NRIs/OCBs	110200	2.66
<b>Total</b>	<b>4146565</b>	<b>100.00</b>

l) Address for Correspondence:

Shareholders correspondence should be addressed to the Registrar at address mentioned in (i) above. In case of any difficulty, Shareholders may contact Ms.Sneha Jain, Company Secretary at the Company's Corporate Office at 1/1, Camac Street, 5th Floor, Kolkata - 700 016, Phone : 033-2217 2222 (3 Lines) or Email at coastalgroup@vsnl.net.

m) Transfer of unpaid/unclaimed Dividend:

During the year under review, the Company has credited ₹94015/- lying in the unpaid/unclaimed dividend account to the investor Education and Protection Fund (IEPF) pursuant to Section 205C of the Companies Act,1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules,2001.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 11th August, 2016(date of last Annual General Meeting) on the website of the Ministry of Corporate Affairs.

n) Equity Shares in the Suspense Account:

In terms of Regulation 39 of the Listing Regulations, the Company reports that there are no shares lying in the Unclaimed Suspense Account.

### **COMPLIANCE CERTIFICATE OF THE AUDITORS**

Certificate from the Company's Auditors, M/s. Agarwal Maheswari & Co., Chartered Accountants, confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V Part E SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached to this Report.

### **CEO AND CFO CERTIFICATION**

The Chairman, Managing Director & CEO and the CFO of the Company give annual certification on financial reporting and internal controls to the Board in terms of regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chairman and Managing Director and Chief Financial officer also give quarterly certification on financial results while placing the financial results before the board in terms of Regulation 33(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The annual certificate given by the Chairman and Managing Director and the Chief Financial Officer is published in this Report.

### **CODE OF CONDUCT**

To emphasize the importance of ethical behavior and for protection of all stakeholders' interests, code of conduct for Directors and senior management was approved and adopted by the Board at its meeting held on 28th October, 2005. A copy of the code has been put on the company's website ([www.coastalroadways.com](http://www.coastalroadways.com)).

#### Declaration by the Chairman & Managing Director:

I hereby confirm that:

All Board members and senior managerial personnel have affirmed compliance with code of conduct for the financial year ended 31st March, 2017.

Kolkata, The 29th May 2017.

**K. K. TODI**  
Chairman & Managing Director

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### **CEO AND CFO CERTIFICATE**

To,  
The Board of Directors  
Coastal Roadways Limited

1. We have reviewed financial statements and the cash flow statement of Coastal Roadways Limited 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - i. that there are no significant changes in internal control over financial reporting during the year.
  - ii. that there are no significant changes in accounting policies during the year. And that there are no instances of significant fraud of which we have become aware.

**Udit Todi**  
**Whole Time Director & CFO**

**Kanhaiya Kumar Todi**  
**Chairman**  
**Managing Director & CEO**

Kolkata, the 29th day of May 2017



## AUDITORS CERTIFICATE

### **The Members - Coastal Roadways Limited**

We have reviewed the compliance of conditions of Corporate Governance of Coastal Roadways Limited for the year ended 31st March, 2017 as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

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

In our opinion and to the best of our information and according to explanations given to us, the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement with Stock Exchanges have been complied by the company.

No investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

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

**Dr. D. R. AGARWAL**

Partner

Membership No. 51484

For and on behalf of

**AGARWAL MAHESWARI & CO.**

Chartered Accountants

Kolkata, The 29th day of May, 2017.

## **ANNEXURE - B TO THE DIRECTORS' REPORT**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **INDIAN ECONOMY**

In the financial year 2016-17 the Indian economy grew at an estimated 7.1%, as per government estimates reported by the Ministry of Statistics & Programme Implementation, slowing from a growth rate of 7.9% reported for FY 2015-16. The demonetisation announced in Q3 resulted in a blip in the economic growth, with very slight recovery in the following quarter.

The Union Budget for FY 2017-18 is overall positive for the transport industry with its focus on rural economy and infrastructure. It is expected to support the demand pickup already being seen in the construction segment as well as boost the consumption led freight demand. The GST implementation will be a key event relevant to industry in FY 2017-18. The impact is expected to be three pronged, firstly there will be few teething issues as the economy migrates to the new tax regime, secondly there would be structural changes in logistics of various goods, thereby affecting both volumes as well as routes of operations, and thirdly it is widely expected to spur growth in logistics, distribution, and manufacturing sectors. All these factors together are likely to shape the segment-wise demand for transportation during FY 2017-18.

#### **INDUSTRY STRUCTURE AND DEVELOPMENT**

Logistics is regarded as the backbone of the economy and provides efficient and cost effective flow of goods on which other commercial sectors depend. Logistic industry in India is evolving rapidly, several start-ups backed with huge foreign investments are offering interplay of infrastructure and technology with promises to reduce cost. These new entrants who are in hurry to build order books to attract further investors have disrupted the freight market by offering discounted pricing and technology-based solutions.

The prices of diesel, the principal cost component of road transport industry, was altered 23 times during FY 2016-17 with an overall increase of more than 22% of which substantial increase was in Q3 and Q4. The entire burden of such abnormal cost increase cannot always be fully passed on to the customers and resulted into negative margins for the industry. Excess supply of vehicles in the market due to bulk fleet inductions by new start-ups and low demand of manufacturing sector post demonetization resulted into under-utilisation of assets and further weakening of freight rates. The disorganized nature of the logistics sector in India, its perception as a manpower-heavy industry and lack of adequate training institutions has led to a shortfall of skilled drivers and client service personnel.

Effective April 2017, the new emission regime requires deployment of BS-IV vehicles. The increase in cost of acquiring these vehicles would be difficult to recover in current scenario of declining freight rates. Implementation of electronic toll collection devices and probable removal of check posts with roll out of GST would definitely lead to reduction in turnaround time of vehicles and better customer service.

#### **BUSINESS STRATEGY & OPPORTUNITIES**

The current Union Budget has a clear focus on developing highways, railways and rural road infrastructure. The allocation of funds for railways, and initiatives to improve customer safety and experience are expected to help them improve competitiveness and regain modal share. The allocation of funds in infrastructure is thus likely to propel the transport, warehousing and logistics businesses rapidly over the medium term. Like most other industries, transportation and logistics (T&L) is currently confronting immense change and like all change, this brings both risk and opportunity. New technology, new market entrants, new customer expectations, and new business models. There are many ways the sector could develop to meet these challenges, some evolutionary, others more revolutionary.

Logistics companies are facing an era of unprecedented change as digitization takes hold and customer expectations evolve. New technologies are enabling greater efficiency and more collaborative operating models; they're also reshaping the marketplace in ways that are only just beginning to become apparent. New entrants, whether they are start-ups or the industry's own customers and suppliers, are also shaking up the sector. Technology is changing every aspect of how logistics companies operate. 'Digital fitness' will be a prerequisite for success; the winners will be those who understand how to exploit a whole range of new technologies, from data analytics to automation and platform solutions. Those who don't, risk obsolescence. But with so many technologies competing for management attention and investment, defining a clear digital strategy that's integrated into business strategy will be critical.

New entrants become significant players and take market share from the incumbents through new business models based on data analytics, block chain, or other technologies. One or two become dominant in specific segments. Last-mile delivery becomes more fragmented, with crowd-delivery solutions gaining ground. These start-ups collaborate with incumbents and complement their service offers. Big retail players expand their logistics offerings to fill their own needs and beyond, effectively moving from customers to competitors. They purchase small logistics players to help cover major markets, and draw on their deep understanding of customer behavior to optimize supply chains. Technology firms who used to be suppliers to the industry enter the logistics arena too, offering logistics services and turning into competitors. Incumbents increase efficiency by streamlining their operations and taking full advantage of new technology. They fund promising new technologies with venture capital cash, and attract new staff with critical skills and expertise in competition to create a dominant market position. Major players merge to extend their geographical scale and enhance their cross-modal coverage. Access to capital to fund these investments becomes increasingly important.

