

Independent Auditor's Report To the Members of KPL Logistics Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **KPL Logistics Limited**, ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and Cash Flow Statement, for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit for the year ended on that date; and

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our Knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014(as amended).
 - e. On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014(as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations in its financial statements;
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education & Protection Fund by the company.

Place: Noida (Delhi NCR)

Date: 20.06.2018



For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

B.L. Choraria
Partner

Membership No. 022973

Annexure – A to the Auditors' Report

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

Re: KPL Logistics Limited

- (i) The company has no fixed assets; hence clause with respect to fixed assets is not applicable.
- (ii) The company has no inventory; hence clause with respect to inventory is not applicable.
- (iii) 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, therefore provisions of this clause are not applicable to the company.
- (iv) According to the information and explanation given to us, the Company has not given any loans, made investments, given guarantee or securities during the year under the provisions of section 185 and 186 of the Companies Act 2013, therefore provision of this clause is not applicable to the company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and hence provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder with regard to the deposits accepted from the public are not applicable to the company.
- (vi) There is no production; hence the clause relating to the maintenance of cost records under section 148 (1) of the Companies Act, 2013 is not applicable to the company.
- (vii) a. According to the records of the Company, the Company is regular in depositing material undisputed statutory dues including provident fund, employee state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
b. According to the records of the Company, there are no dues outstanding of sales tax, income tax, service tax, custom duty, wealth tax, excise duty and cess on account of any dispute.
- (viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has no dues to financial institutions and banks. We have been informed that the Company has not issued any debenture during the year.



Singhi & Co.

Chartered Accountants

- (ix) To the best of our knowledge and belief and according to the information and explanations given to us, No term loan is taken by the company. The company has not raised any money by way of public issue/follows- on offer.
- (x) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers/employees, has been noticed or reported during the year.
- (xi) Based on our examination of the books and record of the company and according to the information and explanations given to us, provisions of sections of section 197 read with schedule V to the Companies Act, 2013 in respect of managerial remuneration is not applicable.
- (xii) The Company is not a Nidhi Company, therefore provisions of this clause are not applicable to the company.
- (xiii) Based on our examination of the books and records of the Company, there is no transactions with related parties so provisions of sections 177 and 188 of the Companies Act,2013 were not applicable to the company.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, therefore provisions of this clause are not applicable to the company.
- (xv) To the best of our knowledge and belief and according to the information and explanations given to us, the company hasn't entered into any non-cash transactions with directors or persons connected with him, therefore provisions of this clause are not applicable to the company.
- (xvi) Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, therefore provisions of this clause are not applicable to the company.



Place: Noida (Delhi NCR)
Date: 20.06.2018

For **SINGHI & CO.**
Chartered Accountants
Firm Registration No. 302049E

A handwritten signature in blue ink, appearing to read 'B.L. Choraria'.

B.L. Choraria
Partner

Membership No. 022973

Annexure – B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of KPL Logistics Limited ("the Company") as of 31st March, 2018 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Noida (Delhi NCR)
Date: 20.06.2018



For **SINGHI & CO.**
Chartered Accountants
Firm Registration No. 302049E

B.L. Choraria
Partner

Membership No. 022973

KPL LOGISTICS LTD
BALANCE SHEET As At 31st MARCH 2018

Particulars	Note No.	As at 31.03.2018 (Rs.)	As at 31.03.2017 (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	500,000	500,000
(b) Reserves & Surplus	3	298,841	124,455
		<u>798,841</u>	<u>624,455</u>
(2) Current Liabilities			
(a) Other Current Liabilities	4	10,619	10,350
(b) Short-term Provisions	5	41,052	3,217
		<u>51,671</u>	<u>13,567</u>
Total		<u>850,512</u>	<u>638,022</u>
II. ASSETS			
(1) Non-current Assets			
Non-Current Investments	6	1	580,971
		<u>1</u>	<u>580,971</u>
(2) Current Assets			
(a) Cash and Cash Equivalents	7	838,043	57,051
(b) Short Term Loans & Advances	8	1,292	-
(b) Other Current Assets	9	11,176	-
		<u>850,511</u>	<u>57,051</u>
Total		<u>850,512</u>	<u>638,022</u>
Significant Accounting policies	1		
Others Notes to Accounts	12		

