



Container,  
Rail and  
Cold Chain  
Logistics  
Company.



# Annual Report 2009-10



# Chairman's Statement



## Performance in FY 2010

FY 2010 has been a year of consolidation for our various businesses. Our consolidated revenues grew by 14% from Rs.4.63 billion in the preceding year to Rs.5.29 billion in FY 2010.

During the year, major initiatives taken to diversify into a new high growth area and to expand existing CFS business, resulted in:

- 58% increase in Income of Gateway Rail Freight Limited from container rail operations with the deployment of container rakes on the Indian Railways network.
- 174 % increase in Profit after tax of Snowman Frozen Foods Limited from Cold Chain Logistics.
- Consolidated Group Profit after tax was Rs.791.4 million (Previous year: Rs. 795.8 million).

### a) CFS business:

Despite the challenging global economic environment, our CFS business maintained its throughput at 303,963 TEUs during FY 2010 (FY 2009 - 324,407 TEUs). Our network of CFSs at JNPT, Chennai and Visakhapatnam showed resilience in their performance. We are now in the process of expanding capacity at our operational CFSs and setting up a new CFS at Kochi.



### b) Container Rail business:



GDL's subsidiary, Gateway Rail Freight Limited (GRFL) operates Rail linked terminals with Customs facilities (Dry ports) at Gurgaon and Ludhiana. It also provides rail and transport services from Navi Mumbai. GRFL is developing a terminal at Faridabad to cater to the needs of trade at NCR. GRFL owns and operates 18 container trains and 235 road trailers covering various domestic / EXIM routes across the country. GRFL also operates dedicated refrigerated container train

services between NCR and Navi Mumbai.

During the year, the Company and GRFL have entered into a share subscription and shareholders agreement with Blackstone GPV Capital Partners (Mauritius) V-H Limited ("Blackstone"), pursuant to which, GRFL will raise funds to the extent of Rs. 3 billion by issue of Compulsorily Convertible Preference shares to Blackstone, which, on conversion, will entitle Blackstone to acquire between 37.27% and 49.90% of the share capital of GRFL.

### c) Cold Chain Logistics business:

Snowman Frozen Foods Ltd. (SFFL) is the only organized Pan India Cold Chain Logistics player in this growing business. We are in the process of expanding the cold stores network at key locations and the refrigerated transport fleet across the country. The operations of the company have been revitalized and achieved significant growth in profitability in FY 2010. During the year, the Company and SFFL have entered into a share subscription agreement with International





Finance Corporation (“IFC”) pursuant to which IFC has invested Rs. 248.90 million in SFFL by subscription to SFFL’s equity shares. GDL, SFFL, IFC, Mitsubishi Corporation (“MC”), Mitsubishi Logistics Corporation and Nichirei Logistics Group Inc. have also entered into a shareholders agreement and related agreements governing the management of the Company and the rights of the shareholders.

### **Future**

EXIM Container traffic in Indian ports has shown impressive growth of 14 % per annum over the past decade. Despite the challenging global economic environment, the medium term prospects for EXIM trade from India are bright. Various initiatives from the Government for Public-Private Partnership (PPP) in setting up logistics infrastructure will provide us with opportunities to consolidate and grow our CFS business.

Container traffic on Indian Railways network continues to show high growth due to increase in containerization of bulk movement of cargo offering potential for savings in cost and time. Government has taken initiatives to set up dedicated freight corridors, which will boost rail traffic. We will augment our container train fleet, expand operations at our Inland Container Depots (ICD) near Gurgaon, and expand/commence operations at new ICDs near Ludhiana and Faridabad, to become a dominant player in the container rail business.

Demand for cold chain logistics services encompassing cold stores and refrigerated transport has increased due to increase in consumption of perishable products and due to the supply chain requirements of retail chains. Our cold chain logistics business provides services to large FMCG companies and organized retail chains. We are setting up new cold stores and also increasing capacity at key locations and increasing the reach of our refrigerated transport services.

The global economic environment continues to be challenging. Recession in many of India’s major trade partners and volatile currencies has impacted India’s growth and EXIM trade unfavorably. India faces additional challenges due to inadequate infrastructure and smaller scale of operations. Despite these challenges, the Indian economy is expected to show robust growth, reflecting the inherent strengths of Indian economy.

We look to the future with some optimism as we expect favorable results from the various initiatives we have taken to expand and add new lines to our businesses.

Our network of CFSs, ICDs, cold stores, container trains, fleet of trailers and strategic alliances & joint ventures, have provided GDL a pan-India integrated logistics infrastructure which we will leverage for strong growth in future.

### **Dividend**

The Company has paid interim dividends totaling Rs.3 per equity share and the Board has recommended final dividend of Rs.0.50 per equity share, taking the total dividend for FY 2010 to Rs 3.50 per equity share of face value Rs.10 per share.

### **Acknowledgement**

GDL continues to take initiatives to be a model corporate citizen setting standards of innovation, efficiency and reliability in all its businesses.

I acknowledge with sincere thanks the continuing contributions made by the various stakeholders, my fellow Directors, our partners in various businesses, our customers who patronize our facilities, our dedicated employees and our esteemed shareholders.

**Gopinath Pillai**



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## **BOARD OF DIRECTORS**

1. Mr. Gopinath Pillai Chairman
2. Mr. Prem Kishan Gupta Deputy Chairman & Managing Director
3. Mr. Shabbir Hassanbhai
4. Mr. Karan Singh Thakral
5. Mr. Sat Pal Khattar
6. Mr. Kirpa Ram Vij
7. Mr. K.J.M. Shetty
8. Mr. M.P. Pinto
9. Mr. Saroosh Dinshaw
10. Mr. Arun Agarwal

## **COMMITTEES OF THE BOARD OF DIRECTORS**

### **A) AUDIT AND INVESTORS RELATIONS COMMITTEE**

1. Mr. K.J.M. Shetty Chairman of the Committee
2. Mr. M.P. Pinto
3. Mr. Saroosh Dinshaw
4. Mr. Gopinath Pillai
5. Mr. Shabbir Hassanbhai

### **B) REMUNERATION AND ESOP COMMITTEE**

1. Mr. M.P. Pinto Chairman of the Committee
2. Mr. Sat Pal Khattar
3. Mr. Karan Singh Thakral
4. Mr. Kirpa Ram Vij
5. Mr. Saroosh Dinshaw

## **REGISTERED OFFICE**

Sector 6, Dronagiri, Taluka Uran, District Raigad, Navi Mumbai - 400 707

## **CONTAINER FREIGHT STATION (CFS)**

- a) Sector 6, Dronagiri, Taluka Uran, District Raigad, Navi Mumbai - 400 707
- b) Punjab State Container & Warehousing Corpn. Ltd.  
Plot No. 2, Sector-2, Dronagiri Node, Uran, Navi Mumbai - 400 707

## **SUBSIDIARIES**

Gateway East India Private Limited, Visakhapatnam-530 003

Gateway Distriparks (South) Private Limited, New Manali, Chennai - 600 103

Gateway Rail Freight Limited, New Delhi - 110 062.

Gateway Distriparks (Kerala) Ltd., Kochi - 682 003.

Snowman Frozen Foods Ltd., Bangalore - 560 043.

## **BANKERS**

- 1. HDFC Bank Limited
- 2. ICICI Bank Limited
- 3. DBS Bank Limited

## **INTERNAL AUDITORS**

Sahni Natarajan & Bahl, Chartered Accountants, Mumbai

## **AUDITORS**

Price Waterhouse, Chartered Accountants, Mumbai

## **REGISTRAR AND TRANSFER AGENTS**

Link Intime India Private Limited

## DIRECTORS' REPORT

Your Directors have pleasure in presenting their report for the year ended 31st March 2010.

### A. Financial Results

Sl. No	Particulars	2009-10 (Rs. Million)	2008-09 (Rs. Million)
1	Income from Operations and Other Income	1,669.70	2,092.86
2	Profit before Interest, Depreciation and taxes	881.68	1,229.80
3	Interest	13.43	7.03
4	Depreciation	149.82	149.53
5	Profit before Exceptional items & taxation	718.43	1,073.24
6	Provision for taxes	(53.66)	135.67
7	Profit after tax	772.09	937.57
8	Profit brought forward from previous year	1,560.34	1,163.17
9	Dividend	377.41	381.73
10	Tax on Dividend	64.14	64.87
11	Transfer to General Reserve	77.21	93.80
12	Profit carried to Balance Sheet	1,813.67	1,560.34

### B. Dividend

The Company has paid two Interim dividends of Rs. 1.50 per equity share each, totaling Rs. 3 per share amounting to Rs. 323.46 million for the financial year 2009-10. Your Directors recommend Final Dividend of Rs.0.50 per equity share, amounting to Rs. 53.95 million for the financial year 2009-10. The Dividend Distribution Tax borne by the Company on the Interim and Final Dividends amounts to Rs. 64.14 million.

### C. Management Discussion & Analysis:

#### a) Industry structure and developments

In the past decade, containerised movement of export import cargo grew by 14% per annum, compared to the overall growth in Export Import trade of 8% per annum. Containerised cargo represents 30% of India's Export Import Trade, compared to the global average of over 70%.

JNPT accounted for more than 50% of the total containerized traffic handled out of India, by handling around 4 million Teus. The country's second biggest container port at Chennai handled over 1 million TEUs.

#### b) Opportunities and threats

Growth of containerisation in both Export Import and domestic trade, private sector participation in ports and movement of containers by rail, liberalization of Government policies and increase in the country's foreign trade present the company with opportunities for expansion and increase in profitability. During the past few years, the Company has taken several initiatives for growth and expansion. The company taken over Punjab State Container and Warehousing Corporation Limited' s CFS at JNPT under an Operations and management agreement for a period of 15 years from February 2007. The CFS has been revitalised and renovated, adding to the Company's capacity at JNPT, which is India's premier container port.

The Company continues to prune costs and augment its equipment for handling and transporting containers, which are operated by contractors. The Company is in the process of setting up a CFS at the fast growing port of Kochi in a joint venture with Chakiat Agencies Private Ltd. The Company's rail subsidiary, Gateway Rail Freight Limited (GRFL) has expanded its business relating to operating container trains on the Indian railways network. GRFL has put in place a fleet of railway rakes / trailers and ICDs to provide end-to-end solution to customers across the country. The Company's cold chain logistics subsidiary Snowman Frozen Foods Ltd. continues to be a premier player in this emerging business.

Competition from existing and new entrants and managing the geographical / capacity expansion present the company with new challenges.

**c) Segment-wise / Product-wise performance**

The Company's entire business is from CFS operations. There are no other primary / secondary segments in the Company's business.

**d) Outlook**

Rebound in economic activity is expected to result in an increase in traffic at major Indian ports during 2010-11. The expanded capacity of CFS at JNPT, increase in the business of rail movement of containers and growth in the emerging cold chain logistics business are expected to have positive impact on the Company's business and profitability.

**e) Risks and concerns**

Increase in fuel costs could result in increase in Company's major costs of transport and handling. Increase in container traffic vis-à-vis creation of capacity at the ports could lead to congestion at ports which would result in decline / delay in the throughput handled by the Company. The revenues of the Company are concentrated on the container volumes handled by major shipping lines and consolidators, who use its CFSs at various locations.

**f) Internal Control systems and adequacy**

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 internal audit and review by the Audit Committee of the Board of Directors.

**g) Financial / Operational performance**

**Operations:**

The income from operations & other income during 2009-10 was Rs. 1,669.70 million (2008-09: Rs. 2,092.86 million). The Profit after tax for 2009-10 was Rs.772.09 million (2008-09: Rs.937.57 million).

**Finance:**

During the year, HDFC Bank Limited enhanced the credit facilities of Rs. 750 million sanctioned to the Company, to Rs. 900 million, by increasing the non-funded facilities to Rs. 550 million to the Company. The Company has given guarantees in respect of outstanding loans of Rs.1,940.43 million of subsidiary company Gateway Rail Freight Ltd. as on 31st March, 2010.

The income from interest on fixed deposits with banks and investments was Rs.10.54 million in the current year as against Rs.36.86 million in 2008-09, as the available funds were deployed for capital expenditure during 2009-10.

**h) Human Resources**

The Company continued to have cordial and harmonious relations with its employees. Human relations policies were reviewed and upgraded in line with the Company's plans for geographical expansion. Initiatives on training and development of human resources were undertaken. The Company had staff strength of 153 as on 31st March 2010, compared to 150 employees as on 31st March 2009.



**i) Cautionary statement**

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

**D. Subsidiaries:**

□ **GATEWAY EAST INDIA PRIVATE LIMITED (GEIPL)**

The Company has 100% equity shareholding in GEIPL, which is engaged in the business of running a CFS at Visakhapatnam. GEIPL's Income grew by 26% to Rs 94.76 million from Rs. 74.98 million in 2008-09. Profit after tax for the financial year 2009-10 was Rs.20.86 million as against profit of Rs.9.13 million for 2008-09.

□ **GATEWAY DISTRIPARKS (SOUTH) PRIVATE LIMITED (GDSPL)**

The Company has 100% equity shareholding in GDSPL, which is engaged in the business of running a CFS at Chennai. GDSPL's Income for the year 2009-10 was Rs. 272.94 million as against Rs. 294.05 million in 2008-09. Profit after tax for the financial year 2009-10 was Rs 104.60 million as against Rs.112.26 million for 2008-09.

□ **GATEWAY RAIL FREIGHT LIMITED (GRFL)**

During the year, the Company increased its shareholding in GRFL to 94.29% from 89.18% in 2008-09. GRFL is engaged in the business of operating container trains and rail linked ICDs in Northern India. Income grew by 58% to Rs.2,906.40 million in 2009-10 from Rs. 1,837.84 million in 2008-09. Loss for the financial year 2009-10 was Rs. 134.73 million as against Rs. 262.94 million in 2008-09. The loss is after providing for depreciation / amortisation Rs. 254.67 million (2008-09: Rs. 212.34 million) on rakes, trailers and railway registration fees and interest on loans Rs.181.10 million (2008-09: 192.48 million).

During the year, the Company and GRFL have entered into a share subscription and shareholders agreement with Blackstone GPV Capital Partners (Mauritius) V-H Limited ("Blackstone"), pursuant to which, GRFL will raise funds to the extent of Rs. 3 billion by issue of Compulsorily Convertible Preference shares to Blackstone, which, on conversion, will entitle Blackstone to acquire between 37.27% and 49.90% of the share capital of GRFL.

□ **GATEWAY DISTRIPARKS (KERALA) LIMITED (GDKL)**

The Company has 60% equity shareholding in GDKL, which is in the process of setting up a CFS at Kochi. Chakiat Agencies Pvt. Ltd. hold 40% shareholding in this Joint venture company. GDKL has entered into a Joint venture with a CFS at Cochin to handle export import of containers at the fast growing port of Kochi. Loss for the financial year 2009-10 was Rs. 1.09 million as against Rs.0.85 million for 2008-09.

□ **SNOWMAN FROZEN FOODS LIMITED (SFFL)**

During the year, the Company and SFFL have entered into a share subscription agreement with International Finance Corporation ("IFC") pursuant to which IFC has invested Rs. 248.90 million in SFFL by subscription to SFFL's equity shares. GDL, SFFL, IFC, Mitsubishi Corporation ("MC"), Mitsubishi Logistics Corporation and Nichirei Logistics Group Inc. have also entered into a shareholders agreement and related agreements governing the management of the Company and the rights of the shareholders. GDL has further acquired 16.29% shareholding in SFFL from MC.

As on 31st March, 2010, GDL holds 52.19% shareholding in SFFL, which operates cold stores and fleet of refrigerated trucks at the various major cities across the country. SFFL has pan India presence and provides total cold chain logistics solutions to its customers for products like seafood, dairy products, ice cream, fruits & vegetables, retail and food services.



SFFL's Income grew by 6% to Rs 369.02 million in 2009-10 from Rs. 347.87 million in 2008-09. Profit after tax for 2009-10 was Rs. 41.36 million as against Rs.15.09 million for 2008-09. The Company is in the process of refurbishing its operations and has plans to expand its cold stores to new locations.

