

GATEWAY RAIL FREIGHT LIMITED
(Subsidiary of Gateway Distriparks Limited)

Registered Office: SF-7, Second Floor, D-2 'Southern Park', Saket District Centre, Saket, New Delhi – 110017.

Phone: 011 – 40554400 **Fax:** +91 -11-40554413 **ICIN:** U60231DL2005PLC138598

website: www.gatewayrail.in | **email:** secretarial@gatewayrail.in

NOTICE

Notice is hereby given that pursuant to Section 96 of the Companies Act, 2013, 10TH Annual General Meeting of **GATEWAY RAIL FREIGHT LIMITED** will be held on Tuesday, the August 04, 2015 at 10:00 AM IST at the Registered Office of the Company, at SF-7, Second Floor, D-2 'Southern Park', Saket District Centre, Saket, New Delhi – 110017, to transact the following business:

ORDINARY BUSINESS:

1. To Receive, consider and adopt the financial statements of the Company

To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution:

- (a) Audited standalone financial statements of the Company for the financial year ended March 31, 2015, the reports of Board of Directors and Auditors thereon
 - (b) Audited consolidated financial statements of the Company for the financial year ended March 31, 2015.
2. To Reappoint Mr. Sat Pal Khattar (DIN : 00307293), who retires by rotation at this meeting and being eligible offers himself for reappointment as a Director
3. To Reappoint Mr. Ishaan Gupta (DIN : 05298583), who retires by rotation at this meeting and being eligible offers himself for reappointment
4. Appointment of Price Waterhouse, Chartered Accountants, Mumbai, as the Statutory Auditors of the Company as a Director

To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution:

RESOLVED THAT the retiring auditors, M/s. Price Waterhouse, Registration No. 301112E, Chartered Accountants, being eligible for reappointment, be and are hereby re-appointed as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting to be held in the calendar year 2017 (subject to ratification of their appointment at the Annual General Meeting to be held in the calendar year 2016), on a remuneration of such sum as may be fixed by the Board of Directors / any Committee of the Board of Directors plus service tax and reimbursement of out of pocket expenses as may be incurred in the performance of their duties.

By Order of the Board of Directors

SD-
NANDAN CHOPRA
VP (F & A) and Company Secretary

Place: New Delhi

Date: July 13, 2015

NOTE:

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

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

2. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

PROXY FORM
(FORM No. MGT – 11)

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

Name of the Member(s):

Registered Address:

E-mail ID:

Folio No. / Client ID No.:

I/We, being the member(s) of shares of the above named company, hereby appoint:

1. Name:
2. Email ID:
3. Address:
4. Signature :
or failing him/her

1. Name :
2. Email ID:
3. Address:
4. Signature : or failing him/her

1. Name :
2. Email ID
3. Address:
4. Signature: or failing him/her

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/our behalf at the Annual General Meeting of the company, to be held on, Tuesday, August 04, **2015**, at 11:00 A. M. at the registered office of the Company at New Delhi, at SF-7, Second Floor, D-2 'Southern Park', Saket District Centre, Saket, New Delhi – 110017 and at any adjournment thereof in respect of such resolutions as is indicated below:

Resolution No.	Resolution	Vote(Optional see Note 5) Please mention No. of shares		
		For	Against	Abstain
1	Adoption of Accounts			
2	Reappointment of Mr. Sat Pal Khattar			
3	Reappointment of Mr. Ishaan Gupta			
4	Appointment of Auditors			

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of Annual General Meeting.
3. The Company reserves its right to ask for identification of the proxy.
4. The proxy form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company /depository participant.
5. It is optional to indicate your preference. If you leave the for, Against or abstain column blank any or all resolution, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

Signed this day of 2015

Signature of shareholder:

Signature of Proxy holder(s):



ATTENDANCE SLIP

Member Folio/ client & DP ID No.

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No. Of Shares

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I, Hereby record my presence at the Annual General Meeting of the Company held on Tuesday, August 04, **2015**, at 11:00 A. M. at the registered office of the Company at New Delhi.

.....
NAME OF MEMBER/ PROXY

.....
SIGNATURE OF MEMBER/ PROXY

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting their 10th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2015.

(1) **Financial highlights/performance of the Company:**

Particulars	FY 2014-15 (in rupees Cr.)	FY 2013-14 (in rupees Cr.)
Total Revenue	699.13	573.00*
Profit Before Finance Charges and Depreciation	177.69	111.91
Finance Charges	11.05	12.08
Depreciation	47.47	39.98
Profit/(Loss) for the year	119.17	59.85
Income Tax and Wealth Tax	14.28	7.66
Profit / (Loss) after Tax	104.89	52.19
Accumulated Profit / (Loss) – Opening Balance	50.89	-1.30
Balance Carried over to Balance Sheet	155.78	50.89

* Regrouped

Your Company has emerged as India's largest private sector container train operator. Your Company provides container logistics solutions between major Indian ports and Inland Container Depots (ICD) by providing rail services for Export, Import containers and Domestic containerised cargo, integrated with road transportation, custom clearance, and transit and bonded warehousing. It also provides refrigerated container (reefer) transportation service and other value added services.

Your Company operates from its three own terminals at Gurgaon, Ludhiana and Faridabad and a private freight terminal at Navi Mumbai under co-use agreement. It owns and operates 21 train-sets and a fleet of 263 trailers for providing these services to the customers.

Operational Performance

During the year your Company has achieved the throughput of 1,07,649 TEUs (Previous Year 90,515 TEUs) at its Inland Container Terminal at Gurgaon, 1,26,252 TEUs (Previous year 1,06,267 TEUs) at Inland Container Terminal at Ludhiana and 2458 TEUS (Previous Year 1762) at Inland Container Terminal at Faridabad. The Faridabad Inland Container Depot was rail linked in FY 13-14 and during the year the Company has started building up the volumes at its Inland Container Terminal.

During the FY 2014-15, the increased profitability is due to increased volume, double stack movement and benefits under hub and spoke policy of Indian Railways and cost optimisation efforts. Further domestic operations on profitable routes, sourcing of shipping line empties to reduce empty running of train and optimization of associated costs has been instrumental in this marked improvement in profitability.

Your Company understands the importance of infrastructure in container rail logistics business and is committed to developing a network of rail terminals at various strategic locations throughout the country. Your Company aims at providing a one-stop integrated intermodal solution to its customers nationwide through use of technology, world class infrastructure and services.

Financial Highlights

During the financial year 2014-15, your Company has achieved Revenue of Rs 699 Cr (Rs. 573 Cr in FY 13-14) an increase of 22 % over FY 2013-14. In FY 2014-15, the Earnings Before Interest, Taxes and Depreciation & Amortization (EBIDTA) was Rs. 178 Cr. (59% more than Rs 112 Cr. FY 13-14). This is 25 % of revenue as compared to 20% in FY 2013-14.

Over the last Five years the revenue CAGR has been 16.8% and in EBIDTA has been 32.3%.

(2) Dividend

Your directors don't recommend dividend for the year.

(3) Capital Expenditure & Infrastructure

The gross block of assets (Including Work-in-progress) has increased to Rs 972 Cr. from Rs 890 Cr. in FY 2013-14. As on date the Company has 945 wagons (21 Rakes), 263 trailers, 1080 Containers, 20 Reach Stackers, 29 fork lifts & Hydra cranes besides other handling equipment for handling of containers safely and efficiently at various ICDs.

(4) Human Resource:

The Company has a highly skilled and motivated team of professionally qualified and experience personnel. There has been adequate emphasis on training and development of the human resource.

Initiatives on training and development of human resources were undertaken. The Company has 173 employees (Previous Year 169 employees).

(5) Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There have been no material changes that have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

(6) Details of Subsidiary/Joint Ventures/Associate Companies

The Company has a 51% equity shareholding in “Container Gateway Limited” which is a joint venture between your Company and Container Corporation of India Limited (CONCOR). The Joint-Venture has not done any business since incorporation due to dispute between GatewayRail & CONCOR.

An arbitration proceeding on the matter of dispute between CONCOR and your Company with respect to Joint Venture agreement is underway since 2008.

(7) Deposits

Your Company has not accepted any public deposits within the meaning of the Companies Act, 2013 during FY 2014-15.

(8) Share Capital

The Authorised Share Capital of the Company as on 31st March, 2014 is Rs. 813,50,02,500/- and Issued and Paid up Share Capital of the Company amounts to Rs. 612,30,02,500/-.

The following table shows the different class of Share Capital is as follows

Authorized Capital	
Total Authorized Capital (in Rs)	813,50,02,500
Authorized Equity Capital (in Rs)	402,70,02,500
Authorized Preference Share Capital (in Rs)	410,80,00,000
Issued Capital	
Issued Equity shares (in Rs)	201,50,02,500
Issued Preference shares (in Rs)	410,80,00,000
Total Issued Capital	612,30,02,500
Unissued Capital	
Unissued Equity Share Capital (in Rs)	201,20,00,000

During the year there has been no change in the Share Capital of the Company.

(9) Performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

- (a) Name of the subsidiary: Container Gateway Limited
- (b) Reporting period for the subsidiary concerned: April 1, 2014 to March 31, 2015
- (c) Share capital: Rs. 10,00,000
- (d) Reserves & surplus: Nil
- (e) Total assets: Rs. 12,65,256
- (f) Total Liabilities: Rs. 12,65,256
- (g) Investments: Nil
- (h) Turnover: Nil
- (i) Profit before taxation: NA since there were no operations
- (j) Provision for taxation: NA since there were no operations
- (k) Profit after taxation: NA since there were no operations
- (l) Proposed Dividend: Nil
- (m) % of shareholding: 51%

(10) Statutory Auditors

M/s Price Waterhouse, Chartered Accountants, Statutory Auditors of the Company, was re-appointed by the members of Gateway Rail Freight Limited in their meeting held on September 23, 2014.

It is now proposed to reappoint M/S Price Waterhouse (Firm Registration no 301112E) from conclusion of this Annual General Meeting of the Company until the conclusion of the Annual General Meeting to be held in Calendar year 2017 (Subject to ratification of their appointment at the Annual General meeting to be held in the calendar year 2016).

The Company has received a letter from M/s Price Waterhouse, Chartered Accountants confirming that if the confirmation from Shareholders is made, their appointment would be within the limits prescribed under Section 139(1) of the Companies Act, 2013.

(11) Cautionary Statement:

Statements made in this report particularly those which relate to estimates, expectations, projections, Company's objective may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might vary materially from those either expressed or implied.

(12) Internal Control system and adequacy:

The Company makes use of IT enabled software in its operations, accounts 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 internal audit and review by the Audit Committee of the Company.

(13) Auditors' Report

The Statutory Auditor has not made any adverse comment on the financials in their Auditors Report.

The notes to the accounts referred to in Auditors Report are self-explanatory and, therefore, do not call for any further explanation

(14) Extract of the annual return

The extract of the annual return in Form No. MGT – 9 shall form part of the Board's report as Annexure A.

(15) Conservation of energy, technology absorption and foreign exchange earnings and outgo

(a) 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 ongoing basis.

(b) Technology Absorption:

The Company continues to lay emphasis on innovation and the development 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 advances in technological innovations.

(c) **Foreign Exchange earnings and outgo in foreign Exchange:**

Foreign Exchange Earnings- Rs. Nil

Foreign Exchange Outgo:-

Particulars	2014-15 (Amount in Rs. Lakh)	2013-14 (Amount in Rs. Lakh)
Legal & Professional Charges	Nil	Nil
Membership Fees	0.41	0.86
Director Sitting Fees	3.00	Nil
Travelling Expenses	Nil	.60
Interest on Buyers Credit	31.83	45.70
Import of Capital Goods/PAYMENT OF BUYERS CREDIT	845.68	668.67

(16) **Corporate Social Responsibility (CSR)**

Pursuant to section 135 of the Companies Act, 2013 and rules made thereunder, your company had constituted a CSR Committee for carrying out the CSR Activities of the Company. Total expenditure incurred by the CSR Committee during the year ended March 31, 2015 was Rs.76,25,935.

The constitution of CSR Committee is as follows:

S.No	Name of Director
1	Ms. Chitra Gouri Lal*
2	Mr. Mathew Cyriac
3	Mr. Prem Kishan Dass Gupta
4	Mr. Shabbir Hakimuddin Hassanbhai**

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 have been enclosed as Annexure B.

The CSR Committee was reconstituted w.e.f April 28, 2015 where * Chitra Gouri Lal was appointed as Independent Director on the Committee and ** Mr. Shabbir Hakimuddin Hassanbhai stepped down as member of the CSR Committee.

(17) **Directors:**

(a) **Changes in Directors and Key Managerial Personnel**

The Shareholders had in their meeting held on March 23, 2015 appointed Ms. Chitra Gouri Lal and Mr. Shabbir Hassanbhai as Independent Director(s) on the Board of the Company. They shall hold the office of Independent Directors till August 04, 2016.

In the ensuing Annual General Meeting of the Company Mr Ishaan Gupta and Mr Sat Pal Khattar, Director(s) are liable to retire by rotation and being, eligible offer themselves for reappointment.

During the year under review Mr Sachin Bhanushali was appointed as CEO of the Company w.e.f December 01, 2014.

(b) **Declaration by an Independent Director(s) and re- appointment, if any**

Ms. Chitra Gouri Lal and Mr. Shabbir Hassanbhai, Independent Director(s) have given a declaration that they satisfy the criteria laid down under section 149 of the Companies Act, 2013

(c) **Formal Annual Evaluation**

Your Company has formulated Board Evaluation Policy and evaluations are being done pursuant to applicable provisions of Companies Act, 2013.

The performance evaluation criteria of the Board include growth in Business volumes and profitability, compared to earlier periods, growth over the previous years through and fairness in Board Decision making processes. The performance evaluation criteria of Individual Directors and Committees include awareness to responsibilities, duties as director, 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 evaluate the performance of the Board, Committees of Board, non-Independent Directors & the Chairman. The Board evaluated the performance of Independent Directors based on their attendance record, contributions, their interventions and inter- personal relationships.

(18) Number of meetings of the Board of Directors

The Board of Directors met four times last year i.e. on April 30, 2014, August 05, 2014, October 30, 2015 and January 28, 2015. The Board of Directors of your company comprise of the following Directors:

S.No	Name	Designation	Number of Meetings attended
1	Mr. Prem Kishan Dass Gupta	Chairman and Managing Director	4
2	Mr. Gurdeep Singh	Director	3
3	Mr. Richard Blaise Saldanha	Director	1
4	Mr. Shabbir Hakimuddin Hassanbhai	Director	4
5	Mr. Gopinath Pillai	Director	3
6	Mr. Sat Pal Khattar	Director	4
7	Mr. Mathew Cyriac	Director	3
8	Mr. Ishaan Gupta	Director	4
9	Ms. Chitra Gouri Lal*	Director	Nil

*Appointed w.e.f March 23, 2015

(19) Audit Committee

The Audit Committee comprises of the following Directors and was reconstituted on March 23, 2015 consequent to appointment of Ms Chitra Gouri Lal as Independent Director.

S.No	Name of Director	Designation
1	Mr. Shabbir Hassanbhai	Chairman
2	Ms. Chitra Gouri Lal*	Member
3	Mr. Mathew Cyriac	Member
4	Mr Prem Kishan Dass Gupta**	Member

*Appointed w.e.f March 23, 2015

**Mr. Prem Kishan Dass Gupta was member of the Audit Committee during the year and consequent to reconstitution of Audit Committee stepped down as member of Audit Committee.

(20) Nomination and Remuneration Committee

The Company has established Nomination and Remuneration Committee of the Company pursuant to Section 178 of the Companies Act 2013. The Nomination and Remuneration Committee has formulated Nomination and Remuneration policy, the same is attached as Annexure C.

(21) Particulars of loans, guarantees or investments under section 186

During the year under review the Company has not made any loans, guarantees or investments under section 186 of the Companies Act, 2013.

(22) Particulars of contracts or arrangements with related parties:

The particulars of every contract or 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 arm's length transactions under third proviso thereto have been disclosed in Form No. AOC -2 as Annexure D.

(23) Managerial Remuneration:

Details of the every employee of the Company as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure E.

(24) Secretarial Audit Report

A Secretarial Audit Report given by SGS Associates, a firm of company secretaries in practice has been annexed with the report as Annexure E.

There is no adverse remarks in the Secretarial Audit report which require response from the management

(25) Risk management policy

Your Board of Directors has put in place a Risk Management Policy of the Company, which included Business Environment, Market and Competition risk, Future Capacity Extension risk, Technology risk, IT risk, Interest Rate risk, Commercial risk, Project execution and Capital allocation risk and Regulatory, Taxation, Law and terrorism risk.

(26) Vigil Mechanism

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company.

(27) Policy for Prevention of Sexual Harassment

Your Company has adopted Prevention of Sexual Harassment Policy and accordingly constituted a committee for addressing of complaints of women employed by the Company. Your Company is committed to provide a work environment that ensures every woman employee is treated with dignity and respect and afforded equitable treatment.

(28) Directors' Responsibility Statement

Pursuant to the requirement under Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had 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 and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care 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;

- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

(29) Acknowledgements

Your Directors acknowledge with gratitude the cooperation, assistance extended by the customers, vendors, bankers, financial institutions for their support for the growth of the Company.

Your Directors also wish to place on record their appreciation for the committed and efficient services rendered by the executive staff and the workers of the company for its success.

For and on behalf of the Board of Directors

Mr. Prem Kishan Dass Gupta
Chairman and Managing Director

Place:
Date:

EXTRACT OF ANNUAL RETURN
as on the **financial year** ended on **31.March 2015**
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN :	U60231DL2005PLC138598
ii) Registration Date :	12/July/2005
iii) Name of the Company :	Gateway Rail Freight Limited
iv) Category / Sub Category of the Company	Public Limited Company
v) Address of the Registered office and contact details :	SF7, Second Floor, D-2 'Southern Park' , Saket District Centre, Saket, New Delhi-110017
vi) Whether listed company Yes / No :	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any :	NA

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	Logistics	60102	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No	Name and Address of The company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Gateway Distriparks Limited, Sector 6, Dronagiri, Tal: Uran, Dt: Raigad, Navi Mumbai, Maharashtra-400707	L74899MH1994PLC164024	Holding Company	98.31	2(46)
2	Container Gateway Limited, via Patudi Road, Wazirpur morh, Near Garhi Harsaru Railway Station, Garhi Harsru, Gurgaon, Haryana-122505	U63030HR2007PLC036995	Subsidiary Company	50.99	2(87)

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

(a) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt	-	-	-	-	-	-	-	-	-
d) Bodies Corp	198099998	Nil	198099998	98.31	198099998	Nil	198099998	98.31	Nil
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub – total (A)(1)	198099998	Nil	198099998	98.31	198099998	Nil	198099998	98.31	Nil
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	198099998	Nil	198099998	Nil	198099998	Nil	198099998	98.31	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-

2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	100	Nil	100	0	100	Nil	100	0	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	34,00,000	Nil	34,00,000	1.69	34,00,000	Nil	34,00,000	1.69	Nil
c) Others (specify)									
Joint shareholding	0	2	2	0	0	2	2	0	Nil
Sub-total (B)(2):	34,00,100	2	34,00,102	1.69	34,00,100	2	34,00,102	1.69	Nil
Total Public Shareholding (B)=(B)(1)+ (B)(2)	34,00,100	2	34,00,102	1.69	34,00,100	2	34,00,102	1.69	Nil
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	34,00,100	2	34,00,102	1.69	34,00,100	2	34,00,102	1.69	Nil

(b) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of Shares	% of total Shares of the company	% of Shares company Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares company Pledged / encumbered to total shares
1	Gateway Distriparks Limited	198099998	98.31	Nil	198099998	98.31	Nil
Total		198099998	98.31	Nil	198099998	98.31	Nil

(c) Change in Promoters' Shareholding (please specify, if there is no change)

S.No	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	At the beginning of the year	198099998	98.31	198099998	98.31
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc)	No Change	No Change	No Change	No Change
	At the End of the year	198099998	98.31	198099998	98.31

(d) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	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
1	Mr. Sachin Surendra Bhanushali				
	At the beginning of the year	26,00,000	1.29		
	Date wise Increase / Decrease in Share-holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc)	NIL	NIL		
	At the End of the year (or on the date of separation, if Separated during the year)	26,00,000	1.29	26,00,000	1.29
2	Mr. V. Srinivas Reddy				
	At the beginning of the year	5,00,000	0.25		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc)	NIL	NIL		
	At the End of the year (or on the date of separation, if Separated during the year)	5,00,000	0.25	5,00,000	0.25
3	Ms. Vani Bhasin				
	At the beginning of the year	1,80,000	0.89		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc)	NIL	NIL		
	At the End of the year (or on the date of separation, if separated during the year)	1,80,000	0.89	1,80,000	0.89

