

## GATEWAY DISTRI PARKS (KERALA) LIMITED

### DIRECTORS' REPORT

The Directors have pleasure in presenting their report along with the accounts for the year ended 31<sup>st</sup> March 2015.

#### A. Financial Results

Sl. No	Particulars	2014-15 (Rs. Millions)	2013-14 (Rs. Millions)
1	Income from Operations and Other Income	120.91	49.81
2	Profit before Interest, Depreciation and taxes	60.35	38.2
3	Finance cost	20.28	16.85
4	Depreciation	15.22	7.78
5	Profit before Exceptional items & taxation	24.85	(13.57)
6	Provision for tax including MAT credit	7.73	(3.64)
7	Profit / (Loss) after tax	17.12	(9.93)
8	Profit/(Loss) brought forward from previous year	(14.03)	(4.1)
9	Profit/ (Loss) carried to Balance Sheet	3.09	(14.03)

#### B. Container Freight Station at Kochi

The Company was incorporated on 22 Aug 2006, as a joint venture company between Gateway Distriparks Ltd (GDL) & Chakiat Group, holding 60% and 40% equity shares in the company, respectively.

Cochin Port Trust has allotted 2.58 hectares of land at Vallarpadam on lease for 30 years. The Company has constructed a new CFS at Vallarpadam and it has become operational in February 2013. Profit for the financial year 2014-15 was Rs. 17.12 million as against loss of Rs.9.93 million for 2013-14.

#### C. Directors

The Directors record their appreciation for the services of Mr. M P Pinto who resigned as Director, during the year and Mr. Gopinath Pillai, who resigned as Director in April 2015. Mr. Prem Kishan Dass Gupta and Mr. Raghu Jairam, Directors, retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting of the

Company. Mr. Shabbir Hassanbhai and Mr. Bhaskar Avula Reddy were appointed as Additional Directors (Independent) in the Board meeting held on 28 January 2015, to hold office till the next Annual General Meeting. Your Directors recommend the appointment / reappointment of these Directors.

#### **D. AUDITORS**

M/s. R.G.N. Price & Co., Firm Registration No. FR No. 0027855, Chartered Accountants, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible have offered themselves for reappointment. The Company has received letter from M/s. R.G.N. Price & Co, Chartered Accountants, confirming that their appointment, if made, would be within the limits prescribed under Sections 139(2) and 141 of the Companies Act, 2013. Your directors recommend their appointment. Their comments on the accounts and notes to the accounts are self-explanatory.

#### **E. Statutory Information**

##### **Extracts of Annual Return under Section 92(3)**

Particulars of Annual Report under Section 92 (3) of the Companies Act, 2013 are given in the Form MGT-9, which is annexed to this Report as Annexure A.

##### **Number of meetings of the Board of Directors**

During FY 2014-15, 5 meetings of the Board of Directors were held on 20 April 2014, 5 June 2014, 5 August 2014, 30 October 2014 and 28 January 2015.

##### **Internal control system**

The Company makes use of IT enabled solutions in its operations, accounting and for communication within its facilities and with customers and vendors. Financial and Operating guidelines are put in place to regulate the internal management. The Company's accounts and operations are subject to review by the Audit Committee of the Board of Directors.

##### **Information under Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:**

There were no employees who were paid remuneration above the prescribed limits.

##### **Directors' Responsibility Statement**

Pursuant to the requirements of Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:-

- i. in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures.

- ii. such accounting policies as mentioned in Note 1 of the Annual Accounts have been applied consistently and judgments and estimates that are reasonable and prudent made, so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31st March 2015 and of the profit of the Company for that period.
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. the annual accounts for the year ended 31st March 2015 have been prepared on a going concern basis.
- v. the internal financial controls followed by the Company are adequate and operating effectively.
- vi. proper systems to ensure compliance with the provisions of all applicable laws are devised and such systems are adequate and operating effectively.

#### **Declaration by Independent Directors**

Independent Directors have given declarations that they meet the criteria of independence as provided under Section 149 (6) of the Companies Act, 2013.

#### **Policy on Directors' Appointment & Remuneration**

The criteria for appointment of directors as laid down by the Nomination & Remuneration Committee includes (a) qualifications (degree/specialist), (b) experience (management in a diverse organization / in accounting and finance, administration, corporate and strategic planning or fund management / Demonstrable ability to work effectively with a Board of Directors), (c) skills (Excellent interpersonal, communication and representational skills/ Demonstrable leadership skills / Extensive team building and management skills / Strong influencing and negotiating skills/ Having continuous professional development to refresh knowledge and skills), (d) abilities and other attributes (Commitment to high standards of ethics, personal integrity and probity / Commitment to the promotion of equal opportunities, community cohesion and health and safety in the work place and (e) independence: [(i) Person of integrity and possesses relevant expertise and experience, (ii) Not a promoter of the company or its holding, subsidiary or associate company, (iii) Not related to promoters or directors in the company, its holding, subsidiary or associate company, (iv) No pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during current & immediately preceding 2 financial years, (v) Relatives do not have pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, exceeding the lower amount of 2% or more of total income or Rs. 50 Lacs or prescribed amount during current & immediately preceding 2 financial years, (vi) Neither person nor relatives hold position of a key managerial personnel or employee of the company or its holding, subsidiary or associate company in any of the 3 financial years

immediately preceding the financial year of proposed appointment, (vii) Not an employee or proprietor or a partner, in any of the 3 financial years immediately preceding the financial year of proposed appointment of a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company or any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% per cent. or more of the gross turnover of such firm, (viii) not holds together with relatives 2% per cent. or more of the total voting power of the company; or is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company and (ix such other prescribed qualifications)].