### E. Employees Stock Option scheme (ESOP)

Sr. No.	Particulars	ESOP-I (2005-2006)	ESOP-II (2006-2007)	ESOP-III (2007-2008)	ESOP-IV (2009-2010)
a.	Options granted	Options for 264,798 Equity shares	Options for 377,562 Equity shares	Options for 306,875 Equity shares	Options for 345,000 Equity shares
b.	Pricing Formula	20% discount on the closing market price prior to the date of the meeting of the Remuneration and ESOP Committee Rs.130.92 per equity share (after adjustment for issue of bonus shares)	20% discount on the closing market price prior to the date of the meeting of the Remuneration and ESOP Committee Rs. 109.25 per equity share (after adjustment for issue of bonus shares)	20% discount on the closing market price prior to the date of the meeting of the Remuneration and ESOP Committee Rs. 92.92 per equity share	20% discount on the closing market price prior to the date of the meeting of the Remuneration and ESOP Committee Rs. 99.92 per equity share
c.	Options vested (net of exercised options)	65,436	102,050	29,841	-
d.	Options exercised	33,800	152,137	158,301	-
e.	Total number of shares arising from exercise of options	33,800	152,137	158,301	-
f.	Options lapsed	165,562	123,375	39,249	4,000
g.	Variation of terms of options	-	-	-	-
h.	Amount realized by exercise of options	Rs.5.04 million	Rs.16.62 million	Rs.14.71 million	-
i.	Total number of options in force as on 31-3-2010	Options for 65,436 Equity shares	Options for 102,050 Equity shares	Options for 109,325 Equity shares	Options for 341,000 Equity shares
j.	Employee-wise details of options granted (excluding cancelled options)				
	i. Senior managerial personnel				
	a) Mr. R. Kumar, Deputy Chief Executive Officer and Chief Finance Officer cum Company Secretary	Options for 40,000 Equity shares	Options for 40,000 Equity shares	Options for 50,000 Equity shares	Options for 50,000 Equity shares
	b) Mr. Jacob Thomas, Vice-President (Operations)	Options for 16,000 Equity shares	Options for 16,000 Equity shares	Options for 20,000 Equity shares	Options for 20,000 Equity shares
	c) Mr. A.K. Bhattacharjee, Vice-President (Operations)	-	-	Options for 20,000 Equity shares	Options for 20,000 Equity shares
	ii. Any other employee who received a grant in any one year of option amounting to 5% or more of options granted during that year (excluding cancelled options)				
	a) Mr. Kartik Aiyer, General Manager (Finance & Accounts)	Options for 16,000 Equity shares	Options for 16,000 Equity shares	Options for 20,000 Equity shares	Options for 20,000 Equity shares
	b) Mr. Subhash Maini, Deputy General Manager (Operations)	-	-	Options for 20,000 Equity shares	Options for 20,000 Equity shares
	c) Mr. Himangsu Roy, Senior Manager (Operations)	-	-	Options for 20,000 Equity shares	Options for 20,000 Equity shares

	iii. Identified employees who were granted options during any 1 year equal to or exceeding 1% of issued Capital (excluding outstanding warrants and conversions) of the Company at the time of grant	-	-	-	-
k.	Diluted Earnings per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 'Earnings per share'	Rs.7.17 per Equity Share			
l.	Difference between employee compensation cost based on intrinsic value & fair value Impact on PAT Rs. million Impact on EPS (Rs./ Share)	Employee Compensation costs would reduce by Rs. 3.09 million Increase in PAT by Rs. 2.56 million Basic / Diluted EPS would increase from Rs.7.17 per share to Rs.7.19 per Equity share			
m. (i)	Weighted Average Exercise Price of options	Rs.103.51 per option for equity Share			
m.(ii)	Weighted Average Fair Value of options	Rs. 16.03 per option for equity Share			
n.	Assumptions used to estimate fair value using Black Scholes option pricing model  (i) Risk free interest rate (ii) Expected life (iii) Expected volatility (iv) Expected dividend  (v) Market Price of share at the time of grant of option	5% Upto 34 months 20.05% Rs.3.50 per Equity share			
		<b>ESOP-I (2005-2006)</b>	<b>ESOP-II (2006-2007)</b>	<b>ESOP-III (2007-2008)</b>	<b>ESOP-IV (2009-2010)</b>
		Rs.204.55	Rs.170.70	Rs.116.15	Rs.124.90

## F. Directors

Pursuant to the provisions of Section 256 of the Companies Act, 1956, Mr. Gopinath Pillai, Mr. Shabbir Hassanbhai and Mr. Sat Pal Khattar, Directors of the Company, retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment.

## G. Responsibility Statement

Pursuant to the requirements of Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:-

- that in the preparation of the annual accounts for the year ended 31st March, 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- that such accounting policies as mentioned in Note I of Schedule "Q" 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 2010 and of the profit of the Company for that period.
- that 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.
- that the annual accounts for the year ended 31st March 2010 have been prepared on a going concern basis.

#### H. Corporate Governance

As a listed Company, necessary measures are taken to comply with the listing agreements with the Stock Exchanges. A report on corporate governance and certificate of compliance from the Auditors are given as Annexure A of this Report.

#### I. Listing of Equity Shares

The Company's Equity shares are listed on the Bombay Stock Exchange Limited, Mumbai situated at Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai - 400 001 and the National Stock Exchange of India Ltd. situated at Exchange Plaza, Bandra Kurla Complex, Mumbai – 400 051. The Company has made up-to-date payment of the listing fees.

#### J. Auditors

M/s. Price Waterhouse, Chartered Accountants, Mumbai, Statutory Auditors of the Company retire at the ensuing Annual General Meeting of the Company and being eligible have offered themselves for reappointment. The Company has received letter from M/s. Price Waterhouse, Chartered Accountants, confirming that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. Their comments on the accounts and notes to the accounts are self-explanatory.

#### K. Statutory Information Disclosure under Section 217 (I) (e)

##### 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

- |  |   |
|--|---|
| i) Expenditure in foreign currency:<br>(including Capital items) | Rs. 6.46 million (2008-09: Rs. 68.79 million) |
| ii) Earnings in foreign currency :                               | Nil   |

##### Disclosure under Section 217 (2A)

Information in accordance with the provisions of Section 217(2A) of the Companies Act 1956, read with the Companies (Particulars of employees) Rules, 1975, as amended regarding employees forms part of this Report.

However, as per the provisions of Section 219 of the Companies Act, 1956, the Report and Accounts are being sent to all shareholders of the Company, excluding the aforesaid information. Any shareholder, interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

For and on behalf of the Board of Directors

Place: Chennai  
Date: 30th June 2010

**Gopinath Pillai**  
Chairman

**ANNUAL REPORT 2009 - 2010**

**REPORT ON CORPORATE GOVERNANCE**

**1. Company's Philosophy of Corporate Governance**

The Company is committed to adopt best Corporate Governance practices and endeavour continuously to implement the code of Corporate Governance in its true spirit. The philosophy of the Company in relation to Corporate Governance is to ensure transparency in all its operations, make disclosures and enhance shareholders value without compromising in any way in compliance with laws and regulations. The Company has made Corporate Governance a practice and a process of development right across the Company.

**2. Board of Directors**

(i) Composition

The Board of Directors comprises of ten Directors. Apart from the Managing Director, all the other nine Directors are Non-Executive Directors. Of the ten Directors, five Directors represent the Promoters group viz. Windmill International Pte Limited, Parameswara Holdings Limited, Thakral Corporation Limited and Prism International Private Limited, the other five Directors are Independent Directors.

Securities and Exchange Board of India ("SEBI") vide its Circular SEBI/CFD/DIL/CG/1/2008/08/04 ("April 2008 Circular") dated April 8, 2008 amended the sub-clause I (A) of clause 49 of the Listing Agreement. As per amendment, if non-executive chairman of Board of Directors is a promoter, atleast one half of the Board of Directors should consist of independent directors. Further for existing listed Company, SEBI vide its circular SEBI/CFD/DIL/CG/2/2008/23/10 dated October 23, 2008, extended the compliance of April 2008 Circular on or before March 31, 2009. During April 8, 2008 to May 12, 2009, the number of independent directors in the Board of Directors were lower than fifty percent of total strength of Board of Directors as required under sub-clause I (A) of clause 49 of the Listing Agreement. Non-compliance with requirements of Listing Agreement may lead to penalties as prescribed under Section 23(2) of the Securities Contracts (Regulation) Act, 1956.

(ii) Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM):

<b>Name of Director</b>	<b>Category of Directorship</b>	<b>No. of Board Meetings attended</b>	<b>Attendance at the last AGM</b>
Mr. Gopinath Pillai	Chairman – NED	9	YES
Mr. Prem Kishan Gupta	Deputy Chairman and MD	9	YES
Mr. Arun Agarwal	NED	9	YES
Mr. Karan Singh Thakral	NED	9	YES
Mr. Sat Pal Khattar	NED	7	YES
Mr. K. J. M. Shetty	NED (I)	9	YES
Mr. M. P. Pinto	NED (I)	8	YES
Mr. Shabbir Hassanbhai	NED (I)	9	YES
Mr. Kirpa Ram Vij	NED (I)	9	YES
Mr. Saroosh Dinshaw	NED (I)	9	YES

NED (I) - Non Executive Director - Independent

NED - Non-Executive Director

MD - Managing Director





- (iii) Number of other Boards of Directors or Board Committees where Directors of the Company are a Director/Member/Chairman

Name of Director	No. of Directorships in other Boards *	No. of Memberships in other Board Committees	No. of Chairmanships in other Board Committees
Mr. Gopinath Pillai	3	1	-
Mr. Prem Kishan Gupta	3	1	1
Mr. Arun Agarwal	1	-	-
Mr. Shabbir Hassanbhai	2	1	1
Mr. Karan Singh Thakral	6	-	-
Mr. Sat Pal Khattar	8	1	-
Mr. K. J. M. Shetty	3	3	-
Mr. M. P. Pinto	8	2	-
Mr. Kirpa Ram Vij	-	-	-
Mr. Saroosh Dinshaw	2	1	-

\* Directorships in Foreign Companies and Private Limited Companies are not included in the above table.

- (iv) Details of Board Meetings held for the year April 1, 2009 to March 31, 2010:

Sr. No.	Date	Sr. No.	Date
1	April 30, 2009	6	November 09, 2009
2	June 24, 2009	7	December 15, 2009
3	July 28, 2009	8	January 29, 2010
4	September 14, 2009	9	March 04, 2010
5	October 23, 2009		

### 3. Audit Committee

- i) Composition, number of Meetings and Attendance

The Audit Committee comprises of five Directors, of which four are Independent Directors. Mr. K. J. M. Shetty (Independent director) is the Chairman of the Audit Committee. Mr. Gopinath Pillai, Mr. M. P. Pinto (Independent Director), Mr. Shabbir Hassanbhai (Independent Director) and Mr. Saroosh Dinshaw (Independent director) are the other four Members of the Committee.

During the year, five Audit Committee Meetings were held on April 29, 2009, June 24, 2009, July 27, 2009, October 23, 2009 and January 28, 2010. Attendance of each Audit Committee Member at the Audit Committee Meetings was as under:

Sr. No.	Name of Directors who are/ were members of the Audit Committee during 2009-2010	No. of Meetings attended
1	Mr. K. J. M. Shetty	5
2	Mr. Gopinath Pillai	5
3	Mr. M. P. Pinto	4
4	Mr. Saroosh Dinshaw	5
5	Shabbir Hassanbhai	1

All members of the Audit Committee are Non-Executive Directors. The Managing Director, Internal Auditors and Statutory Auditors are invitees to the meeting. The Company Secretary of the Company acts as the Secretary to the Audit Committee.

ii) Terms of Reference

The terms of reference of this Committee cover matters specified under the Listing Agreement and the Companies Act, 1956 of India ("the Act").

#### 4. Remuneration Committee

Constitution of Remuneration Committee by listed Public Limited Companies pursuant to the Listing Agreement is voluntary. Presently, the Company does not pay any remuneration to any Non-Executive Director other than commission and sitting fees for attending Board meeting.

Details of remuneration paid to the executive and non-executive directors for the year April 1, 2009 to March 31, 2010:

Name of the Director	Salary and Benefits	Commission (Rs.)	Perquisites and contribution to Provident Fund/ Superannuation Fund	Terms of appointment
Mr. Prem Kishan Gupta	Nil	2,000,000	Nil	3 years w. e. f. July 20, 2009
Mr. Gopinath Pillai	Nil	1,700,000	Nil	N. A.
Mr. Shabbir Hassanbhai	Nil	1,400,000	Nil	N. A.
Mr. Karan Singh Thakral	Nil	450,000	Nil	N. A.
Mr. Sat Pal Khattar	Nil	450,000	Nil	N. A.
Mr. K. J. M. Shetty	Nil	700,000	Nil	N. A.
Mr. M. P. Pinto	Nil	700,000	Nil	N. A.
Mr. Kirpa Ram Vij	Nil	450,000	Nil	N. A.
Mr. Saroosh Dinshaw	Nil	700,000	Nil	N. A.
Mr. Arun Agarwal	Nil	450,000	Nil	N. A.

#### 5. Investors' Relations Committee

i) Composition

This Committee comprises of five Directors. Mr. K. J. M. Shetty is the Chairman of the Committee and Mr. Gopinath Pillai, Mr. M. P. Pinto, Mr. Shabbir Hassanbhai and Mr. Saroosh Dinshaw, are the other members. All members of the Investors' Relations Committee are Non-Executive Directors.

During the year, five Investors' Relations Committee Meetings were held on April 29, 2009, June 24, 2009, July 27, 2009, October 23, 2009 and January 28, 2010. Attendance of each Investor's Relations Committee Member at the Investors' Relations Committee Meetings was as under:

Sr. No.	Name of Directors who are/ were members of the Investors' Relations Committee during 2009-2010	No. of Meetings attended
1.	Mr. K. J. M. Shetty	5
2.	Mr. Gopinath Pillai	5
3.	Mr. M.P. Pinto	4
4.	Mr. Saroosh Dinshaw	5
5.	Mr. Shabbir Hassanbhai	1

- ii) Compliance Officer  
Mr. R. Kumar, Deputy Chief Executive Officer and Chief Finance Officer cum Company Secretary.

- iii) Complaints

84 complaints were received during the year under review. All the complaints have been generally resolved to the satisfaction of the share/ debenture holders. There were no Share Transfers pending as on March 31, 2010.

## 6. General Body Meetings

- i) Location and time where last three Annual General Meetings were held :

Financial Year	Date	Time	Venue	No. of special resolutions passed
2006-2007	September 20, 2007	11.30 a.m.	Vishnudas Bhave Natyagruha, Sector 16A, Vashi, Navi Mumbai – 400 705	Nil
2007-2008	September 22, 2008	10.30 a.m.	Silver Jubilee Hall, Second floor, Navi Mumbai Sports Association, Near MGM Hospital, Sector 1A, Vashi, Navi Mumbai – 400703	1 Commission payable to Managing Director and Non Whole-time Directors.
2008-2009	September 14, 2009	10.30 a.m.	Silver Jubilee Hall, Second floor, Navi Mumbai Sports Association, Near MGM Hospital, Sector 1A, Vashi, Navi Mumbai – 400 703	Nil

- ii) No special resolution was put through Postal Ballot from the last AGM.

## 7. Disclosures

- i) The Company has complied with the requirements of regulatory authorities on capital markets and no penalties/ strictures have been imposed against it in the last three years.
- ii) There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. The register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. Transactions with the related parties are disclosed in Note 8 of Schedule “Q” to the accounts in the Annual Report.

## 8. Means of Communication

Quarterly results are published in one English daily newspaper (The Economic Times) circulating in the country and one Marathi newspaper (Maharashtra Times) published from Mumbai. During the financial year, the Company has not made any presentation to the institutional investors or analysts. The financial results are displayed on the Company’s website [www.gateway-distriparks.com](http://www.gateway-distriparks.com) and are also available on SEBI’s website <http://sebidifar.nic.in>.

Since the quarterly/ half year results are published in leading newspapers as well as displayed on website, the same are not sent to the Shareholders of the Company.

The company has designated an email ID: [investor@gateway-distriparks.com](mailto:investor@gateway-distriparks.com) for the purpose of registering complaints by investors.

## 9. General Shareholder Information

AGM: Date, Time and Venue	Monday, September 20, 2010 at 10.30 a.m. at Silver Jubilee Hall, Second floor, Navi Mumbai Sports Association, Near MGM Hospital, Sector IA, Vashi, Navi Mumbai – 400 703				
Financial calendar	<ul style="list-style-type: none"> <li>i) Financial Year – April 1 to March 31</li> <li>ii) First Quarter Results – Last Week of July, 2010</li> <li>iii) Half Yearly Results – Last Week of October, 2010</li> <li>iv) Third Quarter Results – Last Week of January, 2011</li> <li>v) Audited Results for the year 2010-11 – Last Week of May/ June, 2011</li> </ul>				
Date of Book Closure	Friday, September 10, 2010 to Monday, September 20, 2010 (both days inclusive)				
Dividend Payment date	On or after October 11, 2010				
Listing on Stock Exchange	<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;"><b>Bombay Stock Exchange Limited, Mumbai</b></td> <td style="width: 40%;"><b>Code</b> <b>532622</b></td> </tr> <tr> <td><b>National Stock Exchange of India Limited, Mumbai</b></td> <td><b>Symbol</b> <b>GDL</b></td> </tr> </table>	<b>Bombay Stock Exchange Limited, Mumbai</b>	<b>Code</b> <b>532622</b>	<b>National Stock Exchange of India Limited, Mumbai</b>	<b>Symbol</b> <b>GDL</b>
<b>Bombay Stock Exchange Limited, Mumbai</b>	<b>Code</b> <b>532622</b>				
<b>National Stock Exchange of India Limited, Mumbai</b>	<b>Symbol</b> <b>GDL</b>				
ISIN Number for NSDL and CDSL	INE852F01015				
Market Price Data High, Low during each month in last Financial Year	Please see <b>Annexure ‘A’</b>				
Stock Performance	Please see <b>Annexure ‘B’</b>				
Registrar and Transfer Agents	<p>M/s. Link Intime India Private Limited C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (West) Mumbai – 400 078</p> <p>Contact Person : Mr. Mahesh Masurkar Telephone No. : 2594 6970 Fax No. : 2594 6969 Email id: rnt.helpdesk@linkintime.co.in</p>				
Share Transfer System	The Company’s shares being in the compulsory dematerialised list are transferable through the depository system. All the Shares are dematerialised except 21 folios.				
Distribution of shareholding and shareholding pattern as on March 31, 2010	Please see <b>Annexure ‘C’</b>				
Dematerialisation of shares and liquidity	<b>96.59%</b> per cent of the paid-up Share Capital has been dematerialised as on March 31, 2010..				
Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity	Nil				

CFS Location:	Container Freight Station Sector 6, Dronagiri, Taluka: Uran, District : Raigad Navi Mumbai – 400 707
Address for correspondence	Shareholders correspondence should be addressed to M/s. Link Intime India Private Limited C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (West) Mumbai – 400 078  Contact Person : Mr. Mahesh Masurkar Telephone No. : 2594 6970 Fax No. : 2594 6969 Email id : rnt.helpdesk@linkintime.co.in

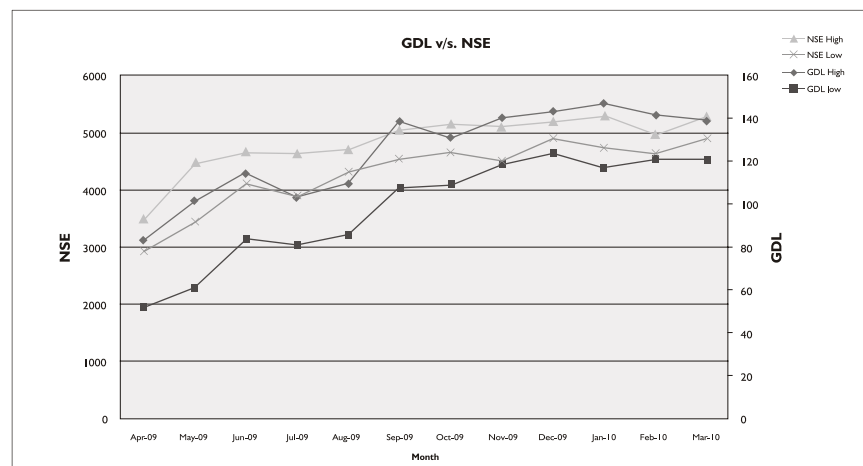
**Annexure ‘A’**

**Market price data- High/Low during each month on National Stock Exchange**

Month	High (Rs.)	Low (Rs.)
Apr-09	84.35	53.00
May-09	103.00	61.80
Jun-09	115.40	84.60
Jul-09	103.80	82.05
Aug-09	110.50	86.55
Sep-09	139.60	108.00
Oct-09	132.00	110.25
Nov-09	141.10	119.60
Dec-09	143.95	125.10
Jan-10	147.35	118.10
Feb-10	142.40	122.00
Mar-10	140.00	122.00

**Annexure ‘B’**

**Stock performance of the Company in comparison to NSE**





**Annexure 'C'**

**i) Distribution Schedule as on March 31, 2010**

Shares Held	No. of Holders	Percent	No. of Shares	Percent
1-500	42,712	92.16	5,144,643	4.77
501-1000	2,054	4.43	1,548,260	1.43
1001-2000	863	1.86	1,257,957	1.16
2001-3000	256	0.55	644,088	0.60
3001-4000	105	0.23	373,665	0.35
4001-5000	75	0.16	355,274	0.33
5001-10000	113	0.25	807,165	0.75
Above 10001	168	0.36	97,773,849	90.61
<b>Total</b>	<b>46,346</b>	<b>100.00</b>	<b>107,904,901</b>	<b>100.00</b>

**ii) Shareholding Pattern as on March 31, 2010**

Sr. No.	Category	No. of Shares Held	Percentage of Shareholding
1	Indian Promoters	22,946,436	21.27
2	Foreign Promoters	20,481,187	18.98
3	Persons acting in concert#	4,703,500	4.36
4	Mutual Funds & UTI	10,106,397	9.37
5	Banks, Financial Institutions, Insurance Co.'s	7,430,492	6.89
6	FIIS	26,376,460	24.44
7	Private Corporate Bodies	2,140,624	1.98
8	Indian Public	10,727,232	9.94
9	NRI/OCB's	1,083,526	1.00
10	Trusts	1,045	0.00
11	Any other		
	- Independent Directors	1,393,313	1.29
	- Clearing members	514,689	0.48
	<b>TOTAL</b>	<b>107,904,901</b>	<b>100.00</b>

# includes shares held by Non-executive Directors, as per list given below:

Sr. No.	Name of Director	Number of Shares held
1	Mr. Gopinath Pillai	716,000
3	Mr. Karan Singh Thakral	300,000
4	Mr. Sat Pal Khattar	3,300,000
5	Mr. Arun Agarwal	125,000

**Declaration:**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Team have complied with the Code of Conduct for the financial year ended March 31, 2010.