With the implementation of GST, the logistics companies, which are currently forced to set up many small warehouses across multiple cities can set up just a few, big warehouses region wise and can follow the hub-and-spoke model for freight movement from the warehouses to the different manufacturing plants, wholesale outlets, retail outlets and the various POS. This growth is backed by the boom in the e-commerce sector and expansionary policies of the FMCG firms.

This has increased the service geography of the logistics firms but they also have to meet the demands of quick delivery and tight service level agreements. The industry has moved from being just a service provider to the position which provides end to end supply chain solutions to their customers. Thus, all this has paved the way for further growth of Logistics and Warehousing industry in the coming years.

Your company has timely realized the above and has already started digitization of some of its operations in collaborative manner with its customers to provide them with best in class services. Your company's fleet is already equipped with GPS and RFIDs. Client servicing, fleet allocation, documentation services using online platforms and mobile applications are also being evaluated and would soon be implemented.

## OUTLOOK

Your Company continues with its plans to

- Consolidate its activities relating to logistics and to create a strong base of operations.
- Devise strategies to bring operational efficiency, cost effective services and to face economic slowdown and competition.
- Fine tune the operating structure, and improve the customer focus and increase the Company's competitive advantage. The new structure usher an era of efficiency and growth.

Your company will continue to focus on its key businesses by exploiting its core competence. In order to be a leading edge Company, a well-crafted strategy has been adopted entailing capitalizing on the strong brand equity, optimising costs and improving operational efficiencies at all the levels. These endeavors should facilitate superior margins, despite the forecast of a challenging business environment in the immediate future.

The company expects a growth of around 5-10% with better economic conditions and with the positive impact with implementation of GST. It aims to sustain the growth momentum of its road business and focus on the dedicated container service model. It also aims to get growth from existing clients who are ramping up capacity as well as tap new customers and new segments.

Your Company is also in process of developing required infrastructure viz. warehouses, transshipment hubs, logistic parks etc required for multimodal transportation, composite supply chain solutions including end to end logistic services and has also initiated process of alliance with strategic partners by making joint venture agreements.

## RISKS AND CONCERNS

In today's highly unpredictable business environment, it is vital to take a holistic view of risk and compliance. Like any other Company having national business interests, your company is also exposed to business risks, which may be internal as well as external. To ensure our long-term corporate success, it is essential that risks are identified, analyzed and then mitigated by means of appropriate control measures. A strong and independent

Internal Audit function at the corporate level carries out risk focused audits enabling identification of areas where risk management processes may need to be improved.

Here are some of the key risks faced by the Company and actions deployed for mitigation.

### **Industry Risks**

- Economic Slowdown may affect Company's performance.
- Over dependence on one line of business can threaten viability in the event of a sectoral downturn.
- Efficiency in Internal Systems and Procedures.

Your company offers logistic and road transportation services to a diverse range of industries. It keeps a close watch on the economic environment and timely actions are accordingly taken. These measures help us mitigate the cyclical risks. Also, our internal systems and processes are constantly reviewed and revamped as per industry best practices.

### **Underutilization of Assets and Infrastructure**

- The underutilization of assets and resources, resulting in an adverse impact on profitability in competitive or recessionary market and poor economic conditions.

The systems are being streamlined and integrated across all the branches for effective matching of availability of any underutilized asset/ resources, primarily vehicles at one branch with corresponding requirements for the same by another branch.

### **Legal Risks**

- Threat of damage and loss of cargo due to accidents and hijacking of trucks.
- Risk of pilferage leading to shortages in delivery of cargo.

All the vehicles of the company are comprehensively insured for damages arising out of accidents. The entire fleet of Company's owned vehicles is fitted with modern technology tracking tools like GPS in vehicles to ensure safety of vehicle and cargo. Locks and seals secure trucks before dispatch that can only be broken at the point of unloading. Verification of truck drivers is a necessary compliance and trucks are engaged from reliable market sources.

### **HR Risks**

- Failure to attract & retain talent may adversely affect the Company's performance.
- Failure to implement an effective succession planning for key positions.
- Failure to continuously update employee's skills sets in line with current and future requirements.

Attrition trends are analyzed on annual basis and course correction is taken accordingly. The retention ratio of your company's employee is very high due to continued focus of the management in continued engagements and confidence building measures.

### **Quality Risks**

- Poor service may increase competition risk.

Your Company continuously upgrades its services through technology upgradation, business process re-engineering and by imparting training to its employees at all levels on regular basis.

### **Liquidity Risks**

- A delay in receivables could stretch the Company's working capital resources.

In your Company, the continuous endeavor is to shift towards shorter transaction cycles. The Company has an in built process of credit approval and monitoring with a pre-defined responsibility and accountability at various levels.

### Competition Risks

- Unhealthy price cuts and discounts by niche players at state and zonal levels for short haul movements who enjoy cost advantage due to lack of regulatory compliances.
- Increasing trends of e-auctions and entry of start-ups and large MNC Logistic companies with huge resources and latest technologies into the business may reduce the business share of the company.

Your Company continues to follow suitable strategies to positively modify its risk profile by eliminating and significantly reducing key business risks and developing and implementing strategies to achieve that maximum possible degree of insulation from broad macroeconomics risks. Timely technology upgradation and proper training of manpower is done to further minimize such risks.

### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an internal control system commensurate with its size and nature of business and to meet the following objectives:

- Efficient utilisation and protection of resources.
- Compliance of statutory and internal policies and procedures.
- Completeness, accuracy, promptness of the reports generated for all the transactions in the Company.

### FINANCIAL RESULTS AND COMPANY'S OPERATIONS

During the year under review, your Company witnessed a marginal fall of about 3% in its turnover which recorded at ₹5629 lacs as against ₹ 5811 lacs in the previous year. This was primarily on account of adjustment in freight rates by customers while the physical volumes remained constant. The domestic truck freight market has become highly competitive with entry of truck-aggregators and start-up companies backed with huge foreign investments and high end technology platforms. Despite abnormal increase in fuel prices leading to a jerk in operating costs, the company could manage to report positive profits.

Other Incomes of ₹ 96 lacs in the current year as against ₹ 77 lacs in the previous year include ₹ 62 lacs towards gain on sale of a property.

Borrowings from institutional lenders for fleet acquisition were serviced with commitment. The Net worth of your company has been recorded at ₹ 1391 lacs as against ₹1367 lacs in the previous financial year.

No material changes and commitments have occurred after the close of the financial year till the date of this Report, which affect the financial position of the Company.

### HUMAN RESOURCE MANAGEMENT

Your Company believes that constant training and development, and continuous learning, is necessary for ensuring retention of the best talent besides providing the Company a sustainable platform for growth in the business environment.

Training programmes have been devised to develop cross-functional skills. The objective is to provide your Company's people with an opportunity to address areas, not only relevant to their job profile, but also for their all round development. The Company employs 53 persons.

### OVERVIEW

Large numbers of players, international as well as local, are setting up their shops in Logistics and hope to get a share of this emerging new economy business.

Your company has an edge over other players, by virtue of having strong information technology back-up and better understanding of Indian roads, local laws, customer needs etc. Your Company, being a pioneer and trendsetter in road transport and logistic industry, will always play a vital role in this industry.

**ANNEXURE - C TO THE DIRECTORS' REPORT**

**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,  
**Coastal Roadways Limited**  
CIN: L63090WB1968PLC027373  
4, Black Burn Lane  
Kolkata-700012

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Coastal Roadways 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 Coastal Roadways Limited's 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, agents 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 on 31st March, 2017 the Company 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 the Company for the financial year ended on 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 thereunder;
- iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- v) The Company has identified the following laws as specifically applicable to the Company:
  - a. Motor Vehicle Act, 1988
  - b. Carriage by Road Act, 2007
  - c. Food Safety and Standards Authority of India (FSSAI)



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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and confirmation of delisting is awaited with the Calcutta Stock Exchange.

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.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- **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.
- During the audit period no specific events/actions have taken place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

**Debasish Mukhopadhyay**  
Practicing Company Secretary  
C.P. No. 5323

Place : Kolkata  
Date : 26th day of May 2017.