The Company's policy on remuneration of Directors, Key Managerial Personnel and other employees has been approved by the Nomination & Remuneration Committee. Base Compensation must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis; (includes salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices). Variable salary must be based on the performance of the Company and the employees, annual bonus will be paid to the employees, normally equal to one month's salary. Retirement Benefits includes Contribution to Provident fund, Gratuity etc as per Company rules and statutory requirements. Directors remuneration includes remuneration by way of a fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the Board. The total managerial remuneration payable by the Company to its directors, including managing director and whole time director, and its manager in respect of any financial year shall not exceed 11% of the net profits of the Company computed in the manner laid down in Section 198 of the Companies Act. The Company with the approval of the Shareholders and Central Government may authorize the payment of remuneration exceeding 11% of the net profits of the company, subject to the provisions of Schedule V to the Companies Act, 2013. The Company may with the approval of the shareholders authorise the payment of remuneration up to 5% of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and 10% in case of more than one such official. The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director up to 1% of the net profits of the Company, if there is a managing director or whole time director or manager and 3% of the net profits in any other case. The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013. The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members. The sitting fee to the Independent Directors shall not be less than the sitting fee payable to other directors subject to provisions of section 197of

the Companies Act and the rules made there under. The remuneration payable to the Directors shall be as per the Company's policy and shall be valued as per the Income Tax Rules. The remuneration payable to the Key Managerial Personnel and the Senior Management shall be as decided by the Board having regard to their experience, leadership abilities, initiative taking abilities and knowledge base and determined keeping in view the industry benchmark, the relative performance of the company to the industry performance and review on remuneration packages of other organizations.

### **Audit Reports**

There are no qualifications, reservations or adverse remarks or disclaimers in the Auditors report.

### **Particulars of loans, guarantees or investments: NIL**

### **Particulars of contracts or arrangements with related parties:**

Particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Companies Act, 2013 are given in Form AOC-2, which is annexed to this Report as Annexure B.

### **Risk Management Policy**

The Board of Directors has put in place a Risk Management policy for the Company, which includes business risks, market risks, event risks and IT / financial/ interest rate / liquidity, risks and the structure, infrastructure, processes, awareness and risk assessment / minimization procedures. The elements of the risk, which in severe form can threaten Company's existence, have been identified by the Board of Directors.

### **Annual Evaluation of Board performance**

The performance evaluation criteria of the Board, as laid down by the Nomination, Remuneration & ESOP Committee includes include growth in Business volumes and profitability, compared to earlier periods, growth over the previous years through inorganic expansion, transparency and fairness in Board Decision making processes. The performance evaluation criteria of Individual Directors and Committees include attendance record and intensity of participation at meetings, Quality of interventions, special contributions and inter-personal relationships with other Directors and management. The exclusive meeting of Independent Directors evaluated the performance of the Board, Committees of Board, non-Independent Directors & the Chairman as excellent. The Board evaluated the performance of Independent Directors based on their attendance record, contributions, their interventions and inter-personal relationships and the Chairman expressed the Board's appreciation of their performance. The Nomination and Remuneration Committee noted that the excellent performance of the individual directors & Committees based on the high attendance record and intense participation at meetings, high quality of interventions, special contributions and excellent Inter-personal relationships with other Directors and management. The performance of the Chairman was

based on notable contributions in the achievements of the Company and role in conducting Board meetings and bringing out contributions from all directors. Prevailing remuneration in similar industry / function / experience are considered for recruiting persons & while grating increases in remuneration, besides the performance of the person. The Committee noted and approved the remuneration paid to key managerial personnel and other employees.

### **Conservation of Energy**

The Company continues to give the highest priority for conservation of energy by using a mix of technology changes, process optimization methods and other conventional methods, on an on going basis.

### **Technology Absorption**

The Company continues to lay emphasis on development and innovation of in-house technological and technical skills to meet the specific customer requirements. Efforts are also being made to upgrade the existing standards and to keep pace with the advances in technological innovations.

### **Foreign Exchange Earnings and Outgo**

**Nil**

For and on behalf of the Board of  
**Gateway Distriparks (Kerala) Ltd.**

Sd/-

Place: New Delhi

Date: 28-April-2015

**PREM KISHAN DASS GUPTA**  
**CHAIRMAN**  
DIN: 00011670

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2015**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U63090KL2006PLC019751
2.	Registration Date	22 AUGUST 2006
3.	Name of the Company	GATEWAY DISTRI PARKS (KERALA) LIMITED
4.	Category/Sub-category of the Company	Container Freight Station
5.	Address of the Registered office & contact details	Door no 26/1804, Chakiat house, Subramanian Road, P O Box 525, Willingdon Island P O, Cochin, Kerala – 682 003 Ph: +:91 484-6576571
6.	Whether listed company	Unlisted
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>N.A.</b>

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

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Storage and warehousing n.e.c.[Includes general merchandise warehouses and warehousing of furniture, automobiles, gas and oil, chemicals, textiles etc. Also included is storage of goods in foreign trade zones]	52109	100%



<b>2. Non-Institutions</b>	-		-	-	-	-	-	-	
a) Bodies Corp.	-	-	-	-	-	-	-	-	
i) Indian	-	-	-	-	-	-	-	-	
ii) Overseas	-	-	-	-	-	-	-	-	
b) Individuals	-	-	-	-	-	-	-	-	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	
c) Others (specify)	-	-	-	-	-	-	-	-	
Independent Directors	-	-	-	-	-	-	-	-	
Non Resident Indians	-	-	-	-	-	-	-	-	
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	
Foreign Nationals	-	-	-	-	-	-	-	-	
Clearing Members	-	-	-	-	-	-	-	-	
Trusts	-	-	-	-	-	-	-	-	
Foreign Bodies - D R	-	-	-	-	-	-	-	-	
<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>	-	<b>2,305,000</b>	<b>2,305,000</b>	<b>100%</b>	-	<b>2,305,000</b>	<b>2,305,000</b>	<b>100%</b>	<b>(0)</b>

B) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Gateway Distriparks Limited	13,830,000	60.00%	0	13,830,000	60.00%	0	0
2	Chakiat Agencies Pvt. Ltd.	7,200,000	31.24%	0	7,200,000	31.24%	0	0
3	Chakiat Shipping Services Pvt. Ltd.	2,000,000	8.68%	0	2,000,000	8.68%	0	0
4	P Narayanan	9,800	0.04%	0	9,800	0.04%	0	0
5	Raghu Jairam	9,800	0.04%	0	9,800	0.04%	0	0
6	Suchitra Narayan	100	0.00%	0	100	0.00%	0	0
7	M Jairam	100	0.00%	0	100	0.00%	0	0
8	P Shankar Menon	100	0.00%	0	100	0.00%	0	0

C) Change in Promoters' Shareholding :

