

# **ANNUAL REPORT 2015-16**

**PUNJAB LOGISTICS INFRASTRUCTURE LIMITED**

## **PUNJAB LOGISTICS INFRASTRUCTURE LIMITED**

### **VISION**

Our vision is to become a corporate leader in the logistics sector in State of Punjab by rendering best quality & most economic logistics solutions and other related services & facilities to its customers in the most professional manner.

### **MISSION**

Our mission is to provide quality & reliable logistics solutions at cost effective prices thereby enabling us to deliver consistent value to our partners and also ensuring profitability and growth for Stakeholders.

### **CORPORATE OBJECTIVES**

- ❖ To facilitate transportation of containers by rail/road from its terminals to other terminals on Indian Railways network.
- ❖ To market services of CONCOR including bulk cargo movement in IR wagons with the aim of increasing rail coefficient thereby promoting environment friendly transportation of cargo from and to the state.
- ❖ Carrying out of survey and development of rail connectivity to largest industrial parks in Punjab, provide and facilitate other services helping in improving the efficiency and productivity of logistics services rendered to the industry at large.
- ❖ To promote cold chain infrastructure in and around logistics parks with a view to improve the market of agricultural produce of the area.
- ❖ To follow high standards of business ethics and be responsible to its social obligations.
- ❖ To maintain absolute integrity, honesty, transparency and fair play in all its public dealings.

## **PUNJAB LOGISTICS INFRASTRUCTURE LIMITED**

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## **PUNJAB LOGISTICS INFRASTRUCTURE LIMITED**

### **BOARD OF DIRECTORS**

Sh. Arvinder Singh Bains, IAS	Director
Maj. Gen. (Retd.) Raj Krishan Malhotra	Independent Director
Sh. Rajinder Singh Gill	Independent Director
Dr. P. Alli Rani	Director
Sh. Harsuhinder Pal Singh Brar, PCS	Director
Sh. Paresh Agarwal	Director

### **CHIEF EXECUTIVE OFFICER**

Sh. Sanjay Narwade

### **COMPANY SECRETARY**

Mrs. Kanwaljit Kaur

### **DY. CHIEF FINANCIAL OFFICER**

Sh. Gaurav Soni

### **STATUTORY AUDITORS**

M/s R P Mallick & Associates  
Chartered Accountants  
#1442, First Floor, Sector 44-B  
Chandigarh-160047

### **BANKERS**

YES BANK  
PUNJAB NATIONAL BANK  
HDFC BANK

### **REGISTERED OFFICE**

PUNJAB LOGISTICS INFRASTRUCTURE LIMITED  
S.C.O. 119-120, SECTOR 17-B, CHANDIGARH-160017

# **PUNJAB LOGISTICS INFRASTRUCTURE LIMITED**

## **DIRECTORS' REPORT**

To  
The Members  
PUNJAB LOGISTICS INFRASTRUCTURE LIMITED

Your Directors are pleased to present their report on the business and operations of the Company together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2016.

### **1. ABOUT THE COMPANY**

The Company, **PUNJAB LOGISTICS INFRASTRUCTURE LIMITED** (PLIL) is a Joint Venture Company of Container Corporation of India Limited (CONCOR) & Punjab State Container and Warehousing Corporation Limited (CONWARE). The company is targeting to develop Logistics Hubs in the state of Punjab facilitating trade and industry of the state and putting them on International map.

### **2. CAPITAL STRUCTURE**

The Authorized capital of the company is Rs. 150,00,00,000/- (Rupees One Hundred and Fifty Crores only) as on 31<sup>st</sup> March, 2016. Against this, the paid up share capital of the company has been increased from Rs. 127,00,00,000/- (Rupees One Hundred and Twenty Seven Crores only) to Rs. Rs. 139,40,00,000/- (Rupees One Hundred Thirty Nine Crores and Forty Lacs Only) during the year under Report. By allotment of 6,00,000 equity shares on 7<sup>th</sup> April, 2016, the share capital has been increased to Rs. 140,00,00,000/- (Rupees One Hundred Forty Crores Only).

### **3. HIGHLIGHTS AND STATUS OF THE PROJECT**

#### **Highlights of project**

- Being developed as a major Logistics Hub.
- Presently transportation of cargo mainly dependent on road network for both EXIM and Domestic Cargo.
- Inland Container Depot (ICD) is being developed.
- Rail Linked Multi Modal Logistics Hub.
- Handling of bulk cargo transported in Indian Railway Wagons.

#### **Status of project**

**Land acquisition:** As on 31<sup>st</sup> March, 2016 total land acquired has been 133.04 acres amounting Rs. 116.92 crores.

**Construction of Boundary wall:** The construction of boundary wall is under progress and the work is delayed due to land acquisition in some areas. Out of total 3425

meter of boundary wall, 3314 meters has already been constructed. The balance 53 meters of wall is expected to be completed by 15<sup>th</sup> of June, 2016. The financial progress as on date is 97%.

**Building and warehouse:** Tender floated for the said work have been finalised and the project has been awarded to M/s Bhullar Constructions on merit basis. The contractor has mobilised the resources at site and excavation and foundation work of administrative has been started. The expected time for the completion of work is 12 months.

**Railway Track works:** Work of laying of 4 lines of railway tracks inside the MMLP premises is under progress. The earth work, blanketing material, ballast, sleepers and rails are laid at site. The financial progress as on date is 85%.

**CC Block pavement & other allied works:** As planned in Stage I, approximately 60,000 square meters area for CC block pavement and PQC road area 68,000 square meters is under progress. The work of earth filing, GSBC, WMM, DLC works is under progress. The financial progress as on date is 20%.

**Certificate of Change of land use:** Punjab Bureau of Board of Industrial Promotion has duly issued CLU certificate for the commencement of operations.

#### **4. FINANCIAL RESULTS**

The Company concentrated on the development of the project during the financial year ended 31<sup>st</sup> March, 2016. The financial results of the company are as under:

<b>S.NO.</b>	<b>PARTICULARS</b>	<b>As on 31<sup>st</sup> March, 2016</b>	<b>As on 31<sup>st</sup> March, 2015</b>
<b>1.</b>	Income from operations	Nil	Nil
<b>2.</b>	Income from other sources	61,28,032.19	43,95,713.04
<b>3.</b>	Provision for taxation	7,84,415.00	6,75,741.00
<b>4.</b>	Profit/(loss) after tax	18,82,211.03	17,10,995.71

#### **5. OPERATIONS**

The genesis of the Company is to do business of designing, developing, setting up, operating and maintenance of Multi-Modal Logistics Parks (MMLPs) inclusive of rail yards, container yards. To operate Inland Container Depots (Dry Ports) and Container Freight Stations and facilitate provision of logistics services for Export-Import (EXIM) cargo for the Industries of Punjab at large.

The Company being in its Project Development stage. The Company aims to start its 1<sup>st</sup> phase of business operations this financial year for which Term Loan of Rs. 65.00 Crores was approved by the shareholders and Directors.

## **6. DIVIDEND**

The Board has not declared any dividend/interim dividend and no further dividends are proposed to be declared.

## **7. PERSONNEL**

None of the employee of the company is in receipt of remuneration for whole/part of the year exceeding the limit prescribed under Companies Act 2013 read with the Companies (Particulars of Employees) Rules 1975 amended by Companies (Particulars of Employees) Rules 2011. The information under this is nil.

## **8. HUMAN RESOURCE MANAGEMENT**

There is no employee/ officer on the roll of PLIL till date. The Company has a Company Secretary, Chief Financial Officer, ERLO, Patwari & a Liaison Officer appointed on contractual basis. Employees from CONCOR have been deputed on secondment basis.

## **9. PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Provisions in this respect are not applicable.

## **10. AUDITORS**

The auditors, M/s Awtar Krishan & Associates, Chartered Accountants, Chandigarh, were appointed as the Statutory Auditors of the Company for the financial year 2015-16. The Statutory Auditors were appointed as recommended by the Office of the Comptroller and Auditor General of India.

The Office of the Comptroller and Auditor General of India changed the statutory auditors of the company to M/s R P Mallick & Associates, Chandigarh vide its letter dated 9<sup>th</sup> April, 2016. The Statutory Auditors are paid remuneration of Rs 55,000/- plus Service tax, as fixed by the Board of Directors of the Company.

## **11. AUDITORS' AND CAG REPORT**

The Auditors' Report together with the Notes to Accounts is self-explanatory and do not call for any further explanation. (Auditors' Report and Balance Sheet along notes is attached as **Annexure-A**. CFO is authorised to receive and reply to CAG report.

## **12. SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made there under, Mr. Kanwaljit Singh Thanewal, Practicing Company Secretary, Chandigarh, was appointed to conduct a secretarial audit of the Company's Secretarial and related records for the year ended 31<sup>st</sup> March, 2016. The Secretarial Audit Report is enclosed as **Annexure-B**.

The Secretarial Auditor has issued Report and same forms integral part of this Report. The comments and observations by the Secretarial Auditor are as under:

S.No.	Qualifications	Comment
1	The Board is not duly constituted as the company do not have the requisite numbers of Executive directors and the company had only 1 independent Director on the board	We have received 2 nominations from CONCOR an CONWARE for the appointment of Independent Directors. The Directors shall be appointed at the Board meeting scheduled on 9 <sup>th</sup> May, 2016.
2	The composition of the Audit Committee and the Nomination and Remuneration Committee of the company was not in compliance with the statutory requirements.	We have received 2 nominations from CONCOR an CONWARE for the appointment of Independent Directors. The Directors shall be appointed at the Board meeting scheduled on 9 <sup>th</sup> May, 2016.

### **13. INTERNAL CONTROL SYSTEMS**

The Company's internal control systems are audited by, M/s Rishab Abhay & Associates Chartered Accountants. The Internal Auditor independently evaluates the adequacy of internal controls and reviews major transactions. The Internal Auditor reports directly to the Audit Committee to ensure complete independence.

### **14. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

CSR policy is not applicable to the company under Section 135 of the Companies Act, 2013 as the same is applicable to the following companies:

- a) net worth of Rs. 500 Crores or more,
- b) Turnover of Rs. 1000 crore or more; or
- c) a net profit of Rs. 5 crores or more during any financial year

Further Ministry of Corporate Affairs, Government of India vide its General Circular No. 01/2016, 05/19/2015-CSR clarified that merely being a holding or subsidiary company of a company which fulfils the criteria under section 135(1) does not make the company liable to comply with section 135, **unless the company itself fulfills the criteria.**

### **15. BOARD OF DIRECTORS**

During the year under Report, the directorship of the Company changed as under:

- a) CONCOR, vide its letter dated 25<sup>th</sup> May, 2015 nominated Sh. Paresh Agarwal as its nominee Director on the Board of the company in place of Sh. Sushil Kumar. Accordingly, the Board of Punjab Logistics Infrastructure Limited approved the revised structure at its immediate next meeting held on 26<sup>th</sup> August, 2015.
- b) Further, Dr. P. Alli Rani was nominated by CONCOR as its nominee Director on the Board of the company in place of Sh. Arvind Bhatnagar vide its letter dated 22<sup>nd</sup> September, 2015. Accordingly, the Board of Punjab Logistics Infrastructure Limited approved the structure at its immediate next meeting held on 24<sup>th</sup> November, 2015.
- c) In the same nomination letter, CONCOR nominated Sh. Pradeep Bhatnagar as the Independent Director till 5<sup>th</sup> March, 2016 (term co-terminus with Sh. Bhatnagar's term in CONCOR) in place of Sh. Sudhir Mathur whose term expired on 24<sup>th</sup> September, 2014.
- d) As per nomination received from CONWARE dated 18<sup>th</sup> March, 2016, Sh. Harsuhinder Pal Singh Brar, PCS was appointed Additional Director in place of Sh. Gurbax Singh Bains on 31<sup>st</sup> March, 2016.