For and on behalf of the Board of Directors of  
**Gateway Distriparks Limited**

**Prem Kishan Gupta**

Deputy Chairman and Managing Director

Place: Chennai

Dated: June 30, 2010



## AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT.

To the Members of Gateway Distriparks Limited

1. We have examined the compliance of conditions of Corporate Governance by Gateway Distriparks Limited ("the Company"), for the year ended March 31, 2010, as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchanges in India.
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. *As mentioned in paragraph 2(i) of the Report on Corporate Governance, the Company has not complied with amendments suggested in the provisions of sub-clause 1 (A) of Clause 49 of the Listing Agreement vide Securities and Exchange Board of India ("SEBI") Circular SEBI/CFD/DIL/CG/1/2008/08/04 ("April 2008 Circular") dated April 8, 2008 in respect of composition of independent members of Board of Directors for the period April 8, 2008 to May 12, 2009. Non-compliance with requirements of Listing Agreement may lead to penalties as prescribed under Section 23(2) of the Securities Contracts (Regulation) Act, 1956.*
4. In our opinion and to the best of our information and according to the explanations given to us, *subject to clause 3 mentioned above*, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Price Waterhouse**  
Firm Registration No. 301112E  
Chartered Accountants

**Uday Shah**  
Partner  
Membership No.: F-46061

Place : Chennai  
Dated : June 30, 2010

## AUDITOR'S REPORT TO THE MEMBERS OF GATEWAY DISTRI PARKS LIMITED

1. We have audited the attached Balance Sheet of Gateway Distriparks Limited ("the Company") as at March 31, 2010, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These Financial Statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together "the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'the Companies Act, 1956' of India ("the Act") 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 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - (a) We have 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 appears from our examination of those books;
  - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
  - (e) On the basis of written representations received from the directors as on March 31, 2010 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said Financial Statements together with the Notes thereon and attached thereto give, in the prescribed manner, the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;
    - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
    - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For Price Waterhouse**  
Firm Registration No. 301112E  
Chartered Accountants

**Uday Shah**  
Partner  
Membership No.: F-46061

Place : Chennai  
Dated : June 30, 2010

## ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of Gateway Distriparks Limited ("the Company") on the Financial Statements for the year ended March 31, 2010]

- 1 (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
- 2 (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of 'the Companies Act, 1956' of India ("the Act"). Accordingly, the clauses (iii) (b) to (iii) (d) of the Paragraph 4 of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together "the Order") are not applicable to the Company for the year.
- (b) Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the clauses (iii) (f) and (iii) (g) of paragraph 4 of the Order are not applicable to the Company for the year.
- 3 In our opinion and according to the information and explanations given to us, having regard to explanation that certain items purchased and sold are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, 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 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.
- 4 (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.



- 5 The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- 6 In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- 7 (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except in respect of income-tax and service tax for which the Company is generally regular in depositing undisputed statutory dues, the Company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, wealth tax, sales tax, customs duty, excise duty, cess 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, customs duty, excise duty, wealth tax and cess as at March 31, 2010 which have not been deposited on account of any dispute. The particulars of dues of service tax as at March 31, 2010 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
As per the provisions of Finance Act, 1994	Service Tax	32,581,255	October 2003 to March 2009	Customs, Excise and Service Tax Appellate Tribunal, Mumbai.

- 8 The Company has no accumulated losses as at March 31, 2010 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 9 According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any bank during the year. Further, there were no dues payable to any financial institution or debenture holders as at the Balance Sheet date.
- 10 The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 11 The provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company.
- 12 In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.

- 13 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.
- 14 In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
- 15 On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- 16 The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
- 17 The Company has not issued debentures and outstanding at the year-end.
- 18 The Company has not raised any money by public issues during the year.
- 19 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 fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
- 20 The other clauses (ii) and (viii) of paragraph 4 of Order, is not applicable in the case of the Company for the current year, since in our opinion, there is no matter which arises to be reported in the aforesaid order.

**For Price Waterhouse**  
Firm Registration No. 301112E  
Chartered Accountants

**Uday Shah**  
Partner  
Membership No.: F-46061

Place : Chennai  
Dated : June 30, 2010

**BALANCE SHEET AS AT MARCH 31, 2010**

	Schedule Reference	31.03.2010 Rs.	31.03.2009 Rs.
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Capital	<b>A</b>	1,079,049,010	1,077,133,380
Reserves and Surplus	<b>B</b>	5,605,075,880	5,257,864,471
		6,684,124,890	6,334,997,851
<b>Loan Funds</b>			
Secured Loans	<b>C</b>	158,853,212	89,830,504
<b>Deferred Tax Liabilities (Net)</b>	<b>D</b>	174,008,990	166,380,090
<b>TOTAL</b>		<b>7,016,987,092</b>	<b>6,591,208,445</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	<b>E</b>	3,229,126,214	3,220,980,553
Less: Depreciation		790,367,752	649,601,381
Net Block		2,438,758,462	2,571,379,172
Capital Work-in-Progress		105,290,314	40,348,001
		2,544,048,776	2,611,727,173
<b>Investments</b>			
	<b>F</b>	2,917,044,945	2,766,534,445
<b>Current Assets, Loans and Advances</b>			
Sundry Debtors	<b>G</b>	53,752,412	61,319,901
Cash and Bank Balances	<b>H</b>	200,979,343	226,115,000
Other Current Assets	<b>I</b>	18,271,145	21,323,991
Loans and Advances	<b>J</b>	1,651,207,465	1,313,742,081
		1,924,210,365	1,622,500,973
<b>Less: Current Liabilities and Provisions</b>			
Liabilities	<b>K</b>	91,037,294	109,751,959
Provisions		277,279,700	299,802,187
		368,316,994	409,554,146
<b>Net Current Assets</b>		1,555,893,371	1,212,946,827
<b>TOTAL</b>		<b>7,016,987,092</b>	<b>6,591,208,445</b>
<b>Notes to Accounts</b>	<b>Q</b>		

The Schedules referred to herein above form an integral part of the Balance Sheet.  
This is the Balance Sheet referred to in our report of even date.

For **Price Waterhouse**  
Firm Reigstration No. 301112E  
Chartered Accountants

**Uday Shah**  
Partner  
Membership No. F-46061

For and on behalf of the Board of Directors  
**Gopinath Pillai**  
Chairman  
**Prem Kishan Gupta**  
Deputy Chairman and  
Managing Director

**R. Kumar**  
Deputy Chief Executive Officer and Chief Finance  
Officer cum Company Secretary

Place: Chennai  
Date: June 30,2010

Place: Chennai  
Date: June 30,2010

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

	Schedule Reference	2009-10 Rs.	2008-2009 Rs.
<b>INCOME</b>			
Income from Operations	L	1,585,712,975	2,035,633,166
Other Income	M	83,988,842	57,229,579
		<b>1,669,701,817</b>	<b>2,092,862,745</b>
<b>EXPENDITURE</b>			
Employee Costs	N	64,408,357	73,895,674
Operating Expenses	O	723,614,679	789,160,871
Depreciation/ Amortisation		149,821,694	149,527,758
Interest	P	13,427,245	7,032,644
		<b>951,271,975</b>	<b>1,019,616,947</b>
<b>Profit before Taxation</b>		<b>718,429,842</b>	<b>1,073,245,798</b>
Provision for Taxation (Refer Note 5 - Schedule "Q")			
Income Tax - Current Year		130,000,000	124,000,000
- Earlier Years		(1,288,644)	(2,660,779)
- Minimum Alternate Tax Credit Entitlement		(190,000,000)	-
Fringe Benefit Tax		-	1,390,574
Deferred Tax		7,628,900	12,942,120
<b>Profit After Taxation</b>		<b>772,089,586</b>	<b>937,573,883</b>
Profit and Loss Account Balance Brought Forward		1,560,336,305	1,163,168,453
		2,332,425,891	2,100,742,336
Transfer to General Reserve		77,210,000	93,800,000
Interim Dividend paid		161,599,641	166,804,961
Proposed Interim Dividend		161,857,351	161,570,007
Proposed Final Dividend		53,952,451	53,856,669
Write back of Excess amount of Proposed Final Dividend for earlier year		-	(500,768)
Tax on Dividend		64,140,735	64,875,162
<b>Profit and Loss Account Balance Carried to Balance Sheet</b>		<b>1,813,665,713</b>	<b>1,560,336,305</b>
Earnings Per Share (Refer Note 10 - Schedule "Q")			
- Basic		7.17	8.35
- Diluted		7.17	8.35
<b>Notes to Accounts</b>	<b>Q</b>		

The Schedules referred to herein above form an integral part of the Profit and Loss Account. This is the Profit and Loss Account referred to in our report of even date.

For **Price Waterhouse**  
Firm Reigstratation No. 301112E  
Chartered Accountants

**Uday Shah**  
Partner  
Membership No. F-46061

Place: Chennai  
Date: June 30,2010

For and on behalf of the Board of Directors  
**Gopinath Pillai**  
Chairman

**Prem Kishan Gupta**  
Deputy Chairman and  
Managing Director

**R. Kumar**  
Deputy Chief Executive Officer and Chief Finance  
Officer cum Company Secretary

Place: Chennai  
Date: June 30,2010

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

	2009-2010 Rs.	2008-2009 Rs.
<b>A. Cash flow from operating activities :</b>		
Profit Before Taxation	718,429,842	1,073,245,798
<b>Adjustment for :</b>		
Depreciation	149,821,694	149,527,758
Provision for Doubtful Debts	3,061,783	-
Provision for ESOP Expenses	244,427	4,960,757
Advances Written-off	-	3,000,000
Interest Expense	13,427,245	7,032,644
Interest Income	(6,635,992)	(26,695,289)
Gain on redemption of current investments	(4,557,458)	(11,076,416)
Loss on Sale/ Disposal of Fixed Assets	4,143,118	1,994,024
Provision for Employee Benefits	1,379,393	3,980,078
Provision for Doubtful Ground Rent	9,311,900	3,495,500
(Write back)/Provision for Contingencies	(24,351,118)	21,050,041
Write back of doubtful debt	-	(2,619,775)
Liabilities no Longer Required Written Back	(21,967,977)	(4,269,917)
<b>Operating profit before working capital changes</b>	<b>842,306,857</b>	<b>1,223,625,203</b>
<b>Adjustments for change in working capital:</b>		
- Decrease/ (Increase) in Sundry Debtors	4,505,706	1,398,319
- Decrease/ (Increase) in Loans and Advances	20,280,304	(21,630,477)
- (Decrease)/ Increase in Trade and Other Payables	(23,372,318)	17,042,065
<b>Cash generated from operations</b>	<b>843,720,549</b>	<b>1,220,435,110</b>
- Taxes Paid	115,894,740	132,302,028
<b>Net cash from operating activities (A)</b>	<b>727,825,809</b>	<b>1,088,133,082</b>
<b>B. Cash flow from investing activities:</b>		
Purchase of Fixed Assets (including Capital Work-in-Progress)	(94,401,030)	(194,379,458)
Sale of Fixed Assets	8,114,615	4,713,443
Purchase of Investments	(700,000,000)	(1,240,000,000)
Purchase of Shares in Subsidiary Companies	(230,510,500)	(46,800,000)
Sale of Investments	784,557,458	1,021,076,416
Share Application Money	(163,189,367)	(32,683,598)
Repayment of loan given to Subsidiary Company	-	49,995,347
Interest Received	7,356,119	31,055,579
<b>Net cash used in financing activities (B)</b>	<b>(388,072,705)</b>	<b>(407,022,271)</b>
<b>C. Cash flow from financing activities :</b>		
Proceeds from fresh Issue of Shares (net of share issue expenses)	18,343,204	-
Buyback of Shares	-	(639,999,953)
Proceeds from long term borrowings	100,000,000	100,000,000
Repayment of long term borrowings	(30,977,292)	(10,169,496)
Interest Paid	(12,833,338)	(6,220,478)
Payment of Dividend	(375,345,712)	(396,043,695)
Payment of Dividend Tax	(64,075,623)	(67,554,734)
<b>Net cash used in financing activities (C)</b>	<b>(364,888,761)</b>	<b>(1,019,988,356)</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(25,135,657)</b>	<b>(338,877,545)</b>
Cash and Cash Equivalents at the beginning of the year	226,115,000	564,992,545
Cash and Cash Equivalents at the year end	200,979,343	226,115,000
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>(25,135,657)</b>	<b>(338,877,545)</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010 (Contd.)

	Rs.	31.03.2010 Rs.	31.03.2009 Rs.
<b>Cash and Cash Equivalents comprise:</b>			
Cash on Hand		545,157	321,867
Cheques on Hand		3,932,014	4,709,541
Balances with Scheduled Banks:			
- in Current Accounts	129,908,888		128,618,908
- in Unclaimed Dividend Accounts	4,750,310		3,069,705
- in Unclaimed Share Application Accounts	753,840		805,680
- in Unclaimed Fractional Bonus Shares Account	89,134		89,299
- in Deposit Account	61,000,000		88,500,000
		196,502,172	221,083,592
<b>Cash and Cash equivalents as at year-end</b>		<b>200,979,343</b>	<b>226,115,000</b>

### Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on "Cash Flow Statements" notified under Section 211 (3C) of the Companies Act, 1956, of India.
2. Fixed Deposits with banks include Rs. 61,000,000 (Previous year: Rs. 88,500,000) under lien with the banks towards guarantee issued by them and loans given to subsidiaries.
3. Previous year's figures have been regrouped/ rearranged wherever necessary.

This is the Cash flow statement referred to in our report of even date.