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Gateway Distriparks Ltd.				
	At the beginning of the year	13,830,000	60%	13,830,000	60%
	Increase / Decrease in Promoters Shareholding during the year:	-	0	-	
	At the end of the year			13,830,000	60%
2	Chakiat Agencies Pvt. Ltd.				
	At the beginning of the year	7,200,000	31.24%	7,200,000	31.24%
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			7,200,000	31.24%
3	Chakiat Shipping Services Pvt. Ltd.				
	At the beginning of the year	2,000,000	8.68%	2,000,000	8.68%
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			2,000,000	8.68%

4	P Narayanan				
	At the beginning of the year	9,800	0.04%	9,800	0.04%
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			9,800	0.04%
5	Raghu Jairam				
	At the beginning of the year	9,800	0.04%	9,800	0.04%
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			9,800	0.04%
6	Suchitra Narayan				
	At the beginning of the year	100	0	100	0
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			100	0
7	M Jairam				
	At the beginning of the year	100	0	100	0
	Increase / Decrease in Promoters Shareholding during the year:	-	0	100	0
	At the end of the year			100	0
8	P Shankar Menon				
	At the beginning of the year	100	0	100	0
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			100	0
9	Radhika Raghu				
	At the beginning of the year	100	0	100	0
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			100	0

**D) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	NIL				

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Prem Kishan Gupta				
	At the beginning of the year	-	-	-	-
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	-	-

2	Shabbir H Hassanbhai				
	At the beginning of the year	-	-	-	-
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	-	-
3	Bhaskar Avula Reddy				
	At the beginning of the year	-	-	-	-
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	-	-
4	P Narayan				
	At the beginning of the year	9,800	0.04%	9,800	0.04%
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	9,800	0.04%
5	Raghu Jairam				
	At the beginning of the year	9,800	0.04%	9,800	0.04%
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	9,800	0.04%
6	K Govindarajan				
	At the beginning of the year	-	-	-	-
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	R Kumar				
	At the beginning of the year	-	-	-	-
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	-	-
8	Kartik Aiyer				
	At the beginning of the year	-	-	-	-
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	-	-

V. **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	194,113,235			194,113,235
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>194,113,235</b>	<b>-</b>	<b>-</b>	<b>194,113,235</b>

<b>Change in Indebtedness during the financial year</b>				
* Addition	1,076,144	-	-	1,076,144
* Reduction	(25,784,559)	-	-	(25,784,559)
<b>Net Change</b>	<b>(24,708,415)</b>	-	-	<b>(24,708,415)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	169,404,820	-	-	169,404,820
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due		-	-	
<b>Total (i+ii+iii)</b>	<b>169,404,820</b>	-	-	<b>169,404,820</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD	Total Amount
	NIL		

### B. Remuneration to other directors – NIL

SN.	Particulars of Remuneration	Name of Director			Total Amount
1	Fee for attending Board / Committee meeting				
2	Commission		<b>NIL</b>		
3	Others, please specify				
	Total (A)				
	Ceiling as per the Act				

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD – NIL

SN.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
1	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...		
5	Others, please specify (Sitting Fees)	-	-
	Total (A)	-	-

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>		<b>NIL</b>			
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>		<b>NIL</b>			
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>		<b>NIL</b>			
Penalty					
Punishment					
Compounding					

## 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 transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis	Not Applicable
(a) Name(s) of the related party and nature of relationship	
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	Chakiat group (including Chakiat Agencies, C. A. Logistics Private Limited and other group entities), Associate firms & Companies with Directors & Shareholders
(b) Nature of contracts/arrangements/transactions	Providing Container Freight Station services to Chakiat group and paying incentive / commission to them, receiving transportation services, purchase / lease /hire of containers and other Container Freight Station services from Chakiat group upto Rs. 5 crores per annum from FY 2014-15 onwards.
(c) Duration of the contracts / arrangements/transactions	Continuing arrangement for Container Freight Station services at Kochi at prevailing rates, approved by Shareholders through special resolution passed at Extra ordinary General Meeting on March 25, 2015. <b>Transactions during FY 2014-15: Chakiat Agencies:</b> Revenue from operations Rs. 14,387,951, Transportation charges Rs. 855,300, Incentive / Commission Rs. 303,849 and amount due as on March 31, 2015 Rs. 255,838 <b>C. A. Logistics Private Limited:</b> Lease / hire charges Rs. 2,428,808, purchase of containers Rs. 120,000 and amount due as on March 31, 2015 Rs. 93,402
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Providing Container Freight Station services to Chakiat group and paying incentive / commission to them, receiving transportation services, purchase / lease /hire of containers and other Container Freight Station services from Chakiat group on arms length basis at the prevailing rates, upto Rs. 500,00,000 per annum, in aggregate.
(e) Date(s) of approval by the Board, if any:	January 28, 2015
(f) Amount paid as advances, if any:	Nil

For and on behalf of the Board of Directors

Sd/-

**Prem Kishan Gupta**  
Chairman

Place: New Delhi  
Date: April 28, 2015



**R. G. N. PRICE & CO.**

CHARTERED ACCOUNTANTS

PHONE : OFFICE : 2316538, 2312960

FAX : 2312735

E-mail : priceco@vsnl.com

website : www.rgnprice.com

G-234, PRICE CHAMBERS

PANAMPILLY NAGAR

COCHIN - 682 036

Offices at :

MADRAS, BOMBAY, DELHI, BANGALORE, QUILON, CALICUT

Our Ref :

719/2015

28.04.2015

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF GATEWAY DISTRI PARKS (KERALA) LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **GATEWAY DISTRI PARKS (KERALA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the 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 Rules made there under. 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and its profit/loss and its cash flows for the year ended on that date.

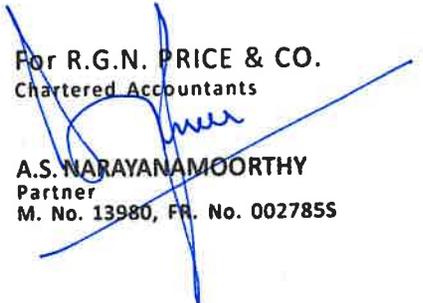
### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors Report) Order 2015, issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rules made there under.
- (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with rules made there under, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the financial statements on Contingent Liabilities;
  - ii. The Company did not have any long-term contracts including derivative contracts and hence this clause is not applicable.
  - iii. There were no requirement by the company to transfer to the Investor Education and Protection Fund.