4	Mr. Ranjiv Kumar Bhasin				
	At the beginning of the year	1,20,000	0.60		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc)	NIL	NIL		
	At the End of the year (or on the date of separation, if Separated during the year)	1,20,000	0.60	1,20,000	.60
5	Blackstone GPV Capital Partners Mauritius V-H Ltd.				
	At the beginning of the year	100	0		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc)	NIL	NIL		
	At the End of the year (or on the date of separation, if Separated during the year)	100	0	100	0
6	Mr. Arun Agarwal with GDL				
	At the beginning of the year	1	0		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus / sweat equity, etc)	NIL	NIL		
	At the End of the year (or on the date of separation, if Separated during the year)	1	0	1	0

(e) Shareholding of Directors and Key Managerial Personnel:

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Directors and KMP				
1	Mr. Sachin Surendra Bhanushali				
	At the beginning of the year	26,00,000	1.29		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g allotment / transfer / bonus / sweat equity, etc)	NIL	NIL		
	At the End of the year	26,00,000	1.29	26,00,000	1.29
2	Mr. Prem Kishan Dass Gupta with Gateway Distriparks Ltd				
	At the beginning of the year	1	0		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc)	NIL	NIL		
	At the End of the year	1	0	1	0

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

	Secured Loans	Unsecured Loans	Deposits	Total Debtness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,127,784,945	-	-	1,127,784,945
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3,892,537	-	-	3,892,537
Total (i+ii+iii)	1,131,677,481	-	-	1,131,677,481
Change in Indebtedness during the financial year				
• Addition	285,932,000	-	-	285,932,000
• Reduction	197,428,371	-	-	197,428,371
Net Change Indebtedness at the end of the financial year	483,360,371	-	-	483,360,371
i) Principal Amount	1,216,288,574	-	-	1,216,288,574
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5,782,223	-	-	5,782,223
Total (i+ii+iii)	1,222,070,797	-	-	1,222,070,797

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/WTD/ Manager	Total Amount (In Rs.)
		Mr. Prem Kishan Dass Gupta – Chairman and Managing Director	
1	Gross salary	Nil	Nil
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil
2	Stock Option	Nil	Nil
3	Sweat Equity	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil
5	Others, please specify (Sitting Fees)	1,00,000	1,00,000
	Total (A)	1,00,000	1,00,000
	Ceiling as per the Act (11% of profits as per Section 198 of the Companies Act,	1310,83,912	

B. Remuneration to other directors

S. No	Particulars of Remuneration	Name of Directors						Total Amount
1	Independent Directors	Mr. Shabbir Hassanbhai	Ms. Chitra Gouri Lal	-	-	-	-	
	Fee for attending board committee meetings	1,00,000	-	-	-	-	-	1,00,000
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	1,00,000	-	-	-	-	-	-

2	Other Non-Executive Directors	Mr. Gopinath Pillai	Mr. Satpal Khattar	Mr. Gurdeep Singh	Mr. Richard Saldanha	Mr. Mathew Cyriac	Mr. Ishaan Gupta	
	Fee for attending board committee meetings	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	6,00,000
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (2)	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	6,00,000
	Total (B)=(1+2)	-	-	-	-	-	-	7,00,000
	Total Managerial Remuneration	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	1310,83,912						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S.No	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Sachin Bhanushali, CEO	Mr. Nandan Chopra, CS	Mr. B.K. Sahoo, CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,40,41,730	56,26,683	68,13,463	2,64,81,876
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	39,600	-	-	39,600
	(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	-	-	-	
	Total	1,40,81,330	56,26,683	68,13,463	2,65,21,476

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: No Penalties/Punishment/Compounding of offences made during the year

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

ANNEXURE (B)

CORPORATE SOCIAL RESPONSIBILITY

(1) The Board of the Company had in its meeting held on October 30, 2014 adopted the CSR policy of the Company. The same is also uploaded on the website of the Company

(2) The Composition of the CSR Committee is as follows:

S.No	Name of Director	Designation
1	Mr. Prem Kishan Dass Gupta	Chairman
2	Mr. Mathew Cyriac	Member
3	Ms. Chitra Gouri Lal	Member

(3) Average net profit of the company for last three financial years calculated as per Section 198 of the Companies Act, 2013 was Rs.37,66,41,837.

(4) Prescribed CSR Expenditure to be spent during the year under review was Rs. 75,32,837 (2% of Average net profit of the company for last three financial years)

(5) Details of CSR spent during the financial year.

- (a) Total amount to be spent for the financial year;
- (b) Amount unspent, if any;
- (c) Manner in which the amount spent during the financial year is detailed below.

S. No	CSR Project or Activity identified	Sector in which Project is covered	Projects or Programs (1) Local Area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) Project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent : Direct or through implementing agency
1	Drinking Water facilities in a school in Wazirpur	Eradicating Hunger, poverty and malnutrition, promoting	Project under taken in Local Area at Village	3,66,040	Direct Expenditure	3,66,040	Directly

		preventive health care and sanitation and making available safe Drinking Water	Wazirpur near Garhi Village, Gurgaon, Haryana				
2	Construction of toilets in a school in village Wazirpur	Eradicating Hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe Drinking Water	Project under taken in Local Area at Village Wazirpur near Garhi Village, Gurgaon, Haryana	7,32,360	Direct Expenditure	7,32,360	Directly
3	Drainage connectivity from school to wazirpur village	Eradicating Hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe Drinking Water	Project under taken in Local Area at Village Wazirpur near Garhi Village, Gurgaon, Haryana	7,97,700	Direct Expenditure	7,97,700	Directly
4	Supply of Water Cooler to a School in Piyala	Eradicating Hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe Drinking Water	Project under taken in Local Area at Village Wazirpur near Garhi Village, Gurgaon, Haryana	55,100	Direct Expenditure	55,100	Directly

5	Providing Piped water grid connectivity to cover the village of Piala	Eradicating Hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe Drinking Water	Project under taken in Local area at Village Wazirpur near Garhi Village, Gurgaon, Haryana	19,62,472	Direct Expenditure	19,62,472	Directly
6	Supply and Installation of 15 Solar Street Lights in Village Sahnewal	Rural Development Projects	Project under taken in Local area at Sahnewal, Punjab	4,51,914	Direct Expenditure	4,51,914	Directly
7	Signage of school at village wazirpur	Rural Development Projects	Project under taken in Local area at Village Wazirpur near Garhi Village, Gurgaon, Haryana	89,000	Direct Expenditure	89,000	Directly
8	Road Repair work for access to Village Wazirpur	Rural Development Projects	Project under taken in Local area at Village Wazirpur near Garhi Village, Gurgaon, Haryana	21,71,349	Direct Expenditure	21,71,349	Directly
9	Construction of Pathway at Garhi	Rural Development Projects	Project under taken in Local area at Village Wazirpur near Garhi Village,	10,00,000	Direct Expenditure	10,00,000	Directly

			Gurgaon, Haryana				
10							
Total				76,25,935			
	This shall be checked and finalised						

- (6) In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.
- (7) The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

(Chief Executive Officer or Managing Director or Director)	(Chairman CSR Committee)
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Gateway Rail Freight Limited

Nomination & Remuneration Policy

Objective & Scope of the Policy

The Board of Directors of Gateway Rail Freight Limited (GRFL) has adopted this Nomination & Remuneration Policy, made in accordance with Section 178 of the Companies Act, 2013 and rule 6 of Companies (Meetings and Powers of Board) Rules, 2014 and any other applicable provision of the Companies Act, 2013, if any (the Policy) for its Directors, Key Managerial Personnel (KMP) and Senior Management on the recommendation of Nomination and Remuneration Committee of the Company. It follows the principles of maximum transparency and disclosure regarding remuneration, which the company has been applying to its public reporting documents.

Applicability of the Policy

This Nomination and Remuneration Policy applies to the Board of Directors (the “Board”), Key Managerial Personnel (the “KMP”) and the Senior Management Personnel of Gateway Rail Freight Limited (the “Company”).

Definition(s):

- (i) “Board of Director” or “Board” means the Board of Directors of Gateway Rail Freight Limited, as constituted from time to time.
- (ii) “Chief Executive Officer” or “CEO” means an officer of company who has been designated as such by it.
- (iii) “Company” means the Gateway Rail Freight Limited incorporated under the provisions of Company Act 1956.
- (iv) “Committee” means “Nomination and Remuneration Committee” constituted by the Board of Directors of the Company, from time to time, under provisions of The Companies Act, 2013.
- (v) “Executive” includes Executive Director, Key Managerial personals and senior management.
- (vi) “Executive Director” means as defined in Companies Act 2013 read with rules made thereunder.
- (vii) “Key Managerial Personnel (KMP) means—
 - (a) Managing Director;
 - (b) Chief Executive Officer ;
 - (c) Chief Financial Officer;
 - (d) Company Secretary;
 - (e) Whole-Time Director, if any; and

- (f) such other officer as may be prescribed by Central government;
- (viii) “Policy” means Nomination and Remuneration Policy for Directors, Key Managerial Personals and Senior Management.
- (ix) The term Senior Management or senior officials means all personnel of the Company who are members of its core management team excluding members of the Board of Directors, comprising all members of management one level below the Managing/Whole-Time Directors, including the functional heads.

(1) **Purpose**

The primary objective of the Policy is to provide a framework and set standards for the appointment and remuneration of Directors, Key Managerial Personnel and other employee comprising the senior management and to carry out evaluation of every director’s performance. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

(2) **Accountabilities**

- The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.
- The Board had delegated responsibility for assessing and selecting the candidates for the enrolment of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations & nominations to the Board.

(3) **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises of the following:

- (a) The Committee shall consist of a minimum 3 or more non-executive directors, not less than half of them being independent.
- (b) The Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- (c) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- (d) Membership of the Committee and Nomination and Remuneration policy shall be disclosed in the Annual Report.
- (e) Term of the Committee shall be continued unless terminated by the Board of Directors.
- (f) Company Secretary shall act as the Secretary of the Committee

(4) **Chairman**

- (a) Chairman of the Committee can be any member other than Chairperson of the Company.
- (b) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

(5) Terms of Reference of the Nomination and Remuneration Committee

- (a) The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed as a KMP and 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.
- (b) 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 comprising of senior management.
- (c) The Nomination and Remuneration Committee shall, while formulating the policy under sub-section (3) ensure that—
 - (i) 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;
 - (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) 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.
- (d) The Nomination & Remuneration Committee shall administer and Implement ESOP scheme and shall formulate the detailed terms and conditions of the ESOP Scheme.

(6) Committee Members' Interests

- (a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- (b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

(7) Voting

- (a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- (b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

(8) Appointment of Directors, KMP and Senior Management

- The Committee shall identify persons who are qualified to become directors, KMP and who may be appointed in senior management in accordance with the criteria, recommend to the Board their appointment and removal.
- When recommending a candidate for appointment, the Nomination and Remuneration Committee has regard to:
 - (i) Assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
 - (ii) The extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
 - (iii) The skills and experience that the appointee brings to the role of KMP/Senior Official and how an appointee will enhance the skill sets and experience of the Board as a whole;
 - (iv) The nature of existing positions held by the appointee including directorships or other relationships and
 - (v) The impact they may have on the appointee's ability to exercise independent judgment;
- Personal specifications
 - (i) Degree holder in relevant disciplines;
 - (ii) Experience of management in a diverse organization;
 - (iii) Excellent interpersonal, communication and representational skills;
 - (iv) Demonstrable leadership skills;
 - (v) Commitment to high standards of ethics, personal integrity and probity;
 - (vi) Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;
 - (vii) Having continuous professional development to refresh knowledge and skills.
 - (viii) Such other conditions as may be decided by the Committee from time to time including but not limiting to qualifications mentioned in Annexure A

(9) Letters of Appointment

Each Director/KMP/Senior management Officials is required to sign the letter of appointment with the Company containing the terms of appointment and the role assigned in the Company.

(10) Remuneration of Directors, Key Managerial Personnel and Senior Management

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Management Personnel and other senior management officials. The Directors, Key Management Personnel and other senior official's salary shall be based & determined on the individual person's responsibilities and performance and in

accordance with the limits as prescribed statutorily, if any.

The Committee consults with the Chairman of the Board as it deems appropriate. Remuneration of the Chairman is recommended by the Committee to the Board of the Company.

(a) **Remuneration:**

(i) Base Compensation (fixed salaries)

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).

(ii) Variable salary:

For employees appointed as General Manager and above, part of the total salary shall be paid as variable salary based on performance against pre-determined financial metrics as approved by the Board while approving annual budget. The Variable salary will not exceed 25% of the total salary

(iii) Retirement Benefits:

(b) **Contribution to Provident fund, Gratuity etc as per Company rules.**

(c) **Statutory Requirements:**

(i) Section 197(5) provides for 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.

(ii) Section 197(1) of the Companies Act, 2013 provides for 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 eleven percent of the net profits of the Company computed in the manner laid down in Section 198 in the manner as prescribed under the Act.

(iii) The Company with the approval of the Shareholders and Central Government may authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V.

(iv) The Company may with the approval of the shareholders authorise the payment of remuneration up to five percent of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and ten percent in case of more than one such official.

- (v) The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director up to one percent of the net profits of the Company, if there is a managing director or whole time director or manager and three percent of the net profits in any other case.
- (vi) 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 197 and the rules made thereunder.
 - 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 may be 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 macro -economic review on remuneration packages of CEO's and senior management of other organizations and other specifications as specified in clause 4.2 and 4.3 above .

(11) Evaluation/ Assessment of Directors of the Company –

- Under Section 178(2) of the Companies Act 2013, the Nomination and remuneration committee shall require to carry out evaluation of Director's performance of every Director of the Company on an annual basis.
- Under Schedule IV section II (2), an Independent Director shall bring an objective view in the evaluation of performance of Board and management.

Annexure - A

Personal Specification for Directors

1. Qualification:

- (i) Degree holder in relevant disciplines (e.g. management, accountancy, legal);
- (ii) Recognised specialist

2. Experience:

- (i) Experience of management in a diverse organisation
- (ii) Experience in accounting and finance, administration, corporate and strategic planning or fund management
- (iii) Demonstrable ability to work effectively with a Board of Directors

3. Skills:

- (i) Excellent interpersonal, communication and representational skills
- (ii) Demonstrable leadership skills
- (iii) Extensive team building and management skills
- (iv) Strong influencing and negotiating skills
- (v) Having continuous professional development to refresh knowledge and skills

4. Abilities and Attributes:

- (i) Commitment to high standards of ethics, personal integrity and probity
- (ii) Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace.

ANNEXURE D**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)

1. <u>Details of contracts or arrangements or transactions not at arm's length basis</u>	
(a) Name(s) of the related party and nature of relationship	N/A
(b) Nature of contracts/ arrangements/ transactions	N/A
(c) Duration of the contracts / arrangements/ transactions	N/A
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	N/A
(e) Justification for entering into such contracts or arrangements or transactions	N/A
(f) date(s) of approval by the Board	N/A
(g) Amount paid as advances, if any:	N/A
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N/A
2. <u>Details of material contracts or arrangement or transactions at arm's length basis</u>	
(a) Name(s) of the related party and nature of relationship	(Gateway Distriparks Limited with Gateway Rail Freight limited) (a) Mr. P.K Gupta(Director of Companies) (b) Mr. Ishaan Gupta (Son of Mr.P.K Gupta)
(b) Nature of contracts/arrangements/transactions	Purchase of land and building at Garhi Harsaru for Rs. 74.90 Cr.
(c) Duration of the contracts / arrangements/ transactions	N/A
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase of land and building at Garhi, Harsaru for Rs. 74.90 Cr. <u>Value:</u> Rs. 74.92 Crore
(e) Date(s) of approval by the Board, if any:	October 30,2014
(f) Amount paid as advances, if any:	N/A

ANNEXURE E

S. No.	Name of the Employee	Designation of the Employee	Remuneration Received	Nature of employment whether contractual or otherwise	Other terms & conditions	Nature of duties of the employee	Qualifications and experience of the employee	Date of commencement of employment	The age of the employee	The last employment held by such employee before joining the company	The percentage of equity shares held in the employee within the meaning of sub-clause (III) of clause (A) of sub-section (2A) of
1	Mr. Sachin Bhanushali	CEO	Rs. 14081330	Regular	Employment	Management	Masters in Commerce & Business Economics	31-Jan-07	51	Indian Railways (Govt. Of India) and CONCOR	1.29%
2	Mr. Braja Kishor Sahoo	CFO	Rs. 6813463	Regular	Employment	Management	Masters in Commerce CWA by qualification.	05-01-2010	53	Reliance Communication Ltd, Maruti Udyog	N/A

TO
THE MEMBERS
GATEWAY RAIL FREIGHT LIMITED
SF-7, SECOND FLOOR, D-2 'SOUTHERN PARK'
SAKET DISTRICT CENTRE, SAKET
NEW DELHI,

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper system to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the system are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances
3. We believe that audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For SGS ASSOCIATES
Company Secretaries

SD/-
D.P. Gupta
Proprietor
Date: 09/07/2015
Place: - New Delhi
M N FCS 2411
C P No. 1509

Form No. MR-3
SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

TO
THE MEMBERS
GATEWAY RAIL FREIGHT LIMITED
SF-7, SECOND FLOOR, D-2 'SOUTHERN PARK'
SAKET DISTRICT CENTRE, SAKET
NEW DELHI,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S GATEWAY RAIL FREIGHT LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our 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 31st March 2015 ("audit period") 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/we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not Applicable to the Company as it's a Unlisted Public Company)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings; (Not applicable to the Company during the Audit Period)
- (v) The Following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992. (Not Applicable to the Company as it's a Unlisted Public Company).

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the audit period).
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.
(Not Applicable to the Company as it's a Unlisted Public Company)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, Contest-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (a) Customs Act, 1962 and the Rules thereto as amended from time to time and all the relevant circulars, Notifications and Regulations issued by Customs Authorities of India, from time to time
- (b) The Railways Act 1989 and rules made thereunder; and
- (c) Motor Vehicle Act, 1988 and rules made thereunder.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that based on review of compliance mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the Company has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws , rules ,regulations and guidelines

For SGS ASSOCIATES
Company Secretaries

SD/-

D.P. Gupta
Proprietor
Date:
Place: - New Delhi
M N FCS 2411
C P No. 1509

INDEPENDENT AUDITOR'S REPORT

To the Members of Gateway Rail Freight Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Gateway Rail Freight Limited ("the Company"), which comprise the Balance Sheet as at March 31, 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 Standalone Financial Statements

2. 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 standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 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

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.
6. 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.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

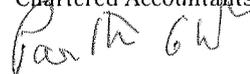
8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted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



Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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 account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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 knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2015, on its financial position in its standalone financial statements – Refer Note of 30 and 31 of the Financial Statement;
 - ii. The Company has made provision as at March 31, 2015, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

For Price Waterhouse
Firm Registration Number:301112E
Chartered Accountants



Partha Ghosh
Partner
Membership Number 55913

Place : Mumbai
Date : April 28,2015

Annexure to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Gateway Rail Freight Limited on the standalone financial statements for the year ended March 31, 2015.

Page 1 of 2

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, and other material statutory dues, as applicable, with the appropriate authorities.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, duty of customs and value added tax which have not been deposited on account of any dispute.
(c) There are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- x. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 3(x) of the Order are not applicable to the Company



Annexure to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Gateway Rail Freight Limited on the standalone financial statements for the year ended March 31, 2015.

Page 2 of 2

- xi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

Partha Ghosh

Partha Ghosh

Partner

Membership Number : 55913

Place: Mumbai

Date: April 28, 2015

GATEWAY RAIL FREIGHT LIMITED
Balance Sheet as at March 31, 2015

	Note No.	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	6,123,002,500	6,123,002,500
Reserves and Surplus	4	<u>1,561,528,720</u>	<u>522,108,390</u>
		7,684,531,220	6,645,110,890
Non-Current Liabilities			
Long-Term Borrowings	5	951,682,000	816,000,000
Deferred Tax Liabilities (Net)	6	63,256,793	100,138,134
Long-Term Provisions	7	<u>40,512,274</u>	<u>27,887,023</u>
		1,055,451,067	944,025,157
Current Liabilities			
Short-Term Borrowings	8	64,448,998	136,625,078
Trade Payables	9	255,860,499	241,565,350
Other Current Liabilities	10	406,218,938	322,660,144
Short-Term Provisions	11	<u>3,960,228</u>	<u>9,863,443</u>
		730,488,663	710,714,015
Total		<u>9,470,470,950</u>	<u>8,299,850,062</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	6,680,774,695	6,344,380,001
Intangible Assets	13	305,512,719	331,185,744
Capital Work-in-Progress		296,348,022	256,100,015
Non-Current Investments	14	-	-
Long-Term Loans and Advances	15	427,746,623	349,232,163
Other Non-Current Assets	16	<u>2,951,249</u>	<u>7,677,594</u>
		7,713,333,308	7,288,575,517
Current Assets			
Current Investments	17	810,000,000	340,339,335
Trade Receivables	18	713,743,692	465,507,843
Cash and Bank Balances	19	134,674,888	108,057,786
Short-Term Loans and Advances	20	83,628,554	76,844,025
Other Current Assets	21	<u>15,090,508</u>	<u>20,525,556</u>
		1,757,137,642	1,011,274,545
Total		<u>9,470,470,950</u>	<u>8,299,850,062</u>
Significant Accounting Policies	2		
The accompanying Notes are an integral part of these financial statements.			