## **ANNEXURE - D TO THE DIRECTORS' REPORT**

### **PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014.**

#### **A. Conservation of Energy**

During the year, the Company has taken following steps to conserve energy:

1. Whenever there was any renovation, provision for natural lighting using transparent sheets was made to reduce artificial lighting and usage of electricity.
2. CFL/LED lighting is being implemented to reduce energy consumption in all offices.
3. The enhanced usages of longer wheel base vehicles in order to carry more loads at lesser fuel consumption.
4. Organised Workshops in collaboration with OEMs for drivers to train them for ensuring optimum efficiency in fuel consumption.
5. The company is also exploring the opportunities of using Bio-Diesel in its fleet for which discussions are being made with vehicle manufacturers.
6. No Capital Investment in energy conservation equipments was made during the year.

#### **B. Technology Absorption**

The logistics Industry in India is evolving rapidly and Indian logistics players are increasing investing in IT and it is playing a vital role in modernizing and organizing the logistics sector in India.

Introduction of cost effective models have propelled a paradigm shift in the Indian logistics market. With the latest technology, logistics service providers are no longer restricted to the geographical boundaries but can expand their business to any location.

It is our constant endeavour to understand customer needs and deliver accordingly. A customer-centric delivery model has been deployed which encourages adoption of new services and technology to ensure customer satisfaction and loyalty.

We have a technology-enabled vehicle tracking system which helps ensure better management of assets, timely and transparent reporting of deliveries to the customers through online means including website and emails.

Majority of the company's fleet is also fitted with "JRM" (Journey Risk Management) Devices which provide real time alerts to drivers by way of light and sound indicators on risk perceptions in the areas they are driving.

During the year under review the company has installed 138 RFID cards on its trucks for digital payments of toll taxes on National Highways.

The company has neither imported any technology nor incurred any expenditure on Research and Development.

#### **C. Foreign Exchange Earnings & Outgo**

The Company's operations are domestic and does not involve and foreign exchange earnings. Foreign Exchange outgo in terms of actual outflows amounted to ₹ 5700/- (Previous Year ₹ Nil)

**ANNEXURE - E TO THE DIRECTORS' REPORT**

Form No.MGT-9

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 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**

i) CIN	L63090WB1968PLC027373
ii) Registration Date	18th September 1968
iii) Name of the Company	COASTAL ROADWAYS LIMITED
iv) Category / Sub-Category of the Company	Public Company / Limited by shares
v) Address of the Registered Office and contact details	4, Black Burn Lane, Kolkata - 700012 Tel : + 91-33-2237 9715/6094 Fax : + 91-33 2237 6847
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	S K Infosolutions Pvt. Ltd. 34/1A, Sudhir Chatterjee Street, Kolkata - 700 006 Tel : + 91-33-2219 6797/4815 Email : skcdilip@gmail.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company

Name and Description of main service	NIC Code of Service	% to total turnover of the company
1. Road Transport	492-Other Land Transport	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Name and Address of the Company	C I N	Holding / Subsidiary / Associate	% of shares held	Applicable Section of Companies Act, 2013
1. Snuk Properties Pvt Ltd 1/1, Camac Street Kolkata - 700016	U17111WB1995PTC074403	Associate	0	2(6)
2. Syscon Logistic services Pvt Ltd 1/1, Camac Street Kolkata - 700016	U60300WB1991PTC053134	Associate	0	2(6)
3. Anupurna Tie Up Pvt Ltd 1/1, Camac Street Kolkata - 700016	U51909WB2007PTC115750	Associate	0	2(6)

**IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**

- |   |                     |
|---|---------------------|
| i) Category-wise Shareholding   | As per Attachment A |
| ii) Shareholding of Promoters   | As per Attachment B |
| iii) Change in Promoters Shareholding   | As per Attachment C |
| iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs) | As per Attachment D |
| v) Shareholding of Directors and Key Managerial Personnel   | As per Attachment E |

**V. INDEBTNESS**

- |  |                     |
|--|---------------------|
| Indebtness of the company including interest outstanding / accrued but not due for payment | As per Attachment F |
|--|---------------------|

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

- |  |                     |
|--|---------------------|
| A. Remuneration to Managing Director, Whole-time Director and/or Manager | As per Attachment G |
| B. Remuneration to other Directors                                       | As per Attachment H |
| C. Remuneration to Key Managerial Personnel (other than MD/Manager/WTD)  | As per Attachment I |

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE**

As per Attachment J

**ATTACHMENT A**
**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year (as on 1st April 2016)				No. of Shares held at the end of the year (as on 31st March 2017)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter(s)</b>									
<b>1. Indian</b>									
a) Individual/ HUF	704975	0	704975	17.00	704975	0	704975	17.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	2404340	0	2404340	57.98	2404340	0	2404340	57.98	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (A)(1)</b>	<b>3109315</b>	<b>0</b>	<b>3109315</b>	<b>74.99</b>	<b>3109315</b>	<b>0</b>	<b>3109315</b>	<b>74.99</b>	<b>0.00</b>
<b>2. Foreign</b>									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Others-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter(A)=(A)(1)+(A)(2)</b>	<b>3109315</b>	<b>0</b>	<b>3109315</b>	<b>74.99</b>	<b>3109315</b>	<b>0</b>	<b>3109315</b>	<b>74.99</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/UTI	0	500	500	0.01	0	500	500	0.01	0.00
b) Banks / FI	0	200	200	0.00	0	200	200	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub Total (B)(1)</b>	<b>0</b>	<b>700</b>	<b>700</b>	<b>0.01</b>	<b>0</b>	<b>700</b>	<b>700</b>	<b>0.01</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corporate									
i) Indian	60600	57750	118350	2.85	53500	57550	111050	2.68	-0.17
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	293204	326496	619700	14.94	301404	324596	626000	15.10	0.15
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	159650	29050	188700	4.55	160250	29050	189300	4.57	0.01
c) Others									
Non Resident Indians	54600	55200	109800	2.65	55000	55200	110200	2.66	0.01
<b>Sub Total (B)(2)</b>	<b>568054</b>	<b>468496</b>	<b>1036550</b>	<b>25.00</b>	<b>570154</b>	<b>466396</b>	<b>1036550</b>	<b>25.00</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>568054</b>	<b>469196</b>	<b>1037250</b>	<b>25.01</b>	<b>570154</b>	<b>467096</b>	<b>1037250</b>	<b>25.01</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>3677369</b>	<b>469196</b>	<b>4146565</b>	<b>100.00</b>	<b>3679469</b>	<b>467096</b>	<b>4146565</b>	<b>100.00</b>	<b>0.00</b>

**ATTACHMENT B****IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1st April 2016)			Shareholding at the end of the year (As on 31st March 2017)			% change in shareholding during the year
		No. of Shares	% of total share of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total share of the Company	% of shares pledged/encumbered to total shares	
1	Kanhaiya Kumar Todi & Sons (HUF)	64023	1.54	0.00	64023	1.54	0.00	0.00
2	Udit Todi	144600	3.49	0.00	144600	3.49	0.00	0.00
3	Kanhaiya Kumar Todi	330825	7.98	0.00	330825	7.98	0.00	0.00
4	Shikha Todi	165527	3.99	0.00	165527	3.99	0.00	0.00
5	Todi Services Ltd	361755	8.72	0.00	361755	8.72	0.00	0.00
6	M M Udyog Ltd	296939	7.16	0.00	296939	7.16	0.00	0.00
7	Todi Sons Ltd	128807	3.11	0.00	128807	3.11	0.00	0.00
8	Shikha Leasing & Finance Pvt Ltd	224480	5.41	0.00	224480	5.41	0.00	0.00
9	Alps Housing & Holdings Ltd	132718	3.20	0.00	132718	3.20	0.00	0.00
10	Continental Road Carriers Pvt Ltd	318450	7.68	0.00	318450	7.68	0.00	0.00
11	Udit Properties Pvt Ltd	41800	1.01	0.00	41800	1.01	0.00	0.00
12	Coastal AgroTech (India) Pvt Ltd	611486	14.75	0.00	611486	14.75	0.00	0.00
13	Coastal Properties Pvt Ltd	287905	6.94	0.00	287905	6.94	0.00	0.00
	Total	3109315	74.99	0.00	3109315	74.99	0.00	0.00