For R.G.N. PRICE & CO.  
Chartered Accountants

  
A.S. NARAYANAMOORTHY  
Partner  
M. No. 13980, FR. No. 0027855

## ANNEXURE TO THE AUDITOR'S REPORT

### 1. Fixed Assets

The Company has maintained records showing particulars of fixed assets. However, the same requires to be updated to reflect the full particulars including quantitative details and location. The Company is in the process of updating the same. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such physical verification.

### 2. Inventories

Since the company was not carrying on any manufacturing or trading activity, this clause is not applicable.

### 3. Loans and Advances

The company had not granted any loans to parties listed in the register maintained under section 189 of the Act.

### 4. Internal Control System

In our opinion and according to the information and explanations given to us, there were adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, stores, fixed assets and for sale of goods and services.

### 5. Fixed Deposits

The company had not accepted any deposits to which the provisions of sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014 apply.

### 6. Cost Records

In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013, for the company.

### 7. Statutory Dues

- (a) The company was generally regular in depositing with appropriate authorities undisputed statutory dues towards Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Wealth Tax and Customs Duty.



(b) According to the records of the company, there were no disputed dues outstanding as on the date of balance sheet.

(c) According to the records of the company, there are no amounts that are required to be transferred to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act 1956.

#### 8. Accumulated Losses

The Company had no accumulated losses at the end of financial year. The company had not incurred cash loss during the financial year. The company had incurred a cash loss of Rs. 57,95,672/- in the immediately preceding financial year.

#### 9. Repayment of Loans

In our opinion and according to the information and explanations given to us, the company had not defaulted in repayment of interest and principal to banks and financial institutions.

#### 10. Others

- a) The company had not given any guarantee for loans taken by others from banks or financial institutions.
- b) In our opinion, the term loans had been applied for the purpose for which they were obtained.
- c) According to the information and explanations given to us, no fraud, on or by the company, had been noticed or reported during the year.

For R.G.N. PRICE & CO.  
Chartered Accountants

A.S. NARAYANAMOORTHY  
Partner  
M. No. 13980, FR. No. 0027855

**GATEWAY DISTRI PARKS (KERALA) LIMITED, COCHIN**  
**BALANCE SHEET AS AT 31.03.2015**

Particulars	Note No	31.03.2015	31.03.2014
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' funds</b>			
Share Capital	1-3	493,369,800	230,500,000
Reserves and Surplus	4	3,091,270	(14,030,476)
		496,461,070	216,469,524
<b>Share Application Money pending allotment</b>	5	-	269,496,774
<b>Non Current Liabilities</b>			
Long Term Borrowings	6	143,010,030	168,304,208
Deferred Tax Liabilities (net)	7	3,123,975	-
Long term provisions	8	130,600	86,800
		146,264,605	168,391,008
<b>Current Liabilities</b>			
Trade Payables	9	8,022,292	1,286,243
Other Current Liabilities	10	41,131,550	41,228,598
		49,153,842	42,514,841
<b>TOTAL</b>		<b>691,879,517</b>	<b>696,872,147</b>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	11	405,357,538	403,576,519
Intangible assets	11	70,224,098	73,172,518
Capital Work in Progress	12	885,730	626,961
Deferred Tax Asset (net)	13	-	4,611,005
Long term Loans and Advances	14	183,244,081	174,480,658
Other Non Current Assets	15	400,473	261,723
		660,111,920	656,729,384
<b>Current Assets</b>			
Trade Receivables	16	12,184,784	5,819,223
Cash and Other Bank Balances	17	13,285,125	32,597,117
Short Term Loans and Advances	18	6,247,626	1,726,423
Other Current Assets	19	50,062	-
		31,767,597	40,142,763
<b>TOTAL</b>		<b>691,879,517</b>	<b>696,872,147</b>
Accounting Policies	I		
Notes on Accounts	II		

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

For and on behalf of Board of Directors

Director

Director

Manager

Company Secretary

Chief Finance Officer

Cochin:

Date :

**GATEWAY DISTRI PARKS (KERALA) LIMITED, COCHIN**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015**

Particulars	Note No.	31.03.2015	31.03.2014
<b><u>INCOME</u></b>			
Revenue from Operations	20	120,589,571	49,512,321
Other Income - Interest		320,320	300,575
<b>Total</b>		<b>120,909,891</b>	<b>49,812,896</b>
<b><u>EXPENDITURE</u></b>			
Operating Expenses	21	26,507,700	12,795,676
Employee benefit expenses	22	4,622,071	3,051,156
Finance Cost	23	20,275,503	16,853,234
Depreciation and amortisation	11	15,224,394	7,781,864
Other Expenses	24	29,423,497	22,908,502
<b>Total</b>		<b>96,053,165</b>	<b>63,390,432</b>
Profit before tax		24,856,726	(13,577,536)
Tax Expenses			
Minimum Alternate Tax		3,900,188	
<u>Less: MAT Credit Entitlement</u>		(3,900,188)	
Deferred Tax		7,734,980	(3,644,548)
<b>Profit/(Loss) for the period</b>		<b>17,121,746</b>	<b>(9,932,988)</b>
Earnings Per share (Face Value Rs. 10/-)	25	0.74	(0.43)
Accounting Policies	I		
Notes on Accounts	II		

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

For and on behalf of Board of Directors

Director

Director

Manager

Company Secretary

Chief Finance Officer

Cochin:

Date :