In terms of our report of even date.

For Price Waterhouse
 Firm Registration Number: 301112E
Chartered Accountants



Partha Ghosh
 Partner
 Membership No.: 55913

For and on behalf of the Board of Directors



Prem Kishan Gupta **Gopinath Pillai**
 Chairman and Managing Director Director


B. K. Sahoo **Nandan Chopra**
 Chief Finance Officer Vice President
 (Finance and Accounts) and
 Company Secretary

Place: Mumbai
 Date: April 28, 2015

Place: New Delhi
 Date: April 28, 2015

GATEWAY RAIL FREIGHT LIMITED

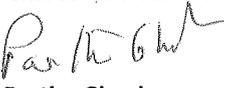
Statement of Profit and Loss for the year ended March 31, 2015

	Note No.	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
REVENUES			
Revenue From Operations	22	6,913,199,597	5,671,042,071
Other Income	23	78,134,818	59,033,280
Total Revenue		6,991,334,415	5,730,075,351
EXPENSES			
Operating Expenses	24	4,659,376,823	4,091,884,208
Employee Benefits Expenses	25	182,805,993	167,328,736
Finance Costs	26	110,477,520	120,789,828
Depreciation and Amortisation Expenses	27	474,712,488	399,843,802
Other Expenses	28	372,289,666	351,774,856
Total Expenses		5,799,662,490	5,131,621,430
Profit Before Tax		1,191,671,925	598,453,921
Tax Expense			
-- Current Year [Refer Notes 2(viii)(a) and 15(a)]		241,937,902	126,383,974
-- Minimum Alternate Tax Credit Entitlement [Refer Notes 2(viii)(c) and 15(a)]		(62,276,644)	(126,383,974)
-- Earlier Years		-	-
-- Deferred Tax [Refer Notes 2(viii)(b) and 6]		(36,881,341)	76,586,219
Profit for the Year		1,048,892,008	521,867,702
Earnings Per Equity Share [Face Value of Rs. 10 per Equity Share (Previous Year: Rs. 10)] [Refer Notes 2(xiii) and 34]			
-- Basic		5.21	2.59
-- Diluted		2.61	1.30

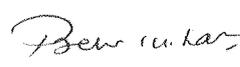
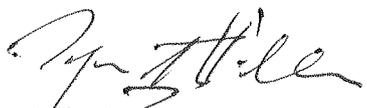
Significant Accounting Policies **2**
The accompanying Notes are an integral part of these financial statements.

In terms of our report of even date.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants


Partha Ghosh
Partner
Membership No.: 55913

For and on behalf of the Board of Directors

 
Prem Kishan Gupta **Gopinath Pillai**
Chairman and Director
Managing Director

 
B. K. Sahoo **Nandan Chopra**
Chief Finance Officer Vice President
(Finance and Accounts) and
Company Secretary

Place: Mumbai
Date: April 28, 2015

Place: New Delhi
Date: April 28, 2015

GATEWAY RAIL FREIGHT LIMITED
Cash Flow Statement for the year ended March 31, 2015

	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
A. Cash flow from operating activities:		
Profit Before Tax	1,191,671,925	598,453,921
Adjustments for:		
Depreciation/ Amortisation	474,712,488	399,843,802
Provision for Doubtful Debts (Net)	168,420	15,178,062
Provision for Doubtful Ground Rent/ (Written Back) (Net)	3,241,750	(3,027,950)
Finance Costs	110,477,520	120,789,828
Interest Income	(6,610,666)	(6,017,262)
Dividend on Current Investment	(17,956,809)	(8,860,221)
(Profit)/ Loss on Sale of Current Investment (Net)	(32,486,430)	-
(Profit)/ Loss on Sale/ Write-off of Tangible Assets (Net)	(1,351,859)	1,098,086
Provision for Employee Benefits	12,878,674	(443,971)
Liabilities/ Provisions no Longer Required Written Back	(10,946,544)	(20,294,546)
Operating Profit before working capital changes	1,723,798,469	1,096,719,749
Adjustments for change in working capital:		
- (Increase)/ Decrease in Trade Receivables	(248,404,268)	(41,699,320)
- (Increase)/ Decrease in Non-current Loans and Advances	(7,191,773)	4,041,536
- (Increase)/ Decrease in Current Loans and Advances	(6,784,529)	37,620,411
- (Increase)/ Decrease in Other Non-Current Assets	(3,241,750)	3,027,950
- (Increase)/ Decrease in Other Current Assets	6,127,214	(2,636,146)
- Increase / (Decrease) in Trade Payables	25,241,693	75,444,122
- Increase / (Decrease) in Other Current Liabilities	58,167,768	5,265,982
Cash generated from operations	1,547,712,824	1,177,784,284
- Taxes Paid	227,683,609	126,666,812
Net cash from/ (used in) operating activities (A)	1,320,029,215	1,051,117,472
B. Cash flow from investing activities :		
Purchase of Tangible Assets (including Capital Work-in-Progress and Capital Advances and net of Creditors for Tangible Assets)	(896,432,504)	(431,593,573)
Proceeds from sale of Tangible Assets	1,354,873	2,152,972
(Increase)/ Decrease in Fixed Deposits with Banks (Refer Notes 16 and 19)	(23,540,832)	16,617,683
Purchase of Current Investment	(2,207,000,000)	(592,000,000)
Sale of Current Investment	1,787,782,574	261,153,922
Interest Received	5,918,500	3,278,591
Net cash from/ (used in) investing activities (B)	(1,331,917,389)	(740,390,405)
C. Cash flow from financing activities :		
Proceeds of Long-Term Borrowings	285,932,000	50,000,000
(Repayment) of Long-Term Borrowings	(123,166,667)	(110,666,666)
Proceeds of Short-Term Borrowings	-	66,997,200
(Repayment) of Short-Term Borrowings	(43,939,400)	(168,799,460)
Interest Paid	(108,587,834)	(121,437,215)
Net cash from/ (used in) financing activities (C)	10,238,099	(283,906,141)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(1,650,075)	26,820,926
Cash and Cash Equivalents at the beginning of the year	80,193,204	53,372,278
Cash and Cash Equivalents at the end of the year	78,543,129	80,193,204
Net Increase/ (Decrease) in Cash and Cash Equivalents	(1,650,075)	26,820,926



GATEWAY RAIL FREIGHT LIMITED

Cash Flow Statement for the year ended March 31, 2015

	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
Cash and Cash Equivalents comprise:		
Cash on Hand	1,275,014	618,968
Balances with Scheduled Banks:		
- in Current Accounts	77,268,115	48,520,968
- in Fixed Deposit Accounts [Refer Note 19(a)]	-	31,053,268
Cash and Cash equivalents at end of the year	<u>78,543,129</u>	<u>80,193,204</u>

Notes:

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on "Cash Flow Statement".
- 2 Previous year's figures have been regrouped/ rearranged wherever necessary.

In terms of our report of even date.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

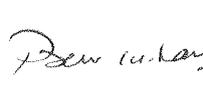


Partha Ghosh
Partner
Membership No.:55913

Place: Mumbai

Date: April 28, 2015

For and on behalf of the Board of Directors



Prem Kishan Gupta
Chairman and
Managing Director



B. K. Sahoo
Chief Finance Officer



Gopinath Pillai
Director



Nandan Chopra
Vice President
(Finance and Accounts) and
Company Secretary

Place: New Delhi

Date: April 28, 2015

GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of Financial Statements for the year ended March 31, 2015

1. General Information

Gateway Rail Freight Limited (the 'Company') is engaged in business of Container Train logistics. It provides container logistics solution between major Indian ports and Inland Container Depots (ICD) by providing rail services for Export, Import and Domestic containerised cargo, integrated with road transportation, transit and bonded warehousing, refrigerated container facilities and other value added services. The Company operates from its three owned terminals at Garhi Harsaru (Gurgaon), Sanehwal (Ludhiana) and Asauti (Faridabad) and a private freight terminal at Navi Mumbai under agreement. The Company owns and operates through its rakes and a fleet of trailers.

2. Significant Accounting Policies:

(i) Basis of Preparation:

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the companies act, 2013 read with rule 7 of the companies (Accounts) rules, 2014 till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956, shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the company's operating cycle and other criteria set out in the schedule III of the companies act 2013. Based on the nature of service and the time between the acquisition of assets for processing and the 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.

(ii) 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 fixed 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 fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

(b) Depreciation on additions/ deletions to Tangible and Intangible Assets is calculated on pro-rata basis from the month of such additions/ deletions. The Company provides depreciation on straight-line basis method at the rates specified under Schedule II to the Act or based on useful life whichever is higher, except for:

- Technical Know-How, is amortised over a period of agreement (i.e. five years) from the date of technology being put to use or over balance period of agreement from the date of commencement of the commercial operations, whichever is later;
- Rail License fees paid towards concession agreement, is being amortised over a period of agreement (i.e. twenty years) from the date of commercial operations;
- Reach Stackers and forklifts (included in Other Equipments) are depreciated over a period of ten years, based on the technical evaluation;
- Leasehold Improvements are amortised over a period of lease; and
- ERP Software is amortised under straight line method over a period of five years.

(c) Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition/ construction.

(d) Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

(iii) Borrowing Cost:

Borrowing costs directly attributable to the acquisition/ construction of an asset are apportioned to the cost of the Tangible and Intangible Assets up to the date on which the asset is put to use/ ready for intended use. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

(iv) Foreign Currency Transactions:

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. With respect to long-term foreign currency monetary items, the Company has adopted the following policy:

- Foreign exchange difference on account of a depreciable asset, is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset
- In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of such long term asset/ liability

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

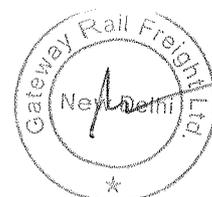
(v) Investments:

Investments that are readily realisable and are 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. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

(vi) Employee Benefits:

(a) Defined Contribution Plans

Contribution towards Provident Fund, Pension Scheme and Employee's State Insurance for employees is made to the Regulatory Authorities which are recognised by the Income Tax Authorities and administered through appropriate Authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.



GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of Financial Statements for the year ended March 31, 2015

(b) Defined Benefit Plans

The Company provides for gratuity, a defined benefit plan (the "Gratuity plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Liability for Defined Benefit Plan is provided on the basis of an actuarial valuation carried out by an independent actuary as at the Balance Sheet date. The actuarial valuation method used by an independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised in the Statement of Profit and Loss in the year in which they arise.

(c) Other Employee Benefits

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

(d) Termination Benefits

Termination benefits in the nature of voluntary retirement benefits are recognised in the Statement of Profit and Loss as and when incurred.

(vii) Revenue Recognition:

- (a) Income from Rail and Road transportation are recognised on completion of the movement and delivery of goods to the party/ designated place.
- (b) Income from Container Handling and Storage are recognised on delivery of the container/ cargo. Income from Ground Rent is recognised for the period the container is lying in the Container Freight Station/ Inland Container Depot. However, in case of long standing containers, Income from Ground Rent is not accrued for a period beyond 60 days on a consistent basis as per the prevailing business practice.
- (c) Income from Operations are recognised net of trade discount, rebates and service tax.
- (d) Income from auction is recognised when the company auctions long-standing cargo that has not been cleared by customs. Revenue and expenses for Auction are recognised when auction is completed after obtaining necessary approvals from appropriate authorities. Auction include recovery of the cost incurred in conducting auctions, custom duties on long-standing cargo and accrued ground rent and handling charges relating to long-standing cargo. Surplus, out of auctions, if any, after meeting all expenses and the actual ground rent, is credited to a separate account 'Auction Surplus' and is shown under the head 'Other Current Liabilities'. Unclaimed Auction Surplus, if any, in excess of one year is written back as 'Income' in the following financial year.
- (e) Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (f) Dividend: Dividend income is recognised when the right to receive dividend is established.

(viii) Taxes on Income:

- (a) **Current Taxation**
Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.
- (b) **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.
- (c) **Minimum Alternate Tax Credit**
Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified year. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified year.
- (d) Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

(ix) Provisions and Contingent Liabilities:

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(x) Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

(xi) Leases:

Leases in which a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

(xii) Cash and Cash Equivalents:

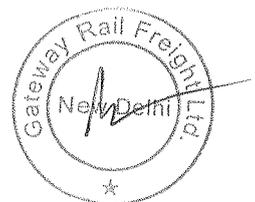
In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(xiii) Earnings per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(xiv) Use of Estimates

The preparation of financial statements in accordance with the generally accepted accounting principles requires the Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to such accounting estimates is recognised prospectively in the accounting period in which such revision takes place.



GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015

3. SHARE CAPITAL

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Authorised:		
402,700,000 (Previous Year: 402,700,000) Equity Shares of Rs. 10 each	4,027,000,000	4,027,000,000
100 (Previous Year: 100) Equity Shares of Rs. 25 each	2,500	2,500
120,000,000 (Previous Year: 120,000,000) Compulsory Convertible Preference Shares of Rs. 24.65 each	2,958,000,000	2,958,000,000
115,000,000 (Previous Year: 115,000,000) Zero Coupon Redeemable Preference Shares of Rs. 10 each	1,150,000,000	1,150,000,000
	8,135,002,500	8,135,002,500
Issued, Subscribed and Paid-up:		
201,500,000 (Previous Year: 201,500,000) Equity Shares of Rs. 10 each, fully paid-up [Refer Notes 3(A) and 3(E)]	2,015,000,000	2,015,000,000
100 (Previous Year: 100) Equity Shares of Rs. 25 each, fully paid-up [Refer Note 3(A)]	2,500	2,500
120,000,000 (Previous Year: 120,000,000) Compulsory Convertible Preference Shares of Rs. 24.65 each, fully paid-up [Refer Note 3(A)]	2,958,000,000	2,958,000,000
115,000,000 (Previous Year: 115,000,000) Zero Coupon Redeemable Preference Shares of Rs. 10 each, fully paid-up [Refer Notes 3(A)]	1,150,000,000	1,150,000,000
	6,123,002,500	6,123,002,500

(A) Reconciliation of the Number of Shares

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of Rs. 10 each				
Balance as at the beginning of the year	201,500,000	2,015,000,000	201,500,000	2,015,000,000
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	201,500,000	2,015,000,000	201,500,000	2,015,000,000
Equity Shares of Rs. 25 each				
Balance as at the beginning of the year	100	2,500	100	2,500
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	100	2,500	100	2,500
Compulsory Convertible Preference Share				
Balance as at the beginning of the year	120,000,000	2,958,000,000	120,000,000	2,958,000,000
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	120,000,000	2,958,000,000	120,000,000	2,958,000,000
Zero Coupon Redeemable Preference Share				
Balance as at the beginning of the year	115,000,000	1,150,000,000	115,000,000	1,150,000,000
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	115,000,000	1,150,000,000	115,000,000	1,150,000,000

(B) Rights, Preferences and restrictions attached to shares:

- (i) Compulsorily Convertible Preference Shares (CCPS): 120,000,000 Compulsory Convertible Preference Shares of Rs. 24.65 each were issued in August 2010 to Blackstone GPV Capital Partners (Mauritius) V-H Limited (Blackstone) against cash. These CCPS holders shall be entitled to non-cumulative dividend of 0.0001% of the face value of CCPS, as and when declared by the Company Board prior to and in preference to the payment of any dividend on the Equity Shares. The Holders of CCPS shall also be entitled to participate in dividends issued by the Company over and above the Preferred Dividend on an 'as-if converted' basis. Subject to applicable laws, Blackstone holding the CCPS shall have the voting rights to vote on all matters to be decided by the Company as if the Blackstone CCPS had been converted into Equity Shares at the Conversion ratio. The Conversion ratio is 167 Equity Shares for every 100 CCPS. These CCPS shall be converted by the expiry of 19 (Nineteen) years from the Completion date. In the event of liquidation, the Compulsory Convertible Preference Shareholders are eligible to receive the money before the distribution being made to Zero Coupon Redeemable Preference Shareholders and Equity Shareholders after distributing all preferential amount in proportion to their share holding.
- (ii) Zero Coupon Redeemable Preference Shares (RPS): 115,000,000 Zero Coupon Redeemable Preference Shares of Rs. 10 each were issued on July 21, 2011 to Gateway Distriparks Limited, the Holding Company, against cash. The preference shares shall have liquidation preference rights which are inferior to those of Compulsory Convertible Preference Shares. These Redeemable Preference Shares are redeemable in one or more tranches provided that not less than 15,000,000 RPS shall be redeemed in any single tranche. These Redeemable Preference Shares shall be redeemed latest by October 1, 2030. RPS would be entitled to redemption premium in the first day in a given financial year in which RPS redemption premium to be paid to promoters ranging from Rs. 3.38 per RPS redeemed in October 1, 2015 to Rs. 22.07 per RPS (if redeemed on October 1, 2030). At the time of liquidation, RPS holders would be entitled to their remaining assets (after paying off to Compulsory Convertible Preference shareholders and other preferential amount but before making payment to equity shareholders) in the proportion to their holding.
- (iii) The Company has two class of Equity Shares having par value of Rs. 10 per share and Rs. 25 per share. Each shareholder is eligible for one vote per equity share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the case of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in the proportion to their shareholding.



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015

(C) Shares held by Holding Company and its nominees (More than 5% as on March, 31 2015):

		As at March 31, 2015	As at March 31, 2014
Equity Shares of Rs.10 each 198,100,000 Shares (Previous year 198,100,000) of Rs. 10 each fully paid-up are held by Gateway Distriparks Limited, the Holding Company	Number of Shares held % of Shares held	198,100,000 98.31	198,100,000 98.31
Equity Shares of Rs. 25 each 100 Shares (Previous year 100) of Rs. 25 each fully paid-up are held by Blackstone GPV Capital Partners (Mauritius) V-H Limited	Number of Shares held % of Shares held	100 100	100 100
Compulsorily Convertible Preference Shares of Rs. 24.65 each are held by Blackstone GPV Capital Partners (Mauritius) V-H Limited	Number of Shares held % of Shares held	120,000,000 100	120,000,000 100
Zero Coupon Redeemable Preference Shares of Rs.10 each are held by Gateway Distriparks Limited, the Holding company	Number of Shares held % of Shares held	115,000,000 100	115,000,000 100

(D) Shares allotted as fully paid-up pursuant to contract without payment being received in cash (during 5 years immediately preceding March 31, 2015):

During the 5 years immediately preceding March 31, 2015, 1,500,000 Equity Shares of Rs. 10 each were allotted pursuant to a Sweat Equity Scheme, without payments being received in cash, [Refer Note 3E].

Year Ended	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Issue of Sweat Equity Shares to eligible employees	-	-	-	-	1,500,000

(E) Sweat Equity Shares:

Details of Sweat Equity Shares issued by the Company are as follows:

- (i) During 2006- 2007 and 2007-2008, pursuant to the special resolution passed by the shareholders in the Extraordinary General Meeting held on July 21, 2006, September 21, 2007 and March 7, 2008, the Board of Directors' in their meetings held on November 21, 2006, January 31, 2007, November 19, 2007 and March 18, 2008, the Company had allotted 9,700,000 sweat equity shares to its employees.
- (ii) During 2008-2009, pursuant to the special resolution passed by the Shareholders in the Extraordinary General meeting held on March 17, 2008, the Board of Directors' in their meetings held on May 26, 2008, the Company had allotted 300,000 Sweat Equity shares to its employees.
- (iii) During 2009-2010, pursuant to the special resolution passed by the Shareholders in the Extraordinary General meeting held on December 9, 2009, the Board of Directors' in their meetings held on December 15, 2009, the Company had allotted 1,500,000 Sweat Equity shares to its employees.
- (iv) During 2010-2011, Gateway Distriparks Limited, the Holding Company, had acquired 6,000,000 Equity Shares from Sweat Equity Shareholders pursuant to their resignation as employees.
- (v) During 2011-2012, Gateway Distriparks Limited, the Holding Company, has acquired 600,000 Equity Shares from Sweat Equity Shareholders pursuant to their resignation as employees.
- (vi) During 2012-2013, Gateway Distriparks Limited, the Holding Company, has acquired 1,500,000 Equity Shares from Sweat Equity Shareholder pursuant to their resignation as employees.