For **Price Waterhouse**  
Firm Reigstration No. 301112E  
Chartered Accountants

**Uday Shah**  
Partner  
Membership No. F-46061

Place: Chennai  
Date: June 30,2010

For and on behalf of the Board of Directors

**Gopinath Pillai**  
Chairman

**Prem Kishan Gupta**  
Deputy Chairman and  
Managing Director

**R. Kumar**  
Deputy Chief Executive Officer and Chief Finance  
Officer cum Company Secretary

Place: Chennai  
Date: June 30,2010



**SCHEDULES ANNEXED TO AND FORMING PART OF THE  
BALANCE SHEET AS AT MARCH 31, 2010 (Contd.)**

	31.03.2010 Rs.	31.03.2009 Rs.
<b>“A” SHARE CAPITAL</b>		
<b>Authorised:</b>		
125,000,000 (Previous year: 125,000,000) Equity Shares of Rs. 10 each	1,250,000,000	1,250,000,000
<b>Issued and Subscribed:</b>		
107,904,901 (Previous year: 107,713,338) Equity Shares of Rs. 10 each, fully paid-up	1,079,049,010	1,077,133,380
	<b>1,079,049,010</b>	<b>1,077,133,380</b>
<b>Notes:</b>		
1. Of the above, 39,091,775 Equity Shares of Rs. 10 each were allotted as fully paid bonus shares by capitalisation of Securities Premium and surplus in Profit and Loss Account.		
2. During the year, pursuant to Employee Stock Option Plan 2005, the Company has allotted 8,326 Equity Shares on September 14, 2009, 11,430 Equity Shares on October 23, 2009, 45,350 Equity Shares on December 15, 2009, 81,507 Equity Shares on January 28, 2010 and 11,688 Equity Shares on March 4, 2010 at a premium of Rs. 82.92 per Equity Share.		
3. During the year, pursuant to Employee Stock Option Plan 2005, the Company has allotted 1,875 Equity Shares on December 15, 2009, 25,387 Equity Shares on January 28, 2010 and 6,000 Equity Shares on March 4, 2010 at a premium of 99.25 per Equity Share.		
4. For Employee Stock Option Plan 2005 - Refer Notes I(ix) and 4 - Schedule “Q”.		
<b>“B” RESERVES AND SURPLUS</b>		
<b>Securities Premium Account</b>		
Opening Balance	3,311,280,192	3,872,446,025
Add: Received during the year (Refer Notes 2 and 3 - Schedule “A”)	16,427,574	-
Add: Transfer from Employees Stock Options Outstanding on exercise of ESOP	4,585,717	-
	3,332,293,483	3,872,446,025
Less: Utilised for Buy back of Shares	-	561,165,833
	3,332,293,483	3,311,280,192
<b>Capital Redemption Reserve</b>		
Opening Balance	78,834,120	-
Add: Transfer from General Reserve on Buy back of Shares	-	78,834,120
	78,834,120	78,834,120
<b>General Reserve</b>		
Opening Balance	294,665,880	279,700,000
Add: Transfer from Profit and Loss Account	77,210,000	93,800,000
Less: Transfer to Capital Redemption Reserve on Buy back of Shares	-	78,834,120
	371,875,880	294,665,880
<b>Profit and Loss Account Balance</b>	1,813,665,713	1,560,336,305

**SCHEDULES ANNEXED TO AND FORMING PART OF THE  
BALANCE SHEET AS AT MARCH 31, 2010 (Contd.)**

	31.03.2010 Rs.	31.03.2009 Rs.
<b>Employees Stock Option Plan (ESOP) outstanding</b> (Refer Notes I(ix) and 4 - Schedule "Q")		
Opening Balance	12,747,974	7,787,217
Add: Addition during the year	244,427	4,960,757
Less: Transferred to Securities Premium Account on exercise of ESOP	(4,585,717)	-
	<u>8,406,684</u>	<u>12,747,974</u>
	<b><u>5,605,075,880</u></b>	<b><u>5,257,864,471</u></b>
<b>"C" SECURED LOANS</b>		
<b>Term Loans</b>		
- From a Bank [Refer Note I below]	158,853,212	89,830,504
<b>Note:</b>		
I. Term Loan of Rs. 158,853,212 (Previous year: Rs. 89,830,504) from HDFC Bank Limited is secured by way of hypothecation by way of first charge on all movable plant and machinery and book debts, both present and future, and exclusive charge on immovable properties of the Company situated at Dronagiri together with all buildings, structures, installations, fixed plant and machinery, fixtures and fittings, constructed, installed or erected thereon. [Term Loan repayable within one year Rs. 45,870,907 (Previous year: Rs. 20,338,992)]		
	<u>158,853,212</u>	<u>89,830,504</u>
<b>"D" DEFERRED TAX LIABILITIES (NET)</b>		
[Refer Note I(viii) - Schedule "Q"]		
Deferred Tax Liabilities		
Timing difference between book and tax depreciation	174,008,990	166,380,090
	<u>174,008,990</u>	<u>166,380,090</u>



**SCHEDULES ANNEXED TO AND FORMING PART OF THE  
BALANCE SHEET AS AT MARCH 31, 2010 (Contd.)**

**“E” FIXED ASSETS**

[Refer Notes I(ii) and I(iii) - Schedule “Q”]

Particulars	Cost			Depreciation/ Amortisation			Net Book Value			
	As at 01.04.2009 Rs.	Additions/ Adjustments during the year Rs.	Deductions/ Adjustments during the year Rs.	As at 31.03.2010 Rs.	Up to 01.04.2009 Rs.	Depreciation for the year Rs.	Deductions/ Adjustments during the year Rs.	Up to 31.03.2010 Rs.	As at 31.03.2009 Rs.	As at 31.03.2010 Rs.
<b>Intangible Assets</b>										
Punjab Conware's Container Freight Station - Uprfront Fees	350,000,000	-	-	350,000,000	42,000,000	24,000,000	-	66,000,000	284,000,000	308,000,000
<b>Tangible Assets</b>										
Freehold Land	373,193,376	1,316,375	-	374,509,751	48,845,349	4,470,979	-	53,316,328	374,509,751	373,193,376
Leasehold Land	268,258,705	-	-	268,258,705	304,693,672	55,460,534	31,760	360,122,446	214,942,377	219,413,356
Buildings	1,377,584,786	21,501,367	4,605,131	1,394,481,022	11,492,088	2,663,647	191,628	13,964,107	1,034,358,576	1,072,891,114
Electrical Installations	46,945,187	-	1,503,030	45,442,157	17,771,740	4,430,244	-	22,201,984	31,478,050	35,453,099
Rail Siding (Refer Note 1 below)	85,805,411	-	-	85,805,411	1,701,367	228,560	-	1,929,927	63,603,427	68,033,671
Plant and Machinery Yard Equipments (Refer Note 2 below)	4,811,801	-	-	4,811,801	97,135,795	27,558,057	253,023	124,440,829	2,881,874	3,110,434
Office Equipments	469,831,286	138,116	794,814	469,174,588	3,275,677	803,743	53,252	4,026,168	344,733,759	372,695,491
Computers	14,577,488	241,977	338,116	14,481,349	19,470,547	2,371,114	-	21,841,661	10,455,181	11,301,811
Furniture and Fixtures	28,389,401	456,135	-	28,845,536	9,369,040	1,950,496	283,512	11,036,024	7,003,875	8,918,854
Vehicles (Refer Note 3 below)	32,529,374	-	1,605,244	30,924,130	93,846,106	25,884,320	8,242,148	111,488,278	19,888,106	23,160,334
<b>TOTAL</b>	<b>3,220,980,553</b>	<b>29,458,717</b>	<b>21,313,056</b>	<b>3,229,126,214</b>	<b>649,601,381</b>	<b>149,821,694</b>	<b>9,055,323</b>	<b>790,367,752</b>	<b>2,438,758,462</b>	<b>2,571,379,172</b>
Previous year	3,037,771,012	210,305,238	27,095,697	3,220,980,553	520,461,853	149,527,758	20,388,230	649,601,381	105,290,314	40,348,001
Capital Work-in-Progress [Including Capital Advance Rs. 3,809,156 (Previous year: Rs. 4,958,000)]									<b>2,544,048,776</b>	<b>2,611,727,173</b>

**Notes:**

1. Railway Siding includes Rs. 70,471,534 (Previous year: Rs. 70,471,534) being cost of railway siding constructed on land not owned by the Company.
2. Yard Equipments include Reach Stackers Costing Rs. 410,880,282 (Previous year: Rs. 410,880,282) and having Net Book Value Rs. 302,992,823 (Previous year: Rs. 327,730,821).
3. Vehicles include Trailors Costing Rs. 149,470,144 (Previous year: Rs. 157,110,021) and having Net Book Value Rs. 40,882,795 (Previous year: Rs. 66,196,027).

**SCHEDULES ANNEXED TO AND FORMING PART OF THE  
BALANCE SHEET AS AT MARCH 31, 2010 (Contd.)**

	31.03.2010 Rs.	31.03.2009 Rs.
<b>"F" INVESTMENTS</b>		
[Refer Notes I(iv) - Schedule "Q"] (At Cost - Long Term, Unquoted, Trade)		
<b>In Subsidiary Companies</b>		
8,000,000 (Previous year: 8,000,000) Equity Shares of Rs. 10 each fully paid in Gateway East India Private Limited [Purchased during the year Rs. Nil (Nil Equity Shares), (Previous year: Rs. 115,100,000 (6,335,000 Equity Shares))]	148,400,000	148,400,000
99,000 (Previous year: 99,000) Equity Shares of Rs. 100 each fully paid in Gateway Distriparks (South) Private Limited	134,280,767	134,280,767
190,000,000 (Previous year: 178,350,000) Equity Shares of Rs. 10 each fully paid in Gateway Rail Freight Limited [Purchased during the year Rs. 116,500,000 (11,650,000 Equity Shares), Previous year: Rs. 743,500,000 (74,350,000 Equity Shares)], [103,999,899 (Previous year: 103,999,899) Equity Shares are pledged with lenders for loans given by them to Gateway Rail Freight Limited]	1,900,000,000	1,783,500,000
53,711,619 (Previous year: 40,298,619) Equity Shares of Rs. 10 each fully paid in Snowman Frozen Foods Limited [Purchased during the year Rs. 114,010,500 (13,413,000 Equity Shares), Previous year: Rs. Nil (Nil Equity Shares)]	584,064,178	470,053,678
30,000 (Previous year: 30,000) Equity Shares of Rs. 10 each fully paid in Gateway Distriparks (Kerala) Limited	300,000	300,000
	<b>2,767,044,945</b>	<b>2,536,534,445</b>
<b>Current and Unquoted (at lower of Cost and Net Asset Value) (Non-Trade)</b>		
8,116,664 (Previous year: 13,037,514) units of HDFC Liquid Fund - Premium Plus Plan - Growth [Net Assets Value Rs. 150,103,893 (Previous year: Rs. 230,297,255)]	150,000,000	230,000,000
	<b>2,917,044,945</b>	<b>2,766,534,445</b>
<b>Total</b>		
Note: The following investments were purchased and sold during the year 2009-2010: - HDFC Liquid Fund-Premium Plus Plan - Growth	<b>Units</b> 30,405,840	<b>Cost Rs.</b> 550,000,000
<b>"G" SUNDRY DEBTORS</b>		
[Unsecured]		
Debts Outstanding for a Period exceeding Six Months		
- Considered Good	-	945,162
- Considered Doubtful	11,210,669	12,358,681
	11,210,669	13,303,843
Other Debts		
- Considered Good	53,752,412	60,374,739
- Considered Doubtful	2,430,921	2,057,612
	67,394,002	75,736,194
Less: Provision for Doubtful Debts	13,641,590	14,416,293
	<b>53,752,412</b>	<b>61,319,901</b>

**SCHEDULES ANNEXED TO AND FORMING PART OF THE  
BALANCE SHEET AS AT MARCH 31, 2010 (Contd.)**

	<b>31.03.2010 Rs.</b>	<b>31.03.2009 Rs.</b>
<b>"H" CASH AND BANK BALANCES</b>		
Cash on Hand	545,157	321,867
Cheques on Hand	3,932,014	4,709,541
Balances with Scheduled Banks:		
- in Current Accounts	129,908,888	128,618,908
- in Unclaimed Dividend Accounts	4,750,310	3,069,705
- in Unclaimed Share Application Accounts	753,840	805,680
- in Unclaimed Fractional Bonus Shares Account	89,134	89,299
- in Fixed Deposit Accounts	61,000,000	88,500,000
[Under lien with banks Rs. 61,000,000 (Previous year: Rs. 88,500,000) towards guarantee issued by them and loans given to subsidiaries]		
	<b>200,979,343</b>	<b>226,115,000</b>
<b>"I" OTHER CURRENT ASSETS</b>		
(Unsecured)		
Accrued Interest on Fixed Deposits with Banks	1,483,264	2,203,391
Accrued Ground Rent		
- Considered Good	9,759,450	19,120,600
- Considered Doubtful	23,595,400	14,283,500
	33,354,850	33,404,100
Less: Provision for Doubtful Ground Rent	23,595,400	14,283,500
	9,759,450	19,120,600
Claims receivable (Refer Note 2 (b) - Schedule "Q")	7,028,431	-
	<b>18,271,145</b>	<b>21,323,991</b>
<b>"J" LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Advances Recoverable in Cash or in Kind or for Value to be Received	25,639,759	27,996,729
Balances with Excise and Custom Authorities	2,080,266	2,779,080
Share Application in a Subsidiary Company		
- Gateway Rail Freight Limited	1,300,417,713	1,140,945,981
- Gateway Distriparks (Kerala) Limited	119,700,000	119,700,000
- Gateway East India Private Limited	5,481,722	1,764,087
Security Deposits - Others	4,457,217	4,309,800
Tax Deducted at Source and Advance Tax [Net of Provision for Tax Rs. 354,000,000 (Previous year: Rs. 325,700,000)]	3,430,788	16,246,404
[Refer Notes 5 and 6 - Schedule "Q"]		
Minimum Alternate Tax Credit Entitlement [Refer Note 5 - Schedule "Q"]	190,000,000	-
	<b>1,651,207,465</b>	<b>1,313,742,081</b>

**SCHEDULES ANNEXED TO AND FORMING PART OF THE  
BALANCE SHEET AS AT MARCH 31, 2010 (Contd.)**

	<b>31.03.2010</b>	<b>31.03.2009</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>"K" CURRENT LIABILITIES AND PROVISIONS</b>		
<b>Current Liabilities</b>		
Sundry Creditors (Refer Note 16 - Schedule "Q")		
- Due to Micro Enterprises and Small Enterprises	-	-
- Due to Others	59,460,018	72,649,800
Security Deposits Received	2,653,930	3,276,877
Income Received in Advance	140,206	290,363
Advances from Customers	12,277,757	20,460,137
Auction Surplus [Refer Note 1(vii)(b) - Schedule "Q"]	6,293,783	4,859,993
Interest Accrued but not Due on Term Loans	1,406,073	812,166
Unclaimed Dividend *	4,750,310	3,069,705
Unclaimed Share Application Accounts *	753,840	805,680
Unclaimed Fractional Bonus Shares *	89,134	89,299
Other Liabilities	3,212,243	3,437,939
	<b>91,037,294</b>	<b>109,751,959</b>
* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.		
<b>Provisions</b>		
Wealth Tax	72,000	71,000
Proposed Interim Dividend	161,857,351	161,570,007
Proposed Final Dividend	53,952,451	53,856,669
Tax on Dividend	36,676,876	36,611,764
Employee Benefits [Refer Notes 1 (vi) and 15 - Schedule "Q"]		
- Leave Encashment	5,195,760	4,375,148
- Gratuity (Net)	6,017,142	5,458,361
Contingencies ( Refer Note 19 - Schedule "Q")	13,508,120	37,859,238
	<b>277,279,700</b>	<b>299,802,187</b>
<b>TOTAL</b>	<b>368,316,994</b>	<b>409,554,146</b>



**SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND  
LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**

	<b>2009-2010 Rs.</b>	<b>2008-2009 Rs.</b>
<b>"L" INCOME FROM OPERATIONS</b>		
[Refer Note 1(vii) - Schedule "Q"]		
Ground Rent - Gross	450,635,432	708,459,007
[Tax Deducted at Source: Rs. 13,245,761; (Previous year: Rs. 16,994,657)]		
Container Storage, Handling and Repair - Gross	1,033,380,817	1,187,882,574
[Tax Deducted at Source Rs. 22,209,343; (Previous year: Rs. 28,495,166)]		
Service Charges	81,863,232	100,540,156
Auction Sales	19,833,494	38,751,429
	<b>1,585,712,975</b>	<b>2,035,633,166</b>
<b>"M" OTHER INCOME</b>		
Rent - Gross	12,204,205	12,568,182
[Tax Deducted at Source Rs. 987,236; (Previous year: Rs. 1,356,248)]		
Buffer Handling Fees - Gross	14,272,092	-
[Tax Deducted at Source Rs. 314,843; (Previous year: Rs. Nil)]		
Interest on Fixed Deposits with Banks - Gross	5,980,078	25,778,641
[Tax Deducted at Source Rs. 682,643; (Previous year: Rs. 5,716,604)]		
Interest on Loan to Subsidiary - Gross	-	916,648
[Tax Deducted at Source Rs. Nil; (Previous year: Rs. 207,712)]		
Interest on Income tax refund	655,914	-
Gain on redemption of Current Investments	4,557,458	11,076,416
Liabilities/ Provisions no longer Required Written Back	41,459,102	1,975,064
Write back of Auction Surplus	4,859,993	2,294,853
Write back of Provision for Doubtful Debts no longer required (Net)	-	2,619,775
	<b>83,988,842</b>	<b>57,229,579</b>
<b>"N" EMPLOYEE COSTS</b>		
Salaries, Allowances and Bonus	55,391,160	57,732,076
Contribution to Provident and Other Funds	3,834,186	3,710,341
Leave Encashment	2,400,202	3,061,297
Gratuity	750,403	2,805,347
Staff Welfare	1,787,979	1,625,856
Employees Stock Options Expense (Refer Note 4 - Schedule "Q")	244,427	4,960,757
	<b>64,408,357</b>	<b>73,895,674</b>

**SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010 (Contd.)**

	2009-2010 Rs	2009-2010 Rs	2008-2009 Rs.
<b>"O" OPERATING AND OTHER EXPENSES</b>			
Transportation		189,079,660	207,588,187
Labour Charges		80,043,815	79,389,384
Equipment Hire Charges		17,044,099	18,880,698
Surveyors' Fees		10,105,875	10,234,052
Sub-Contract Charges		107,394,178	129,674,353
Auction Expenses [Refer Note I(vii)(b) - Schedule "Q"]		10,040,374	16,622,196
Purchase of Pallets		13,602,106	17,115,616
Fees on Operations and Management of Punjab Conware's Container Freight Station		114,917,631	115,571,152
Power and Fuel		39,617,633	40,456,305
Rates and Taxes		30,091,152	24,989,628
Repairs and Maintenance:			
- Building/ Yard		5,618,332	10,089,686
- Plant and Machinery		4,826,341	2,209,543
- Containers		-	961,791
- Others		3,308,637	2,922,934
Insurance		8,634,849	9,158,968
Directors' Sitting Fees		1,154,159	799,170
Customs Staff Expenses		146,428	16,271,263
Printing and Stationery		4,036,925	5,915,585
Travelling and Conveyance		17,547,785	12,612,630
Motor Car Expenses		4,300,749	4,289,687
Communication		4,190,649	4,891,614
Advertising Expenses		2,707,160	7,472,000
Security Charges		19,232,209	17,887,164
Professional Fees		7,747,273	12,673,554
Auditors' Remuneration:			
- As Auditors	2,950,000		2,700,000
- As Advisors, or in any other capacity, in respect of Other Services	150,000		350,000
- Reimbursement of Out-of-Pocket Expenses	63,792		50,227
		3,163,792	3,100,227
Bad Debts	3,836,486		9,683,717
Less: Provision for Doubtful Debts Adjusted	(3,836,486)		(9,683,717)
		-	-
Provision for Doubtful Debts (Refer Note I(x) - Schedule "Q")		3,061,783	-
Provision for Doubtful Ground Rent		9,311,900	3,495,500
Software Expenses		-	56,538

**SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010 (Contd.)**

	<b>2009-2010 Rs</b>	<b>2009-2010 Rs</b>	<b>2008-2009 Rs.</b>
Loss on Sale/ Disposal of Fixed Assets [Refer Note 2(b) - Schedule "Q"]		4,143,118	1,994,024
Advances written off		-	3,000,000
Stamp Duty and Share Issue Expenses		22,649	26,690
Brokerage and expenses on Buyback of Shares		-	2,797,854
Bank Charges		5,243,383	3,573,128
Miscellaneous		3,280,035	2,439,750
		<b>723,614,679</b>	<b>789,160,871</b>
<b>"P" INTEREST</b>			
Term Loan		13,427,245	7,032,644
		<b>13,427,245</b>	<b>7,032,644</b>

## SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2010 AND THE PROFIT AND LOSS ACCOUNT FOR THE YEAR THEN ENDED

### “Q” NOTES TO THE ACCOUNTS

#### I. Significant Accounting Policies:

##### (i) Basis of Accounting:

The Financial Statements are prepared to comply in all material aspects with all the applicable accounting principles in India, the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 of India (“the Act”) and the relevant provisions of the Act.