**GATEWAY DISTRI PARKS (KERALA) LIMITED, COCHIN**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

Particulars	31.03.2015	31.03.2014
<b>A.Cash Flows From Operating Activities</b>		
<b>Net profit/(Loss) before taxation and extra ordinary items</b>	<b>24,856,726</b>	<b>(13,577,536)</b>
Adjustments for:		
Depreciation	15,224,394	7,781,864
Interest Expenses	20,234,447	16,853,234
Interest Income	(320,320)	(300,575)
<b>Operating Profit before Working Capital Changes</b>	<b>59,995,247</b>	<b>10,756,987</b>
Adjustments for:		
(Increase)/Decrease in trade and other receivables	(6,365,561)	(5,382,134)
(Increase)/Decrease in Loans & advances	(8,952,900)	(22,136,921)
(Increase)/Decrease in other current and non current assets	(188,812)	(261,723)
Increase/(Decrease) in trade & other payables	6,736,049	7,180,356
Increase/(Decrease) in other current liabilities	(639,011)	-
<b>Cash generated from operations</b>	<b>50,585,012</b>	<b>(9,843,435)</b>
Income tax paid	4,331,726	20,290
<b>Net cash from operating activities (A)</b>	<b>46,253,286</b>	<b>(9,863,725)</b>
<b>B.Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	(14,056,993)	(65,405,963)
Investment in WIP	(258,769)	(241,954)
Interest received	320,320	300,575
<b>Net Cash Used in Investing Activities (B)</b>	<b>(13,995,443)</b>	<b>(65,347,342)</b>
<b>C.Cash Flow From Financing Activities</b>		
Net Inflow of Secured loans	(24,708,415)	193,484,235
Issue of preference shares	262,869,800	
Share application money refunded	(269,496,774)	-
Share application money received	-	(110,187,969)
Interest and finance charges paid	(20,234,447)	(16,853,234)
<b>Net Cash Generated in Financing Activities (C)</b>	<b>(51,569,836)</b>	<b>66,443,032</b>
<b>Net (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(19,311,992)</b>	<b>(8,768,035)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>32,597,117</b>	<b>41,365,152</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>13,285,125</b>	<b>32,597,117</b>

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

Director

Director

Manager

Company Secretary

Chief Finance Officer

Cochin:

Date :

## **I. Accounting Policies**

### **1 Basis of Accounting**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 133 [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 2013, of India ("the Act"). All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

### **2 Tangible and Intangible Assets and Depreciation/ Amortisation:**

(a) Tangible and Intangible Assets are stated at cost of acquisition or construction less accumulated depreciation/ amortisation and accumulated impairment losses, if any. The Company capitalises all costs relating to the acquisition, installation and construction of Tangible and Intangible Assets up to the date when the assets are ready for commercial use. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of Tangible Assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of Tangible Assets which are carried at cost are recognised in the Statement of Profit and Loss.

(b)

The Company provides depreciation on straight-line method in the manner specified under Schedule II to the Act based on useful life of the assets.

### **3 Borrowing costs**

Borrowing costs directly attributable to the acquisition/construction of an asset are capitalised/are apportioned to the cost of fixed assets upto the date on which the asset is put to use/commissioned. Other borrowing costs are expensed.

### **4 Deferred Taxation**

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

### **5 Lease Premium**

The company is allotted 2.58 Ha. of land on lease at Vallarpadam by Cochin Port Trust for setting up of Container Freight Station (CFS) unit as per approval dated 28 September, 2010. The agreement is for a period of 30 years effective from 28 September, 2010. Pursuant to the agreement, Company has paid one time non refundable premium on lease amounting to Rs. 6,19,20,000/- and connected stamp duty/ registration charges/service tax for the above amounting to Rs. 1,56,85,480/-. The lease premium and connected stamp duty/ registration charges/service tax is amortised over the period of lease. Accordingly, an amount of Rs.28,02,292/- is charged to the Statement of Profit and Loss as per Note No. 11 - Fixed assets for the period ended 31.03.2015

6 The company has an unfunded defined benefit plan for post retirement benefits in the form of Gratuity for its employees. The liability for defined benefit plan is provided on the basis of half months salary for each completed year of service for all the employees who have completed five years of employment as on the balance sheet date and is not actuarially valued.

7

MAT credit is recognised as an asset to the extent there is convincing evidence that the company will pay normal income tax during the specific period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by ICAI, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specific period.

**GATEWAY DISTRI PARKS (KERALA) LIMITED****II. NOTES ON ACCOUNTS**

	Period ended 31.03.2015	Period ended 31.03.2014
<b>1 Share Capital</b>	<b>Rs.</b>	<b>Rs.</b>
Authorised Share Capital: 2,35,00,000 Equity Shares of Rs. 10 each 2,65,00,000 Zero Coupon Redeemable Preference Shares of Rs. 10 each	235,000,000 265,000,000 500,000,000	500,000,000 - 500,000,000
Issued, Subscribed and Paid Up: 2,30,50,000 Equity Shares of Rs. 10 each (Out of the above, 1,38,30,000 Equity Shares of Rs. 10 each are held by holding company, Gateway Distriparks Limited)	230,500,000	230,500,000
2,62,86,980 Preference Shares of Rs. 10 each (Out of the above, 1,57,72,199 Zero Coupon Redeemable Preference Shares of Rs. 10 each are held by holding company, Gateway Distriparks Limited)	262,869,800	-
	<b>493,369,800</b>	<b>230,500,000</b>
The company had vide Extraordinary General Meeting held on 05.06.2014 reclassified the Authorised Share capital into 2,35,00,000 Equity Shares of Rs 10/- each and 2,65,00,000 Zero Coupon Redeemable Preference Shares of Rs 10/- each.		

<b>2 Reconciliation of number of shares</b>	<b>No of Shares</b>	<b>No of Shares</b>
Equity Shares outstanding at the beginning of the period	23,050,000	23,050,000
Equity Shares outstanding at the end of the period	23,050,000	23,050,000
Redeemable Preference Shares outstanding at the beginning of the period	-	-
Add: Issue during the year	26,286,980	-
Redeemable Preference Shares outstanding at the end of the period	26,286,980	-

<b>3 (A) List of major shareholders - Equity Shareholders</b>	<b>No of shares</b>	<b>% held</b>	<b>No of shares</b>
Gateway Distriparks Limited	13,830,000	60.00%	13,830,000
Chakiat Agencies Private Limited	7,220,000	31.32%	7,220,000
Chakiat Shipping Services Private Limited	2,000,000	8.68%	2,000,000
<b>Total</b>	<b>23,050,000</b>	<b>100%</b>	<b>23,050,000</b>

<b>3 (B) List of major shareholders - Preference Shareholders</b>	<b>No of shares</b>	<b>% held</b>	<b>No of shares</b>
Gateway Distriparks Limited	15,772,199	60.00%	-
Chakiat Agencies Private Limited	1,280,000	4.87%	-
Chakiat Shipping Services Private Limited	9,234,781	35.13%	-
<b>Total</b>	<b>26,286,980</b>	<b>100%</b>	<b>-</b>