4. RESERVES AND SURPLUS

Securities Premium Account
Opening Balance

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Opening Balance	13,205,109	13,205,109
Add: Received during the year	-	-
Less: Utilisation during the year	-	-
Balance at the end of the year	<u>13,205,109</u>	<u>13,205,109</u>
Surplus/ (Deficit) in Statement of Profit and Loss		
Opening Balance	508,903,281	(12,964,421)
Add: Net Profit after tax transferred from Statement of Profit and Loss	1,048,892,008	521,867,702
Balance at the end of the year	<u>1,557,795,289</u>	<u>508,903,281</u>
Less: Depreciation of earlier years charged to Reserves	9,471,678	-
	<u>1,561,528,720</u>	<u>522,108,390</u>

Surplus/ (Deficit) in Statement of Profit and Loss

Opening Balance
Add: Net Profit after tax transferred from Statement of Profit and Loss
Balance at the end of the year
Less: Depreciation of earlier years charged to Reserves



5. LONG TERM BORROWINGS

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Secured:		
Term Loans		
From GE Money Financial Services Private Limited [Refer Note 5(a)(i)]	463,250,000	572,250,000
From HDFC Bank [Refer Note 5(a)(ii)]	402,500,000	243,750,000
Buyers' Credit From Banks		
-- HDFC Bank [Refer Note 5(a)(iii)]	85,932,000	-
	951,682,000	816,000,000

Nature of Security and terms of repayment for secured borrowings

(a) **Nature of Security**

(i) Term Loan from GE Money Financial Services Private Limited amounting to Rs. 572,250,000 (March 31, 2014 Rs. 681,250,000) is secured by first pari passu charge on all movable operating assets, intangible assets, assignment of all permits, licences, approvals, and immovable properties, book debts, insurance policies, pledge of equity shares of Gateway Rail Freight Limited held by Gateway Distriparks Limited and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company.

(ii) Term Loan from HDFC Bank amounting to Rs. 443,750,000 (March 31, 2014 Rs. 257,916,667) is secured by first pari passu charge on all the assets (fixed and current, present and future) of the Company, Debit Authority Letter with undertaking to fund losses or provide funds to the Company in case of inadequate cash flows and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company.

(iii) Buyers' Credit from HDFC Bank amounting to Rs. 200,288,575 (March 31, 2014 Rs. 188,618,278) is secured by first pari passu charge on all the assets (fixed and current, present and future) of the Company, Debit Authority Letter with undertaking to fund losses or provide funds to the Company in case of inadequate cash flows and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company.

Terms of Repayment

The Term Loan is repayable in 40 Quarterly installments of Rs. 27,250,000 started from September 2010. Interest Rate Charged by GE Money Financial Services Private Limited is based on CP Benchmark Rate and fluctuates between 10.42% - 11.84% per annum by reducing balance method.

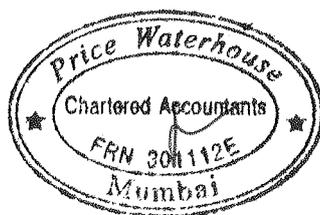
The Term Loan 1 from HDFC Bank is repayable within 8 years with 2 years moratorium in 24 Quarterly installments. Term Loan of Rs. 1 Crore taken on November 03, 2010 is repayable in installments of Rs. 416,667 started from February 2013 with interest @ 10.32% - 10.76% per annum. Term Loan of Rs. 10 Crore taken on July 09, 2012 is repayable in installments of Rs. 4,166,667 starting from October 2014 with interest @ 11.50% per annum and Term Loan of Rs. 10 Crore taken on December 26, 2012 is repayable in installments of Rs. 4,166,667 starting from March 2015 with interest @ 11.50% per annum. Term Loan of Rs. 5 Crore taken on May 07, 2013 is repayable in installments of Rs. 2,083,333 starting from August 2015 with interest @ 11.50% per annum.

The Term Loan 2 from HDFC Bank is repayable within 7 years with 2 years moratorium in 24 Quarterly installments. Term Loan of Rs. 10 Crore taken on December 22, 2014 is repayable in installments of Rs. 5,000,000 starting from March 22, 2017 with interest @ 10.60% per annum. Term Loan of Rs. 10 Crore taken on January 19, 2015 is repayable in installments of Rs. 5,000,000 starting from April 19, 2017 with interest @ 10.60% per annum.

Buyers' Credit of Rs. 6,941,577 is repayable on April 28, 2015. The interest rate is LIBOR + 1.30% p.a. Buyers' Credit of Rs. 64,448,998 is repayable on April 17, 2015. The interest rate is LIBOR + 1.20% p.a. Buyers' Credit of Rs. 42,966,000 is repayable on October 07, 2015. The interest rate is LIBOR + 1.40%. Buyers' Credit of Rs. 85,932,000 is repayable on January 12, 2018. The interest rate is LIBOR + 1.40%.

6. DEFERRED TAX LIABILITIES

Deferred Tax Assets:		
Provision for Doubtful Debts and Advances	33,097,014	38,789,573
Accrual for expenses allowable on Payment/ Tax deduction basis	38,221,905	10,738,388
Total	71,318,919	49,527,961
Deferred Tax Liability		
Depreciation on Fixed Assets	134,575,712	149,666,095
Total	134,575,712	149,666,095
Net Deferred Tax Liability	63,256,793	100,138,134



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
7. LONG TERM PROVISIONS		
Employee Benefits [Refer Notes 2(vi) and 38]		
Gratuity	16,585,033	11,469,285
Compensated Absences	23,927,241	16,417,738
	40,512,274	27,887,023
8. SHORT TERM BORROWINGS		
Secured		
Buyers' Credit From Banks		
-- HDFC Bank [Refer Note 8(a)]	64,448,998	136,625,078
	64,448,998	136,625,078
(a) Buyers' Credit from HDFC Bank amounting to Rs. 200,288,574 (March 31, 2014 Rs. 188,618,278) is secured by first pari passu charge on all the assets (fixed and current, present and future) of the Company, Debit Authority Letter with undertaking to fund losses or provide funds to the Company in case of inadequate cash flows and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company.		
9. TRADE PAYABLES		
-- Due to Micro and Small Enterprises [Refer Note 9(a)]		
-- Due to Others	255,860,499	241,565,350
	255,860,499	241,565,350
Note (a)		
There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The information regarding Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.		
10. OTHER CURRENT LIABILITIES		
Current maturities of long term borrowings- GE Money Financial Services Private Limited [Refer Note 5(a)(i)]	109,000,000	109,000,000
Current maturities of long term borrowings- HDFC Bank [Refer Note 5(a)(ii)]	41,250,000	14,166,667
Current maturities of Buyers' Credit from HDFC Bank [Refer Note 5(a)(iii)]	49,907,577	51,993,200
Interest Accrued but not due on borrowings	5,782,223	3,892,537
Advances from Customers	19,889,161	19,233,772
Current maturities of Retention Money/ Deposits from Creditors for Tangible Assets	9,915,807	7,374,657
Other Payables:		
-- Creditors for Tangible and Intangible Assets	22,717,745	26,755,264
-- Employees	15,593,143	10,512,439
-- Contractual Obligations	120,071,959	69,431,262
-- Statutory Liabilities	12,091,323	10,300,346
	406,218,938	322,660,144
11. SHORT TERM PROVISIONS [Refer Note 7]		
Employee Benefits [Refer Notes 2(vi) and 38]		
- Gratuity	380,663	352,268
- Compensated Absences	3,578,524	3,353,496
Wealth Tax (Net)	1,041	1,041
Provision for Tax	-	6,156,638
	3,960,228	9,863,443



12. TANGIBLE ASSETS [Refer Notes 2(i), 2(ii) and 2(iv)]

Particulars	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As at April 1, 2014	Additions during the year	Disposals during the year	For the year	As at March 31, 2015	As at March 31, 2014
Freehold Land [Refer Note 12(a)]	1,843,438,529	-	-	66,376,646	2,128,963,432	1,843,438,529
Buildings	1,771,340,077	285,524,903	-	35,775,912	1,611,208,259	1,574,990,970
Railway Sidings [Refer Note 12(b)]	283,238,197	257,064,801	-	1,633,162	446,344,471	225,055,582
Plant and Machinery	12,773,784	8,093,685	-	3,068,197	27,799,272	10,838,749
Other Equipments [Refer Notes 12(c) and 12(e)]	405,564,353	24,060,961	(30,322,304)	17,976,887	474,914,671	298,009,314
Computers	25,539,637	3,526,625	23,920	1,346,422	31,497,596	19,920,642
Furniture and Fixings	64,915,343	11,501,762	76,411,056	15,094,116	3,493,738	37,680,196
Leasehold Improvements	87,939,912	20,555,160	-	2,595,842	79,444,238	68,217,172
Motor Vehicles [Refer Note 12(d)]	5,441,565	1,821,787	-	29,054,594	80,567,055	7,445,216
Rolling Stocks - Containers and Refeer Power Packs	476,540,357	84,357,239	-	478,430,641	117,412,867	144,097,142
Rolling Stocks - Rakes & Brake Van	367,845,320	4,745,285	-	150,291,938	1,798,626,339	2,004,563,164
Electrical Installations and Equipment	128,624,869	16,389,163	-	33,827,926	111,191,106	110,626,285
Total	8,038,865,932	835,231,154	(30,322,304)	449,039,463	6,680,774,695	6,344,380,001

Particulars	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As at April 1, 2013	Additions during the year	Disposals during the year	For the year	As at March 31, 2014	As at March 31, 2013
Freehold Land [Refer Note 12(a)]	1,843,438,529	-	-	65,032,144	1,843,438,529	1,843,438,529
Buildings	1,771,340,077	84,210,428	-	15,386,846	1,574,960,577	1,555,312,666
Railway Sidings [Refer Note 12(b)]	217,776,989	2,461,208	-	584,245	225,655,572	174,961,220
Plant and Machinery	10,151,215	2,161,549	38,980	1,435,615	10,838,749	10,838,749
Other Equipments [Refer Notes 12(c) and 12(e)]	282,023,014	90,135,746	1,465,561	559,416	298,009,314	222,351,945
Computers	23,274,253	3,397,426	1,072,042	2,055,247	19,920,642	18,137,172
Furniture and Fixings	59,024,802	6,529,645	629,104	1,072,280	37,680,196	42,013,406
Leasehold Improvements	8,490,128	6,539,784	-	498,529	19,722,700	68,844,988
Motor Vehicles [Refer Note 12(d)]	478,592,252	2,993,267	-	2,993,267	7,442,216	2,480,832
Rolling Stocks - Containers and Refeer Power Packs	258,903,925	4,615,357	-	1,147,143	69,061,315	69,061,315
Rolling Stocks - Rakes & Brake Van	2,611,745,150	59,740,339	-	30,641,860	1,44,097,142	170,342,400
Electrical Installations and Equipment	118,846,168	9,778,701	-	300,293	110,626,285	110,626,285
Total	7,681,670,904	331,730,893	9,807,919	374,170,777	6,344,380,001	6,354,799,789

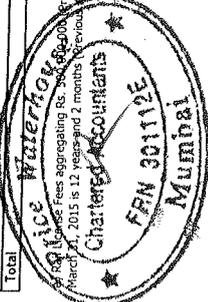
Notes:
a) Land situated at Asot aggregating Rs. 2,223,991 (Previous Year: Rs. 2,223,991) is yet to be transferred in the name of the Company.
b) Certain buildings are constructed on land not owned by the Company.
c) Other Equipments include Reach Stackers costing Rs. 309,815,277 (Previous Year: Rs. 473,307,670) and having Net Book Value Rs. 189,076,259 (Previous Year: Rs. 260,043,327).
d) Other Equipments include Reach Stackers costing Rs. 357,664,911 (Previous Year: Rs. 357,664,911) and having Net Book Value Rs. 79,026,488 (Previous Year: Rs. 5,393,134).
e) According to the notification issued by S.S.K. 995 dated December 29, 2011, issued by Ministry of Corporate Affairs, the Accounting Standard 11 (AS 11) "The Effects of Changes in Foreign Exchange Rates" has been amended to allow:
i) Exchange Gain / Loss to be amortised in a period over the useful life of acquired assets.
ii) AND in other cases, accumulated in the current year each.
iii) AND in other cases, accumulated in a period over the useful life of acquired assets.
iv) Pursuant to such notification, in the current year each, the monetary translation account and amortised over the balance period of such long term Asset / Liability.
v) Pursuant to the enactment of the Companies Act, 2013 (the Act) and its applicability for the accounting periods after April 1, 2014, the Company has re-worked depreciation with reference to the estimated economic lives of fixed assets prescribed by the Schedule II to the Act or actual useful life of assets, whichever is lower. For assets whose life has been completed as above, the carrying value, net of residual value aggregating Rs. 9,471,678 as at April 1, 2014, has been adjusted to General Reserve and in other cases the carrying value as at April 1, 2014 has been depreciated over the remaining of the revised life of the assets and recognised in the Statement of Profit and Loss. As a result the charge for depreciation is higher by Rs. 1,06,338,555 for the year ended March 31, 2015 and profit from ordinary activities before tax is lower by the same amount.

13. INTANGIBLE ASSETS [Refer Notes 2(iii) and 2(iv)]

Particulars	GROSS BLOCK		AMORTISATION		NET BLOCK	
	As at April 1, 2014	Additions during the year	Disposals during the year	For the year	As at March 31, 2015	As at March 31, 2014
Intangible Assets (Acquired):	500,000,000	-	-	25,000,000	304,166,667	329,166,667
Rail License Fees [Refer Note 13(a)]	100,000,000	-	-	673,025	1,346,052	2,019,077
Computer Software	3,365,127	-	-	25,673,025	297,852,408	331,185,744
Total	603,365,127	603,365,127	603,365,127	25,673,025	305,512,719	331,185,744

Particulars	GROSS BLOCK		AMORTISATION		NET BLOCK	
	As at April 1, 2013	Additions during the year	Disposals during the year	For the year	As at March 31, 2014	As at March 31, 2013
Intangible Assets (Acquired):	500,000,000	-	-	25,000,000	170,833,333	329,166,667
Rail License Fees [Refer Note 13(a)]	100,000,000	-	-	673,025	1,346,052	2,019,077
Computer Software	3,365,127	-	-	25,673,025	297,852,408	331,185,744
Total	603,365,127	603,365,127	603,365,127	25,673,025	305,512,719	331,185,744

Notes:
a) Certain buildings are constructed on land not owned by the Company.
b) Other Equipments include Reach Stackers costing Rs. 309,815,277 (Previous Year: Rs. 473,307,670) and having Net Book Value Rs. 189,076,259 (Previous Year: Rs. 260,043,327).
c) According to the notification issued by S.S.K. 995 dated December 29, 2011, issued by Ministry of Corporate Affairs, the Accounting Standard 11 (AS 11) "The Effects of Changes in Foreign Exchange Rates" has been amended to allow:
i) Exchange Gain / Loss to be amortised in a period over the useful life of acquired assets.
ii) AND in other cases, accumulated in the current year each.
iii) AND in other cases, accumulated in a period over the useful life of acquired assets.
iv) Pursuant to such notification, in the current year each, the monetary translation account and amortised over the balance period of such long term Asset / Liability.
v) Pursuant to the enactment of the Companies Act, 2013 (the Act) and its applicability for the accounting periods after April 1, 2014, the Company has re-worked depreciation with reference to the estimated economic lives of fixed assets prescribed by the Schedule II to the Act or actual useful life of assets, whichever is lower. For assets whose life has been completed as above, the carrying value, net of residual value aggregating Rs. 9,471,678 as at April 1, 2014, has been adjusted to General Reserve and in other cases the carrying value as at April 1, 2014 has been depreciated over the remaining of the revised life of the assets and recognised in the Statement of Profit and Loss. As a result the charge for depreciation is higher by Rs. 1,06,338,555 for the year ended March 31, 2015 and profit from ordinary activities before tax is lower by the same amount.



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015

14. NON CURRENT INVESTMENTS

[Refer Note 2(v)]

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Trade Investment (valued at cost)		
<i>Unquoted Equity Instruments</i>		
Investment in Subsidiary Company: 50,997 Equity Shares (Previous Year: 50,997) of Rs. 10 each held in Container Gateway Limited.	509,970	509,970
Less: Diminution in value of investment	509,970	509,970
	-	-
Aggregate amount of unquoted investment	509,970	509,970
Aggregate provision for diminution in value of investment	509,970	509,970

15. LONG TERM LOANS AND ADVANCES

**Unsecured, Considered Good
(Unless otherwise stated)**

Capital Advances		
Considered Good	91,373,926	61,916,952
Considered Doubtful	1,025,591	1,025,591
	92,399,517	62,942,543
Less: Provision for Doubtful Advances	1,025,591	1,025,591
	91,373,926	61,916,952
Security Deposits	33,247,444	26,053,292
Less: Provision for Doubtful Deposits	200,000	200,000
	33,047,444	25,853,292
Loans/Advances to Related Parties		
Advance To Subsidiary Company	225,808	225,577
Less: Provision for Doubtful Advances	217,458	217,458
	8,350	8,119
Advances Recoverable in Cash or in Kind or for Value to be Received		
Considered Good	662,530	665,140
Considered Doubtful	7,861,997	7,861,997
	8,524,527	8,527,137
Less: Provision for Doubtful Advances	7,861,997	7,861,997
	662,530	665,140
Tax Deducted at Source and Advance Tax [Net of Provision for Tax Rs. 279,653,853 (Previous Year: Rs. 215,586,594)]	24,791,135	45,202,066
Minimum Alternate Tax Credit Entitlement [Refer Note 15(a)]	277,863,238	215,586,594
	427,746,623	349,232,163

Note (a)

Due to prior year unabsorbed depreciation and losses as per Income Tax Act, 1961 (the "Income Tax Act") provision for income tax for current year is made as per "Minimum Alternative Taxation ("MAT")" as per provisions of Section 115JB of Income Tax Act. Considering the balance unabsorbed losses of the Company and based on assessment of future profitability, the Company has taken MAT credit of Rs. 62,276,644 (Previous Year: Rs. 126,383,974) during the year, as the MAT credit can be set-off against future income-tax liability. Accordingly, Rs. 277,863,238 (Previous Year: Rs. 215,586,594) is carried as "Long term Loans and Advances" as at March 31, 2015.

16. OTHER NON-CURRENT ASSETS

Unsecured, Considered Good (Unless otherwise stated)		
Non-Current Bank Balances		
Long term deposits with banks with maturity period more than 12 months [Refer Note (a) below]	2,951,249	7,677,594
Accrued Ground Rent		
-- Considered Good	9,592,350	6,350,600
-- Considered Doubtful	9,592,350	6,350,600
	9,592,350	6,350,600
Less: Provision for Doubtful Ground Rent		
	2,951,249	7,677,594

Note (a): Fixed Deposits aggregating Rs. 5,842 (Previous year: Rs. 3,183,436) are under lien with Banks towards guarantees and Letter of Credit issued by them.



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015

17. CURRENT INVESTMENTS

[Refer Note 2(v)]

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Investment in Mutual Fund (Unquoted) (at lower of cost or market value)		
UTI Treasury Advantage Fund - Institutional Plan - Daily Dividend Nil units (Previous Year: 236,337.52 units), with face value of Rs. 1,000	-	236,893,863
UTI Treasury Advantage Fund - Institutional Plan - Growth 425,527.354 units (Previous Year: Nil units), with face value of Rs. 1,000	810,000,000	-
UTI Money Market Fund - Institutional Plan - Daily Dividend Nil units (Previous Year: 102,790.04 units), with face value of Rs. 1,000	-	103,138,024
SBI Premier Liquid Fund - Daily Dividend Nil units (Previous Year: 306.45 units), with face value of Rs. 1,000.	-	307,448
	810,000,000	340,339,335

18. TRADE RECEIVABLES

Unsecured		
Overdue for more than Six months from the date they are due for payment		
-- Considered Good	2,144,710	6,286,298
-- Considered Doubtful	76,736,601	98,464,897
Others		
-- Considered Good	711,598,982	459,221,545
-- Considered Doubtful	-	-
	790,480,293	563,972,740
Less: Provision for Doubtful Debts	76,736,601	98,464,897
	713,743,692	465,507,843

19. CASH AND BANK BALANCES

Cash and Cash Equivalents

Cash on Hand	1,275,014	618,968
Balances with Banks:-		
Current Account	77,268,115	48,520,968
Bank Deposits with maturity of period less than 3 months [Refer Note (a) below]	-	31,053,268
	78,543,129	80,193,204

Other Bank Balances

Current maturities of fixed deposit more than 3 months but less than 12 months [Refer Note (a) below]	56,131,759	27,864,582
	56,131,759	27,864,582
	134,674,888	108,057,786

Note (a): Fixed Deposits aggregating Rs. 52,043,759 (Previous year: Rs. 55,853,227) are under lien with Banks towards guarantees and Letter of Credit issued by them.