##### (ii) Fixed Assets and Depreciation/ Amortisation:

- (a) Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation/ amortisation. The Company capitalises all costs relating to the acquisition, installation and construction of fixed assets, including interest on borrowed funds used to finance the construction and acquisition of fixed assets, up to the date when the assets are ready for commercial use.
- (b) Depreciation on additions/ deletions to fixed assets is calculated on pro-rata basis from the month of such additions/ deletions. The Company provides depreciation on straight-line method at the rates specified under Schedule XIV (revised) to the Act or based on useful life whichever is higher, except for:
  - Leasehold land, which is being amortised over the lease period;
  - Rail Siding, which is being amortised over a period of twenty years based on useful life estimated by the Management;
  - Reach Stackers (included in Yard Equipments), to be transferred to maintenance operator, are being depreciated over a period of seven years;
  - Upfront fees of Punjab Conware’s Container Freight Station (“CFS”), is being amortised over the balance period of the Operations and Management Agreement of the CFS with effect from July 1, 2007 (balance life as on March 31, 2010 is 11 years and 10 months); and
  - Additions/ construction of Building, Electrical Installations, Furniture and Fixtures and Office Equipments at Punjab Conware CFS is being amortised over the balance period of the Operations and Management Agreement of the CFS with effect from July 1, 2007.
- (c) Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition/ construction.
- (d) Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset’s recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

##### (iii) Borrowing Cost:

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

##### (iv) Investments:

Investments are classified into long-term and current investments. Long-term investments are stated at cost, except where there is a diminution in value other than temporary, in which case the carrying value is reduced to recognise the decline. Current investments are stated at the lower of cost and net assets value.

**“Q” NOTES TO THE ACCOUNTS (Contd.)**

**(v) Foreign Currency Transactions:**

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction date. Realised gains and losses on settlement of foreign currency transactions are recognised in the Profit and Loss Account. Foreign currency monetary assets and monetary liabilities at the year-end are translated at the year-end exchange rates, and the resultant exchange difference is recognised in the Profit and Loss Account.

**(vi) Employment Benefits:**

**(a) Defined Contribution Plan**

The Company has Defined Contribution plans for post employment benefits namely Provident Fund and Pension Scheme which are recognised by the Income Tax Authorities and administered through appropriate authorities.

The Company contributes to a Government administered Provident Fund and has no further obligation beyond making its contribution.

The Company's contribution to the above fund is charged to revenue every year.

**(b) Defined Benefit Plan**

The Company has a Defined Benefit Plan comprising of Gratuity Fund. The liability for the 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 independent actuary for measuring the liability is the Projected Unit Credit Method.

The gratuity scheme is funded through Comprehensive Gratuity Policy - cum - Group Term Life Insurance Policy from Tata AIG Life Insurance Company Limited, except for employees of Punjab Conware's CFS, the operations wherein are taken over by the Company under Operations and Management Agreement.

Termination benefits are recognised as an expense as and when incurred.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Profit and Loss Account as income or expense.

**(c) Other Employee Benefits**

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilised leave balances is provided based on an actuarial valuation carried out by an independent actuary as at the Balance Sheet date.

**(vii) Revenue Recognition:**

(a) Income from Container Handling and Repair and Service Charges is 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, the Income from Ground Rent is not accrued for a period beyond 60 days on a consistent basis as per the prevailing business practice.

(b) Income from auction sales is generated when the Company auctions long-standing cargo that has not been cleared by customs. Revenue and expenses for Auction Sales are recognised when auction is completed after necessary approvals from appropriate authorities are obtained. Auction Sales 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 'Current Liabilities and Provisions'. Unclaimed Auction Surplus, if any, in excess of one year is written back as 'Income' in the following financial year.

**(viii) Deferred Taxation:**

Deferred Tax is recognised, subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets

## “Q” NOTES TO THE ACCOUNTS (Contd.)

are not recognised unless there are timing differences, the reversal of which will result in sufficient income or there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. Deferred Tax is not recognised on timing differences, which would arise and are expected to be reversed during the period of tax holiday.

### (ix) Employees’ Stock Option Scheme:

Stock Options granted to the employees under stock option schemes are evaluated as per the accounting treatment prescribed by Employees Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999 issued by the Securities and Exchange Board of India. Accordingly, the excess of the fair value of the stock option as on the date of grant of options is charged to the Profit and Loss Account on straight-line-method over the vesting period of the options. The fair value of the options is measured on the basis of an independent valuation performed or the market price in respect of stock options granted.

### (x) Provision for doubtful debts :

The provision for doubtful debts reflects the Management’s best estimate of probable losses inherent in the accounts receivable balance. The Management primarily determines the allowance based on the aging of accounts receivable balances and historical write-off experience, net of recoveries.

### (xi) Provisions and Contingent Liabilities :

Provisions are recognised when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

## 2. Contingent Liabilities:

Particulars	(Rs.)	
	2009-2010	2008-2009
Bank Guarantees and Continuity Bonds executed in favour of The President of India through the Commissioners of Customs and in favour of Sales Tax Authorities.	5,322,800,000	4,198,105,000
Bank Guarantee issued by Bank in favour of Punjab State Container and Warehousing Corporation Limited in respect of Operations and Management Contract of their CFS at Dronagiri Node, Nhava Sheva.	58,000,000	57,355,575
Counter indemnity for guarantees issued by bank for loans taken by subsidiaries and for guarantees given by banks to Commissioner of Customs and to State Pollution Control Board for Subsidiaries.	2,734,621,437	2,744,638,580
Claims made by the Party not acknowledged as debts		
- Container Corporation of India Limited (Refer Note “a” below)	Not Ascertainable	Not Ascertainable
- Others	9,757,714	9,246,114
Disputed Service Tax Claims (including Interest and Penalty to the extent ascertainable) not acknowledged at debts	32,581,255	-
<b>Total</b>	<b>8,157,760,406</b>	<b>7,009,345,269</b>



**“Q” NOTES TO THE ACCOUNTS (Contd.)**

Notes:

- a) The Company (“GDL”) and its subsidiary company, Gateway Rail Freight Limited (“GRFL”) 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 GDL and GRFL 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.
- (b) There was a fire at one of the warehouses of Punjab Conware Container Freight Station for which the Company is the “Operations and Management Operator” for 15 years with effect from February 1, 2007. The extent of damage/ loss to the warehouses and the cargo stored in the warehouse are being assessed by surveyors appointed by the Insurers. The Company is in the process of compiling the necessary information, assessing the situation and lodging insurance claims. Pending assessment of surveyor, the Company has written-off other equipments, furniture and fixtures aggregating Rs. 2,148,386. Further, loss of building and electrical installations aggregating Rs. 7,028,431 has been disclosed as ‘Claim Recoverable’ under other current assets.

**3. Capital Commitments:**

Estimated amount of contracts (net of advances of Rs. 3,809,156; Previous year: Rs. 4,958,000) remaining to be executed on capital account and not provided for is Rs. 83,889,241 (Previous year: Rs. 61,955,985).

**4. Employee Stock Option Plan :**

Pursuant to the resolution passed by the Shareholders at the Annual General Meeting held on September 14, 2005, the Company had introduced new ESOP scheme for its Directors and employees.

Particulars	ESOP 2005-I	ESOP 2005-II	ESOP 2005-III	ESOP 2005-IV
Date of meeting of ESOP Committee / Board of Directors, granting the options	September 15, 2005	July 20, 2006	January 30, 2008	January 29, 2010
Maximum grant of options by ESOP Committee / Board of Directors	240,000 Equity Shares of Face Value Rs. 10 each	311,750 Equity Shares of Face Value Rs. 10 each	306,875 Equity Shares of Face Value Rs. 10 each	345,000 Equity Shares of Face Value Rs. 10 each
Adjustment for issue of Bonus shares, in the ration of 1 new equity share for every 4 existing shares held in the Company, made on August 4, 2007	24,798 Equity Shares	65,812 Equity Shares	-	-

**“Q” NOTES TO THE ACCOUNTS (Contd.)**

Vesting period	Options to vest on a graded basis after a minimum exercise period of 1 year from September 16, 2005.	Options to vest on a graded basis after a minimum exercise period of 1 year from July 21, 2006.	Options to vest on a graded basis after a minimum exercise period of 1 year from January 31, 2008.	Options to vest on a graded basis after a minimum exercise period of 1 year from January 30, 2010.
Exercise Period	Three years from the date of vesting, on graded basis.	Three years from the date of vesting on graded basis	Three years from the date of vesting, on graded basis.	Three years from the date of vesting, on graded basis.
Exercise Price (including Share Premium above Face Value Rs. 10 per share)	Rs. 163.64 per share (at the time of grant of options) Rs. 130.92 per share (after adjustment for Bonus issue)	Rs. 136.56 per share (at the time of grant of options) Rs. 109.25 per share (after adjustment for Bonus issue)	Rs. 92.92 per share	Rs. 99.92 per share
Options outstanding as on March 31, 2010	65,436 Equity Shares	102,050 Equity Shares	109,325 Equity Shares	341,000 Equity Shares
Method of Accounting and Intrinsic Value	The excess of Fair Value (Closing Market Price on National Stock Exchange as on September 14, 2005) of the underlying equity shares on the date of the grant of stock options over the exercise price of the options is amortised over the vesting period	The excess of Fair Value (Closing Market Price on National Stock Exchange as on July 19, 2006) of the underlying equity shares on the date of the grant of stock options over the exercise price of the options is amortised over the vesting period	The excess of Fair Value (Closing Market Price on National Stock Exchange as on January 29, 2008) of the underlying equity shares on the date of the grant of stock options over the exercise price of the options is amortised over the vesting period	The excess of Fair Value (Closing Market Price on National Stock Exchange as on January 28, 2010) of the underlying equity shares on the date of the grant of stock options over the exercise price of the options is amortised over the vesting period

**“Q” NOTES TO THE ACCOUNTS (Contd.)**

The details of movement in ESOP plans are given below:

(No. of Equity Shares)

Particulars	ESOP Plan I	ESOP Plan II	ESOP Plan III	ESOP Plan IV
Options granted	264,798	377,562	306,875	345,000
	(264,798)	(377,562)	(306,875)	(-)
Less: Options Exercised	33,800	152,137	158,301	-
	(33,800)	(118,875)	(-)	(-)
Less: Options lapsed	165,562	123,375	39,249	4,000
	(132,000)	(116,250)	(26,250)	(-)
Options outstanding at the end of the year	65,436	102,050	109,325	341,000
	(98,988)	(142,437)	(280,625)	(-)

Figures in brackets represents previous year.

- Based on opinions obtained from lawyer and tax consultant, the Management has taken a view that provisions of Section 80-IA (4)(i) of the Income Tax Act, 1961, of India (“the Income Tax Act”) have been fulfilled and the Company is eligible for tax holiday under the Income Tax Act in respect of the Container Freight Station activities. Consequently, the income-tax liability for the year ended March 31, 2010 has been determined under “Minimum Alternate Taxation” (“MAT”) pursuant to Section 115JB of the Income Tax Act. Considering the balance term of Section 80-IA(4)(i) of the Income Tax Act and based on the assessment of future profitability, the Company has taken MAT credit of Rs. 190,000,000 during the current year, as MAT credit can be set-off against future tax liability. Accordingly, Rs. 190,000,000 is carried as “Loans and Advances” as at March 31, 2010.
- Certificates for tax deducted at source aggregating Rs. 11,135,127 (Previous Year: Rs. 20,555,751) are in the process of being collected from customers and banks. The Management expects to collect these certificates prior to filing of income-tax return and hence, no provision has been considered necessary by the Management.

**7. Segment Reporting**

**Primary Segment:**

In accordance with Accounting Standard 17 – “Segment Reporting” notified under Section 211(3C) of the Act, the Company has determined its business segment as “Container Freight Station”. Since 100% of the Company’s business is from Container Freight Station, there are no other primary reportable segments. 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 April 1, 2009 to March 31, 2010.

**Secondary Segment:**

There is no secondary reportable segment relating to the Company’s business.

**“Q” NOTES TO THE ACCOUNTS (Contd.)**

**8. Disclosure of Related Party transactions**

Related Party Disclosures, as required by Accounting Standard 18 – “Related Party Disclosures”, notified under Section 211(3C) of the Act are given below:

**Subsidiary Companies:**

- i. Gateway East India Private Limited (GEIPL)
- ii. Gateway Distriparks (South) Private Limited (GDSPL)
- iii. Gateway Rail Freight Limited (GRFL)
- iv. Gateway Distriparks (Kerala) Limited (GDKL)
- v. Snowman Frozen Foods Limited (SFFL)

**Key Managerial Personnel:**

Mr. Prem Kishan Gupta,  
Deputy Chairman and Managing Director

Sr. No.	Particulars	(Rs.)			
		Subsidiary Companies		Key Managerial Personnel	
		2009-2010	2008-2009	2009-2010	2008-2009
	<b>Transactions during the year:</b>				
1.	Handling Income-GDSPL	7,193,000	6,143,000	-	-
2.	Interest Income-GDSPL	-	916,648	-	-
3.	Handling Income-GEIPL	2,700,000	2,700,000	-	-
4.	Commission	-	-	2,000,000	2,500,000
5.	Sitting Fees	-	-	107,275	77,580
6.	Handling and Transport Income-GRFL	8,996,865	388,145	-	-
7.	Rent Income-GRFL	-	840,000	-	-
8	i. Share Application Money-GEIPL	3,717,635	21,049,317	-	-
	ii. Share Application Money-GRFL	159,471,732	11,634,281	-	-
9	Recovery of Loan given-GDSPL	-	49,995,347	-	-
10.	Investment in Equity Shares:				
	i. GEIPL	-	115,100,000	-	-
	ii. GRFL	116,500,000	743,500,000	-	-
	iii. SFFL	114,010,500	-	-	-
	<b>Closing Balances:</b>				
1.	Investment in Equity Shares:				
	i. GEIPL	148,400,000	148,400,000	-	-
	ii. GDSPL	134,280,767	134,280,767	-	-
	iii. GRFL	1,900,000,000	1,783,500,000	-	-
	iv. GDKL	300,000	300,000	-	-
	v. SFFL	584,064,178	470,053,678	-	-
2.	Share Application Money				
	i. GEIPL	5,481,722	1,764,087	-	-
	ii. GDKL	119,700,000	119,700,000	-	-
	iii. GRFL	1,300,417,713	1,140,945,981	-	-

**“Q” NOTES TO THE ACCOUNTS (Contd.)**

**9A. Directors’ Remuneration:**

Particulars	(Rs.)	
	2009-2010	2008-2009
Commission to Deputy Chairman and Managing Director	2,000,000	2,500,000
Commission to Non Whole-time Directors	7,000,000	9,900,000
Directors’ Sitting Fees	1,154,159	799,170
<b>Total</b>	<b>10,154,159</b>	<b>13,199,170</b>

**9B. Computation of Net Profit in accordance with Section 198 of the Companies Act, 1956:**

Particulars	(Rs.)	
	2009-2010	2008-2009
Net Profit before Tax	718,429,842	1,073,245,798
Add:		
Depreciation provided in the Profit and Loss Account	149,821,694	149,527,758
Directors’ Remuneration	9,000,000	12,400,000
Directors’ Sitting Fees	1,154,159	799,170
Provision for Doubtful Debts	3,061,783	-
Provision for Doubtful Ground Rent	9,311,900	3,495,500
Loss on Sale/ Disposal of Fixed Assets	4,143,118	1,994,024
	894,922,496	1,241,462,250
Less:		
Depreciation under Section 350 of the Act	149,821,694	149,527,758
Loss on Sale/ Disposal of Fixed Assets under Section 350 of the Act	4,143,118	1,994,024
Gain on Redemption of Current Investment	4,557,458	11,076,416
Bad debts written off	3,836,486	9,683,717
Write Back of Provision for Doubtful Debts (Net)	-	2,619,775
	162,358,756	174,901,690
Net Profit for the purpose of Directors’ Commission	732,563,740	1,066,560,560
Managerial remuneration permissible under the Companies Act, 1956 @ 5%	36,628,187	53,328,028
Commission to non Whole-time Directors @ 1%	7,325,637	10,665,606
<b>Commission payable for the year restricted to:</b>		
Managing Director	2,000,000	2,500,000
Non Whole-time Directors	7,000,000	9,900,000
<b>Total</b>	<b>9,000,000</b>	<b>12,400,000</b>

**“Q” NOTES TO THE ACCOUNTS (Contd.)**

**10. Computation of Earnings Per Share (Basic and Diluted) :**

The number of shares used in computing Basic Earnings Per Share (EPS) is the weighted average number of shares outstanding during the year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS, and also the weighted average number of equity shares which would be issued on exercise of options under the Employees Stock Option Plan 2005.