**ATTACHMENT C****IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****iii) Change in Promoters shareholding**

	Shareholding at the beginning of the year (As on 1st April 2016)		Cumulative Shareholding during the year (1st April 2016 to 31st March 2017)	
	No. of Shares	% of total share of the Company	No. of Shares	% of total share of the Company
At the beginning of the year	3109315	74.99		
Date wise increase/decrease in promoters share holding during the year specifying the reason for increase/decrease	There is no change in the Shareholding of promoters between 1st April 2016 to 31st March 2017			
At the end of the year			3109315	74.99





**ATTACHMENT E**
**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**v) Shareholding of Directors and Key Managerial Personnel**

Sl. No.	Name	Shareholding at the beginning/ end of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total share of the Company				No. of Shares	% of total share of the Company
1	Kanhaiya Kumar Todi Chairman, Managing Director & CEO	330825 330825	7.98 7.98	01-Apr-16 31-Mar-17	0	No Change during the year	330825	7.98
2	Udit Todi Whole Time Director & CFO	144600 144600	3.49 3.49	01-Apr-16 31-Mar-17	0	No Change during the year	144600	3.49
3	Sushil Kumar Todi Whole Time Director	0 0	0.00 0.00	01-Apr-16 31-Mar-17	0	No Change during the year	0	0.00
4	Ashok Kumar Todi Whole Time Director	0 0	0.00 0.00	01-Apr-16 31-Mar-17	0	No Change during the year	0	0.00
5	Smt.Shikha Todi Non Executive Director- Non Independent	165527 165527	3.99 3.99	01-Apr-16 31-Mar-17	0	No Change during the year	165527	3.99
6	Dipak Dey Independent Director	0 0	0.00 0.00	01-Apr-16 31-Mar-17	0	No Change during the year	0	0.00
7	Om Prakash Kanoria Independent Director	0 0	0.00 0.00	01-Apr-16 31-Mar-17	0	No Change during the year	0	0.00
8	Beni Gopal Daga Independent Director	0 0	0.00 0.00	01-Apr-16 31-Mar-17	0	No Change during the year	0	0.00
9	Ms.Sneha Jain Company Secretary	0 0	0.00 0.00	01-Apr-16 31-Mar-17	0	No Change during the year	0	0.00

**ATTACHMENT F****V. INDEBTEDNESS**

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

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	<b>45038926</b>	<b>0</b>	<b>0</b>	<b>45038926</b>
i) Principal Amount	45038926	0	0	45038926
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>45038926</b>	<b>0</b>	<b>0</b>	<b>45038926</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	36982800	0	0	36982800
* Reduction	23938562	0	0	23938562
<b>Net Change</b>	<b>13044238</b>	<b>0</b>	<b>0</b>	<b>13044238</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	58083164	0	0	58083164
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>58083164</b>	<b>0</b>	<b>0</b>	<b>58083164</b>

**ATTACHMENT G****VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole Time Directors and/or Manager**

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Kanhaiya Kumar Todi	Udit Todi	Sushil Kumar Todi	Ashok Kumar Todi	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1500000	1200000	1200000	1200000	5100000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0	0
2	Stock Option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission					
	- as % of profit	0	0	0	0	0
	- others	0	0	0	0	0
5	Others	0	0	0	0	0
	<b>Total (A)</b>	<b>1500000</b>	<b>1200000</b>	<b>1200000</b>	<b>1200000</b>	<b>5100000</b>
	Ceiling as per the Act	Minimum remuneration paid as per approval accorded by Shareholders in their meeting held on 05.08.2014 in accordance with Part II of Schedule V to the Companies Act, 2013				

**ATTACHMENT H****VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****B. Remuneration to Other Directors**

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Dipak Dey	Om Prakash Kanoria	Beni Gopal Daga	Smt. Shikha Todi	
<b>1</b>	<b>Independent Directors</b>					
	Fee for attending board / committee meetings	16000	16000	16000	—	48000
	Commission	0	0	0	—	—
	Others	0	0	0	—	—
	<b>Total (1)</b>	<b>16000</b>	<b>16000</b>	<b>16000</b>	<b>—</b>	<b>48000</b>
<b>2</b>	<b>Others Non-Executive Directors</b>					
	Fee for attending Board/Committee meetings	—	—	—	12000	12000
	Commission	—	—	—	0	0
	Others	—	—	—	0	0
	<b>Total (2)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>12000</b>	<b>12000</b>
	<b>Total (B) = (1+2)</b>	<b>16000</b>	<b>16000</b>	<b>16000</b>	<b>12000</b>	<b>60000</b>
	<b>Total Managerial Remuneration (A + B)</b>					<b>5160000</b>
	Overall Ceiling as per the Act	The Independent & Other Non Executive Directors have only been paid fees for attending meeting which are not includible in the ceiling as per provisions of Section 197(5) of the Companies Act, 2013.				

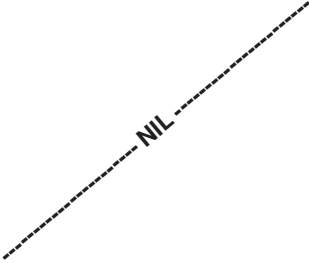
**ATTACHMENT I****VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			336596	336596
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			—	—
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			—	—
2	Stock Option			—	—
3	Sweat Equity			—	—
4	Commission - as % of profit - others, specify...			—	—
5	Others, please specify			—	—
	<b>Total (A)</b>			<b>336596</b>	<b>336596</b>

## ATTACHMENT J

## 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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**ANNEXURE - F TO THE DIRECTORS' REPORT**
**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AS AMENDED**

i)

Serial No.	Name of the Director/KMP and designation	Remuneration of the Director/KMP for the financial year 2016-17	% increase in the Remuneration in financial year 2016-17	Ration of Remuneration of each director to the median remuneration of employees
1	Sri Kanhaiya Kumar Todi Chairman, Managing Director & CEO	1500000	Nil	7.14 x
2	Sri Udit Todi Whole Time Director & CFO	1200000	Nil	5.71 x
3	Sri Sushil Kumar Todi Whole Time Director	1200000	Nil	5.71 x
4	Sri Ashok Kumar Todi Whole Time Director	1200000	Nil	5.71 x
5	Ms.Sneha Jain Company Secretary	336596	25%	Not Applicable

- ii) The median monthly remuneration of employees of the Company during the financial year was ₹ 17500/-
- iii) In the financial year, there was an increase of 9% in the median remuneration of employees;
- iv) There were 53 permanent employees on the rolls of Company as on March 31, 2017;
- v) Relationship between average increase in remuneration and company performance: - The Profit before Tax for the financial year ended March 31, 2017 was recorded at ₹ 28.20 lacs as against ₹ 99.19 in the previous financial year. The turnover of the company decreased by about 3% whereas the increase in median remuneration was 9%. The average increase in median remuneration was in line with the performance of the Company.
- vi) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2016-17 was 4% whereas the managerial remuneration for the same financial year remained unchanged.
- vii) There is no variable component of remuneration availed by the directors.
- viii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



## **Independent Auditors' Report**

### **TO THE MEMBERS OF COASTAL ROADWAYS LIMITED**

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

We have audited the accompanying financial statements of **Coastal Roadways Limited** ("the company"), which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 said 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 31st March 2017;
- 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 the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the Annexure "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 obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respects to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
  - (g) With respect to the other matters included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our 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 did not have long-term contracts including derivatives contracts for which there were any material foreseeable losses.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv) The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the same are in accordance with the books of accounts maintained by the company- Refer Note No. 20 to the Financial Statements."