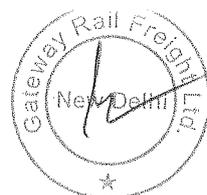
20. SHORT TERM LOANS AND ADVANCES

Unsecured, Considered Good
(Unless otherwise stated)

Prepaid Expenses	18,356,532	12,933,989
Security Deposits	3,536,348	4,228,012
Balances with Government Authorities	5,530,843	5,455,246
Advances Recoverable in Cash or in Kind or for Value to be Received	56,204,831	54,226,778
	83,628,554	76,844,025

21. OTHER CURRENT ASSETS

Interest Accrued but not due on Fixed Deposits with Banks	5,407,490	4,715,324
Accrued Ground Rent	2,073,900	4,474,740
Unbilled Revenue	7,609,118	11,335,492
	15,090,508	20,525,556



GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015
22. REVENUE FROM OPERATIONS

	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
Operating Income [Refer Note 2(vii)]		
-- Rail Transport	5,445,597,193	4,466,086,424
-- Road Transport	426,825,230	333,514,220
-- Container Storage, Handling and Ground Rent	975,821,000	834,442,746
Auction Income	43,793,326	15,346,785
Other Operating Revenues		
Rent	21,162,848	21,651,896
	6,913,199,597	5,671,042,071

23. OTHER INCOME

Interest on Fixed Deposit with Banks - Gross	6,610,666	6,017,262
Interest on Income Tax Refund	4,776,080	-
Profit on sale of Fixed Assets (Net)	1,351,859	-
Dividend Income on Current Investment	17,956,809	8,860,221
Gain on Sale of Current Investment	32,486,430	-
Liabilities/ Provisions no longer required Written back	10,946,544	20,294,546
Sale of Scrap	1,972,037	2,929,274
Miscellaneous Income	2,034,393	17,904,027
Provision for Doubtful Ground Rent written back (Net)	-	3,027,950
	78,134,818	59,033,280

24. OPERATING EXPENSES

Rail Transport	3,988,653,706	3,516,121,272
Road Transport	490,205,214	415,949,918
Container Storage, Handling and Repairs	167,930,187	155,340,254
Auction Expenses	12,587,716	4,472,764
	4,659,376,823	4,091,884,208

25. EMPLOYEE BENEFITS EXPENSES

Salaries, Allowances and Bonus	152,192,495	148,883,075
Contribution to Provident and Other Funds [Refer Note 38]	8,423,568	8,337,232
Compensated Absences	11,181,331	3,506,151
Gratuity [Refer Note 38]	5,232,519	1,009,914
Staff Welfare	5,776,080	5,592,364
	182,805,993	167,328,736

26. FINANCE COSTS

-- On Term Loans	104,406,220	112,986,488
-- On Buyers' Credit	3,182,550	4,569,694
-- On Cash Credit	1,549,949	1,541,257
-- On Taxes	1,338,801	1,692,389
	110,477,520	120,789,828

27. DEPRECIATION AND AMORTISATION EXPENSES

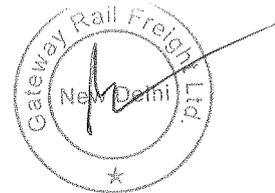
Depreciation on Tangible Assets	449,039,463	374,170,777
Amortisation on Intangible Assets	25,673,025	25,673,025
	474,712,488	399,843,802



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015

	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
28. OTHER EXPENSES		
Power and Fuel	89,267,388	72,713,922
Rent [Refer Note 37]	41,670,031	35,756,259
Rail License Fees	44,112,313	30,743,406
Rates and Taxes	446,428	1,125,613
Repairs and Maintenance		
-- Plant and Equipment (including Yard Equipments)	3,060,229	3,473,250
-- Buildings/ Yard	6,892,018	5,204,999
-- Computers	4,974,323	9,114,593
-- Others	12,068,980	12,787,793
Insurance	21,060,914	21,532,606
Customs Staff Expenses	22,323,955	20,834,589
Printing and Stationery	4,156,464	3,988,269
Travelling and Conveyance	30,733,020	29,142,025
Vehicle Maintenance Expenses	1,028,785	1,185,203
Communication	10,002,035	10,277,564
Advertisement and Business Promotion	8,054,516	8,707,793
Corporate Social Responsibility	7,625,935	4,943,416
Legal and Professional Charges	17,223,137	17,839,680
Director Sitting Fees	800,000	-
Security Charges	32,191,246	34,987,458
Loss on Sale/ Write Off of Tangible Assets (Net)	-	1,098,086
Auditors' Remuneration		
-- Audit Fees	1,850,000	1,850,000
-- Out of Pocket Expenses	27,268	36,090
Bad Debts	21,896,716	-
Less: Provision for Doubtful Debts Adjusted	(21,896,716)	-
Provision for Doubtful Debts (Net)	168,420	15,178,062
Provision for Doubtful Ground Rent (Net)	3,241,750	-
Bank Charges	9,310,511	9,254,180
	372,289,666	351,774,856



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of Financial Statements for the year ended March 31, 2015

29. Commitments:**a) Capital Commitments:**

Estimated amount of contracts [net of Capital Advances of Rs. 2,944,300 (Previous Year Rs. 3,635,500)] to be executed on capital account, and not provided for is Rs. 487,057,477 (Previous Year Rs. 506,959,081).

b) Other Commitments:

The Company has imported capital goods under the Export Promotion Capital Goods Scheme of the Government of India at concessional rates of duty under obligation to export cargo handling services of Rs. 425,177,658 (Previous Year: Rs. 372,215,454) within a period of six years.

30. Contingent Liabilities:

Particulars	(Rupees)	
	As at March 31, 2015	As at March 31, 2014
Bank Guarantees and Continuity Bonds executed in favour of The President of India through the Commissioners of Excise and Customs and Sales Tax	30,795,300,000	22,947,597,594
Claims made by the parties not acknowledged as debts:		
- Container Corporation of India (Refer Note 31)	Not Ascertainable	Not Ascertainable
- Others	14,893,945	14,893,945

31. The Company and its Holding Company, Gateway Distriparks Limited ("GDL") are involved in an arbitration proceeding with Container Corporation of India Limited ("Concor") in respect of agreements entered into by the parties for operation of container trains from the Inland Container Depot and Rail Siding of the Company at Garhi Harsaru, Gurgaon. Concor has raised claims on the Company and GDL on various issues in respect to the aforesaid agreements. Based on legal opinion, the Management has taken a view that these claims are at a preliminary stage and the question of maintainability of the alleged disputes as raised by Concor under the aforesaid agreements is yet to be determined and are not sustainable. Pending conclusion of the arbitration, the parties are maintaining "status quo" in respect of the operations at Garhi Harsaru, Gurgaon.

32. Segment Reporting:**Primary Segment:**

The Company is mainly engaged in "Rail Logistics Business" which is considered as the primary reportable business segment in accordance with Accounting Standard 17 - "Segment Reporting". Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the Financial Statement as of and for the year ended March 31, 2015.

Secondary Segment:

The Company's operations are such that all activities are confined only to India and hence, there is no secondary reportable segment relating to the Company's business.



GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of Financial Statements for the year ended March 31, 2015

33. Related Party Disclosures

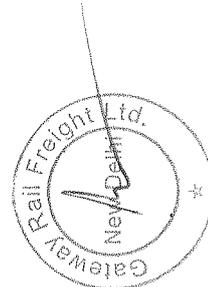
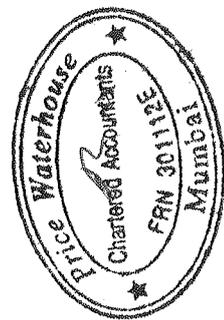
Related Party Disclosures, as required by Accounting Standard 18 – "Related Party Disclosures".

- (i) Holding Company: - Gateway Distriparks Limited (GDL)
(ii) Subsidiary Company: - Container Gateway Limited (CGL)
(iii) The entity in which enterprise have significant influence or entity in which directors are interested - Newsprint Trading and Sales Corporation (NTSC)

(iv) Key Management Personnel

Mr. Prem Kishan Gupta (Chairman and Managing Director)
Mr. Ishaan Gupta (Director)
Mr. Sachin Bhanushali (Chief Executive Officer) - w.e.f. December 01, 2014

Sr. No.	Particulars	Holding Company (GDL)		Subsidiary Company (CGL)		The entity in which directors are interested (NTSC)		Key Management Personnel		Total	
		2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
	Transactions during the year:										
1	Reimbursement of Other Operational expenses incurred on our behalf	-	6,000	-	-	850,486	6,548,124	-	-	850,486	6,554,124
2	Operation and Management Fees (excluding Service-tax)	16,788,480	9,837,000	-	-	-	-	-	-	16,788,480	9,837,000
3	Lease rental received (excluding Service-tax)	-	-	-	-	-	1,868,736	-	-	-	1,868,736
4	Renting of Services (excluding Service-tax)	-	-	-	-	2,556,137	83,975,155	-	-	2,556,137	83,975,155
5	Reimbursement of expenses incurred towards Tangible Assets on our behalf	-	603,426	-	-	90,493	-	-	-	90,493	603,426
6	Purchase of Tangible Assets (excluding Sales-tax)	-	-	37,542	-	13,892	9,836	-	-	51,434	41,293
7	Reimbursement of Other Administrative expenses incurred on their behalf	-	-	-	31,457	-	-	-	-	-	-
8	Remuneration	-	-	-	-	-	-	-	-	-	-
	Mr. Sachin Bhanushali	-	-	-	-	-	-	14,081,330	-	14,081,330	-
9	Director Sitting Fees	-	-	-	-	-	-	-	-	-	-
	Mr. Prem Kishan Gupta	-	-	-	-	-	-	100,000	-	100,000	-
	Mr. Ishaan Gupta	-	-	-	-	-	-	100,000	-	100,000	-
	Closing Balance	16,788,480	10,446,426	37,542	31,457	3,511,008	92,401,851	14,281,330	-	34,618,360	102,879,734
	Equity Share Capital (Refer Note 3)	1,981,000,000	1,981,000,000	-	-	-	-	-	-	1,981,000,000	1,981,000,000
1	Zero Coupon Redeemable Preference Share Capital	1,150,000,000	1,150,000,000	-	-	-	-	-	-	1,150,000,000	1,150,000,000
2	Investment in Equity Shares	-	-	509,970	-	-	-	-	-	509,970	509,970
3	Advance Recoverable	-	-	225,808	-	-	-	-	-	225,808	225,577
		3,131,000,000	3,131,000,000	735,778	735,547	-	-	-	-	3,131,735,778	3,131,735,547



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of Financial Statements for the year ended March 31, 2015

34. Computation of Earnings per Share (Basic and Diluted)

The number of shares used in computing Basic and Diluted Earnings per Share is the weighted average number of shares outstanding during the year.

Computation of Earnings Per Share (Basic and Diluted)	2014-2015	2013-2014
I. Net Profit attributable to Shareholders (Rupees.)	1,048,892,008	521,867,702
II. Weighted average number of Equity Shares of Rs. 10 each outstanding during the year. (Nos.)	201,500,250	201,500,250
III. Weighted average number of Potential Equity Shares on account of Compulsory Convertible Preference Shares of Rs. 24.65 each. (Nos.)	200,400,000	200,400,000
IV. Weighted Average number of Equity Shares for Diluted Earnings Per Share	401,900,250	401,900,250
V. Basic Earnings Per Share (Rupees.)	5.21	2.59
VI. Diluted Earnings Per Share (Rupees.)	2.61	1.30

35. Expenditure in Foreign Currency:

Particulars	(Rupees)	
	2014-2015	2013-2014
Membership Fees	40,853	86,123
Travelling Expenses	-	59,853
Director Sitting Fees	300,000	-
Interest On Buyers' Credit	3,182,550	4,569,694

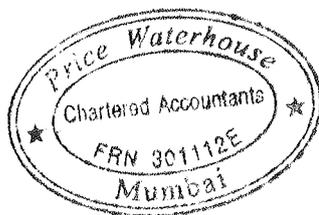
36. CIF Value of Imports:

Particulars	(Rupees)	
	2014-2015	2013-2014
Capital Goods	84,568,000	66,867,000
Total	84,568,000	66,867,000

37. The Company has taken office premises under non-cancellable operating lease and lease rent of Rs. 8,974,128 (Previous Year Rs. 13,499,198) has been included under the head 'Other Expenses - Rent' under Note "28" in the Statement of Profit and Loss.

Particulars	Minimum Future Lease Rentals			Amount recognised during the year
	Due within one year	Due later than one year and not later than five years	Due later than five years	
	For the year ended March 31, 2015	3,739,220	-	
For the year ended March 31, 2014	8,974,128	3,739,220	-	13,499,198

In addition, the Company has entered into various cancellable leasing arrangements for office and residential premises in respect of which an amount of Rs. 32,425,708 (Previous Year Rs. 21,890,582) has been appropriately included under 'Other Expenses - Rent' under Note "28" in the Statement of Profit and Loss.



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of Financial Statements for the year ended March 31, 2015

38. Disclosure as per Accounting Standard 15 (Revised) – Employee Benefits:

The Company has classified various benefits provided to employees as under:-

I Defined Contribution Plans

- a. Provident Fund
- b. State Defined Contribution Plans
 - i. Employers' Contribution to Labour Welfare Fund
 - ii. Employers' Contribution to Employee's Pension Scheme 1995
 - iii. Employers' Contribution to Employee's State Insurance Commission

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss Account:

Particulars	(Rupees)	
	2014-2015	2013-2014
- Employers' Contribution to Provident Fund * [Includes Administrative Charges, EDLI charges and Employers' Contribution to Employee's Pension Scheme 1995]	8,342,341	8,272,625
Employers' Contribution to Labour Welfare Fund*	29,360	5,483
Employers' Contribution to Employee's State Insurance Commission*	51,867	59,124
Total	8,423,568	8,337,232

* Included in Contribution to Provident and Other Funds (Refer Schedule "25")

II Defined Benefit Plan

A. Gratuity

- (i) In accordance with Accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:-

Particulars	2014-2015	2013-2014
Discount Rate (Per Annum)	7.80%	9.10%
Rate of Increase in Compensation Levels	11.00%	11.00%
Rate of Return on Plan Assets	-	-

The estimates of future salary increase, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

The Company has Non-Funded Gratuity Plan; accordingly changes in present value of plan assets, percentage of each category of plan assets to total fair value of plan assets and reconciliation of present value of defined benefit obligation and fair value of assets for funded scheme have not been disclosed.

(ii) Changes in the Present Value of Obligation

Particulars	(Rupees)	
	Unfunded Plan March 31, 2015	Unfunded Plan March 31, 2014
Present Value of Obligation as at the beginning of the year	11,821,553	11,463,584
Interest Cost	1,071,740	946,697
Past Service Cost	-	-
Current Service Cost	3,884,306	3,300,039
Curtailment Cost/ (Credit)	-	-
Settlement Cost/ (Credit)	-	-
Benefits Paid	(88,376)	(651,945)
Actuarial loss/(Gain)	276,493	(3,236,822)
Present Value of Obligation as at the end of the year	16,965,716	11,821,553

(iii) Amount recognised in the Balance Sheet

Particulars	(Rupees)	
	2014-2015	2013-2014
Present Value of Obligation as at the end of the year	16,965,716	11,821,553
Fair Value of Plan Assets as at the end of the year	-	-
Net Liability recognised as at the end of the year**	16,965,716	11,821,553

** Included in Provisions "Gratuity" (Refer Note "7" and "11")

(iv) Expenses recognised in the Statement of Profit and Loss Account

Particulars	(Rupees)	
	2014-2015	2013-2014
Current Service Cost	3,884,306	3,300,039
Past Service Cost	-	-
Interest Cost	1,071,740	946,697
Expected Return of Plan Assets	-	-
Curtailment Cost/ (Credit)	-	-
Settlement Cost/ (Credit)	-	-
Actuarial Loss/(Gain)	276,493	(3,236,822)
Total Expenses Recognised in the Statement of Profit and Loss ***	5,232,539	1,009,914

*** Included in Employee Benefits Expenses "Gratuity" (Refer Note "25")



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of Financial Statements for the year ended March 31, 2015

(v) Details of Present Value of Obligation, Plan Assets and Experience Adjustment.

Particulars	(Rupees)				
	2014-15	2013-14	2012-13	2011-2012	2010-2011
Present Value of Obligation	16,965,716	11,821,553	11,463,584	8,981,933	4,100,767
Fair Value of Plan Assets	-	-	-	-	-
(Surplus) / Deficit	16,965,716	11,821,553	11,463,584	8,981,933	4,100,767
Experience Adjustments:					
(Gain)/Loss on Plan Liabilities	(2,676,644)	(2,099,410)	(2,326,635)	(61,247)	(952,582)
(Gain)/ Loss on account of change in actuarial assumptions	2,953,137	(1,137,412)	-	1,220,884	86,014

III Other Employee Benefit Plan

The liability for Compensated Absences (Non-funded) as at year end is Rs. 27,505,765 (Previous Year Rs.19,771,234). (Refer Note "7" and "11")

39. Disclosure of Unhedged Exposure:

The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at March 31, 2015 are as follows:

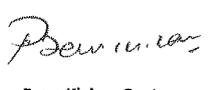
Particulars	Foreign Currency Denomination	Foreign Currency Amount March 31, 2015	Amount (In Rupees) March 31, 2015	Foreign Currency Amount March 31, 2014	
				Foreign Currency Amount March 31, 2014	Amount (In Rupees) March 31, 2014
Buyers' Credit	USD	108,513	6,941,577	108,513	6,642,081
Buyers' Credit	EURO	2,790,000	193,346,998	2,170,000	181,976,197
Interest Accrued but not due on Buyers' Credit	USD	606	38,762	1,628	99,669
Interest Accrued but not due on Buyers' Credit	EURO	19,802	1,372,255	12,838	1,076,604

40. Previous year figures have been regrouped and reclassified to conform with current year's classification.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants


Partha Ghosh
Partner
Membership No.: 55913

For and on behalf of the Board of Directors


Prem Kishan Gupta
Chairman and
Managing Director


Gopinath Pillai
Director


B. K. Sahoo
Chief Finance Officer


Nandan Choudra
Vice President
(Finance and Accounts) and
Company Secretary

Place: Mumbai

Date: April 28, 2015

Place: New Delhi

Date: April 28, 2015

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Gateway Rail Freight Limited

1. We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of Gateway Rail Freight Limited ("the Company") and its subsidiary, hereinafter referred to as the "Group" (refer Note 2 (ii)(b) to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. 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 consolidated financial statements to give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated 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 presentation of the consolidated 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 the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of 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 consolidated financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



GATEWAY RAIL FREIGHT LIMITED
Consolidated Balance Sheet as at March 31, 2015

	Note No.	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	6,123,002,500	6,123,002,500
Reserves and Surplus	4	1,562,256,148	522,835,818
		<u>7,685,258,648</u>	<u>6,645,838,318</u>
Minority Interest		490,030	490,030
Non-Current Liabilities			
Long-Term Borrowings	5	951,682,000	816,000,000
Deferred Tax Liabilities (Net)	6	63,256,793	100,138,134
Long-Term Provisions	7	40,512,274	27,887,023
		<u>1,055,451,067</u>	<u>944,025,157</u>
Current Liabilities			
Short-Term Borrowings	8	64,448,998	136,625,078
Trade Payables	9	255,860,499	241,565,350
Other Current Liabilities	10	406,241,410	322,682,616
Short-Term Provisions	11	3,977,204	9,881,973
		<u>730,528,111</u>	<u>710,755,017</u>
Total		<u>9,471,727,856</u>	<u>8,301,108,522</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	12	6,680,774,695	6,344,380,001
Intangible Assets	13	305,512,719	331,185,744
Capital Work-in-Progress		296,348,022	256,100,015
Non-Current Investments	14	-	-
Long-Term Loans and Advances	15	427,756,806	349,241,391
Other Non-Current Assets	16	3,610,550	8,844,644
		<u>7,714,002,792</u>	<u>7,289,751,795</u>
Current Assets			
Current Investments	17	810,000,000	340,339,335
Trade Receivables	18	713,743,692	465,507,843
Cash and Bank Balances	19	135,146,653	108,058,772
Short-Term Loans and Advances	20	83,628,554	76,844,025
Other Current Assets	21	15,206,165	20,606,752
		<u>1,757,725,064</u>	<u>1,011,356,727</u>
Total		<u>9,471,727,856</u>	<u>8,301,108,522</u>
Significant Accounting Policies	2		

The accompanying Notes are an integral part of these financial statements.

