

GATEWAY DISTRI PARKS (KERALA) LIMITED

DIRECTORS' REPORT

The Directors have pleasure in presenting their report along with the accounts for the year ended 31st March 2016.

A. Financial Results

Sl. No	Particulars	2015-16 (Rs. Millions)	2014-15 (Rs. Millions)
1	Income from Operations and Other Income	93.52	120.91
2	Profit before Interest, Depreciation and taxes	32.71	60.35
3	Finance cost	17.64	20.28
4	Depreciation	14.76	15.22
5	Profit before Exceptional items & taxation	0.31	24.85
6	Provision for tax including MAT credit	0.42	7.73
7	Profit / (Loss) after tax	(0.11)	17.12
8	Profit/(Loss) brought forward from previous year	3.09	(14.03)
9	Profit/ (Loss) carried to Balance Sheet	2.98	3.09

B. Container Freight Station at Kochi

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

Cochin Port Trust has allotted 2.58 hectares of land at Vallarpadam on lease for 30 years. The Company has constructed a new CFS at Vallarpadam and it has become operational in February 2013. The Company reported a loss of Rs.0.11 million during the year.

C. Directors

Mr. P Narayan, Director, retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting of the Company. Mr. Bhaskar Avula Reddy and Mr. Shabbir Hassanbhai are being appointed as Independent Directors at the ensuing Annual General Meeting of the Company. Your Directors recommend the appointment / reappointment of these Directors.

D. AUDITORS

M/s. R.G.N. Price & Co., Firm Registration No. FR No. 0027855, Chartered Accountants, Statutory Auditors of the Company were appointed as Statutory Auditors of the Company to hold office from the conclusion of the Annual General Meeting held on 3 August 2015 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. The Company has received letter from M/s. R.G.N. Price & Co, Chartered Accountants, confirming that their appointment, if made, would be within the limits prescribed under Sections 139(2) and 141 of the Companies Act, 2013. Your directors recommend their appointment. Their comments on the accounts and notes to the accounts are self-explanatory.

E. Statutory Information

Extracts of Annual Return under Section 92(3)

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

Number of meetings of the Board of Directors

During FY 2015-16, 4 meetings of the Board of Directors were held on 28 April 2015, 6 August 2015, 5 November 2015 and 3 February 2016.

Internal control system

The Company makes use of IT enabled solutions in its operations, accounting and for communication within its facilities and with customers and vendors. Financial and Operating guidelines are put in place to regulate the internal management. The

Company's accounts and operations are subject to review by the Audit Committee of the Board of Directors.

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

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

Directors' Responsibility Statement

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

- i. in the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. such accounting policies as mentioned in Note 1 of the Annual Accounts have been applied consistently and judgments and estimates that are reasonable and prudent made, so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31st March 2016 and of the profit of the Company for that period.
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. the annual accounts for the year ended 31st March 2016 have been prepared on a going concern basis.
- v. the internal financial controls followed by the Company are adequate and operating effectively.
- vi. proper systems to ensure compliance with the provisions of all applicable laws are devised and such systems are adequate and operating effectively.

Declaration by Independent Directors

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

Policy on Directors' Appointment & Remuneration

The criteria for appointment of directors as laid down by the Nomination & Remuneration Committee includes (a) qualifications (degree/specialist), (b) experience (management in a diverse organization / in accounting and finance, administration, corporate and strategic planning or fund management / Demonstrable ability to work effectively with a Board of Directors), (c) skills (Excellent interpersonal, communication and representational skills/ Demonstrable leadership skills / Extensive team building and management skills / Strong influencing and negotiating skills/ Having continuous professional development to refresh knowledge and skills), (d) abilities and other attributes (Commitment to high standards of ethics, personal integrity and probity / Commitment to the promotion of equal opportunities, community cohesion and health and safety in the work place and (e) independence: [(i) Person of integrity and possesses relevant expertise and experience, (ii) Not a promoter of the company or its holding, subsidiary or associate company, (iii) Not related to promoters or directors in the company, its holding, subsidiary or associate company, (iv) No pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during current & immediately preceding 2 financial years, (v) Relatives do not have pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, exceeding the lower amount of 2% or more of total income or Rs. 50 Lacs or prescribed amount during current & immediately preceding 2 financial years , (vi) Neither person nor relatives hold position of a key managerial personnel or employee of the company or its holding, subsidiary or associate company in any of the 3 financial years immediately preceding the financial year of proposed appointment, (vii) Not an employee or proprietor or a partner, in any of the 3 financial years immediately preceding the financial year of proposed appointment of a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company or any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to 10% per cent. or more of the gross turnover of such firm, (viii) not holds together with relatives 2% per cent. or more of the total voting power of the company; or is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives 25% or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the company and (ix such other prescribed qualifications)].