<b>4 Reserves and Surplus</b>	<b>Rs.</b>	<b>Rs.</b>
Surplus /(Deficit) in Statement of Profit and Loss :-		
Balance at the beginning of the year	(14,030,476.00)	(4,097,488.00)
Add: Transfer from Statement of Profit and Loss for the year	17,121,746.00	(9,932,988.00)
<b>Balance at the end of the year</b>	<b>3,091,270.00</b>	<b>(14,030,476.00)</b>

<b>5 Share Application Money Pending Allotment</b>	<b>Rs.</b>	<b>Rs.</b>
(a) Gateway Distriparks Limited	-	157,721,987.00
Chakiat Agencies Private Limited	-	12,800,000.00
Chakiat Shipping Services Private Limited	-	98,974,787.00
<b>Total</b>	<b>-</b>	<b>269,496,774.00</b>

<b>6 Long Term Borrowings</b>		<b>Rs.</b>	<b>Rs.</b>
<b>From Financial Institution</b>			
(a) Term loan from KSIDC	157,500,000		
Less: Installments payable in next 12 months (Secured by first charge on the fixed assets of the company, Corporate guarantee of Gateway Distriparks Ltd and Chakiat Agencies Private Limited)	22,500,000	135,000,000	157,500,000
<b>From Banks</b>			
(a) Vehicle loan from Federal Bank Limited	231,825		
Less: Installments payable in next 12 months (Secured by hypothecation of vehicle)	231,825	-	231,823
(b) Term loans from HDFC Bank Limited	10,814,990		
Less: Installments payable in next 12 months (Secured by hypothecation of Fork Lifts and Reach Stacker)	3,392,664	7,422,326	10,572,385
(c) Term loan from Federal Bank Limited	858,005		
Less: Installments payable in next 12 months (Secured by hypothecation of forklift)	270,301	587,704	-
		<b>143,010,030</b>	<b>168,304,208</b>
<p>(a) Principal amount on KSIDC Loan repayable in 32 quarterly installments commencing from May 2014 with interest rate of 11.25% per annum. Interest is payable on quarterly basis as per debit note raised by KSIDC.</p> <p>(b) Two loans are taken from Federal Bank for purchase of vehicle and forklift. Loan of Rs.6,29,000/- for vehicle is repayable in monthly installments over a period of 36 months from April 2013 with interest rate of 10.45% per annum and loan of Rs.9,00,000/- @ 12% repayable in monthly instalments starting from February 2015.</p> <p>(c) Three term loans are taken from HDFC Bank Ltd for purchase of forklifts and reach stacker. The interest rate for loan of `9,90,000/- is @ 10.90% per annum and for loan of Rs.1,28,20,000/- is @ 11.00% per annum. They are repayable in monthly installments over a period ranging between 36 to 47 months from November 2013.</p>			

<b>7 Deferred Tax Liability</b>	<b>Rs.</b>	<b>Rs.</b>
Deferred tax Liability		
Depreciation	22,432,369	
Deferred tax Asset		
Carry Forward Loss and Unabsorbed Depreciation	19,268,039	
Provision for Gratuity	40,355	
<b>Total Deferred Tax Asset Liability</b>	<b>3,123,975</b>	<b>-</b>

<b>8 Long Term Provisions</b>	<b>Rs.</b>	<b>Rs.</b>
Provision for gratuity	130,600	86,800
<b>Total</b>	<b>130,600</b>	<b>86,800</b>

<b>9 Trade Payables</b>	<b>Rs.</b>	<b>Rs.</b>
Trade Payables	8,022,292	1,286,243
<b>Total</b>	<b>8,022,292</b>	<b>1,286,243</b>

<b>10 Other Current Liabilities</b>	<b>Rs.</b>	<b>Rs.</b>
Statutory Liabilities	268,314	125,195
Current maturity of long term debt:		
<b>From Financial Institutions:</b>		
KSIDC	22,500,000	22,500,000
<b>From Banks:</b>		
Federal bank Limited	502,126	208,912
HDFC Bank Limited	3,392,664	3,100,115
Retention Money	13,342,958	12,939,345
Advance from Customers	1,125,488	2,355,031
<b>Total</b>	<b>41,131,550</b>	<b>41,228,598</b>

**NOTE 11****Depreciation/ Amortisation of Fixed Assets for the year ended 31.03.2015***(Amount in Rs)*

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTIZATION			NET BLOCK	
	Cost as on 01.04.2014	Additions	Cost as on 31.03.2015	Depreciation upto 31.03.2014	SLM Depreciation for the year	Depreciation upto 31.03.2015	As on 31.03.2015	As on 31.03.2014
<b>Tangible Assets</b>								
Freehold Land	126,263,420	-	126,263,420	-	-	-	126,263,420	126,263,420
Leasehold improvements - Land	37,305,417	-	37,305,417	-	-	-	37,305,417	37,305,417
Building *	183,321,261	10,594,865	193,916,126	2,901,452	6,097,787	8,999,239	184,916,887	180,419,809
Plant and Equipments	8,970,355	196,763	9,167,118	372,688	625,197	997,885	8,169,233	8,597,667
Yard Equipments	3,079,498	1,268,710	4,348,208	85,991	230,017	316,008	4,032,200	2,993,507
Reach Stacker	36,330,471	-	36,330,471	1,237,133	2,491,419	3,728,552	32,601,919	35,093,338
Furniture and fixtures	238,291	20,100	258,391	39,720	24,265	63,985	194,406	198,571
Electrical fittings	10,448,132	1,685,080	12,133,212	707,084	1,263,635	1,970,719	10,162,493	9,741,048
Computer and Accessories	1,699,510	117,195	1,816,705	317,266	1,114,974	1,432,240	384,465	1,382,244
Office Equipment	969,980	77,234	1,047,214	34,370	229,368	263,738	783,476	935,610
Vehicles	715,335	-	715,335	69,447	102,266	171,713	543,622	645,888
<b>Sub Total</b>	<b>409,341,670</b>	<b>13,959,947</b>	<b>423,301,617</b>	<b>5,765,151</b>	<b>12,178,928</b>	<b>17,944,079</b>	<b>405,357,538</b>	<b>403,576,519</b>
<b>Intangible Assets</b>								
Software	374,326	97,046	471,372	61,404	243,174	304,578	166,794	312,922
Leasehold premium **	75,974,763	-	75,974,763	3,115,167	2,802,292	5,917,459	70,057,304	72,859,596
<b>Sub Total</b>	<b>76,349,089</b>	<b>97,046</b>	<b>76,446,135</b>	<b>3,176,571</b>	<b>3,045,466</b>	<b>6,222,037</b>	<b>70,224,098</b>	<b>73,172,518</b>
<b>Grand Total</b>	<b>485,690,759</b>	<b>14,056,993</b>	<b>499,747,752</b>	<b>8,941,722</b>	<b>15,224,394</b>	<b>24,166,116</b>	<b>475,581,636</b>	<b>476,749,037</b>
<b>Previous Year Ended 31.03.2014</b>	<b>420,284,796</b>	<b>65,405,963</b>	<b>485,690,759</b>	<b>1,159,858</b>	<b>7,781,864</b>	<b>8,941,722</b>	<b>476,749,037</b>	<b>419,124,938</b>