In terms of our report of even date.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Partha Ghosh

Partha Ghosh
Partner
Membership No.: 55913

For and on behalf of the Board of Directors

Prem Kishan Gupta

Prem Kishan Gupta
Chairman and
Managing Director

Gopinath Pillai

Gopinath Pillai
Director

B. K. Sahoo

B. K. Sahoo
Chief Finance Officer

Nandan Chopra

Nandan Chopra
Vice President
(Finance and Accounts) and
Company Secretary

Place: Mumbai
Date: April 28, 2015

Place: Mumbai
Date: April 28, 2015

GATEWAY RAIL FREIGHT LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2015

	Note No.	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
REVENUES			
Revenue From Operations	22	6,913,199,597	5,671,042,071
Other Income	23	78,134,818	59,033,280
Total Revenue		6,991,334,415	5,730,075,351
EXPENSES			
Operating Expenses	24	4,659,376,823	4,091,884,208
Employee Benefits Expenses	25	182,805,993	167,328,736
Finance Costs	26	110,477,520	120,789,828
Depreciation and Amortisation Expenses	27	474,712,488	399,843,802
Other Expenses	28	372,289,666	351,774,856
Total Expenses		5,799,662,490	5,131,621,430
Profit Before Tax		1,191,671,925	598,453,921
Tax Expense			
-- Current Year [Refer Notes 2(x)(a) and 15(a)]		241,937,902	126,383,974
-- Minimum Alternate Tax Credit Entitlement [Refer Notes 2(x)(c) and 15(a)]		(62,276,644)	(126,383,974)
-- Earlier Years		-	-
-- Deferred Tax [Refer Notes 2(x)(b) and 6]		(36,881,341)	76,586,219
Profit for the Year		1,048,892,008	521,867,702
Earnings Per Equity Share [Face Value of Rs. 10 per Equity Share (Previous Year: Rs. 10)] [Refer Notes 2(xv) and 35]			
-- Basic		5.21	2.59
-- Diluted		2.61	1.30

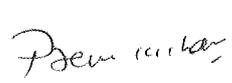
Significant Accounting Policies 2
The accompanying Notes are an integral part of these financial statements.

In terms of our report of even date.

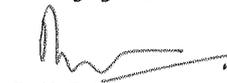
For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants


Partha Ghosh
Partner
Membership No.: 55913

For and on behalf of the Board of Directors


Prem Kishan Gupta
Chairman and
Managing Director


Gopinath Pillai
Director


B. K. Sahoo
Chief Finance Officer


Nandan Chopra
Vice President
(Finance and Accounts) and
Company Secretary

Place: Mumbai
Date: April 28, 2015

Place: Mumbai
Date: April 28, 2015

GATEWAY RAIL FREIGHT LIMITED
Consolidated Cash Flow Statement for the year ended March 31, 2015

	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
A. Cash flow from operating activities:		
Profit Before Tax	1,191,671,925	598,453,921
Adjustments for:		
Depreciation/ Amortisation	474,712,488	399,843,802
Provision for Doubtful Debts (Net)	168,420	15,178,062
Provision for Doubtful Ground Rent/ (Written Back) (Net)	3,241,750	(3,027,950)
Finance Costs	110,477,520	120,789,828
Interest Income	(6,610,666)	(6,017,262)
Dividend on Current Investment	(17,956,809)	(8,860,221)
(Profit)/ Loss on Sale of Current Investment (Net)	(32,486,430)	-
(Profit)/ Loss on Sale/ Write-off of Tangible Assets (Net)	(1,351,859)	1,098,086
Provision for Employee Benefits	12,878,674	(443,971)
Liabilities/ Provisions no Longer Required Written Back	(10,946,544)	(20,294,546)
Operating Profit before working capital changes	1,723,798,469	1,096,719,749
Adjustments for change in working capital:		
- (Increase)/ Decrease in Trade Receivables	(248,404,268)	(41,699,320)
- (Increase)/ Decrease in Non-current Loans and Advances	(7,191,542)	4,041,536
- (Increase)/ Decrease in Current Loans and Advances	(6,784,529)	37,620,411
- (Increase)/ Decrease in Other Non-Current Assets	(3,241,750)	3,088,479
- (Increase)/ Decrease in Other Current Assets	6,127,214	(2,709,774)
- Increase / (Decrease) in Trade Payables	25,241,693	75,444,122
- Increase / (Decrease) in Other Current Liabilities	58,167,768	5,273,853
Cash generated from operations	1,547,713,055	1,177,779,056
- Taxes Paid	227,686,349	126,662,433
Net cash from/ (used in) operating activities (A)	1,320,026,706	1,051,116,623
B. Cash flow from investing activities :		
Purchase of Tangible Assets (including Capital Work-in-Progress and Capital Advances and net of Creditors for Tangible Assets)	(896,432,504)	(431,593,573)
Proceeds from sale of Tangible Assets	1,354,873	2,152,972
(Increase)/ Decrease in Fixed Deposits with Banks (Refer Notes 16 and 19)	(23,502,617)	16,617,683
Purchase of Current Investment	(2,207,000,000)	(592,000,000)
Sale of Current Investment	1,787,782,574	261,153,922
Interest Received	5,884,039	3,278,591
Net cash from/ (used in) investing activities (B)	(1,331,913,635)	(740,390,405)
C. Cash flow from financing activities :		
Proceeds of Long-Term Borrowings	285,932,000	50,000,000
(Repayment) of Long-Term Borrowings	(123,166,667)	(110,666,666)
Proceeds of Short-Term Borrowings	-	66,997,200
(Repayment) of Short-Term Borrowings	(43,939,400)	(168,799,460)
Interest Paid	(108,587,834)	(121,437,215)
Net cash from/ (used in) financing activities (C)	10,238,099	(283,906,141)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(1,648,830)	26,820,077
Cash and Cash Equivalents at the beginning of the year	80,194,190	53,374,113
Cash and Cash Equivalents at the end of the year	78,545,360	80,194,190
Net Increase/ (Decrease) in Cash and Cash Equivalents	(1,648,830)	26,820,077



GATEWAY RAIL FREIGHT LIMITED

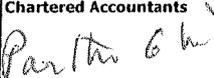
Cash Flow Statement for the year ended March 31, 2015

	Year Ended March 31, 2015 Rupees	Year Ended March 31, 2014 Rupees
Cash and Cash Equivalents comprise:		
Cash on Hand	1,275,014	618,968
Balances with Scheduled Banks:		
- in Current Accounts	77,270,346	48,521,954
- in Fixed Deposit Accounts [Refer Note 19(a)]	-	31,053,268
Cash and Cash equivalents at end of the year	78,545,360	80,194,190

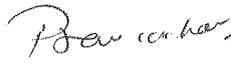
Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on "Cash Flow Statement".
2. Previous year's figures have been regrouped/ rearranged wherever necessary.

In terms of our report of even date.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Partha Ghosh
Partner
Membership No.:55913

For and on behalf of the Board of Directors


Prem Kishan Gupta
Chairman and
Managing Director


Gopinath Pillai
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B. K. Sahoo
Chief Finance Officer


Nandan Chopra
Vice President
(Finance and Accounts) and
Company Secretary

Place: Mumbai
Date: April 28, 2015

Place: Mumbai
Date: April 28, 2015

GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of Consolidated Financial Statements for the year ended March 31, 2015

1. General Information

Gateway Rail Freight Limited (the 'Company') and its subsidiary companies are engaged in business of Container Train logistics. It provides container logistics solution between major Indian ports and Inland Container Depots (ICD) by providing rail services for Export, Import and Domestic containerised cargo, integrated with road transportation, transit and bonded warehousing, refrigerated container facilities and other value added services. The Company operates from its three owned terminals at Garhi Harsaru (Gurgaon), Sanehwal (Ludhiana) and Asauti (Faridabad) and a private freight terminal at Navi Mumbai under agreement. The Company owns and operates through its rakes and a fleet of trailers.

The Company's Subsidiary Container Gateway Limited has been formed as a joint venture company (JV Company) between Container Corporation of India Ltd. and Gateway Rail Freight Ltd. with the share capital ratio of 49% and 51% respectively. The main objects of the company are to set up, manage and operate Container Freight Stations and manage road/rail linked Container Terminal at Garhi Harsaru.

2. Significant Accounting Policies:**(i) Basis of Preparation:**

These financial statements of the Company and its subsidiary company, Container Gateway Limited have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the companies act, 2013 read with rule 7 of the companies (Accounts) rules, 2014 till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956, shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

(ii) Principles of consolidation:

(a) The consolidated financial statements have been prepared on the following basis:

- Subsidiaries are consolidated from the date on which control is transferred to the Group and are not consolidated from the date that control ceases.
- The financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances and intra-group transactions and resulting profits/ losses are eliminated in full.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- The excess cost of the Company of its investment in the subsidiaries is recognised in the financial statements as goodwill on consolidation. The excess of the Company's portion of equity and reserves of the subsidiaries at the time of its investment is treated in the financial statements as capital reserve.

(b) The subsidiary companies considered in the consolidated financial statements are

Name of the Company	Country of Incorporation	% voting power as at March 31, 2015	% voting power as at March 31, 2014
Container Gateway Limited	India	51% (Shares allotted/ acquired on October 27, 2010)	51% (Shares allotted/ acquired on October 27, 2010)

(iii) 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 fixed 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 fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

(b) Depreciation on additions/ deletions to Tangible and Intangible Assets is calculated on pro-rata basis from the month of such additions/ deletions. The Company provides depreciation on straight-line basis method at the rates specified under Schedule II to the Act or based on useful life whichever is higher, except for:

- Technical Know-How, is amortised over a period of agreement (i.e. five years) from the date of technology being put to use or over balance period of agreement from the date of commencement of the commercial operations, whichever is later;
- Rail License fees paid towards concession agreement, is being amortised over a period of agreement (i.e. twenty years) from the date of commercial operations;
- Reach Stackers and forklifts (included in Other Equipments) are depreciated over a period of ten years, based on the technical evaluation;
- Leasehold Improvements are amortised over a period of lease; and
- ERP Software is amortised under straight line method over a period of five years.

(c) Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition/ construction.

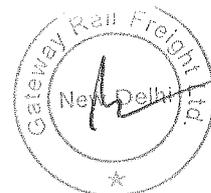
(d) Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

(iv) Incidental Expenditure Pending Capitalisation:

Incidental and Pre-operative Expenditure Pending Capitalisation/ Allocation represents expenses incurred prior to commencement of Container Freight Station (CFS) of Container Gateway Limited, which will be allocated to the cost of the fixed assets on commencement of operations.

(v) Borrowing Cost:

Borrowing costs directly attributable to the acquisition/ construction of an asset are apportioned to the cost of the Tangible and Intangible Assets up to the date on which the asset is put to use/ ready for intended use. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.



(vi) Foreign Currency Transactions:

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. With respect to long-term foreign currency monetary items, the Company has adopted the following policy:

- Foreign exchange difference on account of a depreciable asset, is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset
- In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of such long term asset/ liability

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

(vii) Investments:

Investments that are readily realisable and are 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. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

(viii) Employee Benefits:

(a) Defined Contribution Plans

Contribution towards Provident Fund, Pension Scheme and Employee's State Insurance for employees is made to the Regulatory Authorities which are recognised by the Income Tax Authorities and administered through appropriate Authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

(b) Defined Benefit Plans

The Company provides for gratuity, a defined benefit plan (the "Gratuity plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Liability for Defined Benefit Plan is provided on the basis of an actuarial valuation carried out by an independent actuary as at the Balance Sheet date. The actuarial valuation method used by an independent actuary for measuring the liability is the Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised in the Statement of Profit and Loss in the year in which they arise.

(c) Other Employee Benefits

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

(d) Termination Benefits

Termination benefits in the nature of voluntary retirement benefits are recognised in the Statement of Profit and Loss as and when incurred.

(ix) Revenue Recognition:

- (a) Income from Rail and Road transportation are recognised on completion of the movement and delivery of goods to the party/ designated place.
- (b) Income from Container Handling and Storage are recognised on delivery of the container/ cargo. Income from Ground Rent is recognised for the period the container is lying in the Container Freight Station/ Inland Container Depot. However, in case of long standing containers, Income from Ground Rent is not accrued for a period beyond 60 days on a consistent basis as per the prevailing business practice.
- (c) Income from Operations are recognised net of trade discount, rebates and service tax.
- (d) Income from auction is recognised when the company auctions long-standing cargo that has not been cleared by customs. Revenue and expenses for Auction are recognised when auction is completed after obtaining necessary approvals from appropriate authorities. Auction include recovery of the cost incurred in conducting auctions, custom duties on long-standing cargo and accrued ground rent and handling charges relating to long-standing cargo. Surplus, out of auctions, if any, after meeting all expenses and the actual ground rent, is credited to a separate account 'Auction Surplus' and is shown under the head 'Other Current Liabilities'. Unclaimed Auction Surplus, if any, in excess of one year is written back as 'Income' in the following financial year.
- (e) Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (f) Dividend: Dividend income is recognised when the right to receive dividend is established.
- (g) The subsidiary company has not commenced its operations till the year end as at 31st March, 2015 hence, no revenue generated during the year.



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of Consolidated Financial Statements for the year ended March 31, 2015

(x) Taxes on Income:

(a) Current Taxation

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

(b) 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.

(c) Minimum Alternate Tax Credit

Minimum Alternative Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified year. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified year.

(d)

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

(xi) Provisions and Contingent Liabilities:

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(xii) Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

(xiii) Leases:

Leases in which a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

(xiv) Cash and Cash Equivalents:

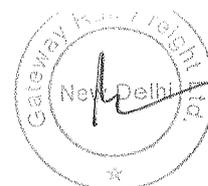
In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(xv) Earnings per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(xvi) Use of Estimates

The preparation of financial statements in accordance with the generally accepted accounting principles requires the Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to such accounting estimates is recognised prospectively in the accounting period in which such revision takes place.



GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of the Consolidated Financial Statements for the year ended March 31, 2015

3. SHARE CAPITAL

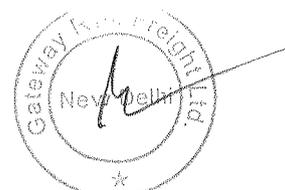
	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Authorised:		
402,700,000 (Previous Year: 402,700,000) Equity Shares of Rs. 10 each	4,028,000,000	4,028,000,000
100 (Previous Year: 100) Equity Shares of Rs. 25 each	2,500	2,500
120,000,000 (Previous Year: 120,000,000) Compulsory Convertible Preference Shares of Rs. 24.65 each	2,958,000,000	2,958,000,000
115,000,000 (Previous Year: 115,000,000) Zero Coupon Redeemable Preference Shares of Rs. 10 each	1,150,000,000	1,150,000,000
	8,136,002,500	8,136,002,500
Issued, Subscribed and Paid-up:		
201,500,000 (Previous Year: 201,500,000) Equity Shares of Rs. 10 each, fully paid-up [Refer Notes 3(A) and 3(E)]	2,015,000,000	2,015,000,000
100 (Previous Year: 100) Equity Shares of Rs. 25 each, fully paid-up [Refer Note 3(A)]	2,500	2,500
120,000,000 (Previous Year: 120,000,000) Compulsory Convertible Preference Shares of Rs. 24.65 each, fully paid-up [Refer Note 3(A)]	2,958,000,000	2,958,000,000
115,000,000 (Previous Year: 115,000,000) Zero Coupon Redeemable Preference Shares of Rs. 10 each, fully paid-up [Refer Notes 3(A)]	1,150,000,000	1,150,000,000
	6,123,002,500	6,123,002,500

(A) Reconciliation of the Number of Shares

	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of Rs. 10 each				
Balance as at the beginning of the year	201,500,000	2,015,000,000	201,500,000	2,015,000,000
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	201,500,000	2,015,000,000	201,500,000	2,015,000,000
Equity Shares of Rs. 25 each				
Balance as at the beginning of the year	100	2,500	100	2,500
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	100	2,500	100	2,500
Compulsory Convertible Preference Share				
Balance as at the beginning of the year	120,000,000	2,958,000,000	120,000,000	2,958,000,000
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	120,000,000	2,958,000,000	120,000,000	2,958,000,000
Zero Coupon Redeemable Preference Share				
Balance as at the beginning of the year	115,000,000	1,150,000,000	115,000,000	1,150,000,000
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	115,000,000	1,150,000,000	115,000,000	1,150,000,000

3) Rights, Preferences and restrictions attached to shares:

- 1) Compulsory Convertible Preference Shares (CCPS): 120,000,000 Compulsory Convertible Preference Shares of Rs. 24.65 each were issued in August 2010 to Blackstone GPV Capital Partners (Mauritius) V-H Limited (Blackstone) against cash. These CCPS holders shall be entitled to non-cumulative dividend of 0.0001% of the face value of CCPS, as and when declared by the Company Board prior to and in preference to the payment of any dividend on the Equity Shares. The Holders of CCPS shall also be entitled to participate in dividends issued by the Company over and above the Preferred Dividend on an 'as-if converted' basis. Subject to applicable laws, Blackstone holding the CCPS shall have the voting rights to vote on all matters to be decided by the Company as if the Blackstone CCPS had been converted into Equity Shares at the Conversion ratio. The Conversion ratio is 167 Equity Shares for every 100 CCPS. These CCPS shall be converted by the expiry of 19 (Nineteen) years from the Completion date. In the event of liquidation, the Compulsory Convertible Preference Shareholders are eligible to receive the money before the distribution being made to Zero Coupon Redeemable Preference Shareholders and Equity Shareholders after distributing all preferential amount in proportion to their share holding.
- 2) Zero Coupon Redeemable Preference Shares (RPS): 115,000,000 Zero Coupon Redeemable Preference Shares of Rs. 10 each were issued on July 21, 2011 to Gateway Distriparks Limited, the Holding Company, against cash. The preference shares shall have liquidation preference rights which are inferior to those of Compulsory Convertible Preference Shares. These Redeemable Preference Shares are redeemable in one or more tranches provided that not less than 15,000,000 RPS shall be redeemed in any single tranche. These Redeemable Preference Shares shall be redeemed latest by October 1, 2030. RPS would be entitled to redemption premium in the first day in a given financial year in which RPS redemption premium to be paid to promoters ranging from Rs. 3.38 per RPS redeemed in October 1, 2015 to Rs. 22.07 per RPS (if redeemed on October 1, 2030). At the time of liquidation, RPS holders would be entitled to their remaining assets (after paying off to Compulsory Convertible Preference shareholders and other preferential amount but before making payment to equity shareholders) in the proportion to their holding.
- 3) The Company has two class of Equity Shares having par value of Rs. 10 per share and Rs. 25 per share. Each shareholder is eligible for one vote per equity share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the case of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in the proportion to their shareholding.



GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of the Consolidated Financial Statements for the year ended March 31, 2015
(C) Shares held by Holding Company and its nominees (More than 5% as on March, 31 2015):

		As at March 31, 2015	As at March 31, 2014
Equity Shares of Rs.10 each 198,100,000 Shares (Previous year 198,100,000) of Rs. 10 each fully paid-up are held by Gateway Distriparks Limited, the Holding Company	Number of Shares held % of Shares held	198,100,000 98.31	198,100,000 98.31
Equity Shares of Rs. 25 each 100 Shares (Previous year 100) of Rs. 25 each fully paid-up are held by Blackstone GPV Capital Partners (Mauritius) V-H Limited	Number of Shares held % of Shares held	100 100	100 100
Compulsorily Convertible Preference Shares of Rs. 24.65 each are held by Blackstone GPV Capital Partners (Mauritius) V-H Limited	Number of Shares held % of Shares held	120,000,000 100	120,000,000 100
Zero Coupon Redeemable Preference Shares of Rs.10 each are held by Gateway Distriparks Limited, the Holding company	Number of Shares held % of Shares held	115,000,000 100	115,000,000 100

(D) Shares allotted as fully paid-up pursuant to contract without payment being received in cash (during 5 years immediately preceding March 31, 2015):

During the 5 years immediately preceding March 31, 2015, 1,500,000 Equity Shares of Rs. 10 each were allotted pursuant to a Sweat Equity Scheme, without payments being received in cash, [Refer Note 3E].