The Company's policy on remuneration of Directors, Key Managerial Personnel and other employees has been approved by the Nomination & Remuneration Committee. Base Compensation must be competitive and reflective of the individual's role, responsibility and experience in relation to performance of day-to-day activities,

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

Audit Reports

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

Particulars of loans, guarantees or investments: NIL

Particulars of contracts or arrangements with related parties:

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

Risk Management Policy

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

Annual Evaluation of Board performance

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

function / experience are considered for recruiting persons & while granting increases in remuneration, besides the performance of the person. The Committee noted and approved the remuneration paid to key managerial personnel and other employees.

Conservation of Energy

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

Technology Absorption

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

Foreign Exchange Earnings and Outgo

Nil

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

Place: New Delhi

Date: 27-April-2016

PREM KISHAN DASS GUPTA
CHAIRMAN
DIN: 00011670

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

As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

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

f) Insurance Cos.	-	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-	-
Independent Directors	-	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	2,305,000	2,305,000	100%	-	2,305,000	2,305,000	100%	(0)	

B) Shareholding of Promoter

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

C) Change in Promoters' Shareholding :

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Gateway Distriparks Ltd.				
	At the beginning of the year	13,830,000	60%	13,830,000	60%
	Increase / Decrease in Promoters Shareholding during the year:	-	0	-	
	At the end of the year			13,830,000	60%

2	Chakiat Agencies Pvt. Ltd.				
	At the beginning of the year	7,200,000	31.24%	7,200,000	31.24%
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			7,200,000	31.24%
3	Chakiat Shipping Services Pvt. Ltd.				
	At the beginning of the year	2,000,000	8.68%	2,000,000	8.68%
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			2,000,000	8.68%
4	P Narayanan				
	At the beginning of the year	9,800	0.04%	9,800	0.04%
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			9,800	0.04%
5	Raghu Jairam				
	At the beginning of the year	9,800	0.04%	9,800	0.04%
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			9,800	0.04%
6	Suchitra Narayan				
	At the beginning of the year	100	0	100	0
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			100	0
7	M Jairam				
	At the beginning of the year	100	0	100	0
	Increase / Decrease in Promoters Shareholding during the year:	-	0	100	0
	At the end of the year			100	0
8	P Shankar Menon				
	At the beginning of the year	100	0	100	0
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			100	0
9	Radhika Raghu				
	At the beginning of the year	100	0	100	0
	Increase / Decrease in Promoters Shareholding during the year:	-	0	0	0
	At the end of the year			100	0

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

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

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Prem Kishan Dass Gupta				
	At the beginning of the year	-	-	-	-
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	-	-
2	Shabbir H Hassanbhai				
	At the beginning of the year	-	-	-	-
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	-	-
3	Bhaskar Avula Reddy				
	At the beginning of the year	-	-	-	-
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	-	-
4	P Narayan				
	At the beginning of the year	9,800	0.04%	9,800	0.04%
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	9,800	0.04%
5	Raghu Jairam				
	At the beginning of the year	9,800	0.04%	9,800	0.04%
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	9,800	0.04%

6	K Govindarajan				
	At the beginning of the year	-	-	-	-
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	R Kumar				
	At the beginning of the year	-	-	-	-
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	-	-
8	Kartik Aiyer				
	At the beginning of the year	-	-	-	-
	Transactions (purchase / sale) during the year	-	-	-	-
	At the end of the year	-	-	-	-

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	169,404,820			169,404,820
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due				
Total (i+ii+iii)	169,404,820			169,404,820
Change in Indebtedness during the financial year				
* Addition				
* Reduction	(26,394,790)			(26,394,790)
Net Change	(26,394,790)			(26,394,790)
Indebtedness at the end of the financial year				
i) Principal Amount	143,010,030			143,010,030
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due		-	-	
Total (i+ii+iii)	143,010,030			143,010,030