**For AGARWAL MAHESWARI & CO.**  
**Chartered Accountants.**  
**FRN No. 314030E**

**(D. R. Agarwal)**  
**Partner**  
**Membership No. 051484**

**Place : Kolkata**  
**Date: The 29th Day of May, 2017**

## Annexure A to the Independents Auditors' Report

(Referred to in Paragraph 1 under 'Report on other Legal and Regulatory Requirements' Section of our report of even date)

1. In respect of its fixed assets:
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
  - (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in name of company.
2. The Company does not have any stock of inventory during the audit, hence the provisions of clause 3 (ii) of the Order are not applicable to the Company.
3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of The Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public to which directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under apply.
6. To the best of our knowledge and according to the information given to us, the Central Government has not prescribed the maintenance of Cost Records under sub-section (1) of section 148 of the Companies Act, 2013 for any of the services provided by the Company.
7. According to the information and explanations given to us in respect of statutory dues:
  - (a) The undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and to the extent applicable and any other statutory dues to the appropriate authorities have generally been regularly deposited with the appropriate authorities.

There is no undisputed statutory dues arrear as at March 31, 2017, for a period not exceeding six months from the date they became payable.
  - (b) According to the information and explanations given to us, there is no disputed statutory dues as at March 31, 2017.
8. The company has not defaulted in repayment of loans or borrowings to any financial institution, banks, government or debenture holders during the year.
9. Based on our audit procedures and on the information and explanations given to us, we are of the opinion that, the Company has not raise any money by way of initial public offer or further public Offer (including debt instrument) and term loan during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
10. According to the information and explanations given to us, no material fraud by the Company or on the

Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanations given to us and based on our examination of the records of the company, the company has provided for managerial remuneration in accordance with the requisite approvals mandated by provision of section 197 read with schedule V to the Act.
12. According to the information and explanations given to us, the company is not a Nidhi company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 & 188 of the Act where applicable and details of such transaction have been disclosed in financial statements as required by the applicable Accounting Standards.
14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non cash transaction with Director or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
16. The company is not required to registered under section 45-IA of the Reserve Bank of India Act 1934.

**For AGARWAL MAHESWARI & CO.**  
**Chartered Accountants.**  
**FRN No. 314030E**

**(D. R. Agarwal)**  
**Partner.**  
**Membership No. 051484**

**Place : Kolkata**  
**Date: The 29th Day of May, 2017**

## **Annexure B to the Independents 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 Coastal Roadways Limited. ("the company") as of 31st March 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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institution of Chartered Accountants of India (ICAI). These responsibilities includes the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the companies Act, 2013.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance Note on internal financial controls over financial Reporting (the 'Guidance Note') and the Standard of Auditing, issued by ICAI and deemed to be prescribe 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 ICAI. Those standard and 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedure to obtained audit evidence about the adequacy of the internal financial controls system over the financial reporting and there operating effectiveness. Our audit of the internal financial controls system over the financial reporting includes obtaining an understanding of internal financial controls system over the financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on assessed risk. The procedures selected depend on Auditor's judgment, including the assessment of the risk of material misstatement of financial statement, 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 controls 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 controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction and disposition of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have material effect on the financial statements.

### **Inherent Limitation of Internal Financial Controls Over Financial reporting**

Because of the inherent limitations of internal financial controls over financial reporting, includes the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projection of any evaluation of 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 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 control over financial reporting were operate effectively as at 31st 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 Institution of Chartered Accountants of India.

**For AGARWAL MAHESWARI & CO.**  
**Chartered Accountants.**  
**Firm Reg. No. 314030E**

**(D. R. AGARWAL)**  
**Partner.**  
**Membership No. 051484.**

**Place: Kolkata**  
**Date: The 29th day of May, 2017**



**BALANCE SHEET AS AT 31st MARCH, 2017**

	Note	As at 31st March 2017 ₹	As at 31st March 2016 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	4,14,65,650	4,14,65,650
Reserves & Surplus	4	9,76,43,120	9,52,83,613
		<b>13,91,08,770</b>	<b>13,67,49,263</b>
<b>Non Current Liabilities</b>			
Long Term Borrowings	5	6,66,33,505	5,10,15,399
Other Non-Current Liabilities	6	11,98,00,000	11,98,00,000
Deferred Tax Liability		—	—
		<b>18,64,33,505</b>	<b>17,08,15,399</b>
<b>Current Liabilities</b>			
Trade Payables		52,51,293	43,41,277
Other Current Liabilities	7	12,86,917	70,20,685
		<b>65,38,210</b>	<b>1,13,61,962</b>
		<b>33,20,80,485</b>	<b>31,89,26,624</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
<b>Fixed Assets</b>			
Gross Block	8	33,38,85,762	32,80,80,780
Less : Depreciation		15,85,86,208	16,34,50,896
		<b>17,52,99,554</b>	<b>16,46,29,884</b>
<b>Non Current Investments</b>	9	<b>53,600</b>	<b>53,600</b>
<b>Long Term Loans &amp; Advances</b>	10	<b>26,49,449</b>	<b>22,68,549</b>
		<b>17,80,02,603</b>	<b>16,69,52,033</b>
<b>Current Assets</b>			
Trade Receivables	11	7,73,26,937	7,55,78,690
Cash & Cash Equivalents	12	3,15,11,444	3,96,50,065
Short Term Advances	13	4,52,39,501	3,67,45,836
		<b>15,40,77,882</b>	<b>15,19,74,591</b>
		<b>33,20,80,485</b>	<b>31,89,26,624</b>

Notes on Financial Statements annexed 1 to 27

In terms of our report of even date

**Dr. D. R. AGARWAL**

Partner.

Membership No.51484

For & on behalf of

**AGARWAL MAHESWARI & CO.**

Chartered Accountants.

FRN No. 314030E

Kolkata, The 29th day of May, 2017.

Kanhaiya Kumar Todi  
Chairman & Managing Director  
DIN - 00112633

Udit Todi  
Director & Chief Financial Officer  
DIN - 00268484

Sneha Jain  
Company Secretary  
ACS38991

Dipak Dey  
Director  
DIN - 01141084

Om Prakash Kanoria  
Director  
DIN - 00675485

Beni Gopal Daga  
Director  
DIN - 00307973

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2017**

	Notes	2016-2017 ₹	2015-2016 ₹
<b>INCOME</b>			
Freight Services (Tax at Source ₹ 98,41,392/- Previous Year ₹ 96,69,367/-)		<b>56,28,50,950</b>	58,10,93,490
Other Income (Tax at Source ₹ 1,54,693/- Previous Year ₹ 1,18,973/-)	14	<b>96,24,868</b>	76,69,975
		<b>57,24,75,818</b>	<b>58,87,63,465</b>
<b>EXPENDITURE</b>			
Employment	15	<b>2,09,44,582</b>	1,99,25,150
Operations	16	<b>51,12,38,820</b>	51,67,94,771
Administration	17	<b>1,15,48,413</b>	1,39,11,964
Financial	18	<b>45,14,792</b>	39,47,910
Others	19	<b>10,76,104</b>	90,211
		<b>54,93,22,711</b>	<b>55,46,70,006</b>
<b>PROFIT BEFORE DEPRECIATION AND TAX</b>			
Depreciation		<b>2,31,53,107</b>	3,40,93,459
		<b>2,03,33,484</b>	2,41,74,312
<b>PROFIT BEFORE EXCEPTIONAL &amp; EXTRA ORDINARY ITEM &amp; TAX</b>			
Extra Ordinary Item (Net of Taxes)		<b>28,19,623</b>	99,19,147
		<b>—</b>	<b>—</b>
<b>PROFIT BEFORE TAX</b>			
Tax Expenses		<b>28,19,623</b>	99,19,147
Current Year		<b>4,78,486</b>	18,36,639
Earlier Year		<b>(18,370)</b>	23,335
Deferred		<b>—</b>	<b>—</b>
<b>PROFIT FOR THE PERIOD</b>			
		<b>23,59,507</b>	<b>80,59,173</b>
<b>EARNING PER EQUITY SHARE</b>			
Basic & Diluted EPS before extraordinary items		<b>₹ 0.57</b>	₹ 1.94
Basic & Diluted EPS after extraordinary items		<b>₹ 0.57</b>	₹ 1.94

Notes on Financial Statements annexed 1 to 27

In terms of our report of even date

**Dr. D. R. AGARWAL**

Partner.