Year Ended	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Issue of Sweat Equity Shares to eligible employees	-	-	-	-	1,500,000

(E) Sweat Equity Shares:

Details of Sweat Equity Shares issued by the Company are as follows:

- (i) During 2006- 2007 and 2007-2008, pursuant to the special resolution passed by the shareholders in the Extraordinary General Meeting held on July 21, 2006, September 21, 2007 and March 7, 2008, the Board of Directors' in their meetings held on November 21, 2006, January 31, 2007, November 19, 2007 and March 18, 2008, the Company had allotted 9,700,000 sweat equity shares to its employees.
- (ii) During 2008-2009, pursuant to the special resolution passed by the Shareholders in the Extraordinary General meeting held on March 17, 2008, the Board of Directors' in their meetings held on May 26, 2008, the Company had allotted 300,000 Sweat Equity shares to its employees.
- (iii) During 2009-2010, pursuant to the special resolution passed by the Shareholders in the Extraordinary General meeting held on December 9, 2009, the Board of Directors' in their meetings held on December 15, 2009, the Company had allotted 1,500,000 Sweat Equity shares to its employees.
- (iv) During 2010-2011, Gateway Distriparks Limited, the Holding Company, had acquired 6,000,000 Equity Shares from Sweat Equity Shareholders pursuant to their resignation as employees.
- (v) During 2011-2012, Gateway Distriparks Limited, the Holding Company, has acquired 600,000 Equity Shares from Sweat Equity Shareholders pursuant to their resignation as employees.
- (vi) During 2012-2013, Gateway Distriparks Limited, the Holding Company, has acquired 1,500,000 Equity Shares from Sweat Equity Shareholder pursuant to their resignation as employees.

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
I. RESERVES AND SURPLUS		
Securities Premium Account Opening Balance	13,205,109	13,205,109
Add: Received during the year	-	-
Less: Utilisation during the year	-	-
Balance at the end of the year	<u>13,205,109</u>	<u>13,205,109</u>
Surplus/ (Deficit) in Statement of Profit and Loss Opening Balance	509,630,709	(12,964,421)
Add: Net Profit after tax transferred from Statement of Profit and Loss	1,048,892,008	521,867,702
Diminution in the value of the investment in subsidiary reversed back	-	509,970
Provision made for Advances of subsidiary reversed back	-	217,458
Less: Depreciation of earlier years charged to Reserves	9,471,678	-
Balance at the end of the year	<u>1,549,051,039</u>	<u>509,630,709</u>
	<u>1,562,256,148</u>	<u>522,835,818</u>



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of the Consolidated Financial Statements for the year ended March 31, 2015

5. LONG TERM BORROWINGS

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Secured:		
Term Loans		
From GE Money Financial Services Private Limited [Refer Note 5(a)(i)]	463,250,000	572,250,000
From HDFC Bank [Refer Note 5(a)(ii)]	402,500,000	243,750,000
Buyers' Credit From Banks		
-- HDFC Bank [Refer Note 5(a)(iii)]	85,932,000	-
	951,682,000	816,000,000

Nature of Security and terms of repayment for secured borrowings

(a) Nature of Security

Term Loan from GE Money Financial Services Private Limited amounting to Rs. 572,250,000 (March 31, 2014 Rs. 681,250,000) is secured by first pari passu charge on all movable operating assets, intangible assets, assignment of all permits, licences, approvals, and immovable properties, book debts, insurance policies, pledge of equity shares of Gateway Rail Freight Limited held by Gateway Distriparks Limited and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company.

(ii) Term Loan from HDFC Bank amounting to Rs. 443,750,000 (March 31, 2014 Rs. 257,916,667) is secured by first pari passu charge on all the assets (fixed and current, present and future) of the Company, Debit Authority Letter with undertaking to fund losses or provide funds to the Company in case of inadequate cash flows and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company.

(iii) Buyers' Credit from HDFC Bank amounting to Rs. 200,288,575 (March 31, 2014 Rs. 188,618,278) is secured by first pari passu charge on all the assets (fixed and current, present and future) of the Company, Debit Authority Letter with undertaking to fund losses or provide funds to the Company in case of inadequate cash flows and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company.

Terms of Repayment

The Term Loan is repayable in 40 Quarterly installments of Rs. 27,250,000 started from September 2010. Interest Rate Charged by GE Money Financial Services Private Limited is based on CP Benchmark Rate and fluctuates between 10.42% - 11.84% per annum by reducing balance method.

The Term Loan 1 from HDFC Bank is repayable within 8 years with 2 years moratorium in 24 Quarterly installments. Term Loan of Rs. 1 Crore taken on November 03, 2010 is repayable in installments of Rs. 416,667 started from February 2013 with interest @ 10.32% - 10.76% per annum. Term Loan of Rs. 10 Crore taken on July 09, 2012 is repayable in installments of Rs. 4,166,667 starting from October 2014 with interest @ 11.50% per annum and Term Loan of Rs. 10 Crore taken on December 26, 2012 is repayable in installments of Rs. 4,166,667 starting from March 2015 with interest @ 11.50% per annum. Term Loan of Rs. 5 Crore taken on May 07, 2013 is repayable in installments of Rs. 2,083,333 starting from August 2015 with interest @ 11.50% per annum.

The Term Loan 2 from HDFC Bank is repayable within 7 years with 2 years moratorium in 24 Quarterly installments. Term Loan of Rs. 10 Crore taken on December 22, 2014 is repayable in installments of Rs. 5,000,000 starting from March 22, 2017 with interest @ 10.60% per annum. Term Loan of Rs. 10 Crore taken on January 19, 2015 is repayable in installments of Rs. 5,000,000 starting from April 19, 2017 with interest @ 10.60% per annum.

Buyers' Credit of Rs. 6,941,577 is repayable on April 28, 2015. The interest rate is LIBOR + 1.30% p.a. Buyers' Credit of Rs. 64,448,998 is repayable on April 17, 2015. The interest rate is LIBOR + 1.20% p.a. Buyers' Credit of Rs. 42,966,000 is repayable on October 07, 2015. The interest rate is LIBOR + 1.40%. Buyers' Credit of Rs. 85,932,000 is repayable on January 12, 2018. The interest rate is LIBOR + 1.40%.

6. DEFERRED TAX LIABILITIES

Deferred Tax Assets:

Provision for Doubtful Debts and Advances

Accrual for expenses allowable on Payment/ Tax deduction basis

Total

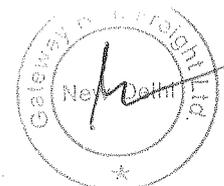
Deferred Tax Liability

Depreciation on Fixed Assets

Total

Net Deferred Tax Liability

33,097,014	38,789,573
38,221,905	10,738,388
71,318,919	49,527,961
134,575,712	149,666,095
134,575,712	149,666,095
63,256,793	100,138,134



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of the Consolidated Financial Statements for the year ended March 31, 2015

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
7. LONG TERM PROVISIONS		
Employee Benefits [Refer Notes 2(viii) and 39]		
Gratuity	16,585,033	11,469,285
Compensated Absences	23,927,241	16,417,738
	40,512,274	27,887,023
8. SHORT TERM BORROWINGS		
Secured		
Buyers' Credit From Banks		
-- HDFC Bank [Refer Note 8(a)]	64,448,998	136,625,078
	64,448,998	136,625,078
(a) Buyers' Credit from HDFC Bank amounting to Rs. 200,288,574 (March 31, 2014 Rs. 188,618,278) is secured by first pari passu charge on all the assets (fixed and current, present and future) of the Company, Debit Authority Letter with undertaking to fund losses or provide funds to the Company in case of inadequate cash flows and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company.		
9. TRADE PAYABLES		
-- Due to Micro and Small Enterprises [Refer Note 9(a)]	-	-
-- Due to Others	255,860,499	241,565,350
	255,860,499	241,565,350
Note (a)		
There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The information regarding Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.		
10. OTHER CURRENT LIABILITIES		
Current maturities of long term borrowings- GE Money Financial Services Private Limited [Refer Note 5(a)(i)]	109,000,000	109,000,000
Current maturities of long term borrowings- HDFC Bank [Refer Note 5(a)(ii)]	41,250,000	14,166,667
Current maturities of Buyers' Credit from HDFC Bank [Refer Note 5(a)(iii)]	49,907,577	51,993,200
Interest Accrued but not due on borrowings	5,782,223	3,892,537
Advances from Customers	19,889,161	19,233,772
Current maturities of Retention Money/ Deposits from Creditors for Tangible Assets	9,915,807	7,374,657
Other Payables:		
-- Creditors for Tangible and Intangible Assets	22,717,745	26,755,264
-- Employees	15,593,143	10,512,439
-- Contractual Obligations	120,092,431	69,451,734
-- Statutory Liabilities	12,093,323	10,302,346
	406,241,410	322,682,616
11. SHORT TERM PROVISIONS [Refer Note 7]		
Employee Benefits [Refer Notes 2(viii) and 39]		
- Gratuity	380,663	352,268
- Compensated Absences	3,578,524	3,353,496
Wealth Tax (Net)	1,041	1,041
Provision for Tax	16,976	6,175,168
	3,977,204	9,881,973



12. TANGIBLE ASSETS [Refer Notes 2(iii), 2(v) and 2(vi)]

Particulars	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As at April 1, 2014	Additions during the year	Disposals during the year	Adjustments during the year	As at March 31, 2015	As at March 31, 2014
Freehold Land [Refer Note 12(a)]	1,843,438,529	285,524,903	-	-	2,128,963,432	1,843,438,529
Buildings	1,771,340,077	107,589,583	-	-	1,878,929,660	1,611,208,299
Railway Sidings [Refer Note 12(b)]	283,238,197	257,064,801	-	-	540,302,998	1,574,490,970
Plant and Machinery	12,273,784	8,093,685	-	-	20,367,469	446,344,471
Other Equipments [Refer Notes 12(c) and 2(e)]	405,964,353	24,060,961	-	(30,322,304)	400,702,010	225,055,582
Office Equipments	25,539,637	3,526,625	-	23,920	29,066,182	17,299,272
Computers	64,915,343	11,501,762	-	-	76,417,105	244,541,671
Furniture and Fittings	87,939,912	20,555,160	-	-	108,495,072	13,119,956
Leasehold Improvements	5,441,565	1,821,787	-	-	7,263,352	31,492,000
Motor Vehicles [Refer Note 12(d)]	262,980,320	84,357,239	-	1,902,900	349,239,459	37,680,196
Rolling Stocks- Containers and Reefer Power Packs	2,670,945,969	4,795,485	-	-	2,675,741,454	68,217,212
Rolling Stocks- Rakes & Brake Van	128,624,869	16,389,163	-	-	145,014,032	80,367,055
Electrical Installations and Equipment	8,038,865,932	825,233,154	17,111,272	(30,322,304)	8,816,665,510	17,440,974
Total	17,111,272	30,322,304	17,111,272	(30,322,304)	6,680,774,695	6,344,380,001

Particulars	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As at April 1, 2013	Additions during the year	Disposals during the year	Adjustments during the year	As at March 31, 2014	As at March 31, 2013
Freehold Land [Refer Note 12(a)]	1,843,438,529	84,210,428	-	-	1,927,648,957	1,843,438,529
Buildings	1,687,129,649	217,776,989	-	-	1,904,906,638	1,574,490,970
Railway Sidings [Refer Note 12(b)]	10,151,215	2,161,549	-	-	12,312,764	1,555,312,686
Plant and Machinery	282,023,014	90,135,746	-	-	372,158,760	174,981,220
Other Equipments [Refer Notes 12(c) and 2(e)]	23,214,253	3,397,426	-	35,271,154	60,882,833	9,261,545
Office Equipments	59,014,802	6,539,645	-	1,072,942	66,627,389	298,009,314
Computers	81,400,128	5,539,784	-	629,104	87,568,916	222,377,013
Furniture and Fittings	8,434,832	2,993,267	-	-	11,428,100	18,692,172
Leasehold Improvements	479,932,250	3,048,893	-	-	482,981,143	42,013,406
Motor Vehicles [Refer Note 12(d)]	238,503,925	4,615,567	-	-	243,119,492	68,844,988
Rolling Stocks- Containers and Reefer Power Packs	2,611,745,150	58,900,839	-	-	2,670,645,989	66,080,832
Rolling Stocks- Rakes & Brake Van	118,646,168	9,778,701	-	-	128,424,869	170,342,435
Electrical Installations and Equipment	7,684,670,904	331,730,893	9,807,019	35,271,154	8,038,865,932	2,004,563,164
Total	17,111,272	30,322,304	17,111,272	(30,322,304)	6,680,774,695	6,344,380,001

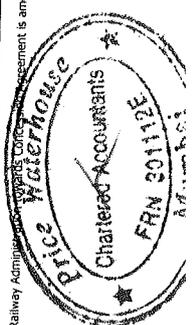
Notes:
 a) Land situated at Asobit aggregating Rs. 2,223,991 (Previous Year: Rs. 2,223,991) is yet to be transferred in the name of the Company.
 b) Certain railway sidings are constructed on land not owned by the Company.
 c) Motor Equipments include Reach Stackers costing Rs. 309,815,277 (Previous Year: Rs. 188,076,259 (Previous Year: Rs. 260,043,327)).
 d) Motor Vehicles include Tractors costing Rs. 557,664,911 (Previous Year: Rs. 473,307,670) and having Net Book Value Rs. 79,026,488 (Previous Year: Rs. 3,393,134).
 e) According to the notification No. G.S.R. 696 dated December 29, 2011, issued by Ministry of Corporate Affairs, the Accounting Standard 11 (AS 11) "The Effects of Changes in Foreign Exchange Rates" has been amended to allow:
 i) And in other cases, to be amortised over the useful life of acquired assets.
 ii) And in other cases, to be amortised in a foreign currency monetary translation account and amortised over the balance period of such long term asset (Liability).
 Pursuant to such notification, in the current year, Currency Gain of Rs. 30,322,304 (Previous Year: Rs. 35,271,154) in Other Equipments, arising on reporting long term foreign currency monetary items relating to Tangible Assets has been added to the cost of Tangible Assets, whichever is lower. For assets whose life has been completed as above, the carrying value, net of residual value aggregating Rs. 9,471,678 as at April 1, 2014 has been adjusted to General Reserve and in other cases the carrying value as at April 1, 2014 has been depreciated over the remaining of the revised life of the assets and recognised in the Statement of Profit and Loss. As a result the charge for depreciation is higher by Rs. 106,338,555 for the year ended March 31, 2015 and profit from ordinary activities before tax is lower by the same amount.
 f) Subsequent to such notification, in the current year, Currency Gain of Rs. 30,322,304 (Previous Year: Rs. 35,271,154) in Other Equipments, arising on reporting long term foreign currency monetary items relating to Tangible Assets has been added to the cost of Tangible Assets, whichever is lower. For assets whose life has been completed as above, the carrying value, net of residual value aggregating Rs. 9,471,678 as at April 1, 2014 has been adjusted to General Reserve and in other cases the carrying value as at April 1, 2014 has been depreciated over the remaining of the revised life of the assets, and recognised in the Statement of Profit and Loss. As a result the charge for depreciation is higher by Rs. 106,338,555 for the year ended March 31, 2015 and profit from ordinary activities before tax is lower by the same amount.

13. INTANGIBLE ASSETS [Refer Notes 2(iii), 2(v) and 2(vi)]

Particulars	GROSS BLOCK		AMORTISATION		NET BLOCK	
	As at April 1, 2014	Additions during the year	Disposals during the year	Adjustments during the year	As at March 31, 2015	As at March 31, 2014
Intangible Assets (Acquired) :	500,000,000	-	-	-	500,000,000	-
Rail License Fees [Refer Note 13(a)]	100,000,000	-	-	-	100,000,000	-
Technical Know-How	3,365,127	-	-	-	3,365,127	-
Computer Software	603,365,127	-	-	-	603,365,127	-
Total	603,365,127	-	-	-	603,365,127	-

Particulars	GROSS BLOCK		AMORTISATION		NET BLOCK	
	As at April 1, 2013	Additions during the year	Disposals during the year	Adjustments during the year	As at March 31, 2014	As at March 31, 2013
Intangible Assets (Acquired) :	500,000,000	-	-	-	500,000,000	-
Rail License Fees [Refer Note 13(a)]	100,000,000	-	-	-	100,000,000	-
Technical Know-How	3,365,127	-	-	-	3,365,127	-
Computer Software	603,365,127	-	-	-	603,365,127	-
Total	603,365,127	-	-	-	603,365,127	-

a) Rail License Fees aggregating Rs. 500,000,000 (Previous Year: Rs. 500,000,000) paid to Railway Administration, Government of India, is amortised over the period of contract (i.e. 20 years) from date of commencement of commercial operations (June 1, 2007). Balance useful life of Rail License Fees as at March 31, 2015 is 12 years and 2 months (Previous Year: 13 years 2 months).



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of the Consolidated Financial Statements for the year ended March 31, 2015

14. NON CURRENT INVESTMENTS

[Refer Note 2(vii)]

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Trade Investment (valued at cost)		
<i>Unquoted Equity Instruments</i>		
Investment in Subsidiary Company:		
50,997 Equity Shares (Previous Year: 50,997) of Rs. 10 each held in Container Gateway Limited.	-	-
Less: Diminution in value of investment	-	-
	-	-
Aggregate amount of unquoted investment	509,970	509,970
Aggregate provision for diminution in value of investment	509,970	509,970

15. LONG TERM LOANS AND ADVANCES

**Unsecured, Considered Good
(Unless otherwise stated)**

Capital Advances		
Considered Good	91,373,926	61,916,952
Considered Doubtful	1,025,591	1,025,591
	92,399,517	62,942,543
Less: Provision for Doubtful Advances	1,025,591	1,025,591
	91,373,926	61,916,952
Security Deposits	33,247,444	26,053,292
Less: Provision for Doubtful Deposits	200,000	200,000
	33,047,444	25,853,292
Loans/Advances to Related Parties		
Advance To Subsidiary Company	-	-
Less: Provision for Doubtful Advances	-	-
	-	-
Advances Recoverable in Cash or in Kind or for Value to be Received		
Considered Good	662,530	665,140
Considered Doubtful	7,861,997	7,861,997
	8,524,527	8,527,137
Less: Provision for Doubtful Advances	7,861,997	7,861,997
	662,530	665,140
Tax Deducted at Source and Advance Tax [Net of Provision for Tax Rs. 279,653,853 (Previous Year: Rs. 215,586,594)]	24,809,668	45,219,413
Minimum Alternate Tax Credit Entitlement [Refer Note 15(a)]	277,863,238	215,586,594
	427,756,806	349,241,391

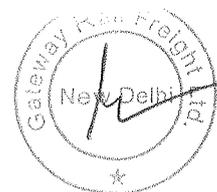
Note (a)

Due to prior year unabsorbed depreciation and losses as per Income Tax Act, 1961 (the "Income Tax Act") provision for income tax for current year is made as per "Minimum Alternative Taxation ("MAT")" as per provisions of Section 115JB of Income Tax Act. Considering the balance unabsorbed losses of the Company and based on assessment of future profitability, the Company has taken MAT credit of Rs. 62,276,644 (Previous Year: Rs. 126,383,974) during the year, as the MAT credit can be set-off against future income-tax liability. Accordingly, Rs. 277,863,238 (Previous Year: Rs. 215,586,594) is carried as "Long term Loans and Advances" as at March 31, 2015.

16. OTHER NON-CURRENT ASSETS

Unsecured, Considered Good (Unless otherwise stated)		
Non-Current Bank Balances		
Long term deposits with banks with maturity period more than 12 months [Refer Note (a) below]	2,951,249	8,228,085
Accrued Ground Rent		
-- Considered Good	-	-
-- Considered Doubtful	9,592,350	6,350,600
	9,592,350	6,350,600
Less: Provision for Doubtful Ground Rent	9,592,350	6,350,600
	-	-
Preliminary Expenses (to the extent not written off)	52,672	52,672
Pre-Operative Expenses	606,629	563,887
	3,610,550	8,844,644

Note (a): Fixed Deposits aggregating Rs. 5,842 (Previous year: Rs. 3,183,436) are under lien with Banks towards guarantees and Letter of Credit issued by them.