Following are the Directors on the company as on 31<sup>st</sup> March, 2016:

- |  |          |
|--|----------|
| 1. Sh. Arvinder Singh Bains, IAS       | Director |
| 2. Dr. P. Alli Rani                    | Director |
| 3. Sh. Harsuhinder Pal Singh Brar, PCS | Director |
| 4. Sh. Paresh Agarwal                  | Director |

The Board of Directors met 5 (Five) times for transacting the business of the Company during the financial year 2015-16 on the following dates:

Board meeting Number	Date
1	5 <sup>th</sup> May, 2015
2	26 <sup>th</sup> August, 2015
3	21 <sup>st</sup> September, 2015
4	24 <sup>th</sup> November, 2015
5	15 <sup>th</sup> February, 2016

#### **16. RETIREMENT OF DIRECTORS BY ROTATION**

In terms of the provision of the Companies Act, 2013, Sh. Paresh Agarwal, Director, is liable to retire by rotation and being eligible, offer himself for re-appointment.

#### **17. APPOINTMENT OF INDEPENDENT DIRECTOR**

CONCOR vide order no. CON/FA.SEC/PLIL/8590 dated 22<sup>nd</sup> September, 2015, with the consent of Sh. Pradeep Bhatnagar, nominated him as Independent Director of

the Company. Accordingly, Punjab Logistics Infrastructure Limited (PLIL) in its Extraordinary General Meeting (EGM) held on 24<sup>th</sup> November, 2015 appointed him as an Independent Director. His tenure was co-terminus with his tenure as Director/CONCOR, i.e., 5<sup>th</sup> March, 2016.

The company has now received nomination from CONCOR and CONWARE for appointment of Independent Directors, namely, Maj. Gen. (Retd.) Raj Krishan Malhotra and Sh. Rajinder Singh Gill.

#### **18. STATEMENT BY INDEPENDENT DIRECTOR UNDER SECTION 149(6)**

The Company appointed Sh. Pradeep Bhatnagar as the Independent Director on the Board of Directors in Extra Ordinary General Meeting held on 24<sup>th</sup> November, 2015. Further, Independent Director is required to give statement under section 149(6) in the first Board of Directors meeting after his appointment. The same was received from Sh. Pradeep Bhatnagar.

#### **19. PARTICULARS OF REMUNERATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

During the year, Company Secretary and Chief Financial Officer were appointed on contractual basis at the Board meeting held on 28<sup>th</sup> August, 2015. At the same meeting Sh. Sanjay Narwade, Dy. General Manager (CONCOR) deputed in PLIL on secondment basis was appointed Chief Executive officer of the company.

Disclosure under Section 197(12) of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as **Annexure-C**.

#### **20. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act 2013, your Directors confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed with no material departures;
- b) They 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 of the Company for the same period;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;

e) They have laid down internal financial controls in the Company that are adequate and are operating effectively; and

f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that these are adequate and are operating effectively;

## **21. CODE OF CONDUCT**

Once the Company begins with its operations and an optimum combination of functional, nominee and independent directors are placed on Board, it will lay down a code of conduct for all Board members and Senior Management Personnel in accordance with the guidelines and policies evolved by the Central Government.

## **22. CORPORATE GOVERNANCE REPORT**

Your Company believes in the principle that good Corporate Governance establishes a positive organizational culture and it is evident by responsibility, accountability, consistency, fairness and transparency towards its stakeholders. In accordance with DPE guidelines on Corporate Governance, a report on Corporate Governance forms part of this Report at **Annexure-D**.

A Practicing Company Secretary has examined and certified your Company's compliance with respect to conditions enumerated in DPE guidelines on Corporate Governance. The certificate forms part of this Report at **Annexure- E**.

## **23. DEPOSITS**

The Company has not accepted any deposits from its members or general public as during financial year ended 31<sup>st</sup> March, 2016.

## **24. RELATED PARTY TRANSACTIONS**

The company has carried on some related party transactions during 2015-16. The same has been provided and accounted for in the audited balance sheet for the financial year ended 31<sup>st</sup> March, 2016 as Note No. 3 in the notes to accounts. Further Form no. AOC 2 has also been attached to the Directors' Report pursuant to provisions of Clause (h) sub-section (3) of Section 134 read with Rule (2) of Companies (Accounts) Rules, 2014. Form No. AOC 2 enclosed as **Annexure F**.

## **25. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

There was no loans, guarantees or investments made by the company under section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

## **26. LOANS TO RELATED PARTIES**

The company has not granted any loan whether secured or unsecured to/from companies, forms or other parties covered in the register maintained under section 189 of Companies Act, 2013.

## **27. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

During the year under review, there is no change in the nature of business of Punjab Logistics Infrastructure Limited.

## **28. ABSTRACT OF ANNUAL RETURN**

The abstract of annual return in Form MGT-9 for the financial year ended 31<sup>st</sup> March, 2016 is enclosed as **Annexure G**.

## **29. DETAILS OF SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES**

The Company is the Joint Venture Company of Container Corporation of India Limited (CONCOR) & Punjab State Container and Warehousing Corporation Limited (CONWARE).

## **30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The detailed Management Discussion and Analysis forms a part of this report at **Annexure- H**.

## **31. ACKNOWLEDGEMENT**

Your Directors wish to place on record their sincere appreciation and acknowledge with gratitude the support and consideration extended by CONCOR, CONWARE, the banker and support staff and look forward for their continuous support and co-operation.

for and on behalf of the Board of Directors

Sd/-

Sd/-

HPS Brar, PCS  
Director

Paresh Agarwal  
Director

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Punjab Logistics Infrastructure Limited  
S.C.O. 119-120, Sector 17-B  
Chandigarh

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PUNJAB LOGISTICS INFRASTRUCTURE 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 company'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 March 31, 2016 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 PUNJAB LOGISTICS INFRASTRUCTURE LIMITED ("the Company") for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under.
- (ii) DPE guidelines on Corporate Governance Central Public Sector Enterprises issued by the 'Department of Public Enterprises', Ministry of Heavy Industries and Public Enterprises, Government of India.
- (iii) Works Contract Act and Shop & Establishment Act
- (iv) All applicable Labour laws viz. The Factories Act, 1948, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Payment of Bonus Act, 1965, Industrial Dispute Act, 1947, Employee State Insurance Act, 1948, The Employee's Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Gratuity Act, 1972.

We further state that the following Acts are not applicable to the Company during the year under review:

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under as the shares of the company are not listed on the Stock Exchanges.

- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under as the shares of the company are not registered with any of the depository.
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings as there was no Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (iv) Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as the shares of the company are not listed on the Stock Exchanges.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the financial year under review, the company has complied with the provisions of the acts, rules, regulations, guidelines, standards etc. mentioned above subject to the observations made hereinafter.

Based on our examination and the information received and records maintained, I further report that:

1. 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. *However, the Board is not duly constituted as the company do not have the requisite numbers of Executive directors and the company had only 1 independent Director on the board upto the date of 26.08.2015, as against the statutory requirement of minimum 2 independent directors.*
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well 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..
3. All decisions are carried out on the basis of majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4. The company has proper board processes.

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

I further report that:

- 1. The composition of the Audit Committee and the Nomination and Remuneration Committee of the company was not in compliance with the statutory requirements.**

I further report that during the audit period:

1. The company has issued and allotted 1,24,00,000 equity shares of Rs. 10/-each to the existing shareholders of the company on Right Basis.

I further report that there were no instances of:

- (i) Resolutions under Section 180 of the Companies Act, 2013.

- (ii) Public/Preferential issue of shares / debentures / sweat equity.
- (iii) Redemption / buy-back of securities.
- (iv) Merger / amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

Place: Chandigarh

Date:

*SD/-*

KANWALJIT SINGH THANEWAL

FCS No.5901

C P No.: 5870

**DISCLOSURE IN THE BOARD'S REPORT UNDER**

**COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014**

S.No.	Particulars	Director's Name (As on 31.3.2016)	Ratio w.r.t. median
1	The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the FY 2015-16	Sh. Arvinder Singh Bains, IAS (Nominee Director of CONWARE) Dr. P. Alli Rani (Nominee Director of CONCOR) Sh. Harsuhinder Pal Singh Brar, PCS (Nominee Director of CONWARE) Sh. Paresh Agarwal (Nominee Director of CONCOR)	Nil Nil Nil Nil
	Sh. Sudhir Mathur (Tenure from 30.3.2015 to 24.11.2015) and Sh. Pradeep Bhatnagar (Tenure from 24.11.2015 to 5.3.2016) were paid only sitting fees		
2	The percentage increase in remuneration of Directors, CS, CFO, CEO in FY 2015-16 compared to 2014-15	<b>Director's/CEO/CS/CFO</b> Sh. Arvinder Singh Bains, IAS (Nominee Director of CONWARE) Dr. P. Alli Rani (Nominee Director of CONCOR) Sh. Harsuhinder Pal Singh Brar, PCS (Nominee Director of CONWARE) Sh. Paresh Agarwal (Nominee Director of CONCOR) Sh. Sanjay Narwade CEO (Appointed on 26.8.2015) Smt. Kanwaljit Kaur CS(Appointed on 26.8.2015) Sh. Gaurav Soni Dy. CFO(Appointed on 26.8.2015)	<b>%age increase in remuneration</b> Nil Nil Nil Nil Nil Nil Nil
3	% increase in the median remuneration of employees in the financial year 2015-16.		All contractual employees
4	Number of permanent employees on the rolls of the company	As on 31.3.2016	As on 31.3.2015
Nil		Nil	
5	Explanation on the relationship between average increase in remuneration and the company performance	The company is in project stage, has not started the operations and has no permanent employee on the roll of the company.	
6	Comparison of the remuneration of the KMP against the performance of the company	The company is in construction stage, has not started the operations. CS and CFO has been appointed on contractual basis.	
7	Variation in	31.3.2016	31.3.2015
	Market capitalisation	---	---
	Price earning ratio	---	---
	%age increase/decrease of market quotations in comparison to the rate at	No public offer	No public offer

	which the company came out with last public offer				
8	Average percentile increase during 2015-16	Salaries of employees other than managerial person	Managerial remuneration		
		Nil	Nil		
9	Comparison of each remuneration of the key managerial personnel against the performance of the company	<b>Name of key managerial personnel</b>	<b>Remuneration for the year ended (In lacs)</b>		
			<b>31.3.2016</b>	<b>31.3.2015</b>	<b>%age change</b>
		Sh. Sanjay Narwade , CEO	17.54	Nil	
		Smt. Kanwaljit Kaur, CS	3.95	Nil	
		Sh. Gaurav Soni CFO	4.49	Nil	
10	Key parameter for any variable component of remuneration availed by the Directors	Nil			
11	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year	N.A.			

for and on behalf of the Board of Directors

Sd/-

Sd/-

HPS Brar, PCS  
Director

Paresh Agarwal  
Director

## **CORPORATE GOVERNANCE REPORT**

PLIL considers Corporate Governance an important tool for achieving sustainable long term growth thereby enhancing stakeholder's value. It aims to have sound Corporate Governance practices based upon transparency, fairness, conscience, team work, professionalism and accountability paving the way for following the best standards and building confidence among all the stakeholders which is necessary to achieve its objectives. Its objective is to adhere to the provisions of Guidelines on Corporate Governance issued by Department of Public Enterprises (DPE), Ministry of Heavy Industries and Public Enterprises, Government of India. A report on Corporate Governance is given below along with the Certificate from a Practicing Company Secretary regarding compliance of conditions of Corporate Governance.

### **CORPORATE PHILOSOPHY**

The philosophy is derived from CONCOR the major stakeholder which has made applicable good Governance practices. PLIL is at very initial stage of setting up of Dry Port at Ludhiana. From inception itself, it aims to conduct its activities in an ethical and responsible manner geared to sustainable value creation for stakeholders within the prevalent regulatory framework. PLIL intends to be a competitive, customer-friendly and development-oriented organization whose objective is to provide efficient and reliable multimodal logistics support for the country's EXIM and domestic trade and commerce.

### **BOARD OF DIRECTORS**

The Board consists of Directors derived from the stakeholders of the company, viz., CONCOR and CONWARE. The company further aims to strengthen the Board by way of inducting more Independent Directors for more transparency in decision making. The Board of Directors endeavors provides long term vision, leadership and guidance and finalizes the long term strategic plans for the company.