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

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

SN.	Particulars of Remuneration	Name of MD	Total Amount
	NIL		

B. Remuneration to other directors -

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

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD - **NIL**

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

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis	Not Applicable
(a) Name(s) of the related party and nature of relationship	
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	
2. Details of material contracts or arrangement or transactions at arm's length basis	
(a) Name(s) of the related party and nature of relationship	Chakiat group (including Chakiat Agencies, Chakiat Agencies Pvt. Ltd., C. A. Logistics Private Limited and other group entities), Associate firms & Companies with Directors & Shareholders
(b) Nature of contracts/arrangements/transactions	Providing Container Freight Station services to Chakiat group and paying incentive / commission to them, receiving transportation services, purchase / lease /hire of containers, purchase of trailers and other Container Freight Station services from Chakiat group upto Rs. 5 crores per annum from FY 2015-16 onwards.
(c) Duration of the contracts / arrangements/transactions	Continuing arrangement for Container Freight Station services at Kochi at prevailing rates, approved by Shareholders through special resolution passed at Extra ordinary General Meeting on March 25, 2015. Transactions during FY 2015-16: Chakiat Agencies: Revenue from operations Rs. 16,288,428, Transportation charges Rs.6,212,151 , Incentive / Commission Rs. 299,850, Reimbursement of expenses Rs. 35,015, Container damage charges Rs .9,647, Purchase of Trailer Rs. 500,000 and amount due from them as on March 31, 2016 Rs. 2,619,796 C. A. Logistics Private Limited: Lease / hire charges Rs.2,991,755, and amount due to them as on March 31, 2016 Rs. 766,421. Chakiat Agencies Pvt. Ltd. : Reimbursement of expenses: Rs. 89,978
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Providing Container Freight Station services to Chakiat group and paying incentive / commission to them, receiving transportation services, purchase / lease /hire of containers and other Container Freight Station services from Chakiat group on arms length basis at the prevailing rates, upto Rs. 500,00,000 per annum, in aggregate.
(e) Date(s) of approval by the Board, if any:	28-Jan-15
(f) Amount paid as advances, if any:	Nil

For and on behalf of the Board of Directors of
Gateway Distriparks (Kerala) Limited**Prem Kishan Dass Gupta**

Chairman

DIN: 00011670

Place: New Delhi

Date: April 27, 2016



R. G. N. PRICE & CO.

CHARTERED ACCOUNTANTS

PHONE : OFFICE : 2316538, 2312960
FAX : 2312735
E-mail : priceco@vsnl.com
website : www.rgnprice.com

G-234, PRICE CHAMBERS
PANAMPILLY NAGAR
COCHIN - 682 036

Offices at :
MADRAS, BOMBAY, DELHI, BANGALORE, QUILON, CALICUT

Our Ref : **642/2016**

26.04.2016

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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **GATEWAY DISTRI PARKS (KERALA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, 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

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 that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act and read with rules made there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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



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

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

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

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

Opinion

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 31st March, 2016, and its **PROFIT** and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order 2016, issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.



- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act and read with rules made there under.
- (f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the financial statements on Contingent Liabilities;
 - ii. The Company did not have any long-term contracts including derivative contracts and hence this clause is not applicable.
 - iii. The company has never declared the dividend and hence this clause relating to the Investor Education and Protection Fund by the company is not applicable.

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


P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 0027855

ANNEXURE TO THE AUDITOR'S REPORT

1. Fixed Assets

- (a) The Company has maintained records showing particulars of fixed assets including quantitative details and location. The Company is in the process of updating the same.
- (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such physical verification.
- (c) The title deeds to the immovable properties owned by the company are held in the name of the company.

2. Inventories

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

3. Loans and Advances

The company had not granted any loans to parties listed in the register maintained under section 189 of the Act and consequently clauses relating to terms and conditions of loan, payment of interest and repayment of principal and status of overdue are not applicable.

4. Investments, Guarantees etc.

The company has not made any investments and guarantees to any parties during the year. Hence, this clause is not applicable.

5. Fixed Deposits

The company had not accepted any deposits to which the provisions of sections 73 to 76 of the Companies Act, 2013 and rules made there under in respect of deposits accepted from public apply.

6. Cost Records

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

7. Statutory Dues

- (a) The company was generally regular in depositing with appropriate authorities undisputed statutory dues towards Provident Fund, Employees State Insurance, Income Tax, Service Tax, duty of customs, cess and other statutory dues, wherever applicable. There were no arrears of statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.



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

8. Repayment of Loans

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

9. Application of funds raised:

The company had not obtained any fresh term loan during the year. In our opinion and according to the information and explanations given to us, the term loans taken in earlier years were applied for the purposes for which they were raised. The company has not raised any funds through public offer during the year.

10. Managerial Remuneration

The company has not paid any managerial remuneration during the year and hence this clause is not applicable.

11. Related Party Transactions

In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and section 188 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

12. Others

- a) According to the information and explanations given to us, no fraud, on or by the company, has been noticed or reported during the year
- b) The company has not made any preferential allotment or private placement of shares or fully/ partly convertible debentures during the year.
- c) As explained to us, the company has not entered into any non-cash transactions with directors or other persons during the year.
- d) In our opinion, the clauses (xiii) relating to nidhi companies and (xvi) relating to registration with Reserve Bank of India are not applicable to the company.