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTIZATION			NET BLOCK	
	Cost as on 01.04.2013	Additions	Cost as on 31.03.2014	Depreciation upto 31.03.2013	SLM Depreciation for the year	Depreciation upto 31.03.2014	As on 31.03.2014	As on 31.03.2013
<b>Tangible Assets</b>								
Freehold Land	126,263,420	-	126,263,420	-	-	-	126,263,420	126,263,420
Leasehold improvements - Land	37,305,417	-	37,305,417	-	-	-	37,305,417	37,305,417
Building	147,324,853	35,996,408	183,321,261	388,171	2,513,281	2,901,452	180,419,809	146,936,682
Plant and Equipments	6,185,536	2,784,819	8,970,355	44,516	328,172	372,688	8,597,667	6,141,020
Yard Equipments	1,023,415	2,056,083	3,079,498	7,858	78,133	85,991	2,993,507	1,015,557
Reach Stacker	22,321,625	14,008,846	36,330,471	171,387	1,065,746	1,237,133	35,093,338	22,150,238
Furniture and fixtures	198,041	40,250	238,291	1,765	37,955	39,720	198,571	196,276
Electrical fittings	7,991,783	2,456,349	10,448,132	81,432	625,652	707,084	9,741,048	7,910,350
Computer and Accessories	1,158,801	540,709	1,699,510	56,000	261,266	317,266	1,382,244	1,102,801
Office Equipment	15,168	954,812	969,980	624	33,746	34,370	935,610	14,545
Vehicles	715,335	-	715,335	1,490	67,957	69,447	645,888	713,845
<b>Sub Total</b>	<b>350,503,394</b>	<b>58,838,276</b>	<b>409,341,670</b>	<b>753,243</b>	<b>5,011,908</b>	<b>5,765,151</b>	<b>403,576,519</b>	<b>349,750,151</b>
<b>Intangible Assets</b>								
Software	184,399	189,927	374,326	4,832	56,572	61,404	312,922	179,567
Leasehold premium	69,597,003	6,377,760	75,974,763	401,783	2,713,384	3,115,167	72,859,596	69,195,220
<b>Sub Total</b>	<b>69,781,402</b>	<b>6,567,687</b>	<b>76,349,089</b>	<b>406,615</b>	<b>2,769,956</b>	<b>3,176,571</b>	<b>73,172,518</b>	<b>69,374,787</b>
<b>Grand Total</b>	<b>420,284,796</b>	<b>65,405,963</b>	<b>485,690,759</b>	<b>1,159,858</b>	<b>7,781,864</b>	<b>8,941,722</b>	<b>476,749,037</b>	<b>419,124,938</b>
<b>Previous Year Ended 31.03.2013</b>	<b>126,312,620</b>	<b>293,972,176</b>	<b>420,284,796</b>	<b>20,678</b>	<b>1,139,180</b>	<b>1,159,858</b>	<b>419,124,938</b>	<b>126,291,942</b>

\* On lease-hold land

\*\* Please refer point 5 of accounting policy

The increase in depreciation as a result of incorporating the provisions of The Companies Act 2013 is Rs. 59,71,828/-.

<b>12 Capital Work in Progress</b>	<b>Rs.</b>	<b>Rs.</b>
Eloor Project	885,730	626,961
<b>Total</b>	<b>885,730</b>	<b>626,961</b>

<b>13 Deferred Tax Asset/(Liability)</b>	<b>Rs.</b>	<b>Rs.</b>
Deferred tax Asset		
Carry Forward Loss and Unabsorbed Depreciation		20,223,613
Provision for Gratuity		26,821
Deferred tax Liability		
Depreciation		15,639,429
<b>Total Deferred Tax Asset / (Deferred Tax Liability)</b>	<b>-</b>	<b>4,611,005</b>

<b>14 Long Term Loans and Advances</b>	<b>Rs.</b>	<b>Rs.</b>
(a) <b>Capital Advance</b>		
Related Parties	124,706,978	114,741,623
Others	2,483,148	2,000,000
(b) <b>Deposits</b>		
PACE CFS Private Limited	15,000,000	15,000,000
Security deposit with Cochin Port Trust	40,559,117	42,244,197
Deposit with Asiatic transports	50,000	50,000
Telephone Deposit	500	500
(c) <b>Other Long Term Loans and Advances</b>		
GDKL Pace CFS Joint Venture	444,338	444,338
<b>Total</b>	<b>183,244,081</b>	<b>174,480,658</b>

<b>15 Other Non Current Assets</b>	<b>Rs.</b>	<b>Rs.</b>
Accured interest on Fixed Deposit offered as margin money for Bank Guarantee	400,473	261,723
<b>Total</b>	<b>400,473</b>	<b>261,723</b>

<b>16 Trade Receivables</b>	<b>Rs.</b>	<b>Rs.</b>
(a) Outstanding for a period exceeding six months		
Unsecured, considered good	170,814	2,812
(b) Others		
Unsecured, considered good	12,013,970	5,816,411
<b>Total</b>	<b>12,184,784</b>	<b>5,819,223</b>