The Company has a well laid down procedure for decision making by the Board. The Article No. 20 defines the powers of the Board to decide on the matters categorized under "Reserved matters" and "Exceptionally reserved matters". The meeting dates for Board meetings and its Committees are finalized in consultation with all Directors concerned in order to ensure full presence in the meeting. The Agenda is circulated to the Directors well in advance for the meetings of the Board and Committees thereof. Under circumstances where the approval of the Board is required on urgent basis, resolutions are passed by circulation, which are later ratified in the next Board meeting. Whenever necessary, the departmental heads/senior management officials/experts are also called to provide additional inputs or give presentations on the matters being discussed in the meetings of the Board/ Committee of the Board. The Meetings of the Board of Directors are normally held at Registered Office of the Company. The Board has complete access to all the information available with the Company.

Following are the Directors on the company as on 31<sup>st</sup> March, 2016:

- |    |                                 |          |
|----|---------------------------------|----------|
| 5. | Sh. Arvinder Singh Bains, IAS   | Director |
| 6. | Dr. P. Alli Rani                | Director |
| 7. | Sh. Harsuhinder Singh Brar, PCS | Director |

8. Sh. Paresh Agarwal

Director

The Board of Directors met 5 (Five) times for transacting the business of the Company during the financial year 2015-2016 on the following dates:

Board meeting Number	Date
1	5 <sup>th</sup> May, 2015
2	26 <sup>th</sup> August, 2015
3	21 <sup>st</sup> September, 2015
4	24 <sup>th</sup> November, 2015
5	15 <sup>th</sup> February, 2015

Once the Company begins with its operations and an optimum combination of functional, nominee and independent directors are placed on Board it will lay down a code of conduct for all Board members and Senior Management Personnel in accordance with the guidelines and policies evolved by the Central Government.

The Composition of Directors, attendance at the Board Meetings during the year, the last Annual General Meeting, the number of other directorships are given below:

Sr. No.	Category of Directorship	Name of the Director	No. of Board Meeting Attended	AGM Attendance
1.	Managing Director, CONWARE	Sh. Arvinder Singh Bains	4	Yes
2.	Director, nominated by CONCOR	Dr. P. Alli Rani#	2	--
3.	Director, nominated by CONCOR	Sh. Sushil Kumar%	1	--
4.	Director, nominated by CONWARE	Sh. Harsuhinder Singh Brar^	0	--
4.	Director, nominated by CONWARE	Sh. Gurbax Singh Bains^	5	Yes
5.	Director / nominated by CONCOR	Sh. Arvind Bhatnagar #	4	Yes
6.	Independent Director/nominated by CONCOR	Sh. Sudhir Mathur *	3	Yes
7.	Director/Nominated by CONCOR	Sh. Paresh Agarwal %	3	Yes
8.	Independent Director	Sh. Pradeep Bhatnagar*	2	--
9.	Independent Director	Maj Gen Retd. Raj Krishan Malhotra!	--	--
10.	Independent Director	Sh. Rajinder Singh Gill!	--	--

# Dr. P. Alli Rani was appointed as Director at the Board meeting and Extra-ordinary General Meeting of the company held on 24<sup>th</sup> November, 2015 as per nomination received from CONCOR. The Nomination was received in lieu of Sh. Arvind Bhatnagar.

% Sh. Paresh Agarwal was nominated to be appointed as Director of the company, by CONCOR in lieu of Sh. Sushil Kumar. The same was approved by the Directors at the meeting held on 26<sup>th</sup> August, 2015.

\* Sh. Pradeep Bhatnagar was nominated to be appointed as Independent Director in place of Sudhir Mathur. The same was approved at the Board meeting held on 24<sup>th</sup> November, 2015.

^ As per nomination received from CONWARE, Sh. Harsuhinder Pal Singh Brar, PCS was appointed Director in place of Sh. Gurbax Singh Bains on 31<sup>st</sup> March, 2016.

! As per nomination received from CONCOR and CONWARE, Maj. Gen. Retd. Raj Krishan Malhotra and Sh. Rajinder Singh Gill were appointed Independent Directors w.e.f. 28<sup>th</sup> April 2016 and 4<sup>th</sup> May, 2016 respectively.

### **AUDIT COMMITTEE**

The Audit Committee was reconstituted twice during the year under report with the change in the directorship of the company. At the beginning of the financial, the Audit Committee comprised of three members, viz., Sh. Gurbax Singh Bains, Sh. Sushil Kumar and Sh. Arvind Bhatnagar.

With the induction of Sh. Sudhir Mathur, Independent Director on the Board of PLIL, the Audit Committee was reconstituted at the meeting of Board of Directors held on 5<sup>th</sup> May, 2015 with members, Sh. Sudhir Mathur, Sh. Arvind Bhatnagar and Sh. Gurbax Singh Bains.

Thereafter after change in directorship, at the Board meeting held on 24<sup>th</sup> November, 2015, the Audit Committee was reconstituted with following members, viz., Sh. Pradeep Bhatnagar Chairman, Dr. P. Alli Rani, member and Sh. Gurbax Singh Bains, member.

Since the appointment of Sh. Pradeep Bhatnagar, Independent Director was co-terminus with his tenure in CONCOR ,i.e., 5<sup>th</sup> March, 2016, therefore he ceased to be director from that date and ultimately his membership in the Audit Committee ended that date.

Thereafter after receipt of nomination of Sh. Harsuhinder Pal Singh Brar, PCS for appointment as Director in place of Sh. Gurbax Singh Bains, the Audit Committee was reconstituted on 31<sup>st</sup> March, 2016 as under:

- |  |        |
|--|--------|
| a) Dr. P. Alli Rani                    | Member |
| b) Sh. Harsuhinder Pal Singh Brar, PCS | Member |

The Audit Committee met 3(Three) times for transacting business during the period 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016 on 26<sup>th</sup> August, 2015, 24<sup>th</sup> November, 2015 and 15<sup>th</sup> February, 2016.

The terms of reference of the Audit Committee are in accordance with section 177 of the Companies Act, 2013 and the DPE guidelines, which inter alia, include reviewing the company's broad structure, various capital and civil projects, business expansion plans & annual / quarterly financial results before submission to the Board. Further, the committee reviews the adequacy of internal audit function and internal control systems and discusses with internal auditors any significant findings and follow up thereon from time to time. The Committee attempts to ensure that decision making in the company is objective, and that there are adequate internal controls to ensure efficient realization of revenue, and due propriety of expenditure.

## **NOMINATION & REMUNERATION COMMITTEE**

To align with the requirements prescribed under the provisions of the Companies Act, 2013 a Nomination & Remuneration Committee was constituted with following members Sh. Gurbax Singh Bains, Sh. Sushil Kumar and Sh. Arvind Bhatnagar.

The Committee was reconstituted number of times during the year. With the induction of Sh. Sudhir Mathur, Independent Director on the Board of PLIL, the Audit Committee was reconstituted at the meeting of Board of Directors held on 5<sup>th</sup> May, 2015 with members, Sh. Sudhir Mathur, Sh. Arvind Bhatnagar and Sh. Gurbax Singh Bains.

Thereafter after change in directorship, at the Board meeting held on 24<sup>th</sup> November, 2015, the Audit Committee was reconstituted with following members, viz., Sh. Pradeep Bhatnagar, Chairman, Dr. P. Alli Rani, member and Sh. Gurbax Singh Bains, member.

Since the appointment of Sh. Pradeep Bhatnagar, Independent Director was co-terminus with his tenure in CONCOR ,i.e., 5<sup>th</sup> March, 2016, therefore he ceased to be director from that date and ultimately his membership in the Audit Committee ended that date.

As on 31<sup>st</sup> March, 2016, the members had been the following:

- |  |        |
|--|--------|
| a) Dr. P. Alli Rani                    | Member |
| b) Sh. Harsuhinder Pal Singh Brar, PCS | Member |

### **Terms of Reference:**

- 1) The Nomination and Remuneration Committee shall identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- 2) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- 3) The Nomination and Remuneration Committee shall, while formulating the policy under sub-section (3) ensure that—
  - (a) the level and composition of remuneration is reasonable and sufficient to Attract, retain and motivate directors of the quality required to run the company successfully;
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

## **GENERAL BODY MEETING**

The General meeting were held on following dates:

1. Second Annual General Meeting of the Company was convened on 26<sup>th</sup> August, 2015 at its Registered Office at S.C.O. 119-120, Sector 17-B, Chandigarh-160017.
2. Two Extra-ordinary General meetings was convened on 24<sup>th</sup> November, 2015 and thereafter on 15<sup>th</sup> February, 2016.

## **DISCLOSURES**

- i. Transactions with related parties as per requirements of Accounting Standards (AS-18) ' Related Party Disclosures' Issued by the Institute of Chartered Accountants of India are disclosed in notes forming parts of accounts.
- ii. There was no instances of penalties/strictures imposed on the Company by the following statutory authority:
- iii. Compliance with the requirement of these guidelines is detailed in this report.
- iv. There is no employee/ officer on the roll of PLIL till date, the Company has a Company Secretary, Chief Financial Officer, ERLO, Patwari & Liaison Officer on contractual basis. Officers/ Employees from CONCOR are also working on secondment basis.
- v. No expenditure has been debited in the books of accounts, which is not for the purpose of business.
- vi. The Company has not incurred any expense which is personal in nature and incurred for the Board of Directors and Top Management.

## **MEANS OF COMMUNICATION**

The website of the Company is under construction. The official email id of the Company for correspondence is pill.punjab@gmail.com.

## **GENERAL SHAREHOLDER INFORMATION**

### **Details of Annual General Meeting**

Date	:	On or before 30 <sup>th</sup> September, 2016
Time	:	12:00 Noon
Venue	:	Registered office SCO 119-120, Sector 17-B Chandigarh-160017 Email id : pill.punjab@gmail.com

## Financial Calendar

The unaudited financial results of Within 45 days of 1st, 2nd and 3rd quarter	:	Approved at the Audit Committee and Board meeting held after close of quarter
Approval and authentication of annual accounts by Board of Directors	:	Within 60 days of close of financial year
Adoption of annual accounts by the shareholders	:	On or before 30 <sup>th</sup> September

## Listing of Shares

The Company is not listed at any Stock exchange.

## Shareholding pattern

CONCOR and CONWARE hold shares in the company in the ratio of 51:49.

## Address for correspondence

Punjab Logistics Infrastructure Limited  
Registered office : SCO 119-120  
Sector 17-B, Chandigarh-160017  
Email Id : pill.punjab@gmail.com

for and on behalf of the Board of Directors

Sd/-

HPS Brar, PCS  
Director

Sd/-

Paresh Agarwal  
Director

**CORPORATE GOVERNANCE CERTIFICATE**

**TO  
THE MEMBERS  
PUNJAB LOGISTICS INFRASTRUCTRE LIMITED**

I have examined the compliance of conditions of Corporate Governance by Punjab Logistics Infrastructure Limited for the period ended 31<sup>st</sup> March 2016 as stipulated in the DPE guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises Ministry of Heavy Industries and Public Enterprises, Government of India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination carried out is in accordance with the Corporate Governance (Model of Best Practices) issued by the Institute of Company Secretaries of India), was limited to the procedures and implementation thereof adopted by the Company for ensuring the Compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our knowledge and belief were necessary for the purposes of certification and have been provided with such records, documents, certification etc, as had been required by us.

In our opinion and to the best of our knowledge and information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance issued by the Department of Public Enterprises except the following:

1. The Company is not having such number of independent directors as required under DPE Guidelines. It was informed by the management that the appointment of independent directors is under process
2. There was no Independent Director in the 'Audit Committee and 'Nomination and Remuneration Committee' as on 31.3.2016. It has been informed by the management that the appointment of independent directors is under process.