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


P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 0027855



R. G. N. PRICE & CO.

CHARTERED ACCOUNTANTS

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FAX : 2312735
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G-234, PRICE CHAMBERS
PANAMPILLY NAGAR
COCHIN - 682 036

Offices at :
MADRAS, BOMBAY, DELHI, BANGALORE, QUILON, CALICUT

Our Ref : 643/2016

26.04.2016

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GATEWAY DISTRI PARKS (KERALA) LIMITED

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

We have audited the internal financial controls over financial reporting of GATEWAY DISTRI PARKS (KERALA) LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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



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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

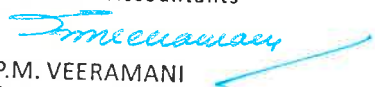
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

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


P.M. VEERAMANI
Partner
M. No. 23933, FR. No. 0027855

GATEWAY DISTRI PARKS (KERALA) LIMITED, COCHIN
BALANCE SHEET AS AT 31.03.2016

Particulars	Note No	31.03.2016	31.03.2015
<u>EQUITY AND LIABILITIES</u>			
Shareholders' funds			
Share Capital	1-3	508,369,800	493,369,800
Reserves and Surplus	4	2,984,110	3,091,270
		511,353,910	496,461,070
Non Current Liabilities			
Long Term Borrowings	5	116,595,794	143,010,030
Deferred Tax Liabilities (net)	6	3,537,336	3,123,975
Long term provisions	7	155,500	130,600
		120,288,630	146,264,605
Current Liabilities			
Trade Payables	8	4,404,826	8,022,292
Other Current Liabilities	9	37,539,791	41,131,550
		41,944,617	49,153,842
TOTAL		673,587,157	691,879,517
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	10	395,570,099	405,357,538
Intangible assets	10	67,313,533	70,224,098
Capital Work in Progress	11	1,147,508	885,730
Deferred Tax Asset (net)	7	-	-
Long term Loans and Advances	12	182,782,273	183,244,081
Other Non Current Assets	13	597,664	400,473
		647,411,077	660,111,920
Current Assets			
Trade Receivables	14	11,206,190	12,184,784
Cash and Other Bank Balances	15	7,643,865	13,285,125
Short Term Loans and Advances	16	7,322,990	6,247,626
Other Current Assets	17	3,035	50,062
		26,176,080	31,767,597
TOTAL		673,587,157	691,879,517
Accounting Policies	I		
Notes on Accounts	II		

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

For and on behalf of Board of Directors

For RGN Price & Co
Chartered Accountants

Director

Director

P. M Veeramani
Partner
M. No. 23933, FR No. 002785S

Manager

Company Secretary

Chief Finance Officer

Cochin:

Date :

GATEWAY DISTRI PARKS (KERALA) LIMITED, COCHIN
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2016

Particulars	Note No.	31.03.2016	31.03.2015
<u>INCOME</u>			
Revenue from Operations	18	92,900,542	120,589,571
Other Income	19	620,531	320,320
Total		93,521,073	120,909,891
<u>EXPENDITURE</u>			
Operating Expenses	20	25,817,147	26,507,700
Employee benefit expenses	21	4,926,934	4,622,071
Finance Cost	22	17,645,682	20,275,503
Depreciation and amortisation	10	14,763,102	15,224,394
Other Expenses	23	30,056,382	29,423,497
Total		93,209,247	96,053,165
Profit before tax		311,826	24,856,726
Tax Expenses			
Short provision for earlier years		5,625	-
Minimum Alternate Tax		63,580	3,900,188
<u>Less:</u> MAT Credit Entitlement		(63,580)	(3,900,188)
Deferred Tax		413,361	7,734,980
Profit for the year		(107,160)	17,121,746
Earnings Per share (Face Value Rs. 10/-)	24	(0.005)	0.740
Accounting Policies	I		
Notes on Accounts	II		
This is the Statement of Profit and Loss referred to in our report of even date.			
For and on behalf of Board of Directors		For RGN Price & Co Chartered Accountants	
Director	Director	P. M Veeramani Partner M. No. 23933, FR No. 002785S	
Manager	Company Secretary	Chief Finance Officer	
Cochin:			
Date :			