<b>17 Cash and Other Bank Balances</b>	<b>Rs.</b>	<b>Rs.</b>
Cash and Cash Equivalents:		
Balance with Banks	6,645,605	31,078,034
Cheques / Draft on Hand	15,749	-
Cash in hand	5,415	19,083
Other Bank balances:		
Deposit With HDFC Bank *	1,500,000	1,500,000
Deposit With Federal Bank with original maturity between 3 to 12 months	5,118,356	-
<b>Total</b>	<b>13,285,125</b>	<b>32,597,117</b>
* held as margin money deposit for Bank Guarantee		

<b>18 Short Term Loans and Advances</b>	<b>Rs.</b>	<b>Rs.</b>
Prepaid expenses	678,297	1,275,537
Tax deducted at source (Net of Provision for tax)	1,061,176	391,592
CENVAT credit receivable	77,893	40,612
MAT Credit Entitlement	3,900,188	-
Staff Advance	413,300	-
Other Advances	116,772	18,682
<b>Total</b>	<b>6,247,626</b>	<b>1,726,423</b>

<b>19 Other Current Assets</b>	<b>Rs.</b>	<b>Rs.</b>
Accrued interest on Fixed Deposit with bank	50,062	-
<b>Total</b>	<b>50,062</b>	<b>-</b>
<b>20 Revenue from Operations</b>	<b>Rs.</b>	<b>Rs.</b>
Container handling, Transport, Storage and Ground rent income		
Container Ground Rent	34,344,047	5,508,504
Container Handling , Transport and Storage	83,372,865	42,129,759
Others	2,872,659	1,874,058
	<b>120,589,571</b>	<b>49,512,321</b>
<b>21 Operative Expenses</b>	<b>Rs.</b>	<b>Rs.</b>
Labour Charges	9,936,273	9,347,328
Transportation Charges	13,309,707	2,460,900
Fuel Charges		
- Plant & Machinery	2,024,047	704,975
Survey Charges	1,237,673	282,473
	<b>26,507,700</b>	<b>12,795,676</b>
<b>22 Employee Benefit Expenses</b>	<b>Rs.</b>	<b>Rs.</b>
Salaries and Allowances	3,523,303	2,292,505
Contribution to ESI, PF	211,769	-
Staff Welfare Expenses	843,199	725,551
Provision for Gratuity	43,800	33,100
	<b>4,622,071</b>	<b>3,051,156</b>
<b>23 Finance Cost</b>	<b>Rs.</b>	<b>Rs.</b>
Interest to KSIDC	18,924,765	16,753,886
Interest to Banks	1,309,682	99,348
Interest on Short Payment of Advance tax	41,056	-
	<b>20,275,503</b>	<b>16,853,234</b>
<b>24 Other expenses</b>	<b>Rs.</b>	<b>Rs.</b>
Lease Rent	11,073,344	8,584,259
Customs Charges	8,090,485	7,323,424
Security Charges	894,643	764,542
Advertisement and Sales Promotion	54,618	61,910
Postage and telephone	750,771	761,475
Printing and stationery	263,251	265,158
Bank Charges	13,955	74,761
Rates & Taxes	41,791	83,907
Donation	123,501	187,504
Electricity charges	2,202,991	1,691,704
Travelling Expenses	743,783	857,873
Insurance	331,902	223,652
Repairs and maintenance		-
Building	969,991	318,830
Plant and Machinery	1,931,429	538,896
Vehicle Maintenance	422,182	347,033
Others	67,080	150,322
Audit fees		-
For audit	200,000	200,000
Others	125,844	107,321
Professional fees	547,788	216,601
General and Miscellaneous Expenses	574,148	149,330
	<b>29,423,497</b>	<b>22,908,502</b>
<b>25 Earnings Per Share</b>		
Profit/(Loss) after tax	17,121,746	(9,932,988)
Weighted Average Number of shares	23,050,000	23,050,000
Earnings per share (Face Value Rs.10)	0.74	(0.43)

**26 Related Party Disclosure**

Related Party Disclosure as required by AS-18 for the year ended March 31, 2015

i) List of related parties where control exists

Sl No	Name of related party	Relationship
1	Gateway Distriparks Limited	Holding company
2	Chakiat Agencies Private Limited	Assoicate
3	Chakiat Shipping Services Private Limited	Assoicate
4	Chakiat Agencies	Assoicate
5	C. A. Logistics Private Limited	Assoicate
6	Raghu Jairam	Director
7	Prem kishan Das Gupta	Director
8	Gopinath Pillai	Director
9	P Narayanan	Director

iii) Transaction with Related Party during the year 31.03.2015

Sl. No.	Name of Party	Amount in Rs.	Nature of Transaction
1	Chakiat Agencies	14,387,951.00	Revenue from operations
2	Chakiat Agencies	855,300.00	Transportation Charges
3	Chakiat Agencies	303,849.00	Incentive / Commision
4	C. A. Logistics Private Limited	2,428,808.00	Lease/Hire charges
5	C. A. Logistics Private Limited	120,000.00	Purchase of Container

## iv) Amount due to / from related party

Sl. No.	Name of Party	Due to	Due from
1	Chakiat Agencies		255,838.00
2	C. A. Logistics Private Limited	93,402.00	

**27 Contingent liabilities and commitments**

Claim not acknowledged as debts:

- (a) The joint venture agreement entered into with PACE CFS Private Limited was terminated on 28.09.2010. Disputes have arisen between the joint venture partner PACE CFS Private Ltd has initiated arbitration proceedings against the company claiming a sum of Rs. 1,37,17,000. No provision is considered necessary as the claim is at a preliminary stage.
- (b) Bond executed in favour of Customs - Rs.50,50,00,000/- (Rs.50,00,000)
- (c) Unexpired Capital Commitments – Rs80,00,000 ( Rs. 37,81,000)
- (d) Guarantee issued by the bank on behalf of the company in favour of customs Rs. 15,00,000 (Rs. 15,00,000)

28 The joint venture operation with Pace CFS Private Limited was terminated on 28.09.2010. The security deposit of Rs.1,50,00,000 given to Pace CFS Private Limited is considered as good and recoverable in spite of disputes between joint venture partner

29 There are no Micro and Small Enterprises to whom the company owes dues which are outstanding as per Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March 2015. This information has been provided to the extent such parties have been identified by the company based on information available with it and has been relied on by the auditors.

30 Previous period figures are regrouped wherever necessary.

For and on behalf of Board of Directors

Director

Director

Manager

Company Secretary

Chief Finance Officer

Cochin:

Date :