Particulars	(Rs.)	
	2009-2010	2008-2009
I. Profit Computation for both Basic and Diluted Earnings Per Share of Rs. 10 each Net Profit as per the Profit and Loss Account available for Equity Shareholders (in Rupees)	772,089,586	937,573,883
II. Weighted average number of Equity Shares for Earnings per Share computation For Basic Earnings Per Share	107,756,539	112,268,227
Add : Weighted average outstanding employee stock options deemed to be issued for no consideration	-	-
No. of Shares for Diluted Earnings Per Share	107,756,539	112,268,227
III. Earnings Per Share in Rupees (Weighted Average)		
Basic	7.17	8.35
Diluted	7.17	8.35

**11. Value of Imports calculated on CIF basis :**

Particulars	(Rs.)	
	2009-2010	2008-2009
Capital Goods	-	62,588,717

**12. Expenditure in Foreign Currency:**

Particulars	(Rs.)	
	2009-2010	2008-2009
Professional Fees	107,152	609,717
Travelling Expenses	5,419,081	3,953,553
Rates and Taxes	836,375	807,781
Others	98,102	829,798



**“Q” NOTES TO THE ACCOUNTS (Contd.)**

**13. Remittances in Foreign Currency:**

Net Dividends remitted in Foreign Currency to non-resident Shareholders:

For the Year	Nature of Dividend	No. of Share Holders	No. of Equity Shares	2009-2010 Rs.	2008-2009 Rs.
2007-2008	Second Interim	11	28,229,750	-	42,344,625
2007-2008	Final	9	26,899,500	-	13,449,750
2008-2009	First Interim	9	23,899,500	-	35,849,250
2008-2009	Second Interim	9	27,014,500	40,521,750	-
2008-2009	Final	9	26,735,561	13,367,781	-
2009-2010	First Interim	10	27,150,561	40,725,842	-

**14. Disclosure pursuant to Clause 32 of the Listing Agreement with Stock Exchanges:**

(Rs.)

Sr. No.	Particulars	Balance as at		Maximum Amount Outstanding at any time during the year	
		31.3.2010	31.3.2009	2010	2009
1	Loans and advances in the nature of loans to subsidiaries	-	-	-	-
2	Loans and advances in the nature of loans to associates	-	-	-	-
3	Loans and advances in the nature of Loans, where there is no repayment schedule or repayment is beyond seven years or interest below rate specified as per Section 372A of the Act	-	-	-	-
4	Loans and advances in the nature of loans to firms/ companies in which directors are interested	-	-	-	-
5	Investments by Loanee in the name in the shares of the Company	-	-	-	-

**15. Disclosure for AS 15 (Revised)**

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

**I. Defined Contribution Plans**

- a. Provident Fund
- b. State Defined Contribution Plan
  - Employers' Contribution to Employee's Pension Scheme 1995

## “Q” NOTES TO THE ACCOUNTS (Contd.)

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

- Employers' Contribution to Provident Fund \* Rs. 3,834,186 (Previous year: Rs. 3,710,341)  
[Includes EDLI charges and Employers' Contribution to Employee's Pension Scheme 1995]

\* Included in Contribution to Provident and Other Funds (Refer Schedule “N”)

### II. Defined Benefit Plan

#### Gratuity

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:-

	(% per annum)	
	2009-2010	2008-2009
Discount Rate	8.00	7.75
Rate of increase in Compensation Levels	8.00	8.00
Rate of Return on Plan Assets	8.00	8.00

Particulars	2009-2010		2008-2009	
	Funded Rs.	Non-Funded Rs.	Funded Rs.	Non-Funded Rs.
<b>Change in the Present Value of Obligation</b>				
Present Value of Obligation at the beginning of the year	6,335,297	2,199,124	4,179,742	1,661,975
Interest Cost	566,251	196,696	415,758	158,548
Current Service Cost	1,079,917	338,884	859,743	259,813
Past Service Cost	-	-	-	-
Curtailement Cost/ (Credit)	-	-	-	-
Settlement Cost/ (Credit)	-	-	-	-
Benefits Paid	(217,494)	-	-	-
Actuarial (Gain)/ Loss on Obligations	(282,303)	(554,551)	880,054	118,788
Present Value of Obligation at the end of the year	<b>7,481,668</b>	<b>2,180,153</b>	<b>6,335,297</b>	<b>2,199,124</b>
<b>Change in Fair Value of Plan Assets</b>				
Fair Value of Plan Assets as at beginning of the year	3,076,060	-	2,503,848	-
Expected Return on Plan Assets	252,715	-	255,096	-
Actuarial Gain/ (Loss) on Plan Assets	341,776	-	(367,739)	-
Contributions	191,622	-	684,855	-
Benefits paid	(217,494)	-	-	-
Fair Value of Plan Assets as at end of the year	<b>3,644,679</b>	-	<b>3,076,060</b>	-

#### Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at March 31, 2010

The Plan Assets are administered by Tata AIG Life Insurance Company Limited as per Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority regulations.

**“Q” NOTES TO THE ACCOUNTS (Contd.)**

Particulars	2009-2010		2008-2009	
	Funded Rs.	Non-Funded Rs.	Funded Rs.	Non- Funded Rs.
<b>Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets</b>				
Present Value of Funded Obligation as at end of the year	7,481,668	2,180,153	6,335,297	2,199,124
Fair Value of Plan Assets as at end of the year	3,644,679	-	3,076,060	-
Funded (Asset)/ Liability recognised in the Balance Sheet	(3,644,679)	-	(3,076,060)	-
Present Value of Unfunded Obligation as at end of the year	3,836,989	2,180,153	3,259,237	2,199,124
Unrecognised Past Service Cost	-	-	-	-
Unrecognised Actuarial (Gain)/ Loss	-	-	-	-
<b>Unfunded Net (Asset)/ Liability Recognised in Balance Sheet**</b>	<b>3,836,989</b>	<b>2,180,153</b>	<b>3,259,237</b>	<b>2,199,124</b>
** Included under Provisions “Gratuity” (Refer Schedule “K”)				

Particulars	2009-2010		2008-2009	
	Funded Rs.	Non-Funded Rs.	Funded Rs.	Non- Funded Rs.
<b>Amount recognised in the Balance Sheet</b>				
Present Value of Obligation as at end of the year	7,481,668	2,180,153	6,335,297	2,199,124
Fair Value of Plan Assets as at end of the year	3,644,679	-	3,076,060	-
<b>(Asset)/ Liability recognised in the Balance Sheet***</b>	<b>3,836,989</b>	<b>2,180,153</b>	<b>3,259,237</b>	<b>2,199,124</b>
*** Included under Provisions “Gratuity” (Refer Schedule “K”)				

Particulars	2009-2010		2008-2009	
	Funded Rs.	Non-Funded Rs.	Funded Rs.	Non- Funded Rs.
<b>Expenses Recognised in the Profit and Loss Account</b>				
Current Service Cost	1,079,917	338,884	859,743	259,813
Past Service Cost	-	-	-	-
Interest Cost	566,251	196,696	415,758	158,548
Expected Return on Plan Assets	(252,715)	-	(255,096)	-
Curtailment Cost/ (Credit)	-	-	-	-
Settlement Cost/ (Credit)	-	-	-	-
Net actuarial (Gain)/ Loss recognised in the year	(624,079)	(554,551)	1,247,793	118,788
<b>Total Expenses recognised in the Profit and Loss Account****</b>	<b>769,374</b>	<b>(18,971)</b>	<b>2,268,198</b>	<b>537,149</b>
**** Included in Contribution to Provident and Other Funds (Refer Schedule “N”)				
<b>Expected Contribution for Next Year</b>	<b>1,921,382</b>	<b>-</b>	<b>887,619</b>	<b>-</b>

**“Q” NOTES TO THE ACCOUNTS (Contd.)**

**Details of Present Value of Obligation, Plan Assets and Experience Adjustment:**

	2009-2010 Rs	2008-2009 Rs	2007-2008 Rs.
Present value of obligation			
- Funded	7,481,668	6,335,297	4,179,742
- Unfunded	2,180,153	2,199,124	1,661,975
Fair value of plan assets	3,644,679	3,076,060	2,503,848
(Surplus)/Deficit	6,017,142	5,458,361	3,337,869
Experience Adjustments:			
(Gain)/ Loss on funded plan liabilities	(282,303)	880,054	(194,806)
Gain/ (Loss) on funded plan assets	341,776	(367,739)	160,320
(Gain)/ Loss on unfunded plan liabilities	(554,551)	118,788	(218,280)

**Other Employee Benefit Plan:**

The liability for leave encashment and compensated absences as at year end is Rs. 5,195,760 (Previous year: Rs. 4,375,148).

16. 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.
17. Gateway Rail Freight Limited (GRFL), subsidiary of the Company had entered into an agreement with Container Corporation of India Limited to form a Joint Venture Company (JV), to operate the Company's Inland Container Depot at Garhi Harsaru. Pending formation of the JV, the Company has transferred the operations including receivables and payables under an Operations and Management arrangement to GRFL with effect from April 1, 2007.
18. The Company has been legally advised that necessary prior approval of the Central Government of India is not necessary under Section 297 of the Act with respect to providing "Handling Income" services to private limited companies where a Director of the Company is a Director.

**19. Provision for Contingencies**

Particulars	Rs.		
	Indirect Taxes (Refer note below)	Others (Refer note below)	Total
Opening Balance	<b>4,778,778</b>	<b>33,080,760</b>	<b>37,859,538</b>
Previous year	(-)	(16,809,197)	(16,809,197)
Add: Provision Made	7,192,042	1,537,300	8,729,342
Previous year	(4,778,778)	(16,271,263)	(21,050,041)
Less: Amounts Utilised	-	-	-
Previous year	(-)	(-)	(-)
Less: Provision Reversed	-	33,080,760	33,080,760
Previous year	(-)	(-)	(-)
<b>Closing Balance</b>	<b>11,970,820</b>	<b>1,537,300</b>	<b>13,508,120</b>
Previous year	<b>(4,778,778)</b>	<b>(33,080,460)</b>	<b>(37,859,238)</b>

**“Q” NOTES TO THE ACCOUNTS (Contd.)**

**Note:**

Represents estimates made for probable liabilities arising out of pending assessment proceedings with various Government Authorities. The information usually required by Accounting Standard 29 – “Provisions, Contingent Liabilities and Contingent Assets”, notified under Section 211(3C) of the Act, is not disclosed on grounds that it can be expected to prejudice the interests of the Company.

The timing of the outflow with regard to the said matter depends on the exhaustion of remedies available to the Company under the law and hence, the Company is not able to reasonably ascertain the timing of the outflow.

20. Subsequent to year end, the Company has transferred freehold/ leasehold land, building, rail siding, reachstackers and forklifts at Garhi Harsuaru, Gurgaon having a book value aggregating Rs. 714,338,988 to its subsidiary Company Gateway Rail Freight Limited (GRFL). GRFL will use these assets to develop and operate a rail linked Inland Container Depot at Garhi Harsaru, Gurgaon.
21. The information required on other matters pursuant to clauses 3, 4C and 4D of Part II of Schedule VI to the Act, are either nil or not applicable to the Company during the year
22. Previous year’s figures have been rearranged to conform with current year’s presentation, where applicable

Signatures to Schedules “A” to “Q” forming part of the Accounts.

**For Price Waterhouse**  
Firm Registration No. 301112E  
Chartered Accountants

**Uday Shah**  
Partner  
Membership No. F-46061

Place: Chennai  
Date: June 30, 2010

**For and on behalf of the Board of Directors**

**Gopinath Pillai**  
Chairman

**Prem Kishan Gupta**  
Deputy Chairman and  
Managing Director

**R. Kumar**  
Deputy Chief Executive Officer and Chief Finance  
Officer cum Company Secretary

Place: Chennai  
Date: June 30, 2010

**ADDITIONAL INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE ACT.  
BALANCE SHEET ABSTRACT AND COMPANY’S GENERAL BUSINESS PROFILE.**

**I Registration Details**

Registration No. 

1	6	4	0	2	4
---	---	---	---	---	---

 State Code 

1	1
---	---

  
 Balance Sheet Date 

3	1	0	3	2	0	1	0
---	---	---	---	---	---	---	---

  
 Date Month Year

**II Capital Raised During the Year (Amount in Rs. Thousands)**

Public Issue 

N	I	L
---	---	---

 Rights Issue 

N	I	L	
---	---	---	--

  
 Bonus Issue 

N	I	L
---	---	---

 Private Placement 

1	9	1	6
---	---	---	---

**III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)**

Total Liabilities # 

7	3	8	5	3	0	4
---	---	---	---	---	---	---

 Total Assets 

7	3	8	5	3	0	4
---	---	---	---	---	---	---

# (includes Shareholders' Funds)

**Sources of Funds**

Paid-up Capital 

1	0	7	9	0	4	9
---	---	---	---	---	---	---

 Reserves and Surplus 

5	6	0	5	0	7	6
---	---	---	---	---	---	---

  
 Secured Loans 

1	5	8	8	5	3
---	---	---	---	---	---

 Unsecured Loans 

N	I	L
---	---	---

  
 Deferred Tax Liability 

1	7	4	0	0	9
---	---	---	---	---	---

**Application of Funds**

Net Fixed Assets 

2	5	4	4	0	4	9
---	---	---	---	---	---	---

 Investments 

2	9	1	7	0	4	5
---	---	---	---	---	---	---

(Please tick appropriate box + for Positive, - for Negative)

+ - Net Current Assets 

✓		1	5	5	5	8	9	3
---	--	---	---	---	---	---	---	---

 Miscellaneous Expenditure 

N	I	L
---	---	---

**IV Performance of Company (Amount in Rs. Thousands)**

Turnover (including Other Income) 

1	6	6	9	7	0	2
---	---	---	---	---	---	---

 Total Expenditure 

9	5	1	2	7	2
---	---	---	---	---	---

(Please tick appropriate box + for Profit, - for Loss)

(Please tick appropriate box + for Profit, - for Loss)

+ - Profit /Loss Before Tax 

✓		7	1	8	4	3	0
---	--	---	---	---	---	---	---

 + - Profit /Loss After Tax 

✓		7	7	2	0	9	0
---	--	---	---	---	---	---	---

(Please tick appropriate box + for Positive, - for Negative)

+ - Earning Per Share (in Rs.) 

✓		7	.	1	7
---	--	---	---	---	---

 Dividend Rate % 

3	5
---	---

**V Generic Names of Principal Products / Services of Company (as per monetary terms)**

Item Code No. (ITC Code) Not Applicable  
 Product Description Not Applicable, since the Company is engaged in service activities relating to Container Freight Station.

For and on behalf of the Board of Directors

**Gopinath Pillai**  
Chairman

**Prem Kishan Gupta**  
Deputy Chairman and  
Managing Director

**R. Kumar**  
Deputy Chief Executive Officer and  
Chief Finance Officer cum Company  
Secretary

Place: Chennai  
Date: June 30, 2010

## AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF GATEWAY DISTRI PARKS LIMITED

1. We have audited the attached Consolidated Balance Sheet of Gateway Distriparks Limited ("the Company") and its subsidiaries (hereinafter referred to as "the Group") (refer Note 2 on Schedule "T" to the attached Consolidated Financial Statements) as at March 31, 2010, the related Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report (together comprising the "Consolidated Financial Statements"). These Consolidated Financial Statements are the responsibility of the Management of Gateway Distriparks Limited. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Consolidated Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall Consolidated Financial Statement Presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of three subsidiaries included in the Consolidated Financial Statements, which constitute total assets of Rs. 715,932,945 and net assets of Rs. 684,210,286 as at March 31, 2010, total revenue of Rs. 354,341,941, net profit after tax of Rs. 131,753,832 and net cash inflows amounting to Rs. 4,157,622 for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion on the Consolidated Financial Statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.
4. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements, notified under sub-section 3C of Section 211 of the Companies Act, 1956.
5. Based on our audit and on consideration of reports of other auditor(s) on separate financial statements and on the other financial information of the component(s) of the Group as referred to above, and to the best of our information and according to the explanations given to us, in our opinion, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) in case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2010;
  - (b) in case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
  - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

Place: Chennai  
Date: June 30, 2010

**Uday Shah**  
Partner  
Membership No.: F-46061



**GATEWAY DISTRI PARKS LIMITED**

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010**

	Schedule Reference	31.03.2010 Rs.	31.03.2009 Rs.
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Capital	A	1,079,049,010	1,077,133,380
Share Application Money			
Reserves and Surplus	B	5,562,800,571	5,159,700,357
		6,641,849,581	6,236,833,737
<b>Loan Funds</b>			
Secured Loans	C	2,099,285,367	2,044,700,114
<b>Minority Interest</b>	D	624,989,749	605,615,220
<b>Deferred Tax Liabilities (Net)</b>	E	187,416,796	184,887,050
<b>TOTAL</b>		<b>9,553,541,493</b>	<b>9,072,036,121</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	F	10,036,260,443	9,333,166,500
Less: Depreciation		1,850,702,306	1,407,042,776
Net Block		8,185,558,137	7,926,123,724
Capital Work-in-Progress		516,885,618	205,785,799
		8,702,443,755	8,131,909,523
<b>Pre-operative expenses pending capitalisation/ allocation</b>	G	124,187	227,652
<b>Investments</b>	H	150,000,000	230,022,000
<b>Current Assets, Loans and Advances</b>			
Sundry Debtors	I	681,735,791	529,142,802
Cash and Bank Balances	J	794,660,532	593,046,903
Other Current Assets	K	23,427,701	25,626,645
Loans and Advances	L	503,102,477	247,293,279
		2,002,926,501	1,395,109,629
<b>Less: Current Liabilities and Provisions</b>	M		
Liabilities		1,019,496,635	376,890,030
Provisions		287,276,133	315,389,786
		1,306,772,768	692,279,816
<b>Net Current Assets</b>		696,153,733	702,829,813
<b>Miscellaneous Expenditure</b>	N	4,819,818	7,047,133
<b>TOTAL</b>		<b>9,553,541,493</b>	<b>9,072,036,121</b>
<b>Notes to the Accounts</b>	T		

The Schedules referred to herein above form an integral part of the Accounts.