GATEWAY DISTRI PARKS (KERALA) LIMITED, COCHIN
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	31.03.2016	31.03.2015
A. Cash Flows From Operating Activities		
Net profit/(Loss) before taxation and extra ordinary items	311,826	24,856,726
Adjustments for:		
Depreciation	14,763,102	15,224,394
Interest Expenses	17,645,682	20,234,447
Interest Income	(620,531)	(320,320)
Operating Profit before Working Capital Changes	32,100,079	59,995,247
Adjustments for:		
(Increase)/Decrease in trade and other receivables	978,594	(6,365,561)
(Increase)/Decrease in Loans & advances	1,355,620	(8,952,900)
(Increase)/Decrease in other current and non current assets	(150,164)	(188,812)
Increase/(Decrease) in trade & other payables	(3,617,466)	6,736,049
Increase/(Decrease) in other current liabilities	(3,586,306)	(639,011)
Cash generated from operations	27,080,357	50,585,012
Income tax paid	1,974,801	4,331,726
Net cash from operating activities (A)	25,105,556	46,253,286
B. Cash Flow From Investing Activities		
Purchase of Fixed Assets	(2,065,098)	(14,056,993)
Investment in WIP	(261,778)	(258,769)
Interest received	620,531	320,320
Net Cash Used in Investing Activities (B)	(1,706,345)	(13,995,442)
C. Cash Flow From Financing Activities		
Net Inflow of Secured loans	(26,394,789)	(24,708,415)
Issue of preference shares	15,000,000	262,869,800
Share application money refunded	-	(269,496,774)
Interest and finance charges paid	(17,645,682)	(20,234,447)
Net Cash Generated in Financing Activities (C)	(29,040,471)	(51,569,836)
Net (Decrease) in Cash and Cash Equivalents (A+B+C)	(5,641,260)	(19,311,992)
Cash and Cash Equivalents at the beginning of the period	13,285,125	32,597,117
Cash and Cash Equivalents at the end of the period	7,643,865	13,285,125

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

For RGN Price & Co
Chartered Accountants

Director

Director

P. M Veeramani
Partner
M. No. 23933, FR No. 002785S

Manager

Company Secretary

Chief Finance Officer

Cochin:

Date :

I. Accounting Policies

1 Basis of Accounting

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

2 Tangible and Intangible Assets and Depreciation/ Amortisation:

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

3 Borrowing costs

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

4 Deferred Taxation

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

5 Lease Premium

The company is allotted 2.58 Ha. of land on lease at Vallarpadam by Cochin Port Trust for setting up of Container Freight Station (CFS) unit as per approval dated 28 September, 2010. The agreement is for a period of 30 years effective from 28 September, 2010. Pursuant to the agreement, Company has paid one time non refundable premium on lease amounting to Rs. 6,19,20,000/- and connected stamp duty/ registration charges/service tax for the above amounting to Rs. 1,76,13,750/-. The lease premium and connected stamp duty/ registration charges/service tax is amortised over the period of lease. Accordingly, an amount of Rs 2802292/- is charged to the Statement of Profit and Loss as per Note No. 11 - Fixed assets for the period ended 31.03.2016

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

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

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

1 Share Capital	Year ended 31.03.2016	Year ended 31.03.2015
Authorised Share Capital: 2,35,00,000 Equity Shares of ` 10 each 2,95,00,000 Zero Coupon Redeemable Preference Shares of Rs. 10 each	235,000,000 295,000,000	235,000,000 265,000,000
	530,000,000	500,000,000
Issued, Subscribed and Paid Up: 2,30,50,000 Equity Shares of ` . 10 each (Out of the above, 1,38,30,000 Equity Shares of ` . 10 each are held by holding company, Gateway Distriparks Limited)	230,500,000	230,500,000
2,77,86,980 Preference Shares of ` . 10 each (Out of the above, 1,66,72,199 Zero Coupon Redeemable Preference Shares of ` . 10 each are held by holding company, Gateway Distriparks Limited)	277,869,800	262,869,800
Total	508,369,800	493,369,800

2 Reconciliation of number of shares	No of Shares	No of Shares
Equity Shares outstanding at the beginning of the year	23,050,000	23,050,000
Equity Shares outstanding at the end of the year	23,050,000	23,050,000
Redeemable Preference Shares outstanding at the beginning of the year	26,286,980	-
Add: Issue during the year	1,500,000	
Redeemable Preference Shares outstanding at the end of the year	27,786,980	26,286,980

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

3 (B) List of major shareholders - Preference Shareholders	No of shares	% held	No of shares
Gateway Distriparks Limited	16,672,199	60.00%	15,772,199
Chakiat Agencies Private Limited	1,280,000	4.61%	1,280,000
Chakiat Shipping Services Private Limited	9,834,781	35.39%	9,234,781
Total	27,786,980	100%	26,286,980