**PLACE: CHANDIGARH  
DATE: 01/07/2016**

**(VISHAL ARORA)  
COMPANY SECRETARY  
FCS NO. 4566  
CP NO.3645**

**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details															
1.	Name (s) of the related party & nature of relationship.	<p>1. <b>Names of the related parties where control exists:</b></p> <p>(a) Container Corporation of India Limited (CONCOR): Promoter Company.</p> <p>(b) Punjab State Container &amp; Warehousing Corporation Limited: Promoter Company(CONWARE).</p> <p>2. <b>Directors:</b></p> <p>(a) Sh. Arvinder Singh Bains, IAS</p> <p>(b) Dr. P. Alli Rani</p> <p>(c) Sh. Harsuhinder Pal Singh Brar, PCS</p> <p>(d) Sh. Paresh Agarwal</p> <p>3. <b>Key Managerial Personnel</b></p> <p>(a) Sh. Sanjay Narwade (CEO)</p> <p>(b) Sh. Gaurav Soni (CFO)</p> <p>(c) Smt. Kanwaljit Kaur (CS)</p>															
2.	Nature of contracts/arrangements/transaction	<p>1. <b>Transactions with subsidiary companies:</b> Nil</p> <p>2. <b>Transactions with associate companies:-</b></p> <p>(a)</p> <table border="1"><thead><tr><th>Receiving of services</th><th>2016(Rs.)</th><th>2015 (Rs.)</th></tr></thead><tbody><tr><td>CONCOR</td><td>43,75,811</td><td>14,36,655</td></tr><tr><td>CONWARE</td><td>Nil</td><td>Nil</td></tr></tbody></table> <p>(b)</p> <table border="1"><thead><tr><th>Outstanding balance at the end of the year</th><th>2016 (Rs.)</th><th>2015 (Rs.)</th></tr></thead><tbody><tr><td>CONCOR</td><td>(11,400)</td><td>5,42,146</td></tr></tbody></table>	Receiving of services	2016(Rs.)	2015 (Rs.)	CONCOR	43,75,811	14,36,655	CONWARE	Nil	Nil	Outstanding balance at the end of the year	2016 (Rs.)	2015 (Rs.)	CONCOR	(11,400)	5,42,146
Receiving of services	2016(Rs.)	2015 (Rs.)															
CONCOR	43,75,811	14,36,655															
CONWARE	Nil	Nil															
Outstanding balance at the end of the year	2016 (Rs.)	2015 (Rs.)															
CONCOR	(11,400)	5,42,146															

		CONWARE	Nil	(50,000)															
		<table border="1"> <thead> <tr> <th>Details of transactions with Key Managerial Personnel</th> <th>2016 (Rs.)</th> <th>2015 (Rs.)</th> </tr> </thead> <tbody> <tr> <td>Sahil Pandey, CS (Remuneration)</td> <td>Nil</td> <td>48,000</td> </tr> <tr> <td>Sanjay Narwade, CEO</td> <td>17,54,483</td> <td>Nil</td> </tr> <tr> <td>Gaurav Soni, CFO</td> <td>4,49,032</td> <td>Nil</td> </tr> <tr> <td>Kanwaljit Kaur, CS</td> <td>3,95,161</td> <td>Nil</td> </tr> </tbody> </table>			Details of transactions with Key Managerial Personnel	2016 (Rs.)	2015 (Rs.)	Sahil Pandey, CS (Remuneration)	Nil	48,000	Sanjay Narwade, CEO	17,54,483	Nil	Gaurav Soni, CFO	4,49,032	Nil	Kanwaljit Kaur, CS	3,95,161	Nil
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CONWARE @ 10 per share	6,83,06,000	6,22,30,000																	
3.	Duration of the contracts/arrangements/transaction	N.A.																	
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.																	
5.	Justification for entering into such contracts or arrangements or transactions'	N.A.																	
6.	Date of approval by the Board	N.A.																	
7.	Amount paid as advances, if any	N.A.																	
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.																	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	<p>1. <b>Names of the related parties where control exists:</b></p> <p>(a) Container Corporation of India Limited (CONCOR): Promoter Company.</p> <p>(b) Punjab State Container &amp; Warehousing Corporation Limited: Promoter Company(CONWARE).</p> <p><b>Directors:</b></p> <p>(a) Sh. Arvinder Singh Bains, IAS (Director)</p> <p>(b) Dr. P. Alli Rani (Director)</p> <p>(c) Sh. Harsuhinder Pal Singh Brar, PCS (Director)</p> <p>(d) Sh. Paresh Agarwal (Director)</p> <p><b>Key Managerial Personnel</b></p> <p>(a) Sh. Sanjay Narwade (CEO)</p> <p>(b) Sh. Gaurav Soni (CFO)</p> <p>(c) Smt. Kanwaljit Kaur (CS)</p>
2.	Nature of contracts/arrangements/transaction	N.A.
3.	Duration of the contracts/arrangements/transaction	N.A.
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
5.	Date of approval by the Board	N.A.
6.	Amount paid as advances, if any	N.A.

for and on behalf of the Board of Directors

Sd/-

Sd/-

HPS Brar, PCS  
Director

Paresh Agarwal  
Director

**SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

IV

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
<b>A. Promoters</b>								
(1) Indian								
a) Individual/HUF		5	5			5	5	
b) Central Govt.or State Govt.								
c) Bodies Corporates		126999995	126999995	100		139399995	139399995	100
d) Bank/Fl								
e) Any other								
<b>SUB TOTAL:(A) (1)</b>		127000000	127000000	100		139400000	139400000	100
(2) Foreign		----	----	----		----	----	----
a) NRI- Individuals		----	----	----		----	----	----
b) Other Individuals		----	----	----		----	----	----
c) Bodies Corp.		----	----	----		----	----	----
d) Banks/Fl		----	----	----		----	----	----
e) Any other...		----	----	----		----	----	----
<b>SUB TOTAL (A) (2)</b>		----	----	----		----	----	----
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>		127000000	127000000	100		139400000	139400000	100
<b>B. PUBLIC SHAREHOLDING</b>		----	----	----		----	----	----
(1) Institutions		----	----	----		----	----	----
a) Mutual Funds		----	----	----		----	----	----
b) Banks/Fl		----	----	----		----	----	----
c) Cenntal govt		----	----	----		----	----	----
d) State Govt.		----	----	----		----	----	----
e) Venture Capital Fund		----	----	----		----	----	----
f) Insurance Companies		----	----	----		----	----	----
g) FIIS		----	----	----		----	----	----

h) Foreign Venture Capital Funds		----	----	----	----	----	----	----
i) Others (specify)		----	----	----	----	----	----	----
<b>SUB TOTAL (B)(1):</b>		----	----	----	----	----	----	----
<b>(2) Non Institutions</b>		----	----	----	----	----	----	----
a) Bodies corporates		----	----	----	----	----	----	----
i) Indian		----	----	----	----	----	----	----
ii) Overseas		----	----	----	----	----	----	----
b) Individuals		----	----	----	----	----	----	----
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs		----	----	----	----	----	----	----
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs		----	----	----	----	----	----	----
c) Others (specify)		----	----	----	----	----	----	----
<b>SUB TOTAL (B)(2):</b>		----	----	----	----	----	----	----
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>		----	----	----	----	----	----	----
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>		----	----	----	----	----	----	----
<b>Grand Total (A+B+C)</b>		127000000	127000000	100		139400000	139400000	100

for and on behalf of the Board of Directors

Sd/-

Sd/-

HPS Brar, PCS  
Director

Paresh Agarwal  
Director

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **1. INDUSTRY STRUCTURE & DEVELOPMENT**

Industries such as Auto, FMCG, food processing, consumer durables, Paper & Pulp sector have considerable requirements for integrated logistics parks owing to their higher need for warehousing and transportation activity. Therefore with the mushrooming of industries in the state of Punjab, the Multi Modal Logistics Park (MMLP) is being set up for providing single window services and seamless connectivity for promoting hinterland transportation of containers as well as break bulk cargo. This will enable freight traffic to switch from the road to the rail network. By linking the freight traffic to the rail network, the cost of transportation will be reduced for the industries in Punjab.

### **2. INTERNAL CONTROL SYSTEMS**

PLIL is on the way of implementing robust internal Systems and processes in place for smooth and efficient conduct of business and complies with relevant laws and regulation. In order to ensure that all checks and balances are in place and all internal control systems are in order, M/s Rishab Aggarwal & Associates were appointed as Internal Auditors of the Company for the financial year ended 31<sup>st</sup> March, 2016 which empathized to do regular and exhaustive internal in close co-ordination with deputed officials. Reports of the auditors are reviewed, compliances are ensured and the reports along with the compliances are put up to Audit committee periodically.

### **3. SECURED AND UNSECURED LOANS**

The Board of Directors and shareholders of the company approved the availing of Term Loan of Rs. 65.00 Crores from HDFC Bank Limited for start of 1<sup>st</sup> phase of operations at MMLP, Ludhiana. As on 31<sup>st</sup> March, 2016, the outstanding balance of secured loan has been Rs. 10.00 Crores. The company has not availed any unsecured loan during the year under report.

### **4. CAPITAL WORK IN PROGRESS**

The engineering works at the site geared up during the year. As on 31<sup>st</sup> March, 2016, the closing balance of capital work in progress amounted to Rs. 37.22 crores which included electrification, PCM fees, construction of railway track sliding, boundary wall, CC block pavement, roads, etc.

### **5. FIXED ASSETS**

Particulars	Amount in INR Crores	
	FY ended 31 <sup>st</sup> March, 2016	FY ended 31 <sup>st</sup> March, 2015
Non current assets	155.65	103.72

- The company procured land amounting Rs. 16.53 crores during the period under report. As on 31<sup>st</sup> March, 2016 total land acquired has been 133.04 acres amounting Rs. 116.92 crores.
- Depreciation amounting Rs. 1,12,843.50 was charged on the office and electrical equipments for the FY 2015-16.

## 6. **INVENTORIES**

The company being a service company does not have stock in trade. Moreover, the company is under development stage.

## 7. **INCOME**

Since company has not yet started its operations, therefore, there was no income from operations during the year under Report. Under the heading 'Other incomes', it earned an interest of Rs. 61,28,032.19 on its fixed deposits for the financial year under report as compared to Rs. 43,95,713.04 earned during FY 2014-15..

## 8. **EXPENSES**

During the year under Report, the operational and other expenses increased to Rs. 33,31,692.66 from Rs. 19,62,274.33. It was on account of increased activities of the company, viz., travelling expenses of Directors and employees, remuneration of contractual staff, sitting fees to Directors etc.

## 9. **EMPLOYEE REMUNERATION**

The cost to the company on account of employees has not yet started. The company has all contractual staff and staff deputed on secondment basis by its holding company.

## 10. **TAXATION**

The tax for the financial year ended 31<sup>st</sup> March, 2016 amounted to Rs. 7,84,415.00 and deferred tax accounted for Rs. 16,870.00.

## 11. **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE**

There was no commercial or operational transaction for the company in the FY 2015-16.

## 12. **SWOT ANALYSIS**

### **STRENGTHS**

- Connectivity to the proposed Dedicated Freight Corridor (DFC) project – linked through feeder route to western freight corridor and part of eastern freight corridor

- Ludhiana is one of the key industrial areas in Punjab contributing to approximately 34.7% of Punjab's GDP (in FY10)
- Located off the NH-1, thereby, providing easy connectivity to road

## **WEAKNESSES**

- Existing ICDs of CONCOR and GRFL lies on the eastern side of NH-1. However, the proposed MMLP will be on the western side of NH-1 which is about 20 kilometers off the highway as well as from GRFL ICD. (This can be countered by providing customers with better services at reasonable costs using CONCOR's strength)

## **OPPORTUNITIES**

- The state's Industrial Policy 2003 aims at infrastructure development, lesser number of regulations and speedy clearance of new projects which has made Punjab amongst the leading investment destination
- Ludhiana, the location for the proposed MMLP, is ranked first in India in terms of doing business
- Some key products of Punjab – Bicycle, fasteners, and sewing machines is given special focus status
- Double stacking

## **THREATS**

Dedicated Freight Corridor Corporation (DFCC) and few competitors are planning to set up a multi-modal logistic park in Ludhiana (This should be overcome by harnessing the first-mover advantage by the Quila Raipur facility)

## **13. CAUTIONARY STATEMENT**

Statements in the Directors' Report and Management Discussion & Analysis, describing the Company's objectives, projections and estimates, expectations, predictions etc. may be "forward looking statements" within the meaning of the applicable laws and regulations. Forward looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Actual results, performances or achievements may vary materially from those expressed or implied due to economic conditions, Government policies and other incidental factors such as litigation and industrial relation.

for and on behalf of the Board of Directors

Sd/-

Sd/-

HPS Brar, PCS  
Director

Paresh Agarwal  
Director

**MS PUNJAB LOGISTICS INFRASTRUCTURE LIMITED**  
**SCO-119-120, Sector 17B, Chandigarh-160017**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31st MARCH 2016**

**Statutory Auditor :-**

RP Mallick & Associates  
Chartered Accountants  
Firm Registration No. 04867N  
#1442, First Floor, Sector 44-B  
Chandigarh - 160047

**Board of Director :-**

Mr. Arvinder Singh Bains (IAS)  
Dr. P. Alli Rani  
Mr. Harsuhinder Pal Singh Brar (PCS)  
Mr. Paresh Agarwal

**R.P.MALLICK & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**1442, SECTOR 44 - B  
CHANDIGARH 160047  
PHONE: 0172-2668141  
09417121321**

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of PUNJAB LOGISTICS INFRASTRUCTURE LIMITED.**

**1. Report on the Financial Statements**

We have audited the accompanying financial statements of PUNJAB LOGISTICS INFRASTRUCTURE LIMITED (the Company), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, herein after referred to as Financial Statements.