The accompanying notes are an integral part of the Financial Statements

This is the Balance Sheet referred to in our report of even date

For and on behalf of the Board,

For SINGHI & CO.
Chartered Accountants
Firm Reg No. 302049E



B.L. Choraria, Partner
Membership No. 022973



M.L. Agarwal
Director
DIN NO. 00041375



Surinder Kumar Kak
Director
DIN NO. 00044521

Place: Noida (NCR)
Dated: 20.06.2018



KPL LOGISTICS LTD
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2018

Particulars	Note No.	For the year ended 31.03.2018	For the year ended 31.03.2017
		(Rs.)	(Rs.)
I. Revenue from Operations			
Revenue from Operations (net)		-	-
II. Other Income	10	237,560	31,981
III. Total Revenue(I+II)		<u>237,560</u>	<u>31,981</u>
IV. Expenses:			
Finance Costs (Bank Charges)		1,173	373
Other Expenses	11	20,949	14,726
Total Expenses		<u>22,122</u>	<u>15,099</u>
V. Profit before Tax (III-IV)		<u>215,438</u>	<u>16,882</u>
VI. Tax Expense			
Current Tax		41,052	3,217
		<u>41,052</u>	<u>3,217</u>
VII. Profit after Tax for the year (V-VI)		<u>174,386</u>	<u>13,665</u>

Earning per Equity Share (of Rs 10/- each)

1) Basic	3.49	0.27
2) Diluted	3.49	0.27

Significant Accounting policies

1

Others Notes to Accounts

12

The accompanying notes are an integral part of the Financial Statements

This is the Statement of Profit and Loss referred to in our report of even date

For and on behalf of the Board,

For SINGHI & CO.
Chartered Accountants
Firm Reg No. 302049E



B.L. Choraria, Partner
Membership No. 022973



M.L. Agarwal
Director
DIN NO. 00041375



Surinder Kumar Kak
Director
DIN NO. 00044521

Place: Noida (NCR)
Dated: 20.06.2018



**KPL LOGISTICS LTD.
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2018**


	<i>For the year ended 31.03.2018</i>	<i>For the year ended 31.03.2017</i>
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and exceptional items	215,438	16,882
Adjustments for:		
Income from Investments	(237,560)	(31,981)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(22,122)	(15,099)
(Increase) / Decrease in Loans & Advances	(12,468)	-
(Increase) / Decrease in Liabilities	269	-
CASH GENERATED FROM OPERATIONS	(34,321)	(15,099)
Income Tax Paid	3,218	2,927
NET CASH GENERATED FROM OPERATIONS	(37,539)	(18,026)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/Sale of Investments (Net)	580,970	4,916
Income from Investments	237,560	31,981
NET CASH FROM INVESTING ACTIVITIES	818,530	36,897
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B)	780,991	18,871
Cash and cash equivalent as at 31.03.2017	57,051	38,180
Cash and cash equivalent as at 31.03.2018	838,042	57,051
Cash and Cash equivalents includes		
Cash and Cash Equivalents	838,042	57,051

Notes :

- The cash flow statement has been prepared under indirect method as per accounting standard (AS-3).
- Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable.


This is the Cash Flow Statement referred to in our report of even date.