Membership No.51484

For & on behalf of

**AGARWAL MAHESWARI & CO.**

Chartered Accountants.

FRN No. 314030E

Kolkata, The 29th day of May, 2017.

Kanhaiya Kumar Todi  
Chairman & Managing Director  
DIN - 00112633

Udit Todi  
Director & Chief Financial Officer  
DIN - 00268484

Sneha Jain  
Company Secretary  
ACS38991

Dipak Dey  
Director  
DIN - 01141084

Om Prakash Kanoria  
Director  
DIN - 00675485

Beni Gopal Daga  
Director  
DIN - 00307973

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2017**

	<b>For the year ended 31.03.17</b>	<b>For the year ended 31.03.16</b>
	<b>₹</b>	<b>₹</b>
<b>A Cash Flow from Operating Activities :</b>		
<b>Net Profit before Tax and extraordinary Items</b>	<b>28,19,623</b>	99,19,147
Adjustments for :		
Depreciation	<b>2,03,33,484</b>	2,41,74,312
Interest/Dividend	<b>(14,18,529)</b>	(14,30,235)
Profit/Loss on Sale of Assets/Investments	<b>(78,97,796)</b>	(59,59,217)
<b>Operating Profit before Working Capital changes</b>	<b>1,38,36,782</b>	2,67,04,007
Adjustments for :		
Trade and other receivables	<b>(17,48,247)</b>	36,07,872
Loans and Advances	<b>(44,30,302)</b>	88,563
Trade Payables	<b>9,10,016</b>	(10,89,793)
Short Term Borrowings	—	—
Other Current Liabilities	<b>(57,33,768)</b>	61,65,479
<b>Cash generated from operations</b>	<b>28,34,481</b>	3,54,76,128
Direct Taxes Paid	<b>(49,04,379)</b>	(34,80,178)
<b>Net Cash from Operating Activities</b>	<b>(20,69,898)</b>	3,19,95,950
<b>B Cash Flow from Investing Activities</b>		
Purchase of fixed Assets	<b>(3,89,90,358)</b>	(2,94,25,070)
Sale of fixed Assets	<b>1,58,85,000</b>	1,29,48,700
Interest Received	<b>14,18,529</b>	14,30,235
<b>Net Cash used in/ received from Investing Activities</b>	<b>(2,16,86,829)</b>	(1,50,46,135)
<b>C Cash Flow from Financing Activities</b>		
Advances for Joint Venture	—	—
Proceeds from Lease finance borrowings	<b>1,56,18,106</b>	97,44,301
<b>Net Cash used in/ received from Financing Activities</b>	<b>1,56,18,106</b>	97,44,301
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>	<b>(81,38,621)</b>	2,66,94,116
Opening Cash and Cash Equivalents	<b>3,96,50,065</b>	1,29,55,949
Closing Cash and Cash Equivalents	<b>3,15,11,444</b>	3,96,50,065

In terms of our report of even date

**Dr. D. R. AGARWAL**

Partner.

Membership No.51484

For & on behalf of

**AGARWAL MAHESWARI & CO.**

Chartered Accountants.

FRN No. 314030E

Kolkata, The 29th day of May, 2017.

Kanhaiya Kumar Todi  
*Chairman & Managing Director*

DIN - 00112633

Udit Todi  
*Director & Chief Financial Officer*

DIN - 00268484

Sneha Jain  
*Company Secretary*  
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Dipak Dey  
*Director*

DIN - 01141084

Om Prakash Kanoria  
*Director*

DIN - 00675485

Beni Gopal Daga  
*Director*

DIN - 00307973

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017****1. CORPORATE INFORMATION**

The company is a company incorporated under the Companies Act, 2013. It is engaged in providing road transport services.

**2. SIGNIFICANT ACCOUNTING POLICIES****A. Convention:**

The financial statements are prepared under the historical cost convention in accordance with applicable Accounting Standards and relevant requirements of the Companies Act, 2013.

**B. Fixed Assets, Depreciation and Impairment:**

- a) Fixed Assets are stated at Cost includes amounts added on revaluation, as reduced by and accumulated depreciation and impairment loss, if any.
- b) Depreciation on tangible fixed assets is charged on straight line method at the rates determined based on the useful lives of the respective assets as prescribed in the Schedule II of the Companies Act, 2013, except in case of vehicles where it is charged on the estimated useful life of 10 to 12 years as technically assessed by the OEMs and which the management believes to best represent the period over which the said asset shall be expected in use.
- c) An asset is treated as impaired when the carrying cost of Assets exceeds its recoverable value.

**C. Recognition of Income & Expenditure:**

In compliance with the requirements of Accrual System of Accounting, the following standards have been set out :

- a) Freight income is accounted for on actual delivery of consignments by the Company to Customers and unqualified acknowledgements are obtained from them.
- b) Freight and Vehicle Trip Expenses are accounted when vehicles deliver the consignments to the Company at the destination.
- c) Having regard to the size of operation and the nature of complexities of company's business, in management opinion, the above are the reasonable standard of applying accrual system of accounting as required by law.

**D. Investments:**

Long-term investments are stated at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long term investments.

**E. Contingent Liabilities & Contingent Assets:**

Contingent liabilities not provided for are disclosed by way of notes. Contingent Assets are neither accounted nor disclosed in the financial statements.

**F. The previous year figures have been regrouped/ reclassified wherever necessary.**

	<b>As at 31st March 2017 ₹</b>	<b>As at 31st March 2016 ₹</b>
<b>3 SHARE CAPITAL</b>		
<b>Authorised</b>		
50,00,000 Equity Shares of ₹ 10 each (Previous Year 50,00,000 Equity Shares)	<b>5,00,00,000</b>	<u>5,00,00,000</u>
<b>Issued, Subscribed &amp; Paid Up</b>		
41,46,565 Equity Shares of ₹ 10 each fully paid in cash (Previous Year 41,46,565 Equity Shares)	<b>4,14,65,650</b>	<u>4,14,65,650</u>
	<b>4,14,65,650</b>	<u>4,14,65,650</u>
Out of the above 11,00,700 Equity Shares of ₹ 10 each allotted as fully paid up bonus shares by capitalising ₹ 1,10,07,000 out of Revaluation Reserve		
<b>The reconciliation of the number of shares outstanding is set out below :</b>		
	<b>Number of Shares</b>	<b>Number of Shares</b>
Equity Shares at the beginning of the year	<b>4146565</b>	<u>4146565</u>
Equity Shares at the end of the year	<b>4146565</b>	<u>4146565</u>
<b>The details of Shareholders holding more than 5% shares</b>		
<b>Name of the Shareholder</b>	<b>Number of Shares</b>	<b>Number of Shares</b>
Coastal Agro-Tech (India) Pvt Ltd	<b>611486</b>	611486
Todi Services Ltd	<b>361755</b>	361755
Kanhaiya Kumar Todi	<b>330825</b>	330825
Continental Road Carriers Pvt Ltd	<b>318450</b>	318450
M M Udyog Ltd	<b>296939</b>	296939
Coastal Properties Pvt Ltd	<b>287905</b>	287905
Shikha Leasing & Finance Pvt Ltd	<b>224480</b>	224480

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		As at 31st March 2017 ₹	As at 31st March 2016 ₹
4	<b>RESERVES &amp; SURPLUS</b>		
	<b>Securities Premium</b>	(a) 1,99,96,302	<u>1,99,96,302</u>
	<b>General Reserve</b>		
	As per last Balance Sheet	8,28,36,538	8,28,36,538
		(b) 8,28,36,538	<u>8,28,36,538</u>
	<b>Surplus in the Statement of Profit &amp; Loss</b>		
	As per last Balance Sheet	(75,49,227)	(1,56,08,400)
	Add : Profit for the year	23,59,507	<u>80,59,173</u>
	Carried forward to next year	(c) (51,89,720)	(75,49,227)
	Total (a+b+c)	<b>9,76,43,120</b>	<u><u>9,52,83,613</u></u>
5	<b>LONG TERM BORROWINGS</b>		
	<b>Deferred payment credits</b>		
	For purchase of vehicles under installment arrangements against hypothecation thereof	6,66,33,505	5,10,15,399
		<b>6,66,33,505</b>	<u>5,10,15,399</u>
6	<b>OTHER NON CURRENT LIABILITIES</b>		
	Contributions for Joint Venture	11,98,00,000	11,98,00,000
		<b>11,98,00,000</b>	<u>11,98,00,000</u>
7	<b>OTHER CURRENT LIABILITIES</b>		
	Advances for sale of Assets	—	60,00,000
	Sundry Advances	79,000	36,000
	Unclaimed Dividend	5,19,726	6,14,151
	Statutory Dues	6,88,191	3,70,534
		<b>12,86,917</b>	<u>70,20,685</u>