**2. Management's Responsibility for the Financial Statements**

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

**3. Auditor's Responsibility**

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

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

3.3 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.



3.4 An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

3.5 We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

#### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2016;
- (ii) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date;
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### 5. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure '1' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In terms of sub section (5) of section 143 of the Companies Act, 2013, we give the Annexure '2' a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.
3. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure '3'.
4. As required by section 143(3) of the Act, we report that:
  - a. We have sought and, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company



so far as appears from our examination of those books;

c. The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under of 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 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016, from being appointed as a director in terms of Section 164(2) of the Act.

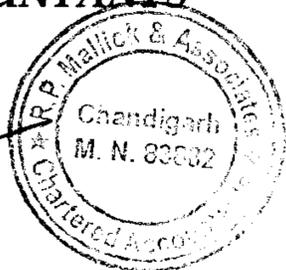
6. **With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:**

- (i) The Company does not have any major pending litigation which would impact its financial position.
- (ii) The company did not have any long term contracts including derivative contracts; as such the question of commenting on any, material foreseeable losses thereon does not arise.
- (iii) There has not been an occasion during the year under audit to report transfer of any sums to the Investor Education and Protection Fund. The question of delay in transferring such sum does not arise.

**For R.P.MALLICK & ASSOCIATES  
CHARTERED ACCOUNTANTS**



**R.P. MALLICK  
Proprietor  
Membership No.: 083882  
FRN : 04867N**



**Place: Chandigarh  
Date: 09, 05, 2016**

**Annexure to Independent Auditors' Report**  
**(Referred to in paragraph 5.1 of our report of even date)**

**Annexure '1'** referred to in our Independent Auditor's Report to the members of the Punjab Logistics Infrastructure Limited, on the standalone financial statements for the year ended 31st March, 2016, we report that:

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Fixed Assets.  
b) As explained to us, the fixed assets have been physically verified by management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.  
c) As informed and verified by us the title deeds of the immovable properties are held in the name of the company.
- (ii) The Company does not hold inventory and hence clause 2 of paragraph 3 of the Companies (Auditor's Report) Order 2016 is not applicable.
- (iii) According to the information and explanations given, The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of The Companies Act, 2013.
- (iv) According to the information and explanations given, The Company has not granted any loan or furnished any guarantee or security, nor has it made any investments, therefore the provisions of Section 185 and 186 of the Companies Act, 2013 need not be complied with.
- (v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed thereunder.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013.
- (vii) a). According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues, as applicable with the appropriate authorities.  
b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of disputed Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax and other statutory dues, which have not been deposited on account of any disputes.



- (viii) Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks, government & dues to debenture holders during the year
- (ix) Based on the information & explanation given to us, in our opinion, the moneys raised by way term loans were applied for the purposes for which those are raised. The Company has not raised any money by way of public issue or further public offer.
- (x) During the course of our examination of books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of audit nor we have been informed of any such instance by the Board of Directors.
- (xi) Managerial Remuneration in the form of Director's Sitting Fees has been duly approved in terms of Section 197 read with schedule V of the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. As such Nidhi Rules 2014 are not applicable.
- (xiii) All the related parties transactions are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the Accounting Standards 18 and Companies Act, 2013.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) As per the information obtained the company has not entered into any non-cash transactions with directors or persons connected with them. As such compliance under Section 192 of The Companies Act, 2013 is not required.
- (xvi) As informed the Company was not required to be registered under section 45-1A of The Reserve Bank of India Act, 1934.

**For R.P.MALLICK & ASSOCIATES  
CHARTERED ACCOUNTANTS**

  
**R.P. MALLICK**  
**Proprietor**  
**Membership No.: 083882**  
**FRN : 04867N**



**Place: Chandigarh**  
**Date: 09.05.2016**

Annexure '2' referred to in our Independent Auditor's Report to the members of the Punjab Logistics Infrastructure Limited, on the standalone financial statements for the year ended 31st March, 2016.

On the directions issued by the Comptroller and Auditor General of India under sub section (5) of Section 143 of the Companies Act, 2013, based on the verification of records of the Company and information and explanations given to us, we report that:

S.No.	Direction	Our Report	Actions Taken thereon	Impact on Financial Statements of the Company
1	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	The Company has clear title for freehold owned land and no property is owned on leasehold basis.	No Actions Required	NIL
2	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	There is no case of waiver/write off of debts/loans/interest etc.	No Actions Required	NIL
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. Or other authorities.	No inventories are involved in the business of the Company. No assets have been received by the Company as gift from Government or other authorities.	No Actions Required	NIL

For R.P.MALLICK & ASSOCIATES  
CHARTERED ACCOUNTANTS

  
R.P. MALLICK  
Proprietor  
Membership No.: 083882  
FRN : 04867N



Place: Chandigarh  
Date: 09/05/2016

**Annexure '3'** referred to in our Independent Auditor's Report to the members of the **Punjab Logistics Infrastructure Limited**, on the standalone financial statements for the year ended 31st March, 2016.

We have audited the internal controls over financial reporting of **Punjab Logistics Infrastructure Limited** as of March 31, 2016 in conjunction with our audit of the standalone 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 policies and procedures, accounting records and essential components on the internal control over financial reporting criteria as established by the Company and as stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

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



## Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

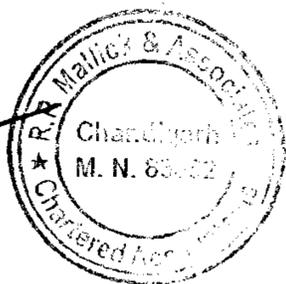
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

### Opinion

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

**For R.P.MALLICK & ASSOCIATES  
CHARTERED ACCOUNTANTS**

  
**R.P. MALLICK**  
**Proprietor**  
**Membership No.: 083882**  
**FRN : 04867N**



**Place: Chandigarh**  
**Date: 09.05.2016**

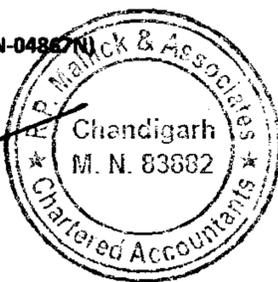
**M/S PUNJAB LOGISTICS INFRASTRUCTURE LIMITED**

**Balance Sheet as at 31st March, 2016**

		Amt in INR	
Particulars	Notes	As at 31st Mar, 2016	As at 31st Mar, 2015
<b>I EQUITY AND LIABILITIES</b>			
<b>1) Shareholder's Funds</b>			
(a) Share Capital	1	1,394,000,000.00	1,270,000,000.00
(b) Reserves and Surplus	2	3,139,012.74	1,289,235.71
		<b>1,397,139,012.74</b>	<b>1,271,289,235.71</b>
<b>2) Share application Money Pending for Allotement</b>		<b>3,098,710.00</b>	-
<b>3) Non-Current Liabilities</b>			
(a) Long -Term Borrowings	3	100,000,000.00	-
(b) Deferred tax Liabilities (net)	4	34,315.00	17,445.00
		<b>100,034,315.00</b>	<b>17,445.00</b>
<b>4) Current Liabilities</b>			
(c) Other Current Liabilities	5	110,351,988.95	1,939,146.85
(d) Short -Term provisions	6	1,342,968.00	897,586.00
		<b>111,694,956.95</b>	<b>2,836,732.85</b>
<b>TOTAL</b>		<b>1,611,966,994.69</b>	<b>1,274,143,413.56</b>
<b>II ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Fixed Assets	7		
(i) Tangible Assets		1,169,828,740.84	1,004,154,790.00
(ii) Intangible Assets		-	-
(ii) Capital Work In Progress		372,267,049.00	20,285,870.00
(iv) Intangible Assets Under Development		-	-
(d) Long-Term loans and Advances	8	89,760.00	1,654,855.00
(e) Other Non-current assets	9	14,385,390.07	11,100,000.00
		<b>1,556,570,939.91</b>	<b>1,037,195,515.00</b>
<b>Current Assets</b>			
(d) Cash and Cash Equivalents	10	29,795,750.40	234,984,247.46
(e) Short-Term Loans and Advances	11	24,535,606.00	774,798.00
(f) Other current Assets	12	1,064,698.38	1,188,853.10
		<b>55,396,054.78</b>	<b>236,947,898.56</b>
<b>TOTAL</b>		<b>1,611,966,994.69</b>	<b>1,274,143,413.56</b>
Significant Accounting policies and the accompanying notes form part of the financial statements	16		

As per our report of even date attached herewith.  
For RP Mallick & Associates  
Chartered Accountants (FRN-048674)

RP Mallick  
Proprietor  
Membership No. 083882



For & on behalf of Board of Directors

Harsuhinder Pal Singh Brar  
Director

Paresh Aggarwal  
Director

Place: Chandigarh

Dated: 09/MAY/2016

Gaurav Soni  
Chief Financial Officer

Sanjay Narwade  
Chief Executive Officer

Kanwaljit Kaur  
Company Secretary

**M/S PUNJAB LOGISTICS INFRASTRUCTURE LIMITED**

**Statement of Profit & Loss for the year ended 31st March, 2016**

Amt in INR

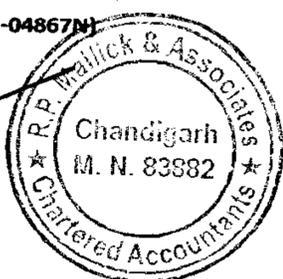
Particulars	Notes	Year Ended 31/03/2016	Year Ended 31/03/2015
<b>I TOTAL REVENUE</b>			
(a) Revenue from Operations		-	-
(b) Other Income (net)	13	6,128,032.19	4,395,713.04
<b>Total Revenue (a+b)</b>		<b>6,128,032.19</b>	<b>4,395,713.04</b>
<b>II TOTAL EXPENSE</b>			
(a) Depreciation and amortization expense	14	112,843.50	29,257.00
(b) Operation and other expenses	15	3,331,692.66	1,962,274.33
<b>Profit before exceptional and extraordinary items and tax</b>		<b>3,444,536.16</b>	<b>1,991,531.33</b>
Exceptional items		-	-
<b>Profit before extraordinary items and tax</b>		<b>2,683,496.03</b>	<b>2,404,181.71</b>
Extraordinary items		-	-
<b>III PROFIT/(LOSS) BEFORE TAX</b>		<b>2,683,496.03</b>	<b>2,404,181.71</b>
<b>IV TAX EXPENSE</b>			
(a) Current Tax		784,415.00	675,741.00
(b) Deferred Tax		16,870.00	17,445.00
(c.) MAT credit entitlement		-	-
<b>V PROFIT FOR THE YEAR</b>		<b>801,285.00</b>	<b>693,186.00</b>
<b>VI Earnings per Equity Share</b>			
: Basic and Diluted		0.01	0.01
Significant Accounting policies and the accompanying notes form part of the financial statements	16		

As per our report of even date attached herewith.