	Year ended 31.03.2016	Year ended 31.03.2015
4 Reserves and Surplus		
Surplus /(Deficit) in Statement of Profit and Loss :-		
Balance at the beginning of the year	3,091,270	(14,030,476)
Less: Transfer from Statement of Profit and Loss for the year	(107,160)	17,121,746
Total	2,984,110	3,091,270

5 Long Term Borrowings		Year ended 31.03.2016	Year ended 31.03.2015
<u>From Financial Institution</u>			
(a) Term loan from KSIDC	135,000,000		
Less: Installments payable in next 12 months (Secured by first charge on the fixed assets of the company, Corporate guarantee of Gateway Distriparks Ltd and Chakiat Agencies Private Limited)	22,500,000	112,500,000	135,000,000
<u>From Banks</u>			
(a) Term loans from HDFC Bank Limited	7,422,327		
Less: Installments payable in next 12 months (Secured by hypothecation of Fork Lifts and Reach Stacker)	3,609,655	3,812,672	7,422,326
(b) Term loan from Federal Bank Limited	587,704		
Less: Installments payable in next 12 months (Secured by hypothecation of forklift)	304,582	283,122	587,704
Total		116,595,794	143,010,030

(a) Principal amount on KSIDC Loan repayable in 32 quarterly installments commencing from May 2014 with interest rate of 11.25% per annum. Interest is payable on quarterly basis as per debit note raised by KSIDC.

(b) Loan taken from Federal Bank for purchase of forklift. for Rs.9,00,000/- @ 12% repayable in monthly instalments starting from February 2015.

(c) Three term loans are taken from HDFC Bank Ltd for purchase of forklifts and reach stacker. The interest rate for loan of RS.9,90,000/- is @ 10.90% per annum, for loan of Rs.1,28,20,000/- is @ 11.00% per annum and for loan of Rs. 7,20,000 /- is @ 11% per annum. They are repayable in monthly installments over a period ranging between 36 to 47 months from November 2013.

6 Deferred Tax (Liability)/Asset	Year ended 31.03.2016	Year ended 31.03.2015
Deferred tax Asset		
Carry Forward Loss and Unabsorbed Depreciation	26,075,864	19,268,039
Provision for Gratuity	51,413	40,355
Deferred tax Liability		
Depreciation	29,664,613	22,432,369
Total	(3,537,336)	(3,123,975)

	Year ended 31.03.2016	Year ended 31.03.2015
7 Long Term Provisions		
Provision for gratuity	155,500	130,600
Total	155,500	130,600

8 Trade Payables	Year ended 31.03.2016	Year ended 31.03.2015
Trade Payables	4,404,826	8,022,292
Total	4,404,826	8,022,292

9 Other Current Liabilities	Year ended 31.03.2016	Year ended 31.03.2015
Statutory Liabilities	268,902	268,314
Current maturity of long term debt:		
From Financial Institutions:		
KSIDC	22,500,000	22,500,000
From Banks:		
Federal bank Limited	304,582	502,126
HDFC Bank Limited	3,609,655	3,392,664
Retention Money	7,121,860	13,342,958
Advance from Customers	3,734,792	1,125,488
Total	37,539,791	41,131,550

11 Capital Work in Progress	Year ended 31.03.2016	Year ended 31.03.2015
Eloor Project	1,147,508	885,730
Total	1,147,508	885,730

12 Long Term Loans and Advances	Year ended 31.03.2016	Year ended 31.03.2015
(a) Capital Advance		
Related Parties	124,710,579	124,706,978
Others	2,000,000	2,483,148
(b) Deposits		
PACE CFS Private Limited	15,000,000	15,000,000
Security deposit with Cochin Port Trust	40,576,856	40,559,117
Deposit with Asiatic transports	50,000	50,000
Telephone Deposit	500	500
(c) Other Long Term Loans and Advances		
GDKL Pace CFS Joint Venture	444,338	444,338
Total	182,782,273	183,244,081

	Year ended 31.03.2016	Year ended 31.03.2015
13 Other Non Current Assets		
Accrued interest on Fixed Deposit offered as margin money for Bank Guarantee	597,664	400,473
Total	597,664	400,473

NOTE 10**Depreciation/ Amortisation of Fixed Assets in accordance to Schedule II of The Companies Act 2013 for the year ended 31.03.2016**