## 8. FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS ON 01.04.2016 ₹	ADDITIONS ₹	SALES / ADJUSTMENTS ₹	COST AS ON 31.03.2017 ₹	UPTO 31.03.2016 ₹	FOR THE YEAR ₹	ADJUSTED DURING THE YEAR ₹	UPTO 31.03.2017 ₹	AS ON 31.03.2017 ₹	AS ON 31.03.2016 ₹
<b>TANGIBLE ASSETS :</b>										
Freehold Land	8406000	—	—	8406000	—	—	—	—	8406000	8406000
Leasehold Land	3727000	—	—	3727000	—	—	—	—	3727000	3727000
Buildings	33247853	—	1966000	31281853	10913666	625493	678700	10860459	20421394	22334187
Furniture & Fittings	4512031	—	—	4512031	4120525	31715	—	4152240	359791	391506
Office Equipments	12275013	48450	905600	11417863	11235613	171694	860320	10546987	870876	1039400
Heavy Commercial Vehicles	251598320	28200491	24268867	255529944	128288615	18428634	19275265	127441984	128087960	123309705
Motor Cars	13956716	1109982	5962303	9104395	8658837	1050728	4320476	5389089	3715306	5297879
Scooters	357847	—	82606	275241	233640	25220	63411	195449	79792	124207
Capital Work in Progress - Heavy Commercial Vehicles	—	9631435	—	9631435	—	—	—	—	9631435	—
<b>T O T A L</b>	328080780	38990358	33185376	333885762	163450896	20333484	25198172	158586208	175299554	164629884
<b>PREVIOUS YEAR</b>	341663477	29425070	43007767	328080780	175294868	24174312	36018284	163450896	164629884	166368609







	As at 31st March 2017 ₹	As at 31st March 2016 ₹
<b>9 NON CURRENT INVESTMENTS (AT COST)</b>		
<b>Quoted</b>		
Equity shares of ₹ 10/- each 13400 Incab Industries Ltd. (Market Value Rs.NIL, Previous Year Rs. NIL)	53,600	53,600
	<b>53,600</b>	<b>53,600</b>
<b>10 LONG TERM LOANS &amp; ADVANCES (Considered Good)</b>		
Advance to Transport Associations for allotment of Land	19,87,200	15,55,200
Deposits with Government Departments	—	—
Deposits with Others	6,62,249	7,13,349
	<b>26,49,449</b>	<b>22,68,549</b>
<b>11 TRADE RECEIVABLES</b>		
<b>Unsecured</b>		
Debts Exceeding six months Considered Good	14,54,557	24,05,406
Considered Doubtful	—	—
	<b>14,54,557</b>	<b>24,05,406</b>
Other Debts Considered Good	7,58,72,380	7,31,73,284
	<b>7,73,26,937</b>	<b>7,55,78,690</b>
<b>12 CASH &amp; CASH EQUIVALENTS</b>		
Cash in Hand	12,84,795	15,46,943
<b>With Scheduled Banks</b>		
Current Accounts	77,28,923	1,70,27,502
Fixed Deposits (Note - 24)	2,19,78,000	2,04,61,469
Unclaimed Dividend Accounts	5,19,726	6,14,151
	<b>3,02,26,649</b>	<b>3,81,03,122</b>
	<b>3,15,11,444</b>	<b>3,96,50,065</b>
<b>13 SHORT TERM ADVANCES (Considered Good)</b>		
Advances recoverable in cash or in kind or for value to be received or pending adjustments (includes ₹ 85,50,341/-, previous year ₹ 59,76,473/- being interest on future installments of Hire Purchase Contracts)	2,23,68,986	1,83,28,311
Prepaid Taxes (net of provisions)	2,21,50,436	1,77,06,173
Advances to Staff	7,20,079	7,11,352
	<b>4,52,39,501</b>	<b>3,67,45,836</b>
<b>14 OTHER INCOME</b>		
Interest (Tax deducted at Source ₹ 82,450/- previous year ₹ 43,973/-)	14,18,529	14,30,235
Profit on sale of Depreciable Assets (Tax deducted at Source ₹ 75,000/- previous year ₹ 75,000/-)	78,97,796	59,59,217
Agricultural Income(Net)	3,08,543	2,80,523
	<b>96,24,868</b>	<b>76,69,975</b>

	2016 - 2017 ₹	2015-2016 ₹
<b>15 EMPLOYMENT EXPENSES</b>		
Salaries	1,72,61,299	1,73,31,433
Employer's Contribution to P.F. & Other Funds	10,97,440	10,36,568
Contribution to Gratuity Fund	16,57,791	6,00,000
Staff Welfare Expenses	9,28,052	9,57,149
	<b>2,09,44,582</b>	<b>1,99,25,150</b>
<b>16 OPERATION EXPENSES</b>		
Freight Services	19,84,15,052	22,57,20,901
Vehicles Trip Expenses	24,67,11,450	22,70,87,381
Delivery & Collection	1,21,58,994	1,24,76,193
Vehicles' Taxes, Permits & Insurance	1,10,57,446	1,09,10,095
Tyres & Tubes	1,44,80,499	1,48,83,371
Vehicles' Repairs	2,84,15,379	2,57,16,830
	<b>51,12,38,820</b>	<b>51,67,94,771</b>
<b>17 ADMINISTRATION EXPENSES</b>		
Rent	9,57,968	24,25,333
Rates & Taxes	5,65,226	4,20,528
Printing & Stationery	4,52,589	9,36,419
Travelling	12,38,906	13,10,962
Conveyance	17,57,678	15,29,680
Motor Car Maintenance	7,35,208	8,03,315
Scooter Maintenance	1,37,886	1,77,380
Information Technology Expenses	13,14,473	11,87,403
Electricity	6,51,065	7,20,489
Postage & Telegrams	2,57,156	2,48,002
Telecommunications	9,36,929	10,41,649
Advertisement	88,352	77,975
Professional Charges & Fees	4,73,210	5,88,016
Office Maintenance & Upkeep	18,65,492	21,89,961
Miscellaneous Repairs	—	35,000
Directors' Fees	60,000	60,000
Bank Charges	56,275	1,59,852
	<b>1,15,48,413</b>	<b>1,39,11,964</b>
<b>18 FINANCIAL EXPENSES</b>		
Hire Purchase Charges	45,14,792	39,47,910
	<b>45,14,792</b>	<b>39,47,910</b>
<b>19 OTHER EXPENSES</b>		
Auditors Remuneration		
Audit Fees	69,000	68,700
In other Capacity	36,585	21,511
Bad Debts Written Off	9,30,519	—
Donation	40,000	—
	<b>10,76,104</b>	<b>90,211</b>

**20. Disclosure in respect of specified bank notes held and transacted**

Particulars	Specified Bank Notes	Other Bank Notes	Total
Closing cash in hand as on 08.11.2016	4820000	1615501	6435501
( + ) Permitted Receipts	0		
( - ) Permitted Payments	3480000		
( - ) Amount deposited in Banks	1340000		
Closing Cash in hand as on 30.12.2016	0	1817129	1817129

Specified Bank Notes (SBNs) is defined as bank notes of denominations of existing series of the value of ₹ 500 and ₹ 1000. The disclosures with respect to "permitted receipts", "permitted payments" and "amount deposited in banks" is understood to be applicable in case of SBNs only.

**21. Contingent Liability not provided for:**

In respect of counter guarantees outstanding ₹ 59,50,000/- (Previous year ₹ 1,10,50,000/-) given to company's bankers against performance guarantees issued by them to customers.