For RP Mallick & Associates

Chartered Accountants (FRN-04867M)

RP Mallick  
Proprietor  
Membership No. 083882



Place: Chandigarh

Dated: 09/MAY/2016

For & on behalf of Board of Directors

Harsuhinder Pal Singh Brar  
Director

Paresh Aggarwal  
Director

Gaurav Soni  
Chief Financial Officer

Sanjay Narwade  
Chief Executive Officer

Kanwaljit Kaur  
Company Secretary

# M/S PUNJAB LOGISTICS INFRASTRUCTURE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31/03/2016

	Amt in INR	
	2015-16	2014-15
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax and Extraordinary Items	2,683,496.03	2,404,181.71
<b>Adjustment for :-</b>		
Depreciation/Amortization	112,843.50	29,257.00
Depreciation of assets written back	(5,485.57)	
Interest & Dividend Income	(6,128,032.19)	(4,395,713.04)
Provision for income Tax	(32,434.00)	
Fixed Assets Written Off	-	
Loss (Net) on Sale of fixed assets	-	
<b>Operating Profit Before Working Capital Changes</b>	<b>(3,369,612.23)</b>	<b>(1,962,274.33)</b>
<b>Adjustment for :-</b>		
Current Asset	(23,637,087.94)	(1,963,651.10)
Non-Current Asset	(1,751,125.07)	(12,754,855.00)
Short Term Loans & Advances	-	
Current Liabilities	107,748,232.61	1,453,270.00
Short Term Provisions	445,382.00	213,885.00
Long Term Liabilities	100,000,000.00	
Cash Generated from Operations	<b>179,435,789.37</b>	<b>(15,013,625.43)</b>
Direct Taxes paid	-	
<b>Net Cash from Operating Activities (A)</b>	<b>179,435,789.37</b>	<b>(15,013,625.43)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(165,797,772.77)	(1,004,184,047.00)
Sale of Fixed Assets	-	
Govt. grant received & utilized for acquisition of fixed assets	-	
Capital Work-in-Progress	(351,981,179.00)	(20,285,870.00)
Intangible assets under development	-	
Purchase of Investment	-	
Interest, Dividend & Other Income	6,128,032.19	4,395,713.04
Advances/loans - Subsidiary	-	
<b>Net Cash used in Investing Activities (B)</b>	<b>(511,650,919.58)</b>	<b>(1,020,074,203.96)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of Equity Share	124,000,000.00	1,269,000,000.00
Share Application Money	3,098,710.00	
<b>Net Cash from Financing Activities (C)</b>	<b>127,098,710.00</b>	<b>1,269,000,000.00</b>
<b>Net Change in Cash &amp; Bank Balances (A+B+C)</b>	<b>(205,116,420.21)</b>	<b>233,912,170.61</b>
OPENING BALANCE OF CASH & BANK BALANCES	234,912,170.61	1,000,000.00
CLOSING BALANCE OF CASH & BANK BALANCES	29,795,750.40	234,912,170.61
<b>NOTES:</b>		
Cash and Bank Balances included in the cash flow statement comprise the following:		
	2015-16	2014-15
<b>CASH AND BANK BALANCES</b>		
<b>Cash &amp; Cash Equivalents</b>		
Cash on Hand (Including Imprest)		
Cheques in hand	37,931.68	130,331.00
<b>Bank Balances</b>		
- in Current Accounts		
- in Deposits with original maturity upto 3 months	22,577,947.98	50,046,907.01
<b>Other Bank Balances</b>	7,079,870.74	184,734,932.60
<b>Bank Deposits</b>		
- With original maturity of more than 3 months and upto 12 months		
- With original maturity of more than 12 months		
<b>Earmarked Bank Balances</b>		
- Unpaid dividend bank account		
<b>Bank Balances held as margin money or as security against:</b>		
- Guarantees	100,000.00	
- Letters of Credit		
	<b>29,795,750.40</b>	<b>234,912,170.61</b>

As per our report of even date attached herewith.

For RP Mallick & Associates

Chartered Accountants (FRN-048677)

RP Mallick

Proprietor

Membership No. 083882

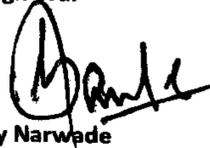
Place: Chandigarh

Dated 09/MAY/2016



For & on behalf of Board of Directors

  
**Harsuhinder Pal Singh Brar**  
 Director

  
**Sanjay Narwade**  
 Chief Executive Officer

  
**Karwaljit Kaur**  
 Company Secretary

  
**Anurag**  
 Chief Financial Officer

**NOTE: 1.SHARE CAPITAL**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
<b>a )Authorized share capital</b> (15,00,00,000 Equity share @ Rs10/- per share)	1,500,000,000.00	1,500,000,000.00
	<b>1,500,000,000.00</b>	<b>1,500,000,000.00</b>
<b>b)Issued, Subscribed &amp; Paid-up share capital</b> (139400000 fully paid up Equity Shares @ Rs10/- per share)	1,394,000,000.00	1,270,000,000.00
	<b>1,394,000,000.00</b>	<b>1,270,000,000.00</b>
<b>c) Reconciliation of Shares :-</b>		
Opening Balance	127,000,000.00	100,000.00
Issued During the Year	12,400,000.00	126,900,000.00
Closing Balance	<b>139,400,000.00</b>	<b>127,000,000.00</b>
<b>d) Detail of numbers of shareholder holding more than 5%</b>		
- CONCOR 51%	71,094,000.00	64,770,000.00
- CONWARE 49%	68,306,000.00	62,230,000.00
<b>e) Share in respect of each class in the company, held by its Holding Company including shares held by Subsidiaries or Associates of the Holding Company:</b>		
- CONCOR 51%	7,109,400.00	6,477,000.00
- CONWARE 49%	6,830,600.00	6,223,000.00

**f) Voting and rights associated with shares issued**

i)The company has only one class of share i.e equity shares of Rs10/- each. Share holders are entitled to vote in coordance with their shareholding in the company and receive dividend as and when declared by the company.

ii) In the event of liquidation of the company , the share holders of equity shares will be entitled to receive remaining assets of the company , after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

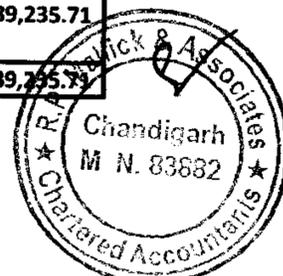
**g) No Share out of the paid up capital allotted otherwise than being payment received in cash or by way of bonus shares**

**2) Share application Money Pending for Allotment**

	2015-16	2014-15
-CONCOR	3,060,000.00	-
-CONWARE	38,710.00	-
	<b>3,098,710.00</b>	-

**NOTE: 2. RESERVES & SURPLUS**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
<b>(a) Capital Reserve</b>		
(i) Opening Balance	-	-
(ii) Additions/(Deduction) during the year	-	-
(iii) Closing Balance	-	-
<b>(b) Capital Redemption Reserve</b>	-	-
<b>(c) Securities Premium Reserve</b>	-	-
<b>(d) Debenture Redemption Reserve</b>	-	-
<b>(e) Revaluation Reserve</b>	-	-
<b>(f) Share Options Outstanding Account</b>	-	-
<b>(g)General Reserve</b>		
(i) Opening Balance	-	-
(ii) Additions/(Deduction) during the year	-	-
(iii) Closing Balance	-	-
<b>(h) Surplus in statement of profit and loss</b>		
(i) Opening Balance	1,289,235.71	(421,760.00)
Less: Income Tax for FY 2014-15	(32,434.00)	-
(ii) Add: Profit for the year	1,882,211.03	1,710,995.71
Less: Appropriations	-	-
(a) Interim dividends on equity shares	-	-
(b) Proposed final dividend on equity share	-	-
(c.) Tax on dividend	-	-
(d) Transfer to:	-	-
General reserve	-	-
Capital Redemption Reserve	-	-
(iii) Closing Balance	<b>3,139,012.74</b>	<b>1,289,235.71</b>
<b>TOTAL (a+b+c+d+e+f+g+h)</b>	<b>3,139,012.74</b>	<b>1,289,235.71</b>



**NOTE : 3. LONG TERM BORROWING**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
a) Bond & Debenture	-	-
b) Term Loan	-	-
- From HDFC Bank Ltd	100,000,000.00	-
- From Other Parties	-	-
c) Deferred Payment Liabilities(Net)	-	-
d) Deposit	-	-
e) Loan & Advances from related parties	-	-
f) Long term maturities of finance lease obligations	-	-
g) Other loans and advances.	-	-
<b>TOTAL</b>	<b>100,000,000.00</b>	<b>-</b>

1. Term Loan Secured HDFC Bank Ltd.
2. Secured against first charge by way of mortgage on all present and future fixed assets of the project. Hypothecation of all current and movable fixed assets of the project.
3. Interest Rate: HDFC Bank Base Rate i.e. Current Rate 9.70% p.a. payable monthly at the time of sanctioning of loan
4. Repayment: 15 years repayable in 44 equal quarterly instalments over a period of 11 years with a moratorium period of 4 years.

**NOTE : 4. DEFERRED TAX (LIABILITIES NET)**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
a) Deferred Tax Liability		
-Difference between book and Tax depreciation	34,315.00	17,445.00
b) Deferred Tax Assets	-	-
<b>Net Deffered tax Liability (a-b)</b>	<b>34,315.00</b>	<b>17,445.00</b>

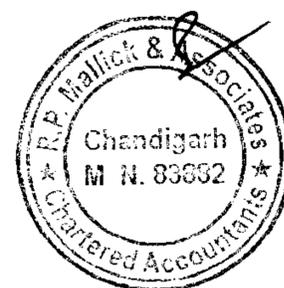


**NOTE: 5. OTHER CURRENT LIABILITIES**

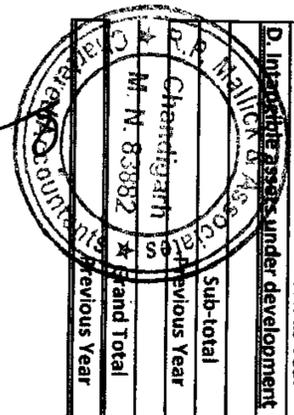
Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
(a) Current maturities of long-term debt;	-	-
(b) Current maturities of finance lease obligations;	-	-
(c) Interest accrued but not due on borrowings;	560,547.95	-
(d) Interest accrued and due on borrowings;	-	-
(e) Income received in advance;	-	-
(f) Unpaid dividends;	-	-
(g) Application money received for allotment of securities	-	-
(h) Unpaid matured deposits and interest accrued thereon;	-	-
(i) Unpaid matured debentures and interest accrued thereon;	-	-
(j) Other payables (specify nature).		
- Advance/Security Deposits payable-Contractual staff	-	66,100.00
- Security Deposit Of Contractors	17,298,642.00	-
- Statutory Liabilities	12,010,718.00	125,245.00
- Bank Over draft in current accounts with Banks unsecured repayable on demand	-	72,076.85
- Due to related parties/holding co.	-	542,146.00
- Payable to creditor's liabilities against Capital works/supplies	80,288,983.00	647,872.00
- Other Expenses Payable	193,098.00	485,707.00
<b>TOTAL</b>	<b>110,351,988.95</b>	<b>1,939,146.85</b>

**NOTE: 6. SHORT TERM PROVISION**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
a) Provision for Employee Benefit	-	-
b) Other		
-Provision for Income Tax	784,415.00	675,741.00
-Provision for Expenses payable	558,553.00	221,845.00
<b>TOTAL</b>	<b>1,342,968.00</b>	<b>897,586.00</b>