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

**For Price Waterhouse**  
Firm Registration No. 301112E  
Chartered Accountants

**Uday Shah**  
Partner  
Membership No. F-46061

For and on behalf of the Board of Directors

**Gopinath Pillai**  
Chairman

**Prem Kishan Gupta**  
Deputy Chairman and  
Managing Director

**R. Kumar**  
Deputy Chief Executive Officer and Chief Finance  
Officer cum Company Secretary

Place: Chennai  
Date: June 30, 2010

Place: Chennai  
Date: June 30, 2010

**GATEWAY DISTRI PARKS LIMITED**  
**CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR**  
**THE YEAR ENDED MARCH 31, 2010**

	Schedule Reference	2009-2010 Rs.	2008-2009 Rs.
<b>INCOME</b>			
Income from Operations	O	5,166,090,564	4,519,974,089
Other Income	P	124,572,476	108,610,025
		<b>5,290,663,040</b>	<b>4,628,584,114</b>
<b>EXPENDITURE</b>			
Employee Costs	Q	227,326,328	198,180,695
Operating Expenses	R	3,689,403,749	2,850,473,314
Depreciation/ Amortisation		454,864,887	444,744,825
Interest	S	195,301,194	201,568,789
		<b>4,566,896,158</b>	<b>3,694,967,623</b>
<b>Profit before Taxation</b>		<b>723,766,882</b>	<b>933,616,491</b>
Provision for Taxation			
Income Tax (Refer Note 5 - Schedule "T")			
- Current Year		146,808,000	139,083,220
- Earlier Years		(468,433)	(2,656,064)
- Minimum Alternate Tax Credit Entitlement		(228,334,734)	-
Fringe Benefit Tax [including for earlier years Rs. 141,149 (Previous Year Rs. 292,522)]		141,149	6,443,985
Deferred Tax [Refer Notes I(x) - Schedule "T" and Schedule "E"]		2,529,744	16,086,324
<b>Profit After Taxation</b>		<b>803,091,156</b>	<b>774,659,026</b>
Minority Interest		(11,649,424)	21,098,819
<b>Net Profit</b>		<b>791,441,732</b>	<b>795,757,845</b>
Profit and Loss Account Balance Brought Forward		1,457,667,454	1,146,537,782
Acquired on increase of interest in subsidiary company		19,340,452	55,777,858
		2,268,449,638	1,998,073,485
Transfer to General Reserve		77,210,000	93,800,000
Interim Dividend paid		161,599,641	166,804,961
Proposed Interim Dividend		161,857,351	161,570,007
Proposed Final Dividend		53,952,451	53,856,669
Write back of Excess amount of Proposed Final Dividend for earlier year		-	(500,768)
Tax on Dividend		64,140,735	64,875,162
Profit and Loss Account Balance Carried to Balance Sheet		<b>1,749,689,460</b>	<b>1,457,667,454</b>
Earnings Per Share (Refer Note 10 - Schedule "T")			
- Basic		7.34	7.09
- Diluted		7.34	7.09
<b>Notes to the Accounts</b>	<b>T</b>		

The Schedules referred to herein above form an integral part of the Accounts.

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

**For Price Waterhouse**  
Firm Registration No. 301112E  
Chartered Accountants

**Uday Shah**  
Partner  
Membership No. F-46061

For and on behalf of the Board of Directors

**Gopinath Pillai**  
Chairman

**Prem Kishan Gupta**  
Deputy Chairman and  
Managing Director

**R. Kumar**  
Deputy Chief Executive Officer and Chief Finance  
Officer cum Company Secretary

Place: Chennai  
Date: June 30, 2010

Place: Chennai  
Date: June 30, 2010

**GATEWAY DISTRIPARKS LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED**  
**MARCH 31, 2010**

	2009-2010 Rs.	2008-2009 Rs.
<b>A. Cash flow from operating activities:</b>		
Profit Before Taxation	723,766,882	933,616,491
<b>Adjustment for :</b>		
Depreciation	454,864,887	444,744,825
Provision for Doubtful Debts	79,829,316	40,426,791
Provision for Doubtful Advances	12,146,962	-
Provision for ESOP Expenses	244,427	4,960,757
Advances Written-off	-	6,268,976
Interest Expense	195,301,194	201,568,789
Interest Income	(31,883,568)	(61,257,425)
Gain on redemption of investments (Net)	(4,557,458)	(11,076,416)
Loss on Sale/ Discard of Fixed Assets	4,409,232	3,869,056
Provision for Employee Benefits	2,173,868	7,280,618
Assets written off	176,752	-
Investment written off	22,000	-
Provision for Doubtful Ground Rent	8,761,370	8,433,430
Bad Debts written off	1,173,167	2,717,509
Provision for Loss on consignment business	-	6,385,641
Amortisation of Miscellaneous Expenditure and Preliminary Expenses	2,227,316	2,232,916
Provision for Contingencies	(25,622,632)	21,050,041
Liabilities no Longer Required Written Back	(26,794,444)	(20,312,832)
<b>Operating profit before working capital changes</b>	<b>1,396,239,271</b>	<b>1,590,909,167</b>
<b>Adjustments for change in working capital:</b>		
- Decrease/ (Increase) in Sundry Debtors	(233,595,472)	(254,877,370)
- Decrease/ (Increase) in Loans and Advances	(31,340,795)	(43,873,058)
- Increase/ (Decrease) in Trade and Other Payables	661,068,888	13,134,546
<b>Cash generated from operations</b>	<b>1,792,371,892</b>	<b>1,305,293,285</b>
- Taxes Paid	164,330,330	193,690,204
<b>Net cash from operating activities</b>	<b>(A) 1,628,041,562</b>	<b>1,111,603,081</b>
<b>B. Cash flow from investing activities:</b>		
Purchase of Fixed Assets	(1,017,823,382)	(1,939,468,683)
Purchase of Investments	(700,000,000)	(1,240,000,000)
Share Application Money (Increase) / Decrease in pre-operative Expenses pending capitalisation	-	(509,770)
	103,465	(141,083)
Increase in Minority Interest	(16,054,191)	(18,700,000)
Assets Acquired/ Goodwill on acquisition of subsidiaries	21,993,988	65,456,355
Sale of Investments	784,557,458	1,021,076,416
Sale of Fixed Assets	9,140,792	9,810,042
Interest Received	34,714,373	65,159,568
<b>Net cash used in investing activities</b>	<b>(B) (883,367,497)</b>	<b>(2,037,317,155)</b>
<b>C. Cash flow from financing activities:</b>		
Proceeds of fresh issue of shares (Net of share issue expenses)	35,539,411	-

**GATEWAY DISTRI PARKS LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED**  
**MARCH 31, 2010 (Contd.)**

	2009-2010 Rs.	2008-2009 Rs.
Buyback of Shares	-	(639,999,953)
Borrowings of Secured Loans	400,000,000	1,922,158,236
Repayment of Secured Loans	(338,875,021)	(62,502,005)
Interest Paid	(200,303,491)	(194,200,897)
Payment of Dividend	(375,345,712)	(396,043,695)
Payment of Dividend Tax	(64,075,623)	(67,554,734)
<b>Net cash used in financing activities</b>	<b>(C)</b> <b>(543,060,436)</b>	<b>561,856,952</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>(A+B+C)</b> <b>201,613,629</b>	<b>(363,857,122)</b>
Cash and Cash Equivalents at the beginning of the year	593,046,903	956,904,025
Cash and Cash Equivalents at the end of the year	794,660,532	593,046,903
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>201,613,629</b>	<b>(363,857,122)</b>

	Rs.	31.03.2010 Rs.	31.03.2009 Rs.
<b>Cash and Cash Equivalents comprise:</b>			
Cash on Hand		1,006,460	747,015
Cheques on Hand		10,065,998	11,710,260
Balances with Scheduled Banks on:			
- in Current Accounts	166,503,892		197,637,663
- in Unpaid Dividend Accounts	4,750,310		3,069,705
- in Unpaid Share Application Accounts	753,840		805,680
- in Unpaid Fractional Bonus Shares Account	89,134		89,299
- in Fixed Deposit Account	611,490,898		374,987,281
- in Margin Money	-		4,000,000
		783,588,074	580,589,628
<b>Cash and Cash equivalents as at year-end</b>		<b>794,660,532</b>	<b>593,046,903</b>

**Notes:**

- The above Consolidated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 on "Cash Flow Statements" notified under sub-section (3C) of Section 211 of the Companies Act, 1956, of India.
- Fixed Deposits with banks include Rs. 91,750,000 (Previous year: Rs. 96,250,000) under lien with the banks towards guarantee issued by them and loans given to subsidiaries.
- Previous year's figures have been regrouped/ rearranged wherever necessary.

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

**For Price Waterhouse**  
Firm Registration No. 301112E  
Chartered Accountants

**Uday Shah**  
Partner  
Membership No. F-46061

For and on behalf of the Board of Directors

**Gopinath Pillai**  
Chairman

**Prem Kishan Gupta**  
Deputy Chairman and  
Managing Director

**R. Kumar**  
Deputy Chief Executive Officer and Chief Finance  
Officer cum Company Secretary

Place: Chennai  
Date: June 30, 2010

Place: Chennai  
Date: June 30, 2010

**GATEWAY DISTRI PARKS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010**

	31.03.2010 Rs.	31.03.2009 Rs.
<b>“A” Share Capital</b>		
<b>Authorised:</b>		
125,000,000 (Previous year: 125,000,000) Equity Shares of Rs. 10 each	<b>1,250,000,000</b>	<b>1,250,000,000</b>
<b>Issued and Subscribed:</b>		
107,904,901 (Previous year: 107,713,338) Equity Shares of Rs. 10 each, fully paid-up	1,079,049,010	1,077,133,380
	<b>1,079,049,010</b>	<b>1,077,133,380</b>
<b>Notes:</b>		
1. Of the above, 39,091,775 Equity Shares of Rs. 10 each were allotted as fully paid bonus shares by capitalisation of Securities Premium and surplus in Profit and Loss Account.		
2. During the year, pursuant to Employee Stock Option Plan 2005, the Company has allotted 8,326 Equity Shares on September 14, 2009, 11,430 Equity Shares on October 23, 2009, 45,350 Equity Shares on December 15, 2009, 81,507 Equity Shares on January 28, 2010 and 11,688 Equity Shares on March 4, 2010 at a premium of Rs. 82.92 per Equity Share.		
3. During the year, pursuant to Employee Stock Option Plan 2005, the Company has allotted 1,875 Equity Shares on December 15, 2009, 25,387 Equity Shares on January 28, 2010 and 6,000 Equity Shares on March 4, 2010 at a premium of 99.25 per Equity Share.		
4. For Employee Stock Option Plan 2005 - Refer Notes I(xi) and 4 - Schedule “T”.		
<b>“B” Reserves and Surplus</b>		
<b>Securities Premium Account</b>		
Opening Balance	3,315,780,192	3,876,946,025
Add: Received during the year (Refer Notes 2 and 3 - Schedule “A” above)	38,973,959	-
Add: Transferred from Employees Stock Options Outstanding on exercise of ESOP	4,585,717	-
	3,359,339,868	3,876,946,025
Less: Utilised for share issue expenses	5,350,178	-
Less: Utilised for Buy back of Shares	-	561,165,833
	3,353,989,690	3,315,780,192
<b>Capital Reserve on consolidation</b>	4,737	4,737
<b>Capital Redemption Reserve</b>		
Opening Balance	78,834,120	-
Add: Transfer from General Reserve on Buy back of Shares	-	78,834,120
	78,834,120	78,834,120
<b>General Reserve</b>		
Opening Balance	294,665,880	279,700,000
Add: Transfer from Profit and Loss Account	77,210,000	93,800,000
Less: Transfer to Capital Redemption Reserve on Buy back of Shares	-	78,834,120
	371,875,880	294,665,880
<b>Profit and Loss Account Balance</b>	1,749,689,460	1,457,667,454
<b>Employees Stock Options Plan (“ESOP”) Outstanding</b> [Refer Notes I(xi) and 4 - Schedule “T”]		

**GATEWAY DISTRI PARKS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010 (Contd.)**

	31.03.2010 Rs.	31.03.2009 Rs.
Opening Balance	12,747,974	7,787,217
Addition during the year	244,427	4,960,757
Less: Transferred to Securities Premium Account on exercise of ESOP	(4,585,717)	-
	8,406,684	12,747,974
	<b>5,562,800,571</b>	<b>5,159,700,357</b>

**"C" Secured Loans**

Term Loans

- From Bank [Refer Notes 1(a), 1(b) and 1(c) below]	915,103,212	811,370,230
- From GE Capital Services India [Refer Note 2 below]	1,090,000,000	1,090,000,000
Hire Purchase/ Vehicle Finance Loan from Banks (Refer Note 3 below)	22,359,116	32,922,085
Vehicle Finance Loan from Others (Refer Note 4 below)	71,823,039	110,407,256
Hire Purchase Loan from Others (Refer Note 5 below)	-	543

**Notes:**

1. (a). Term Loan of Rs. Nil (Previous year : Rs. 15,000,000) from a bank was secured by mortgage of movable and immovable assets of the Subsidiary Company.  
[Repayable within one year Rs. Nil (Previous year: Rs. 15,000,000)]
1. (b) Term Loan of Rs. 158,853,212 (Previous year: Rs. 89,830,504) from HDFC Bank Limited is secured by way of hypothecation by way of first charge on all movable plant and machinery and book debts, both present and future, and exclusive charge on immovable properties of the Company situated at Dronagiri together with all buildings, structures, installations, fixed plant and machineries, fixtures and fittings, constructed, installed or erected thereon.  
[Repayable within one year Rs. 45,870,907 (Previous year: Rs. 20,338,992)]
1. (c) Term Loan from HDFC Bank of Rs. 756,250,000 (Previous year: Rs. 706,539,726) is secured by pari passu charge on all immovable properties of the subsidiary Company situated in village Piyala and Deeg, Tehsil, Ballabgarh and village Asawati, Tehsil Palwal, District Faridabad both present and future, book debts and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company. [Including Interest Accrued and Due Rs. Nil (Previous Year: Rs. 6,539,726)]  
[Repayable within one year Rs. 250,000,000 (Previous year: Rs. 250,289,726)]
2. Term Loan from GE Capital Services India of Rs. 1,090,000,000 (Previous Year Rs. 1,090,000,000) is secured by first pari passu charge on all movable and immovable properties, book debts, operating cash flows, intangible assets, assignment of all permits, licences, approvals, 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. The aforesaid loan is repayable in 40 quarterly instalments commencing from October 1, 2010.  
[Repayable within one year Rs. 54,500,000 (Previous year: Rs. Nil)]

**GATEWAY DISTRI PARKS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010 (Contd.)**

	<b>31.03.2010</b>	<b>31.03.2009</b>
	<b>Rs.</b>	<b>Rs.</b>
3. Hire Purchase/ Vehicle Finance Loan from Banks of Rs. 22,359,116 (Previous Year: Rs. 32,922,085) are secured by way of hypothecation of the companies commercial vehicles (trailors) and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company. [Repayable within one year Rs. 10,692,250 (Previous year: Rs. 10,562,969)]		
4. Vehicle Finance Loan from Reliance Capital Limited of Rs. 71,823,039 (Previous Year: Rs. 110,407,256) is secured by way of hypothecation of trailors purchased against the same and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company. [Repayable within one year Rs. 41,849,682 (Previous year: Rs. 38,584,217)]		
5. Hire Purchase Finance from others of Rs. Nil (Previous Year: Rs. 543) was secured by Hypothecation of Trailors and Vehicles purchased.		
	<b>2,099,285,367</b>	<b>2,044,700,114</b>
<b>"D" Minority Interest</b>		
Share Capital	607,153,810	637,083,810
Share Application Money	72,861,700	72,861,700
Reserves and Surplus:		
Subsidy from National Horticulture Board	867,673	926,675
Securities Premium	42,477,941	28,543,130
Profit and Loss Account	(98,371,375)	(133,800,095)
	<b>624,989,749</b>	<b>605,615,220</b>
<b>"E" Deferred Tax Liabilities (Net)</b>		
[Refer Note I(x) - Schedule "T"]		
<b>Deferred Tax Liabilities</b>		
Timing difference between book and tax depreciation	527,449,415	244,912,951
Utility upgradation expenses	138,249	173,806
<b>(A)</b>	<b>527,587,664</b>	<b>245,086,757</b>
<b>Deferred Tax Assets</b>		
Accrual for expenses allowable as tax deduction only on payment	3,279,454	877,909
Provision for Doubtful Debts/ Ground Rent/ Advances	40,137,595	-
Unabsorbed Loss	98,149	170,673
Unabsorbed Depreciation	296,655,670	59,151,125
<b>(B)</b>	<b>340,170,868</b>	<b>60,199,707</b>
<b>(A) - (B)</b>	<b>187,416,796</b>	<b>184,887,050</b>



**GATEWAY DISTRI PARKS LIMITED  
SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010 (Contd.)**

**“F” FIXED ASSETS**

[Refer Notes I (iii), I (vi) and 18 - Schedule “T”]

(Rs.)