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTIZATION			NET BLOCK	
	Cost As on 01.04.2015	Additions	Cost As on 31.03.2016	Depreciation upto 01.04.2015	SLM Depreciation For the period	Depreciation upto 31.03.2016	as on 31.03.2016	as on 31.03.2015
Tangible Assets								
Freehold Land	126,263,420	-	126,263,420	-	-	-	126,263,420	126,263,420
Leasehold improvements - Land	37,305,417	-	37,305,417	-	-	-	37,305,417	37,305,417
Building *	193,916,126	-	193,916,126	8,999,239	6,414,907	15,414,146	178,501,980	184,916,887
Plant and Equipments	9,167,118	54,893	9,222,011	997,885	628,896	1,626,781	7,595,230	8,169,233
Yard Equipments	4,348,208	621,298	4,969,506	316,008	298,477	614,485	4,355,021	4,032,200
Reach Stacker	36,330,471	631,307	36,961,778	3,728,552	2,494,924	6,223,476	30,738,302	32,601,919
Furniture and fixtures	258,391	9,300	267,691	63,985	25,592	89,577	178,114	194,406
Electrical fittings	12,133,212	-	12,133,212	1,970,719	1,286,002	3,256,721	8,876,491	10,162,493
Computer and Accessories	1,816,705	12,500	1,829,205	1,432,240	261,968	1,694,208	134,997	384,465
Office Equipment	1,047,214	235,800	1,283,014	263,738	280,130	543,868	739,146	783,476
Vehicles	715,335	500,000	1,215,335	171,713	161,641	333,354	881,981	543,622
Sub Total	423,301,617	2,065,098	425,366,715	17,944,079	11,852,537	29,796,616	395,570,099	405,357,538
Intangible Assets								
Software	471,372	-	471,372	304,578	108,273	412,851	58,521	166,794
Leasehold premium **	75,974,763	-	75,974,763	5,917,459	2,802,292	8,719,751	67,255,012	70,057,304
Sub Total	76,446,135	-	76,446,135	6,222,037	2,910,565	9,132,602	67,313,533	70,224,098
Grand Total	499,747,752	2,065,098	501,812,850	24,166,116	14,763,102	38,929,218	462,883,632	475,581,636
Previous Year ended 31.03.2015	485,690,759	14,056,993	499,747,752	8,941,722	15,224,394	24,166,116	475,581,636	476,749,037

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

* On lease-hold land

** Please refer point 5 of accounting policy

14 Trade Receivables	Year ended 31.03.2016	Year ended 31.03.2015
(a) Outstanding for a period exceeding six months Unsecured, considered good	135,417	170,814
(b) Others Unsecured, considered good	11,070,773	12,013,970
Total	11,206,190	12,184,784

15 Cash and Other Bank Balances	Year ended 31.03.2016	Year ended 31.03.2015
Cash and Cash Equivalents:		
Balance with Banks	6,062,696	6,661,354
Cash in hand	31,169	5,415
Other Bank balances:		
Deposit With HDFC Bank	1,500,000	1,500,000
Deposit With Federal Bank	50,000	5,118,356
Total	7,643,865	13,285,125
* Deposit with HDFC Bank amounting to Rs. 15,00,000 is held as margin money for Bank Guarantee in favour of Customs		
* Deposit with Federal Bank Limited amounting to Rs. 50,000 is held as security deposit for VAT		

16 Short Term Loans and Advances	Year ended 31.03.2016	Year ended 31.03.2015
Prepaid expenses	690,141	678,297
Tax deducted at source (Net of Provision for tax)	2,118,828	1,061,176
CENVAT credit receivable	182,211	77,893
MAT Credit Entitlement	3,963,768	3,900,188
Staff Advance	316,300	413,300
Other Advances	51,742	116,772
Total	7,322,990	6,247,626

17 Other Current Assets	Year ended 31.03.2016	Year ended 31.03.2015
Accrued interest on Fixed Deposit with bank	3,035	50,062
Total	3,035	50,062

18 Revenue from Operations	Year ended 31.03.2016	Year ended 31.03.2015
Container handling, Transport, Storage and Ground rent income		
Container Ground Rent	13,183,592	34,344,047
Container Handling , Transport and Storage	76,008,577	83,372,865
Others	3,708,373	2,872,659
	92,900,542	120,589,571

19 Other Income	Year ended 31.03.2016	Year ended 31.03.2015
Interest Income		
Interest from Banks	519,016	320,320
Interest on Income tax refund	81,805	-
Interest from Cochin Port Trust	19,710	-
	620,531	320,320

20 Operative Expenses	Year ended 31.03.2016	Year ended 31.03.2015
Labour Charges	10,471,907	9,936,273
Transportation Charges	12,103,250	13,309,707
Crane Hire Charges	156,300	-
Fuel Charges		
- Plant & Machinery	1,804,884	1,829,247
- Vehicles	164,359	194,800
Survey Charges	1,116,447	1,237,673
	25,817,147	26,507,700