Description	Opening Balance	Additions during the year	Gross Block			Depreciation/Amortization							Net Block As at 31.3.2016	Net Block As at 31.3.2015
			Sale/Adj. during the year	Inter Unit Adj. during the year	As at 31.3.2016	Opening Balance	For the year	Sale/Adj. during the year	On Inter Unit Adjustmen ts	As at 31.3.2016				
	3	4	5	6.00	7	8	9	10	11	12	13	13		
<b>A. Tangible Assets</b>														
<b>1. Land</b>														
-Owned	1,003,947,650.00	165,267,827.00	-	-	1,169,215,477.00	-	-	-	-	-	-	1,169,215,477.00	1,003,947,650.00	
-Leased	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>2. Buildings</b>														
-Owned	-	-	-	-	-	-	-	-	-	-	-	-	-	
-Leased	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>3. Plant &amp; Equipment</b>														
-Plant & Machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	
-Containers	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>4. Furniture &amp; Fixture</b>														
-Electrical Fittings	-	-	-	-	-	-	-	-	-	-	-	-	-	
-Furniture & Fixtures	44,052.00	254,760.77	-	-	298,812.77	1,623.00	11,969.98	-	-	13,592.98	285,219.79	42,429.00		
<b>5. Vehicles</b>														
<b>6. Office Equipments</b>														
-Computer System	155,586.00	196,122.00	16,464.00	-	335,244.00	25,357.00	84,113.91	5,485.57	-	103,985.34	231,258.66	130,229.00		
-Air Conditioner	36,759.00	79,063.00	-	-	115,822.00	2,277.00	16,759.61	-	-	19,036.61	96,785.39	34,482.00		
<b>7. Others</b>														
-Railway Siding	-	-	-	-	-	-	-	-	-	-	-	-	-	
-Capital Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Sub-total</b>	<b>1,004,184,047.00</b>	<b>165,797,772.77</b>	<b>16,464.00</b>	<b>-</b>	<b>1,169,965,355.77</b>	<b>29,257.00</b>	<b>112,843.50</b>	<b>5,485.57</b>	<b>-</b>	<b>136,614.93</b>	<b>1,169,828,740.84</b>	<b>1,004,154,790.00</b>		
<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,004,184,047.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,004,154,790.00</b>	<b>-</b>		
<b>B. Intangible Assets</b>														
<b>1. Software</b>														
<b>2. PFT Registration Charges</b>														
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>C. Capital work-in-progress</b>														
<b>1. CWIP-ELECTRIFICATION</b>														
2. CWIP-Project Expenses	10,000.00	-	-	-	10,000.00	-	-	-	-	-	-	10,000.00	10,000.00	
3. CWIP-PCM FEE	10,329,375	1,033,600.00	-	-	11,362,975.00	-	-	-	-	-	-	11,362,975.00	10,329,375.00	
4. CWIP-Professional Services -Contractual staff	7,977,560	15,982,175.00	-	-	23,959,735.00	-	-	-	-	-	-	23,959,735.00	7,977,560.00	
5. CWIP-Professional Services -Contractual staff	532,280	1,363,744.00	-	-	1,896,024.00	-	-	-	-	-	-	1,896,024.00	532,280.00	
6. CWIP-Professional Services -Secondment from CONCOR	1,436,655	4,088,316.00	-	-	5,524,971.00	-	-	-	-	-	-	5,524,971.00	1,436,655.00	
7. CWIP-Railway Track Siding	-	155,863,539.00	-	-	155,863,539.00	-	-	-	-	-	-	155,863,539.00	-	
8. CWIP-Boundary Wall	-	95,872,511.00	-	-	95,872,511.00	-	-	-	-	-	-	95,872,511.00	-	
9. CWIP-CC Block Pavement etc	-	77,777,294.00	-	-	77,777,294.00	-	-	-	-	-	-	77,777,294.00	-	
<b>Sub-total</b>	<b>20,285,870</b>	<b>351,981,179.00</b>	<b>-</b>	<b>-</b>	<b>372,267,049.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>372,267,049.00</b>	<b>20,285,870.00</b>		
<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,285,870.00</b>	<b>-</b>		
<b>D. Intangible assets under development</b>														
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Grand Total</b>														
<b>Sub-total</b>	<b>1,024,469,917.00</b>	<b>517,778,951.77</b>	<b>16,464.00</b>	<b>-</b>	<b>1,542,232,404.77</b>	<b>29,257.00</b>	<b>112,843.50</b>	<b>5,485.57</b>	<b>-</b>	<b>136,614.93</b>	<b>1,542,095,789.84</b>	<b>1,024,440,660.00</b>		
<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,024,469,917.00</b>	<b>-</b>	<b>29,257.00</b>	<b>-</b>	<b>-</b>	<b>29,257.00</b>	<b>104,440,660.00</b>	<b>1,024,440,660.00</b>		



**NOTE:8. LONG TERM LOAN AND INVESTMENTS**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
<b>a) CAPITAL ADVANCES</b>		
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Doubtful	-	-
<b>b) SECURITY DEPOSITS</b>		
- Govt. Authorities (considered good)	1,000.00	-
- Others	54,000.00	54,000.00
-Considered good	-	-
-Considered doubtful	-	-
Less: Allowance for bad and doubtful deposits	-	-
<b>c) LOANS AND ADVANCES TO REALTED PARTIES</b>	-	-
<b>d) OTHER LOANS AND ADVANCES</b>		
Loans to Employees (Secured, considered good)	-	-
Loans to Directors (Secured, considered good)	-	-
Other advances recoverable in cash or in kind or for value to be received:		
-Considered good	34,760.00	1,600,855.00
-Considered doubtful	-	-
Less: Allowance for bad and doubtful advances	-	-
<b>Total</b>	<b>89,760.00</b>	<b>1,654,855.00</b>

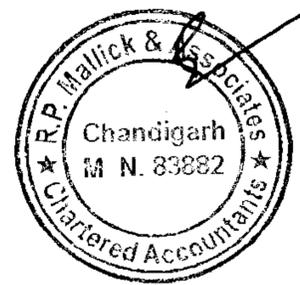
**NOTE: 9. OTHER NON CURRENT ASSETS**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
<b>a) Long Term Trade Receivable</b>		
-Secured	-	-
-Un Secured	-	-
-Doubtfull	-	-
<b>b)Others</b>		
<b>i) Expenditure to the extent not written off during the year</b>		
-Preliminary Expenses	-	-
-Preoperative Expenditure pending Capitalisation ( <b>NOTE 9A</b> )	14,385,390.07	11,100,000.00
<b>Total</b>	<b>14,385,390.07</b>	<b>11,100,000.00</b>



## NOTE 9A : PREOPERATIVE EXPENSES PENDING CAPITALISATION

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
- Opening Balance	11,100,000.00	-
a) Fees for increasing Share Capital	-	11,100,000.00
b) Travelling Expenses	519,643.00	-
c) Security Expenses	1,160,735.53	-
d) Office Rent at Project Site	228,600.00	-
e) Processing and Survey Charges for Electricity Connection	41,500.00	-
f) Taxi Hire Charges	674,363.59	-
g) Interest amount on Term Loan	560,547.95	-
h) Preliminary Expenses	100,000.00	-
<b>Total</b>	<b>14,385,390.07</b>	<b>11,100,000.00</b>



**NOTE: 10. CASH AND CASH EQUIVALENTS**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
(i) Cash in hand (including Imprest)	37,931.68	130,331.00
(ii) Balance with Banks	-	-
-In current Account	22,577,947.98	50,118,983.86
-In Deposits with original maturity upto 3 months	7,079,870.74	184,734,932.60
* -As a margin money and Security against borrowing, guarantee etc	100,000.00	-
(iii) Other Bank Balances	-	-
-Bank Deposits	-	-
- With original maturity of more than 3 months and upto 12 months	-	-
- With original maturity of more than 12 months	-	-
<b>TOTAL</b>	<b>29,795,750.40</b>	<b>234,984,247.46</b>

**NOTE: 11. SHORT TERM LOANS AND ADVANCES**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
a) Short Term Loan & Advances to related parties-	-	-
i) Secured	-	-
ii) Unsecured Considered Good	-	-
-CONCOR	11,400.00	-
-CONWARE	-	50,000.00
iii) Doubtful	-	-
b) Other	-	-
i) Secured	-	-
ii) Unsecured Considered Good	-	-
- Advance to Contractor/Supplier	24,524,206.00	724,798.00
- Advance to Employee	-	-
- Advance to others	-	-
iii) Doubtful	-	-
<b>TOTAL</b>	<b>24,535,606.00</b>	<b>774,798.00</b>

**NOTE: 12. OTHER CURRENT ASSETS**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
(a) Unbilled revenue	-	-
(b) Unamortized expenses	-	-
(c.) Accruals	-	-
- Interest accrued on deposits	-	-
- Interest accrued on investments	-	-
- Interest accrued on trade receivables	-	-
(d) Others	-	-
- Advance Income Tax	449,240.00	287,500.00
- Cenvet Credit	-	-
- Tax Deducted at Source	607,831.62	441,463.00
- Bank Intt. Receivable-Fixed Deposits	7,521.76	459,890.10
- Prepaid Expenses	105.00	-
<b>TOTAL</b>	<b>1,064,698.38</b>	<b>1,188,853.10</b>

\* FDR of Rs. 1,00,000/- not freely available as the same has been given to Sale Tax Department



**NOTE: 13. OTHER INCOME (NET)**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
(a) Interest Received on FDR	6,027,458.99	4,395,713.04
(b) Dividend Income	-	-
(c) Net Gain/Loss on Investment	-	-
(d) Other Non Operating Income	416.20	-
(e) Prior Period Inome (FDR Interest and others)	100,157.00	-
(f) Net gain on foreign currency transaction	-	-
<b>TOTAL</b>	<b>6,128,032.19</b>	<b>4,395,713.04</b>



**NOTE: 14. DEPRICIATION AND AMORISATION EXPENSES**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
a) Depreciaton on Fixed Assets	112,843.50	29,257.00
b) Other Amortization	-	-
<b>TOTAL</b>	<b>112,843.50</b>	<b>29,257.00</b>

**NOTE: 15. OPERATIONS AND OTHER EXPENSES**

Particulars	Amt in INR	
	As at 31st Mar, 2016	As at 31st Mar, 2015
Audit Remunerations:-	90,000.00	108,454.00
-Statutory Audit Rs 55,000/-		
- Internal Auditor Rs14,000/-		
- Company Law compliance Audit Rs21,000/-		
Bank Charges	15,387.93	1,768.03
Board Meeting Expenses	45,538.40	42,332.00
Business Promotion	33,139.00	49,869.00
Horticulture & Conservancy Expenses	118,611.00	41,066.00
Rate, Fees & Taxes	-	177,835.00
Electricity & Water Charges	27,522.00	4,000.00
Office & Misc. Expenditure	44,230.98	35,720.30
Office Welfare Expenses	30,746.00	25,062.00
Office Rent	190,189.00	144,000.00
Postage & Courier	20,469.02	11,368.00
Printing & Stationery	91,565.75	71,172.00
Prior Period Expenditure	3,046.00	65,450.00
Professional & Consultancy Charges	1,556,257.00	385,080.00
Recruitment Expenses	110,338.00	110,703.00
Rates and Taxes	1,200.00	-
Repair & Maintenance-Others	620.00	8,086.00
ROC Fee	21,800.00	20,170.00
Security , Watch & Ward Expenses	-	363,479.00
Software Expenses	3,600.00	18,000.00
Taxi Hiring Charges	-	133,614.00
Telephone & Internet Expenses	52,530.38	28,965.00
Travelling Expenses	503,095.20	116,081.00
Travelling Expenses_Directors	132,724.00	-
Honrarium Charges	60,000.00	-
Insurance Charges	4,683.00	-
Sitting Fees of Director	159,900.00	-
Rates and Taxes	3,500.00	-
Legal Expenses	11,000.00	-
<b>TOTAL</b>	<b>3,331,692.66</b>	<b>1,962,274.33</b>



## 16. Notes to the financial statements for the year ended March 31, 2016

### 1 Corporate Information

Punjab Logistics Infrastructure Limited (the Company) is a public limited company domiciled and headquartered in India and incorporated under the provision of Companies Act, 1956. The Company is a Government of India Company by virtue of the fact that 51% of its shareholding is held by Container Corporation of India Limited (A Navratan Company) and the balance 49% of the shares are held by The Punjab State Container & Warehousing Corporation Limited (A Punjab Government Enterprise). The Company is engaged in the setting of a Multi Modal Logistics Park in District Ludhiana, Punjab. The company has acquired land measuring 133.04 acres (approx.). The total notified area was 150.69 acres for Dry port project at Ludhiana district near Kila Raipur.

### 2 Summary of significant accounting policies

#### (i) Basis of preparation

The financial statements of the Company have been prepared to comply in all material respects with the prescribed Accounting Standards under section 133 of the Companies Act, 2013 (the Act) read with rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act to the extent notified. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

#### (ii) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes different from the estimates. Difference between the actual results & estimates are recognised in the period in which the results are known/materialised.

#### (iii) Tangible Fixed assets

- a) Fixed assets are stated at cost of acquisition less accumulated depreciation / amortisation and impairment losses if any.

#### (iv) Depreciation on tangible fixed assets

- a) Depreciation on fixed assets is provided using the straight-line method based on the useful lives of the assets as per company Act 2013.

Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed off.

#### (v) Intangible Assets and Amortisation

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses if any. Intangible assets are amortised over their estimated useful economic life as follows:

- a) Computer Software cost is amortised over a period of three years using straight-line method. If the value of the Software is less than 1,00,000/- then it is written Off as revenue expenditure in the year of purchase.

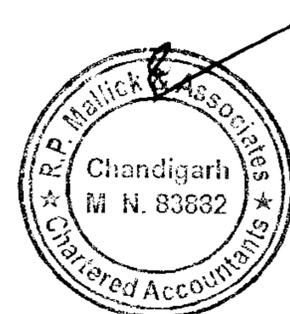
#### (vi) Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

#### (vii) Borrowing Costs

Borrowing costs directly attributable to the acquisition and construction of an asset which takes a substantial period of time to get ready for its intended use, are capitalised as a part of the cost of such assets, until such time the asset is substantially ready for its intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period they occur.

Borrowing costs consist of interest and other costs incurred in connection with borrowing of funds.



**(viii) Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Current investments are carried at the lower of cost and fair value.

**(ix) Inventories**

Being a service industry, major inventories like raw material, work in progress and Finished Goods are not involved. However, in case of other inventories, like stores & spare parts, these are to be valued after providing for obsolescence, at "Lower of cost and net realizable value"

**(x) Cash and Cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, demand deposits with banks and other short-term highly liquid investments with an original maturity of three months or less.

**(xi) Revenue recognition**

**Sale of goods**

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are disclosed net of sales tax / VAT, trade discounts, returns and Excise duty, as applicable.

**Income from services**

Revenue from services provided by the company is recognized on accrual basis provided there is no significant uncertainty exist regarding the amount of consideration.

**Interest and Dividend Income**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when the Company's right to receive dividend is established.

**(xii) Accounting of Claims**

- a) Claims receivable are accounted at the time when such income has been earned by the Company depending on the certainty of receipts. Claims payable are accounted at the time of acceptance.
- b) Claims raised by Government Authorities regarding taxes and duties, which are disputed by the Company, are accounted based on the merits of each claim.

**(xiii) Government Grants and Subsidies**

- a) Government Grants and subsidies are recognized when there is reasonable assurance that the conditions attached to them will be complied, and grant/subsidy will be received.
- b) Government grants and subsidies receivable against an expense are deducted from such expense and subsidy/grant receivable against a specific fixed asset is deducted from cost of the relevant fixed asset.
- c) Government grants of the nature of promoters' contribution are credited to Capital Reserve and treated as a part of shareholders' funds.

**(xiv) Operating Lease**

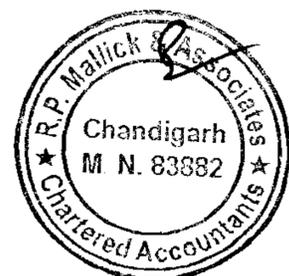
Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term. Lease income from operating leases is recognised as income over the lease term.

**(xv) Research and development**

Expenditure on Research phase is recognised as an expense when it is incurred. Expenditure on development phase which results in creation of assets is included in Fixed Assets.

**(xvi) Foreign currency transactions**

Foreign currency transactions during the year are recorded at rates of exchange prevailing on the date of the transaction. Foreign currency denominated assets and liabilities are translated into rupees at the rates of exchange prevailing on the date of the balance sheet. All exchange differences are dealt with in the statement of profit and loss. In respect of transactions covered by forward exchange contracts, the difference between the contract rate and the spot rate on the date of the transaction is charged to the statement of profit and loss over the period of the contract.



**(xvii) Employee benefits**

There are no regular employees with the company. The staff are either taken on deputation/secondment from Parent Companies or are hired on contract basis. As such there is no Statutory Liabilities on account of Gratuity/ Leave Encashment/ P.F. & Family pension.

**(xviii) Income taxes**

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

Deferred income taxes reflect the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are to be recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are to be reviewed at each Balance Sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

**(xix) Provisions and contingent liabilities**

A provision is recognized when the Company has a present obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date.

Contingent Liabilities are disclosed unless the possibility of outflow of resources is remote. Contingent Assets are neither recognised nor disclosed in the financial statements.

Contingent liabilities not provided for :-

<b>a) Claims not acknowledged by the Company</b>	<b>2015-16</b>	<b>2014-15</b>
Disputed Tax Demands	Nil	Nil
Claims by suppliers	Nil	Nil
Claims by labour	Nil	Nil
Others	Nil	Nil

There is not any direct court case litigation against the company.

**(xx) Provision for Doubtful Trade Receivable /Advances /Deposit :-**

Provision for Doubtful Trade Receivable /Advances /Deposit is made when there is uncertainty of realisation irrespective of the period of its dues.

**(xxi) Earnings per share**

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

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

**(xxii) Current / Non Current**

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities.

**(xxiii) Segment Reporting**

At present the company is intended to deal in only one segment and hence the segment reporting norms in terms of Accounting Standard 17 are not applicable

**(xxiv) Capital Expenditure**

Direct capital expenditure overheads incurred during the year which could have been attributed for creation/aquirement of Assets are being reflected as capital work-in-progress whereas, all other non-capital expenditure are reflected as project expenses pending capitalisation which would be capitalised, allocated and apportioned to Fixed Assets as and when the commercial operations takes place. Other indirect expenditure has been reflected in the Statement of Profit & Loss under the head Operation & Other expenses.



### 3 Related Party Disclosure :- As per Accounting Standard-18

#### i) List of Related Party and Relationship with Reported Entity

##### Names of other Related parties

##### 1) Names of the Related parties where control exists:

- a) Container Corporation of India Limited-Holding Company
- b) Punjab State Container & Warehousing Corporation Limited-Joint Venture Associate

##### 2) Others - With whom transactions have been taken place during the year

- a) NIL

##### 3) Key Management Personnel:

- a) Sh. Arvind Singh Bains, IAS
- b) Dr. P. Alli Rani
- c) Sh. Harsuhinder Pal Singh Brar, PCS
- d) Sh. Pares Agarwal
- e) Sh. Sanjay Narwade
- f) Sh. Gaurav Soni
- g) Smt. Kanwaljit Kaur

##### 4) Relative of Key Management Personnel :-

- a) NIL

#### ii) Related Party Transactions

##### 1) Transactions with Subsidiary Companies

##### 2) Transactions with Associate Companies :-

##### a) Receiving of Services

Container Corporation of India Limited  
Punjab State Container and Warehousing Corporation Limited (CONWARE)

##### b) Outstanding balance at the end of year

Container Corporation of India Limited (CONCOR)  
Punjab State Container and Warehousing Corporation Limited (CONWARE)

##### c) Details of Transaction with Key Management Personnel

Remuneration to CEO  
Remuneration to CFO  
Remuneration to CS

##### d) Numbers of Share issued

Container Corporation of India Limited (CONCOR) @ 10/share  
Punjab State Container and Warehousing Corporation Limited (CONWARE) @ 10/share

#### 4 Capital & other Commitment :-

Estimated Amount of Contracts and land aquisition remaining to be executed on Capital Account (net of advances) and not provided for

##### Nature of Relationship

Promoter Company  
Promoter Company

Director  
Director  
Director  
Director  
Chief Executive Officer  
Chief Financial Officer  
Company Secretary

##### 2015-16

Nil

4,375,811.00  
Nil

Rs.11400/- Dr.

Rs.17,54,483/-  
Rs.4,49,032/-  
Rs. 3,95,161/-

71,094,000.00  
68,306,000.00

##### 2014-15

Nil

Rs.14,36,655/-  
Nil

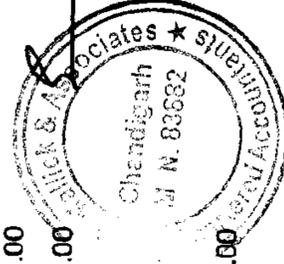
Rs.5,42,146/- Cr.  
Rs.50,000/- Dr.

-  
-  
Rs.48,000/-

64,770,000.00  
62,230,000.00

1,158,589,483.11

455,332,930.00



In the opinion of the management of the company there is no "Other Commitments" that warrant disclosure in the financial statements.

**5 Prior period expenditure :-**

Prior Period Items	2015-16	2014-15
Telephone and Internet Expenses (2014-15)	3,046.00	Nil
Professional Fees	-	9,270.00
Statutory Audit Fees	-	56,180.00
	<u>3,046.00</u>	<u>65,450.00</u>

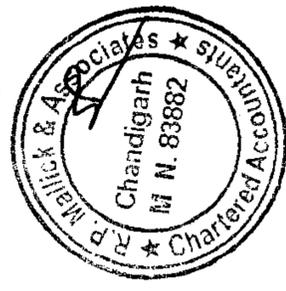
- 6** Parties and certain others liability balances outstanding at the year end are subject to confirmation, reconciliation if any.
- 7** In the opinion of management, the current assets, loans and advances shall have a value on realisation in the ordinary course of business at least equal to the amount on which they are stated in the balance sheet.
- 8** The company has adopted AS22, by providing additional deferred Tax liability Rs16870/- on account of difference in depreciation under Companies Act, 2013 and Income tax Act, 1961.
- 9** The previous year figure are regrouped, rearranged or recast, where ever considered necessary.
- 10** Share Application money of Rs 30,98,710.00/- outstanding as on 31.03.2016 was converted into share capital on 07.04.2016.
- 11** For removal of hindrance in finishing the boundary wall work, the land measuring 1.03 acres (non notified land) has been acquired during this financial year.
- 12** The company had been sanctioned a term loan of Rs 150.00 crores by HDFC Bank Ltd. for a capital outlay of Rs 280.00 crores for funding the Multi Modal Logistics Park being set up in District Ludhiana vide their Sanction letter dated 31.07.2015. The Bank had released part disbursement of Rs 10.00 crores against the sanctioned loan. The equitable mortgage has not been done till date. The management had given consent to the bankers to peg the loan amount to Rs 65.00 crores instead of Rs. 150.00 crores.

**13 Auditors' Remuneration**

Audit Remunerations:-	2015-16	2014-15
-Statutory Audit	55,000.00	50,000.00
-Internal Audit	14,000.00	23,596.00
-Company Law Compliance Audit	21,000.00	20,000.00
-Audit Expenses	-	14,858.00
	<u>90,000.00</u>	<u>108,454.00</u>

**14 Other Additional Information**

(a) Value of Imports CIF value	2015-16	2014-15
Raw Materials	Nil	Nil
Component & Spare parts	Nil	Nil
Capital Goods	Nil	Nil

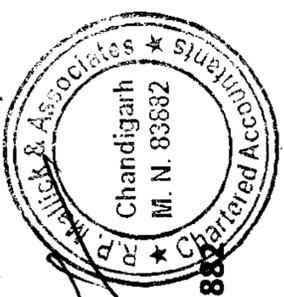


(b) Expenditure in Foreign Currency	Nil	Nil
(c) Total Value of all the Imported Raw Material, Spare Parts & Components consumed during the year & total value of all indigenous raw material, spare parts & components consumed & percentage of each to the total consumption	Nil	Nil
(d) Amount remitted in foreign currencies on account of dividends	Nil	Nil
(e) Earnings in Foreign Exchange	Nil	Nil
(i) Export of goods FOB value	Nil	Nil
(ii) Royalty, Know How, Professional & Consultation Fees	Nil	Nil
(iii) Interest & Dividends	Nil	Nil
(iv) Other Income	Nil	Nil

As per our report of even date attached herewith.

For RP Mallick & Associates

Chartered Accountants (FRN-04867N)



*RP Mallick*  
**RP Mallick**  
**Proprietor**  
**Membership No. 083882**

Place: Chandigarh

Dated: 09/MAY/2016

For & on behalf of Board of Directors

*Harsiminder Pal Singh Brar*  
**Harsiminder Pal Singh Brar**  
**Director**

*Paresh Aggarwal*  
**Paresh Aggarwal**  
**Director**

*Sanjay Narwade*  
**Sanjay Narwade**  
**Chief Executive Officer**

*Gagan Soni*  
**Gagan Soni**  
**Chief Financial Officer**

*Kanwaljit Kaur*  
**Kanwaljit Kaur**  
**Company Secretary**