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of the Consolidated Financial Statements for the year ended March 31, 2015

17. CURRENT INVESTMENTS
(Refer Note 2(vii))

	As at March 31, 2015 Rupees	As at March 31, 2014 Rupees
Investment in Mutual Fund (Unquoted) (at lower of cost or market value)		
UTI Treasury Advantage Fund - Institutional Plan - Daily Dividend Nil units (Previous Year: 236,337.52 units), with face value of Rs. 1,000	-	236,893,863
UTI Treasury Advantage Fund - Institutional Plan - Growth 425,527.354 units (Previous Year: Nil units), with face value of Rs. 1,000	810,000,000	-
UTI Money Market Fund - Institutional Plan - Daily Dividend Nil units (Previous Year: 102,790.04 units), with face value of Rs. 1,000	-	103,138,024
SBI Premier Liquid Fund - Daily Dividend Nil units (Previous Year: 306.45 units), with face value of Rs. 1,000.	-	307,448
	810,000,000	340,339,335

18. TRADE RECEIVABLES

Unsecured		
Overdue for more than Six months from the date they are due for payment		
-- Considered Good	2,144,710	6,286,298
-- Considered Doubtful	76,736,601	98,464,897
Others		
-- Considered Good	711,598,982	459,221,545
-- Considered Doubtful	-	-
	790,480,293	563,972,740
Less: Provision for Doubtful Debts	76,736,601	98,464,897
	713,743,692	465,507,843

19. CASH AND BANK BALANCES

Cash and Cash Equivalents		
Cash on Hand	1,275,014	618,968
Balances with Banks:-		
Current Account	77,270,346	48,521,954
Bank Deposits with maturity of period less than 3 months [Refer Note (a) below]	-	31,053,268
	78,545,360	80,194,190
Other Bank Balances		
Current maturities of fixed deposit more than 3 months but less than 12 months [Refer Note (a) below]	56,601,293	27,864,582
	56,601,293	27,864,582
	135,146,653	108,058,772

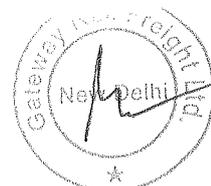
Note (a): Fixed Deposits aggregating Rs. 52,043,759 (Previous year: Rs. 55,853,227) are under lien with Banks towards guarantees and Letter of Credit issued by them.

20. SHORT TERM LOANS AND ADVANCES

Unsecured, Considered Good (Unless otherwise stated)		
Prepaid Expenses	18,356,532	12,933,989
Security Deposits	3,536,348	4,228,012
Balances with Government Authorities	5,530,843	5,455,246
Advances Recoverable in Cash or in Kind or for Value to be Received	56,204,831	54,226,778
	83,628,554	76,844,025

21. OTHER CURRENT ASSETS

Interest Accrued but not due on Fixed Deposits with Banks	5,523,147	4,796,520
Accrued Ground Rent	2,073,900	4,474,740
Unbilled Revenue	7,609,118	11,335,492
	15,206,165	20,606,752



GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of the Consolidated Financial Statements for the year ended March 31, 2015
22. REVENUE FROM OPERATIONS

	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
Operating Income [Refer Note 2(ix)]		
-- Rail Transport	5,445,597,193	4,466,086,424
-- Road Transport	426,825,230	333,514,220
-- Container Storage, Handling and Ground Rent	975,821,000	834,442,746
Auction Income	43,793,326	15,346,785
Other Operating Revenues		
Rent	21,162,848	21,651,896
	6,913,199,597	5,671,042,071

23. OTHER INCOME

Interest on Fixed Deposit with Banks - Gross	6,610,666	6,017,262
Interest on Income Tax Refund	4,776,080	-
Profit on sale of Fixed Assets (Net)	1,351,859	-
Dividend Income on Current Investment	17,956,809	8,860,221
Gain on Sale of Current Investment	32,486,430	-
Liabilities/ Provisions no longer required Written back	10,946,544	20,294,546
Sale of Scrap	1,972,037	2,929,274
Miscellaneous Income	2,034,393	17,904,027
Provision for Doubtful Ground Rent written back (Net)	-	3,027,950
	78,134,818	59,033,280

24. OPERATING EXPENSES

Rail Transport	3,988,653,706	3,516,121,272
Road Transport	490,205,214	415,949,918
Container Storage, Handling and Repairs	167,930,187	155,340,254
Auction Expenses	12,587,716	4,472,764
	4,659,376,823	4,091,884,208

25. EMPLOYEE BENEFITS EXPENSES

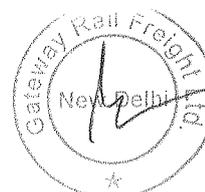
Salaries, Allowances and Bonus	152,192,495	148,883,075
Contribution to Provident and Other Funds [Refer Note 39]	8,423,568	8,337,232
Compensated Absences	11,181,331	3,506,151
Gratuity [Refer Note 39]	5,232,519	1,009,914
Staff Welfare	5,776,080	5,592,364
	182,805,993	167,328,736

26. FINANCE COSTS

-- On Term Loans	104,406,220	112,986,488
-- On Buyers' Credit	3,182,550	4,569,694
-- On Cash Credit	1,549,949	1,541,257
-- On Taxes	1,338,801	1,692,389
	110,477,520	120,789,828

27. DEPRECIATION AND AMORTISATION EXPENSES

Depreciation on Tangible Assets	449,039,463	374,170,777
Amortisation on Intangible Assets	25,673,025	25,673,025
	474,712,488	399,843,802



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of the Consolidated Financial Statements for the year ended March 31, 2015

	Year ended March 31, 2015 Rupees	Year ended March 31, 2014 Rupees
28. OTHER EXPENSES		
Power and Fuel	89,267,388	72,713,922
Rent [Refer Note 38]	41,670,031	35,756,259
Rail License Fees	44,112,313	30,743,406
Rates and Taxes	446,428	1,125,613
Repairs and Maintenance		
-- Plant and Equipment (including Yard Equipments)	3,060,229	3,473,250
-- Buildings/ Yard	6,892,018	5,204,999
-- Computers	4,974,323	9,114,593
-- Others	12,068,980	12,787,793
Insurance	21,060,914	21,532,606
Customs Staff Expenses	22,323,955	20,834,589
Printing and Stationery	4,156,464	3,988,269
Travelling and Conveyance	30,733,020	29,142,025
Vehicle Maintenance Expenses	1,028,785	1,185,203
Communication	10,002,035	10,277,564
Advertisement and Business Promotion	8,054,516	8,707,793
Corporate Social Responsibility	7,625,935	4,943,416
Legal and Professional Charges	17,223,137	17,839,680
Director Sitting Fees	800,000	-
Security Charges	32,191,246	34,987,458
Loss on Sale/ Write Off of Tangible Assets (Net)	-	1,098,086
Auditors' Remuneration		
-- Audit Fees	1,850,000	1,850,000
-- Out of Pocket Expenses	27,268	36,090
Bad Debts	21,896,716	-
Less: Provision for Doubtful Debts Adjusted	(21,896,716)	-
Provision for Doubtful Debts (Net)	168,420	15,178,062
Provision for Doubtful Ground Rent (Net)	3,241,750	-
Bank Charges	9,310,511	9,254,180
	372,289,666	351,774,856



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of Consolidated Financial Statements for the year ended March 31, 2015

29. Commitments:

a) Capital Commitments:

Estimated amount of contracts [net of Capital Advances of Rs. 2,944,300 (Previous Year Rs. 3,635,500)] to be executed on capital account, and not provided for is Rs. 487,057,477 (Previous Year Rs. 506,959,081).

b) Other Commitments:

The Company has imported capital goods under the Export Promotion Capital Goods Scheme of the Government of India at concessional rates of duty under obligation to export cargo handling services of Rs. 425,177,658 (Previous Year: Rs. 372,215,454) within a period of six years.

30. Disclosure for Subsidiaries

Particulars	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit	Amount
Gateway Rail Freight Limited	99.98%	7,684,522,869	100.00%	1,048,892,008
Name of Subsidiary				
Container Gateway Ltd (Indian Subsidiary)	0.02%	1,225,809	0.00%	-

31. Contingent Liabilities:

Particulars	(Rupees)	
	As at March 31, 2015	As at March 31, 2014
Bank Guarantees and Continuity Bonds executed in favour of The President of India through the Commissioners of Excise and Customs and Sales Tax	30,795,300,000	22,947,597,594
Claims made by the parties not acknowledged as debts:		
- Container Corporation of India (Refer Note 31)	Not Ascertainable	Not Ascertainable
- Others	14,893,945	14,893,945

The Company's Subsidiary Container Gateway Limited has entered into a lease deed on 07.12.2007 with Gateway Distriparks Ltd. to take on lease some land and buildings at village Wazirpur at monthly rental of Rs.38,61,000/- but no action thereafter has been taken in this regard and this lease deed remained unregistered since then. Therefore, no liability on this account has been considered in the accounts.

32. The Company and its Holding Company, Gateway Distriparks Limited ("GDL") are involved in an arbitration proceeding with Container Corporation of India Limited ("Concor") in respect of agreements entered into by the parties for operation of container trains from the Inland Container Depot and Rail Siding of the Company at Garhi Harsaru, Gurgaon. Concor has raised claims on the Company and GDL on various issues in respect to the aforesaid agreements. Based on legal opinion, the Management has taken a view that these claims are at a preliminary stage and the question of maintainability of the alleged disputes as raised by Concor under the aforesaid agreements is yet to be determined and are not sustainable. Pending conclusion of the arbitration, the parties are maintaining "status quo" in respect of the operations at Garhi Harsaru, Gurgaon.

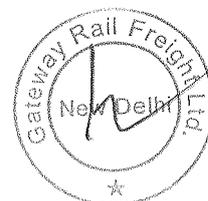
33. Segment Reporting:

Primary Segment:

The Company is mainly engaged in "Rail Logistics Business" which is considered as the primary reportable business segment in accordance with Accounting Standard 17 - "Segment Reporting". Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the Financial Statement as of and for the year ended March 31, 2015.

Secondary Segment:

The Company's operations are such that all activities are confined only to India and hence, there is no secondary reportable segment relating to the Company's business.



GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of Consolidated Financial Statements for the year ended March 31, 2015

34. Related Party Disclosures

Related Party Disclosures, as required by Accounting Standard 18 – "Related Party Disclosures".

(i) Holding Company: - Gateway Striparks Limited (GDL)

(ii) Subsidiary Company: - Container Gateway Limited (CGL)

(iii) The entity in which enterprise have significant influence or entity in which directors are interested - Newsprint Trading and Sales Corporation (NTSC)

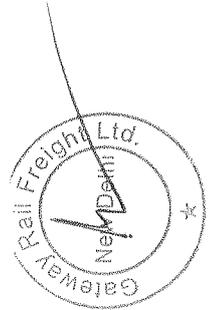
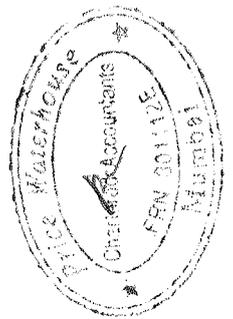
(iv) Key Management Personnel

Mr. Prem Kishan Gupta (Chairman and Managing Director)

Mr. Ishaan Gupta (Director)

Mr. Sachin Bhanushali (Chief Executive Officer) - w.e.f. December 01, 2014

Sr. No.	Particulars	Holding Company (GDL)		The entity in which directors are interested (NTSC)		Key Management Personnel		Total	
		2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
	Transactions during the year:								
1	Reimbursement of Other Operational expenses incurred on our behalf	-	6,000	850,486	6,548,124	-	-	850,486	6,554,124
2	Operation and Management Fees (excluding Service-tax)	16,788,480	9,837,000	-	-	-	-	16,788,480	9,837,000
3	Lease rental received (excluding Service-tax)	-	-	-	1,868,736	-	-	-	1,868,736
4	Rendering of Services (excluding Service-tax)	-	-	2,556,137	83,975,155	-	-	2,556,137	83,975,155
5	Reimbursement of expenses incurred towards Tangible Assets on our behalf	-	603,426	-	-	-	-	-	603,426
6	Purchase of Tangible Assets (excluding Sales-tax)	-	-	90,493	-	-	-	90,493	-
7	Reimbursement of Other Administrative expenses incurred on their behalf	-	-	13,892	9,836	-	-	13,892	9,836
8	Remuneration								
	Mr. Sachin Bhanushali								
9	Director Stipend Fees					14,081,330		14,081,330	
	Mr. Prem Kishan Gupta								
	Mr. Ishaan Gupta					100,000		100,000	
						100,000		100,000	
		16,788,480	10,446,426	3,511,008	92,401,851	14,281,330	-	34,580,818	102,846,277
	Closing Balance								
1	Equity Share Capital (Refer Note 3)	1,981,000,000	1,981,000,000	-	-	-	-	1,981,000,000	1,981,000,000
2	Zero Coupon Redeemable Preference Share Capital	1,150,000,000	1,150,000,000	-	-	-	-	1,150,000,000	1,150,000,000
		3,131,000,000	3,131,000,000	-	-	-	-	3,131,000,000	3,131,000,000



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of Consolidated Financial Statements for the year ended March 31, 2015

35. Computation of Earnings per Share (Basic and Diluted)

The number of shares used in computing Basic and Diluted Earnings per Share is the weighted average number of shares outstanding during the year.

Computation of Earnings Per Share (Basic and Diluted)	2014-2015	2013-2014
I. Net Profit attributable to Shareholders (Rupees.)	1,048,892,008	521,867,702
II. Weighted average number of Equity Shares of Rs. 10 each outstanding during the year. (Nos.)	201,500,250	201,500,250
III. Weighted average number of Potential Equity Shares on account of Compulsory Convertible Preference Shares of Rs. 24.65 each. (Nos.)	200,400,000	200,400,000
IV. Weighted Average number of Equity Shares for Diluted Earnings Per Share	401,900,250	401,900,250
V. Basic Earnings Per Share (Rupees.)	5.21	2.59
VI. Diluted Earnings Per Share (Rupees.)	2.61	1.30

36. Expenditure in Foreign Currency:

Particulars	(Rupees)	
	2014-2015	2013-2014
Membership Fees	40,853	86,123
Travelling Expenses	-	59,853
Director Sitting Fees	300,000	-
Interest On Buyers' Credit	3,182,550	4,569,694

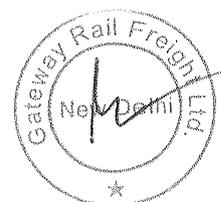
37. CIF Value of Imports:

Particulars	(Rupees)	
	2014-2015	2013-2014
Capital Goods	84,568,000	66,867,000
Total	84,568,000	66,867,000

38. The Company has taken office premises under non-cancellable operating lease and lease rent of Rs. 8,974,128 (Previous Year Rs. 13,499,198) has been included under the head 'Other Expenses - Rent' under Note "28" in the Statement of Profit and Loss.

Particulars	Minimum Future Lease Rentals			Amount recognised during the year
	Due within one year	Due later than one year and not later than five years	Due later than five years	
	For the year ended March 31, 2015	3,739,220	-	
For the year ended March 31, 2014	8,974,128	3,739,220	-	13,499,198

In addition, the Company has entered into various cancellable leasing arrangements for office and residential premises in respect of which an amount of Rs. 32,425,708 (Previous Year Rs. 21,890,582) has been appropriately included under 'Other Expenses - Rent' under Note "28" in the Statement of Profit and Loss.



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of Consolidated Financial Statements for the year ended March 31, 2015

39. Disclosure as per Accounting Standard 15 (Revised) – Employee Benefits:

The Company has classified various benefits provided to employees as under:-

I Defined Contribution Plans

- a. Provident Fund
- b. State Defined Contribution Plans
 - i. Employers' Contribution to Labour Welfare Fund
 - ii. Employers' Contribution to Employee's Pension Scheme 1995
 - iii. Employers' Contribution to Employee's State Insurance Commission

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss Account:

(Rupees)		
Particulars	2014-2015	2013-2014
- Employers' Contribution to Provident Fund *		
[Includes Administrative Charges, EDLI charges and Employers' Contribution to Employee's Pension Scheme 1995]	8,342,341	8,272,625
Employers' Contribution to Labour Welfare Fund*	29,360	5,483
Employers' Contribution to Employee's State Insurance Commission*	51,867	59,124
Total	8,423,568	8,337,232

* Included in Contribution to Provident and Other Funds (Refer Schedule "25")

II Defined Benefit Plan

A. Gratuity

- (i) In accordance with Accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions:-

Particulars	2014-2015	2013-2014
Discount Rate (Per Annum)	7.80%	9.10%
Rate of increase in Compensation Levels	11.00%	11.00%
Rate of Return on Plan Assets	-	-

The estimates of future salary increase, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

The Company has Non-Funded Gratuity Plan; accordingly changes in present value of plan assets, percentage of each category of plan assets to total fair value of plan assets and reconciliation of present value of defined benefit obligation and fair value of assets for funded scheme have not been disclosed.

(ii) Changes in the Present Value of Obligation

(Rupees)		
Particulars	Unfunded Plan March 31, 2015	Unfunded Plan March 31, 2014
Present Value of Obligation as at the beginning of the year	11,821,553	11,463,584
Interest Cost	1,071,740	946,697
Past Service Cost	-	-
Current Service Cost	3,884,306	3,300,039
Curtailment Cost/ (Credit)	-	-
Settlement Cost/ (Credit)	-	-
Benefits Paid	(88,376)	(651,945)
Actuarial loss/(Gain)	276,493	(3,236,822)
Present Value of Obligation as at the end of the year	16,965,716	11,821,553

(iii) Amount recognised in the Balance Sheet

(Rupees)		
Particulars	2014-2015	2013-2014
Present Value of Obligation as at the end of the year	16,965,716	11,821,553
Fair Value of Plan Assets as at the end of the year	-	-
Net Liability recognised as at the end of the year**	16,965,716	11,821,553

** Included in Provisions "Gratuity" (Refer Note "7" and "11")

(iv) Expenses recognised in the Statement of Profit and Loss Account

(Rupees)		
Particulars	2014-2015	2013-2014
Current Service Cost	3,884,306	3,300,039
Past Service Cost	-	-
Interest Cost	1,071,740	946,697
Expected Return of Plan Assets	-	-
Curtailment Cost/ (Credit)	-	-
Settlement Cost/ (Credit)	-	-
Actuarial Loss/(Gain)	276,493	(3,236,822)
Total Expenses Recognised in the Statement of Profit and Loss ***	5,232,539	1,009,914

*** Included in Employee Benefits Expenses "Gratuity" (Refer Note "25")



GATEWAY RAIL FREIGHT LIMITED

Notes annexed to and forming part of Consolidated Financial Statements for the year ended March 31, 2015

(v) Details of Present Value of Obligation, Plan Assets and Experience Adjustment.

Particulars	(Rupees)				
	2014-15	2013-14	2012-13	2011-2012	2010-2011
Present Value of Obligation	16,965,716	11,821,553	11,463,584	8,981,933	4,100,767
Fair Value of Plan Assets	-	-	-	-	-
(Surplus) / Deficit	16,965,716	11,821,553	11,463,584	8,981,933	4,100,767
Experience Adjustments:					
(Gain)/Loss on Plan Liabilities	(2,676,644)	(2,099,410)	(2,326,635)	(61,247)	(952,582)
(Gain)/ Loss on account of change in actuarial assumptions	2,953,137	(1,137,412)	-	1,220,884	86,014

III Other Employee Benefit Plan

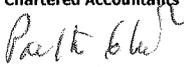
The liability for Compensated Absences (Non-funded) as at year end is Rs. 27,505,765 (Previous Year Rs.19,771,234). (Refer Note "7" and "11")

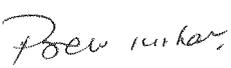
40. Disclosure of Unhedged Exposure:

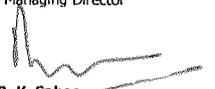
The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise as at March 31, 2015 are as follows:

Particulars	Foreign Currency Denomination	Foreign Currency Amount		Foreign Currency Amount	
		March 31, 2015	Amount (In Rupees) March 31, 2015	March 31, 2014	Amount (In Rupees) March 31, 2014
Buyers' Credit	USD	108,513	6,941,577	108,513	6,642,081
Buyers' Credit	EURO	2,790,000	193,346,998	2,170,000	181,976,197
Interest Accrued but not due on Buyers' Credit	USD	606	38,762	1,628	99,669
Interest Accrued but not due on Buyers' Credit	EURO	19,802	1,372,255	12,838	1,076,604

41. Previous year figures have been regrouped and reclassified to conform with current year's classification.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Partha Ghosh
Partner
Membership No.: 55913

For and on behalf of the Board of Directors

Prem Kishan Gupta
Chairman and Managing Director

Gopinath Pillai
Director

B. K. Sahoo
Chief Finance Officer

Nandan Chopra
Vice President (Finance and Accounts) and Company Secretary

Place: Mumbai
Date: April 28, 2015

Place: Mumbai
Date: April 28, 2015