For SINGHI & CO.
Chartered Accountants
Firm Reg. No. 302049E


B.L. Choraria, Partner
Membership No. 022973

Place: Noida (NCR)
Dated : 20.06.2018

For and on behalf of the Board,


M.L. Agarwal
Director
DIN NO. 00041375


Surinder Kumar Kak
Director
DIN NO. 00044521



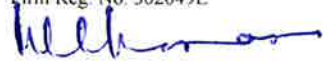
NOTES TO FINANCIAL STATEMENTS	As at 31.03.2018	As at 31.03.2017
	(Rs.)	(Rs.)
3 RESERVES & SURPLUS		
(a) CAPITAL REDEMPTION RESERVE		
Balance as at the beginning of the year	4,500	4,500
Balance as at the end of the year	<u>4,500</u>	<u>4,500</u>
(b) SURPLUS IN STATEMENT OF PROFIT AND LOSS		
Balance as at the beginning of the year	119,955	106,290
Profit for the year	174,386	13,665
Balance as at the end of the year	<u>294,341</u>	<u>119,955</u>
Total Reserve and Surplus	<u>298,841</u>	<u>124,455</u>
4 OTHER CURRENT LIABILITIES		
(a) Expenses Payable	<u>10,619</u>	<u>10,350</u>
5 SHORT TERM PROVISIONS		
(a) Other Provisions:		
For Taxation (Net of Advance Tax)	41,052	3,217
	<u>41,052</u>	<u>3,217</u>
6 NON CURRENT INVESTMENTS		
Non Trade Investment (Valued at Cost unless stated otherwise)		
(a) Investment in Mutual Fund	-	580,970
Birla Sunlife		
(b) Investment in Unquoted Equity Shares	1	1
Suprawin Technology Ltd (10 Share of F.V. of Rs. 10 each)		
	<u>1</u>	<u>580,971</u>
7 CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS		
(a) Cash in hand	4,698	4,698
(b) Balances with Scheduled Banks		
In Current Account	83,345	52,353
In Fixed Deposits	750,000	-
	<u>838,043</u>	<u>57,051</u>
8 SHORT TERM LOANS & ADVANCE		
(a) TAX DEDUCTED AT SOURCE ON FDR	1,292	-
	<u>1,292</u>	<u>-</u>
9 OTHER CURRENT ASSETS		
(a) INTEREST ACCRUED ON FDR	11,176	-
	<u>11,176</u>	<u>-</u>



NOTES TO FINANCIAL STATEMENTS	For the year ended 31.03.2018	For the year ended (Rs) 31.03.2017 (Rs)
10 OTHER INCOME		
Interest Income	12,911	-
Income from Investment	224,649	31,981
	237,560	31,981
11 OTHER EXPENSES		
(a) Filing Fees	10,329	4,376
(b) Audit Fee	10,620	10,350
	20,949	14,726
12 OTHER NOTES TO ACCOUNTS		
12.1 Related Party Disclosure		
Following are the particulars regarding Related Parties:		
KPL International Ltd.		Holding Company
No transactions were carried out during the year with the related parties in the ordinary course of business		
12.2 The company is eligible for Tax Credit Entitlement amounting to Rs 41052/-, 3217/-, 2927/- and Rs. 3428/- relating to assessment year 2018-19, 2017-18, 2016-17 & 2014-15, which shall be available for set off against future tax liability as per Income tax law. As a prudent measure, the company has not accounted for above Tax Credit Entitlement		
12.3 Earning Per Share		
Profit after tax (Rs)	174,386	13,665
No. of ordinary shares	50,000	50,000
Earning per share Basic and Diluted (Rs)	3.49	0.27
Previous Year figures have been regrouped and rearranged where ever required.		



Signatures to Notes 1 to 12
In terms of our Report of even date annexed

As per our report annexed
For SINGHI & CO.,
Chartered Accountants
Firm Reg. No. 302049E



B. L. Choraria
Partner
M.No. 022973
Place : Noida (NCR)
Dated : 20.06.2018



For and on behalf of the Board,
 

M.L. Agarwal Surinder Kumar Kak
Director Director
DIN NO. 00041375 DIN NO. 00044521