**22. Employee benefits of short term nature comprising annual encashment of unavailed leave of upto 30 days for each year and medical benefits are recognised as expenses and when they accrue.**

Employee benefits of long term nature comprising gratuity were being accounted for on cash basis. On 20.03.2014 the company has received approval of the Income Tax Authorities for entering into a Group Gratuity Scheme with the Life Insurance Corporation of India which provides for payment of past service liability in installments in 5 years which has been completed before time in the current financial year. The present value of unprovided Gratuity as computed by Actuaries amounted to ₹ Nil (Previous Year ₹ 12,68,182/-).

Disclosures as per Revised Accounting Standard - 15

**a) Defined Contribution Plan**

The Company makes contribution towards provident fund to a defined contribution retirement plan for qualifying employees. The Provident fund plan is operated by duly constituted and approved independent trustees/governments. Under the said scheme the Company is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the retirement benefit scheme to fund the benefits.

During the year the Company has contributed ₹ 9,77,241/- (Previous Year ₹ 9,26,398/-) for Provident Fund and Pension Fund. The contributions payable to these plans by the Company are at the rates specified in the rules of the scheme.

**b) Defined Benefit Plans**

- i) The Company makes annual contribution of gratuity to gratuity funds duly constituted and administered by independent trustees and funded with LIC/independent trust for the qualifying employees. The scheme provides for a lump sum payment to vested employees upon retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of 5 years of continuous service.
- ii) The present value of defined obligation and related current cost are measured using the projected unit credit method with actuarial valuation being carried out at each balance sheet date.

Particulars	2016-17 Gratuity Funded	2015-16 Gratuity Funded
<b>A Expenses to be recognised in the Statement of Profit &amp; Loss</b>		
Current Service Cost	129384	112972
Interest Cost	218599	206098
Expected return on planned assets	(124488)	(95078)
Actuarial (Gain) / Losses	166114	81718
Expenses to be recognised in Statement of Profit & Loss	389609	305710
<b>Expenses recognised in Statement of Profit &amp; Loss</b>	<b>1657791</b>	600000

Particulars	<b>2016-17 Gratuity Funded</b>	2015-16 Gratuity Funded
<b>B Net (Assets)/Liabilities to be recognised in the Balance Sheet</b>		
Present Value of defined benefit obligations	<b>3163680</b>	2824276
Fair Value of Plan Assets	<b>2774071</b>	1556094
Net (Assets)/Liabilities to be recognised in the Balance Sheet	<b>389609</b>	1268182
<b>C Changes in Present Value of Defined Benefit Obligations during the year</b>		
Present Value of defined benefit obligations at beginning of the year	<b>2824276</b>	2649076
Current Service Cost	<b>129384</b>	112972
Interest Cost	<b>218599</b>	206098
Actuarial (Gain)/Losses	<b>189162</b>	71279
Benefits Paid	<b>(197741)</b>	(215149)
Present value of Obligations as at end of the year	<b>3163680</b>	2824276
<b>D Changes in Fair Value of Plan Assets during the year</b>		
Fair Value of Plan Assets as at beginning of the year	<b>1566094</b>	1086604
Expected Return on Plan Assets	<b>124488</b>	95078
Actuarial Gain/(Losses)	<b>23048</b>	(10439)
Benefits Paid	<b>(197741)</b>	(215149)
Contributions	<b>1268182</b>	600000
Fair Value of Plan Assets as at end of the year	<b>2774071</b>	1556094
<b>E Principal Actuarial Assumptions Used</b>		
Discount Rates	<b>7.26% p.a.</b>	7.74% p.a.
Expected return on Plan Assets	<b>7.55% p.a.</b>	8.00% p.a.
Expected salary increases rate	<b>5.00% p.a.</b>	5.00% p.a.
Mortality rates	<b>IALM 06-08 Ultimate</b>	IALM 06-08 Ultimate
F Withdrawal Rate	<b>2.00%</b>	2.00%
G Major categories of Plan Assets as a % of fair value of Plan Assets	<b>Fund with LIC of India</b>	Fund with LIC of India

- (a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- (b) The Gratuity Scheme is invested in a Group Gratuity - Cum- Life Assurance Cum Accumulation Policy offered by Life Insurance Corporation of India and the Independent Administered Gratuity Fund. The information on the allocations of fund managed by LIC into major assets classes and expected return on each major classes are not readily available. In case of company's administered trust, 100% allocation of fund has been made towards government securities. The expected rate of return on plan assets is based on the assumed rate of return provided by Company's actuary.
- (c) The Company is expected to contribute ₹ 5.88 Lacs (Previous Year ₹ 14.48 Lacs) to its gratuity fund in 2017-18.
- (d) The table below illustrates experience adjustment disclosure as per Para 120 (n) (ii) of Accounting Standard-15 Employee Benefits.

	<b>2016-17</b>	2015-16
Defined benefit obligation	<b>3163680</b>	2824276
Plan Assets	<b>2774071</b>	1556094
Surplus/(Deficit)	<b>(389609)</b>	(1268182)
Experience Adjustment on plan liability	<b>103592</b>	64345
Experience Adjustment on plan assets	<b>23048</b>	(10439)

- (e) The disclosure as required by Para 120 of Accounting Standard -15 "Employee Benefit" have been made to the extent applicable to the Company.

**23. Directors' remuneration:**

	<u>2016-17</u>	<u>2015-16</u>
Salary & Allowances	51,00,000	51,00,000
Contribution to Provident Fund	4,68,000	4,68,000
Sitting Fees	60,000	60,000
Experience Adjustment on plan liability	56,28,000	56,28,000

24. Fixed Deposits with Banks include ₹ 33,78,965/- (previous year ₹ 31,38,132/-) with maturity of more than 12 months being deposits under lien with bank as margin money against non-funded credit facilities.
25. Expenditure in foreign currency ₹ 5700/- (previous year ₹ Nil).
26. During the year Deferred Tax Asset (net of deferred tax liabilities) amounted to ₹ 14,61,600/- which has not been recognised as a measure of prudence. The accumulated deferred tax assets as on 31.03.2017 amount to ₹ 31,91,790/- (Previous Year ₹ 17,30,190/-).
27. Disclosure pursuant to Accounting Standard AS-18 on "Related Party Disclosure" issued by the Institute of Chartered Accountants of India :-

**Related Parties**

- (a) Where Control Exists N.A.
- (b) Associates & Joint Ventures
1. Anupurna Tie Up Pvt. Ltd.
  2. Snuk Properties Pvt Ltd
  3. Syscon Logistic Services Pvt Ltd
- (c) Key Management Personnel
1. Sri Kanhaiya Kumar Todi
  2. Sri Sushil Kumar Todi
  3. Sri Ashok Kumar Todi
  4. Sri Udit Todi
- (d) Relatives of Key Management Personnel Smt.Shikha Todi  
(wife of Sri Kanhaiya Kumar Todi)
- (e) Other Related Parties N.A.

**Details of Related Party Transactions**

Related Party	Nature of Transaction	Amount (₹)	Outstanding as on 31.03.2017
Associates & Joint Ventures	Contribution for Joint Venture	Nil	11,98,00,000
Key Management Personnel	Directors Remuneration	51,00,000/-	NIL
Relatives of Key Management Personnel	Directors Sitting Fees	12,000/-	NIL

**Dr. D. R. AGARWAL**

Partner.

Membership No.51484

For &amp; on behalf of

**AGARWAL MAHESWARI & CO.**

Chartered Accountants.

FRN No. 314030E

Kolkata, The 29th day of May, 2017.

Kanhaiya Kumar Todi  
*Chairman & Managing Director*  
DIN - 00112633

Udit Todi  
*Director & Chief Financial Officer*  
DIN - 00268484

Sneha Jain  
*Company Secretary*  
ACS38991

Dipak Dey  
*Director*  
DIN - 01141084

Om Prakash Kanoria  
*Director*  
DIN - 00675485

Beni Gopal Daga  
*Director*  
DIN - 00307973