21 Employee Benefit Expenses	Year ended 31.03.2016	Year ended 31.03.2015
Salaries and Allowances	3,724,540	3,523,303
Contribution to ESI, PF	245,886	211,769
Staff Welfare Expenses	931,608	843,199
Provision for Gratuity	24,900	43,800
	4,926,934	4,622,071

22 Finance Cost	Year ended 31.03.2016	Year ended 31.03.2015
Interest to KSIDC	16,434,238	18,924,765
Interest to Banks	1,211,444	1,309,682
Interest on Short Payment of Advance Tax	-	41,056
	17,645,682	20,275,503

23 Other expenses	Year ended 31.03.2016	Year ended 31.03.2015
Lease Rent	11,830,967	11,073,344
Customs Charges	6,332,459	8,090,485
Security Charges	878,403	894,643
Advertisement & Sales Promotion	19,000	54,618
Postage and telephone	697,562	750,771
Printing and stationery	209,965	263,251
Bank Charges	5,549	13,955
Rates & Taxes	1,142,253	41,791
Donation	97,000	123,501
Electricity charges	1,994,146	2,202,991
Travelling Expenses	1,110,864	743,783
Insurance	367,176	331,902
Repairs and maintenance		-
Building	1,092,236	969,991
Plant and Machinery	2,656,068	1,931,429
Vehicle Maintenance	291,696	422,182
Others	29,367	67,080
Audit fees		-
For audit	200,000	200,000
Others	132,900	125,844
Professional fees	480,227	547,788
General and Miscellaneous Expenses	488,544	574,148
	30,056,382	29,423,497

	Year ended 31.03.2016	Year ended 31.03.2015
24 Earnings Per Share		
Profit/(Loss) after tax	(107,160)	17,121,746
Weighted Average Number of shares	23,050,000	23,050,000
Earnings per share (Face Value ` .10)	(0.005)	0.740

25 Related Party Disclosure

Related Party Disclosure as required by AS-18 for the year ended March 31, 2016

i) List of related parties where control exists

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

iii) Transaction with Related Party during the year ended 31.03.2016

Sl. No.	Name of Party	Nature of Transaction	Amount in Rs.
1	Chakiat Agencies	Revenue from operations	16,288,428
		Transportation Charges	6,212,151
		Incentive / Commission	299,850
		Reimbursement of expenses	35,015
		Container Damage Charges	9,647
		Purchase of Tractor	500,000
2	Chakiat Agencies Private Limited	Reimbursement of expenses	89,978
3	C. A. Logistics Private Limited	Container lease rent	2,991,755

iv) Amount due to / from related party

Sl. No.	Name of Party	Due to	Due from
1	Chakiat Agencies		2,619,796
2	C. A. Logistics Private Limited	766,421.00	

26 Contingent liabilities and commitments

Claim not acknowledged as debts:

- (a) The joint venture agreement entered into with PACE CFS Private Limited was terminated on 28.09.2010. Disputes have arisen between the joint venture partners. PACE CFS Private Ltd has initiated arbitration proceedings against the company claiming a sum of ` 1,37,17,000. No provision is considered necessary at this stage.
- (b) Bond executed in favour of Customs – ` 51,50,00,000/- (` 50,50,00,000/-)
- (c) Unexpired Capital Commitments – ` 80,00,000 (` 37,81,000/-)
- (d) Guarantee issued by the bank on behalf of the company in favour of customs ` 15,00,000 (` 15,00,000)

- 27 The joint venture operation with Pace CFS Private Limited was terminated on 28.09.2010. The security deposit of ` 1,50,00,000 given to Pace CFS Private Limited is considered as good and recoverable in spite of disputes between joint venture partner. The Company has filed a recovery suit in response to suit filed by its joint venture partner in Sub Court Chertala for a total Sum of Rs.2,08,50,000/-, being value of security deposit and interest thereon. Court Fee of Rs.8,34,300/- paid in this regard is debited to Rates and Taxes.
- 28 There are no Micro and Small Enterprises to whom the company owes dues which are outstanding as per Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March 2016. This information has been provided to the extent such parties have been identified by the company based on information available with it and has been relied on by the auditors.
- 29 Previous period figures are regrouped wherever necessary.

For and on behalf of Board of Directors

Director

Director

For RGN Price & Co
Chartered Accountants

P. M Veeramani
Partner
M. No. 23933, FR No. 002785S

Manager

Company Secretary

Chief Finance Officer

Cochin:

Date :