Particulars	Cost			Depreciation/ Amortisation		Net Book Value	
	As at 01.04.2009	Additions/ Adjustments during the year	Deductions/ Adjustments during the year	As at 01.04.2009	Depreciation For the year	Up to 31.03.2010	As at 31.03.2009
<b>Intangible Assets</b>							
Goodwill on Consolidation	381,746,980	21,125,761	-	107,129,827	-	107,129,827	274,617,153
Punjab Conware Container Freight Station - Uprfront Fees	350,000,000	-	-	42,000,000	24,000,000	66,000,000	308,000,000
Rail Licence Fees							
(Refer Note 1 below)	500,000,000	-	-	45,833,333	25,000,000	70,833,333	454,166,667
Technical Know-how	100,000,000	-	-	40,144,897	20,517,204	60,662,101	59,855,103
<b>Tangible Assets</b>							
Freehold Land	1,740,755,047	14,971,837	-	1,755,726,884	-	1,755,726,884	1,740,755,047
Leasehold Land	274,317,778	784,627	-	275,102,405	5,345,787	220,911,269	225,472,429
(Refer Notes below)							
Buildings	1,870,690,370	241,114,018	4,605,131	377,647,760	78,666,955	456,282,955	1,493,042,610
Electrical Installations	82,463,149	5,859,058	1,503,030	16,024,094	5,197,229	21,023,695	66,439,055
Rail Siding							
(Refer Notes 5,6 and 7 below)	172,965,318	2,760,144	-	19,015,482	9,624,857	28,640,339	153,949,836
Plant and Machineries	419,387,061	36,901,825	95,010	205,179,863	24,329,372	229,474,118	214,207,198
Container and Reefer Power Packs							
(Refer Note 9 below)	186,020,367	2,189,438	2,948,748	9,962,105	9,724,270	19,686,375	176,058,262
Yard Equipments							
(Refer Note 3 below)	556,871,673	3,804,559	1,337,125	115,294,799	31,742,663	146,645,353	441,576,874
Rakes	1,859,153,086	376,229,100	-	85,401,971	96,754,822	182,156,793	2,053,225,393
Office Equipments	23,001,542	3,356,524	659,137	5,378,484	1,580,669	6,728,524	18,970,405
Computers	52,503,169	7,443,593	505,336	31,710,457	5,704,210	36,974,753	20,792,712
Furniture and Fixtures	58,100,378	4,606,231	1,631,978	17,595,911	5,256,017	22,549,190	38,525,441
Vehicles							
(Refer Notes 4, 5 and 8 below)	705,190,582	9,651,357	14,418,634	239,878,444	111,420,832	341,717,814	465,312,138
<b>TOTAL</b>	<b>9,333,166,500</b>	<b>730,798,072</b>	<b>27,704,129</b>	<b>1,407,042,776</b>	<b>454,864,887</b>	<b>1,850,702,306</b>	<b>7,926,123,724</b>
Previous Year	7,185,983,671	2,199,522,149	52,339,320	1,000,958,173	444,744,825	1,407,042,776	8,131,909,523
Capital Work-in-Progress [including advances of Rs. 779,54,373 (Previous year: Rs. 64,737,704)]							516,885,618
							<b>8,702,443,755</b>

- Notes:**
- Rail License Fees aggregating Rs. 500,000,000 paid to Railway Administration towards Concession Agreement 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, 2010 is 17 years and 2 months.
  - Railway Siding includes Rs. 85,705,669 (Previous year: Rs. 85,705,669) being cost of railway siding constructed on land not owned by the Company.
  - Yard Equipments include Reach Stackers Costing Rs. 466,516,707 (Previous year: Rs. 466,516,707) and having Net Book Value Rs. 340,447,438 (Previous year: Rs. 367,880,463).
  - Vehicles include Trailors Costing Rs. 674,316,324 (Previous year: Rs. 682,354,029) and having Net Book Value Rs. 339,478,618 (Previous year: Rs. 448,455,136) of which, Trailors costing Rs. 216,447,845 (Previous year: Rs. 216,447,845) and having Net Book Value Rs. 142,637,871 (Previous year: Rs. 177,724,066) have been hypothecated to Reliance Capital Limited and HDFC Bank against Vehicle Finance Loans.
  - Land aggregating Rs. 2,423,991 is yet to be transferred in the name of the subsidiary company.
  - Land includes land with book value Rs. 4,681,750 (Previous Year Rs. 4,681,750) pending registration with concerned authorities.
  - Represents payments made for acquiring land on lease at various locations for periods ranging from 90-99 years.
  - Vehicles include Trucks used for cold chain transportation purposes, with gross book value of Rs. 49,486,446 (Previous Year Rs. 49,884,274) and net book value of Rs. 4,606,463 (Previous Year Rs. 11,153,938). Based on the technical evaluation done by the Management, the useful life of such trucks is not lower than as prescribed by Schedule XIV to the Companies Act, 1936, of India.
  - Adjustment in Containers and Reefer Power Packs includes Exchange Gain of Rs. 2,248,748 (Previous Year: Rs. 6,279,799).

**GATEWAY DISTRI PARKS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010 (Contd.)**

	31.03.2010 Rs.	31.03.2009 Rs.
<b>“G” PRE-OPERATIVE EXPENSES PENDING CAPITALISATION / ALLOCATION</b>		
[Refer Notes I(iv) - Schedule “T”]		
Opening Balance	227,652	86,569
Rates and Taxes	13,423	2,027
Travelling and Conveyance	146,597	138,951
Professional Fees	48,201	36,283
Miscellaneous	2,310	1,887
	<b>438,183</b>	<b>265,717</b>
Less: Interest on Fixed Deposits (Tax deducted at Source Rs. 39,774, Previous Year Rs. Nil)	(313,996)	(38,065)
	<b>124,187</b>	<b>227,652</b>
<b>“H” INVESTMENTS</b>		
[Refer Note I(v) - Schedule “T”]		
(At Cost - Long Term, Unquoted)		
<b>Current and Unquoted (at lower of Cost and Net Asset Value)</b>		
8,116,664 (Previous year: 13,037,514) units of HDFC Liquid Fund - Premium Plus Plan - Growth [Net Assets Value Rs. 150,103,893 (Previous year: Rs. 230,297,255)]	150,000,000	230,000,000
National Savings Certificates (Lodged with Government Authorities)	-	22,000
	<b>150,000,000</b>	<b>230,022,000</b>
<b>Note:</b>		
The following investment was purchased and sold during the year 2009-2010:		
- HDFC Liquid Fund - Premium Plus Plan - Growth	30,405,840	550,000,000
<b>“I” SUNDRY DEBTORS</b>		
[Unsecured]		
(Refer Note 17 - Schedule “T”)		
Debts Outstanding for a Period exceeding Six Months		
- Considered Good	58,210,316	37,193,514
- Considered Doubtful	135,681,714	86,305,651
	193,892,030	123,499,165
Other Debts - Considered Good	623,525,475	491,949,288
- Considered Doubtful	7,466,312	8,184,414
	824,883,817	623,632,867
Less: Provision for Doubtful Debts	143,148,026	94,490,065
	<b>681,735,791</b>	<b>529,142,802</b>
<b>“J” CASH AND BANK BALANCES</b>		
Cash on Hand	1,006,460	747,015
Cheques on Hand	10,065,998	11,710,260
Balances with Scheduled Banks:		
- in Current Accounts	166,503,892	197,637,663

**GATEWAY DISTRI PARKS LIMITED  
SCHEDULES ANNEXED TO AND FORMING PART OF THE  
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010 (Contd.)**

	<b>31.03.2010 Rs.</b>	<b>31.03.2009 Rs.</b>
- in Unclaimed Dividend Accounts	4,750,310	3,069,705
- in Unclaimed Share Application Accounts	753,840	805,680
- in Unclaimed Fractional Bonus Shares Account	89,134	89,299
- in Fixed Deposit Accounts	611,490,898	374,987,281
[Under lien with banks Rs. 91,750,000 (Previous year: Rs. 96,250,000) towards guarantee issued by them and loans given to subsidiaries]		
- in Margin Money	-	4,000,000
	<b>794,660,532</b>	<b>593,046,903</b>
<b>“K” OTHER CURRENT ASSETS</b>		
(Unsecured)		
Accrued Interest on Fixed Deposits with Banks	1,677,761	2,451,399
Accrued interest on Loan given	-	533,051
Accrued Ground Rent		
- Considered Good	13,145,230	21,910,095
- Considered Doubtful	30,716,500	21,955,130
	43,861,730	43,865,225
Less: Provision for Doubtful Ground Rent	30,716,500	21,955,130
	13,145,230	21,910,095
Claims Receivable (Refer Note 2(b) - Schedule “T”)	8,604,710	732,100
	<b>23,427,701</b>	<b>25,626,645</b>
<b>“L” LOANS AND ADVANCES</b>		
(Unsecured and Considered Good)		
Advances Recoverable in Cash or in Kind or for Value to be Received (Refer Note 15 - Schedule “T”)		
- Considered Good	118,339,003	104,742,782
- Considered Doubtful	13,466,962	1,320,000
	131,805,965	106,062,782
Less: Provision for Doubtful Advances	13,466,962	1,320,000
	118,339,003	104,742,782
Loan to Max Logistics Private Limited	5,000,000	5,000,000
Balances with Government Authorities	8,546,339	13,148,462
Security Deposits - Others	50,620,720	47,666,852
Assets held for sale	-	800,000
Tax Deducted at Source and Advance Tax	92,261,681	75,935,183
[Net of Provision for Tax Rs. 406,132,690 (Previous year Rs. 371,552,903)] [Refer Note 5 - Schedule “T”]		
Minimum Alternate Tax Credit Entitlement [Refer Note 5 - Schedule “T”]	228,334,734	-
	<b>503,102,477</b>	<b>247,293,279</b>

**GATEWAY DISTRIPARKS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF THE**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010 (Contd.)**

	31.03.2010 Rs.	31.03.2009 Rs.
<b>"M" CURRENT LIABILITIES AND PROVISIONS</b>		
<b>Current Liabilities</b>		
Sundry Creditors (Refer Note 20 - Schedule "T")		
- Due to Micro Enterprises and Small Enterprises	-	-
- Due to Others	887,789,959	268,445,558
Buyers' Credit	25,312,848	28,261,596
Temporary Overdraft	5,982,961	-
Security Deposits Received	11,825,336	11,298,719
Income Received in Advance	140,206	290,363
Advances from Customers	26,634,825	25,495,219
Auction Surplus [Refer Note I(ix)(c) - Schedule "T"]	6,293,783	4,859,993
Interest Accrued but not Due on Term Loans and Vehicle Finance Loan	3,473,424	1,935,995
Unclaimed Dividend *	4,750,310	3,069,705
Unclaimed Share Application Accounts *	753,840	805,680
Unclaimed Fractional Bonus Shares *	89,134	89,299
Other Liabilities	46,450,009	32,337,903
	<b>1,019,496,635</b>	<b>376,890,030</b>
* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.		
<b>Provisions</b>		
Wealth Tax	72,000	71,000
Proposed Interim Dividend	161,857,351	161,570,007
Proposed Final Dividend	53,952,451	53,856,669
Tax on Dividend	36,676,876	36,611,764
Employee Benefits [Refer Notes I(viii) and 19 - Schedule "T"]		
- Leave Encashment	9,972,975	8,807,238
- Gratuity	11,236,360	10,228,229
Provision for Loss on consignment business (Refer Note 16 - Schedule "T")	-	6,385,641
Provision for Contingencies (Refer Note 14 - Schedule "T")	13,508,120	37,859,238
	<b>287,276,133</b>	<b>315,389,786</b>
<b>TOTAL</b>	<b>1,306,772,768</b>	<b>692,279,816</b>
<b>"N" MISCELLANEOUS EXPENDITURE</b>		
[Refer Note I(xiii) - Schedule "T"]		
(to the extent not written off or adjusted)		
Preliminary and other related expenses	11,108,709	11,108,709
Less: Amortised till date	6,288,891	4,061,576
	<b>4,819,818</b>	<b>7,047,133</b>

**GATEWAY DISTRI PARKS LIMITED**

**SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**

	2009-2010 Rs.	2008-2009 Rs.
<b>“O” INCOME FROM OPERATIONS</b>		
[Refer Note I(ix) - Schedule “T”]		
Ground Rent - Gross (Tax Deducted at Source Rs. 13,245,761; Previous year: Rs. 16,994,657)	511,584,073	826,100,315
Container Storage, Handling and Repair - Gross (Tax Deducted at Source Rs. 29,020,800; Previous year: Rs. 34,229,716)	1,570,625,153	1,527,561,613
Rail Transport (Tax Deducted at Source Rs. 20,227,122; Previous year: Rs. 19,798,713)	2,308,610,003	1,380,557,530
Road Transport (Tax Deducted at Source Rs. 1,872,612; Previous year: Rs. 2,290,746)	461,105,388	468,382,250
Income from Freezer Division	185,805,080	165,828,116
Service Charges	81,922,951	101,011,824
Income from Consignment Commission	23,708,998	10,126,012
Auction Sales	22,728,918	40,406,429
	<b>5,166,090,564</b>	<b>4,519,974,089</b>
<b>“P” OTHER INCOME</b>		
Rent - Gross (Tax Deducted at Source Rs. 987,236; Previous year: Rs. 1,356,248 )	15,346,350	11,728,182
Buffer Handling Fees - Gross [Tax Deducted at Source Rs. 314,843; (Previous year: Rs. Nil)]	14,272,092	-
Interest on Fixed Deposits with Banks - Gross (Tax Deducted at Source Rs. 2,850,336; Previous year: Rs. 12,218,252)	30,359,452	60,859,069
Interest on Income tax refund	1,524,116	-
Interest on Loans given to Max Logistics Private Limited (Tax Deducted at Source Rs. Nil; Previous year: Rs. 39,484)	-	398,356
Gain on redemption of current investments (Net)	4,557,458	11,076,416
Liabilities/ Provisions no longer Required Written Back	47,557,083	18,017,979
Prior Period Income (Refer Note 15 - Schedule “T”)	1,271,514	-
Write back of Auction Surplus	4,859,993	2,294,853
Miscellaneous Income	4,824,418	4,235,170
	<b>124,572,476</b>	<b>108,610,025</b>
	<b>2009-2010 Rs.</b>	<b>2009-2010 Rs.</b>
<b>“Q” EMPLOYEE COSTS</b>		
Salaries, Allowances and Bonus (Refer Note 8 - Schedule “T”)	194,976,953	159,817,873
Contribution to Provident and Other Funds	11,880,250	10,983,270
Leave Encashment	6,480,435	6,338,283
Gratuity	2,096,125	5,535,389
Staff Welfare	11,648,138	10,545,123
Employees Stock Options Expense (Refer Note 4 - Schedule “T”)	244,427	4,960,757
	<b>227,326,328</b>	<b>198,180,695</b>

**GATEWAY DISTRIPARKS LIMITED**

**SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010 (Contd.)**

	2009-2010 Rs.	2009-2010 Rs.	2008-2009 Rs.
<b>“R” OPERATING AND OTHER EXPENSES</b>			
Road Transportation		678,707,133	680,886,699
Rail Transport		1,908,764,099	1,158,634,114
Container Storage, Handling and Repairs		67,102,079	5,537,093
Labour Charges		129,509,679	120,174,823
Equipment Hire Charges		39,483,336	29,888,553
Surveyors’ Fees		11,942,571	11,687,852
Sub-Contract Charges		106,229,875	129,138,787
Auction Expenses [Refer Note I(ix)(c) - Schedule “T”]		10,059,074	17,933,845
Purchase of Pallets		13,602,106	17,115,616
Fees on Operations and Management of Punjab Conware			
Container Freight Station		114,917,631	115,571,152
Power and Fuel		95,343,953	94,566,257
Rent [Refer Note 9 - Schedule “T”]		57,716,606	46,777,040
Rail Licensing fees		18,355,619	16,090,354
Rates and Taxes		35,966,719	31,796,654
Repairs and Maintenance:			
- Building/ Yard		7,879,159	14,919,475
- Plant and Machinery		30,837,815	30,445,228
- Containers		68,490	1,007,798
- Others		17,065,974	14,449,385
Insurance		30,423,073	25,124,435
Directors’ Sitting Fees		1,154,159	799,170
Customs Staff Expenses		17,853,157	23,777,997
Printing and Stationery		8,253,245	9,129,766
Travelling and Conveyance		43,749,350	33,801,501
Motor Car Expenses		9,960,394	9,705,158
Communication		16,351,712	16,008,275
Advertising Expenses		8,795,719	14,969,523
Security Charges		34,395,467	30,111,864
Professional Fees		42,329,246	49,687,063
Auditors’ Remuneration:			
- As Auditors		2,950,000	2,700,000
- As advisers, or in any other capacity, in respect of - Other Services		150,000	350,000
- Reimbursement of Out-of-Pocket Expenses		63,792	50,227
		3,163,792	3,100,227
Bad Debts	32,344,522		25,520,035
Less: Provision for Doubtful Debts Adjusted	31,171,355		22,802,526
		1,173,167	2,717,509
Advances written off		-	6,268,976



**GATEWAY DISTRI PARKS LIMITED**

**SCHEDULES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010**

	<b>2009-2010 Rs.</b>	<b>2008-2009 Rs.</b>
Provision for Doubtful Debts [Refer Note 1(xii) - Schedule "T"]	79,829,316	40,426,791
Provision for Doubtful Advances	12,146,962	-
Provision for Doubtful Ground Rent	8,761,370	8,433,430
Loss on Sale/ Disposal of Fixed Assets (Net) [Refer Note 2(b) - Schedule "T"]	4,409,232	3,869,056
Software Expenses	-	56,538
Stamp Duty and Share Issue Expenses	137,649	3,936,657
Brokerage and expenses on Buyback of Shares	-	2,797,854
Foreign Exchange Loss (Net) [Refer Note 1(vii) - Schedule "T"]	-	2,685,574
Bank Charges	10,888,920	10,275,677
Selling and Distribution Expenses	2,041,396	1,030,148
Loss on consignment business [Refer Note 16 - Schedule "T"]	-	6,385,641
Loss from Joint Venture	127,758	380,604
Preliminary Expenses Written off	36,284	36,284
Amortisation of Miscellaneous Expenditure	2,191,316	2,196,632
Assets written off	176,752	-
Investment Written Off	22,000	-
Miscellaneous Expenses	7,480,395	6,140,239
	<b>3,689,403,749</b>	<b>2,850,473,314</b>
<b>"S" INTEREST</b>		
Term Loan	184,454,921	172,759,632
Vehicle Finance Loan/ Hire Purchase	10,071,841	14,259,610
Buyer's Credit	667,041	1,215,035
Term Loan Processing Charges	-	13,247,240
Others	107,391	87,272
	<b>195,301,194</b>	<b>201,568,789</b>



**GATEWAY DISTRI PARKS LIMITED**  
**SCHEDULES FORMING PART OF THE CONSOLIDATED BALANCE SHEET**  
**AS AT MARCH 31, 2010 AND THE CONSOLIDATED PROFIT AND LOSS**  
**ACCOUNT FOR THE YEAR THEN ENDED**

**“T” NOTES TO THE ACCOUNTS**

**I. Significant Accounting Policies:**

**(i) Basis of Accounting:**

The Consolidated Financial Statements of Gateway Distriparks Limited (‘the Company’) and its subsidiary companies, Gateway East India Private Limited, Gateway Distriparks (South) Private Limited, Gateway Rail Freight Limited, Gateway Distriparks (Kerala) Limited and Snowman Frozen Foods Limited (collectively referred to as “the Group”) are prepared to comply in all material aspects with all the applicable accounting principles in India, the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 of India (“the Act”) and the relevant provisions of the Act to the extent possible in the same format as that adopted by the Company for its separate financial statements.

**(ii) Principles of consolidation:**

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

- 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 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.

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

Name of the Company	Country of incorporation	% voting power as at March 31, 2010	% voting power as at March 31, 2009
Gateway East India Private Limited (GEIPL)	India	100% (Shares allotted / acquired on November 23, 2004, on November 22, 2006, on June 3, 2008 and on February 4, 2009)	100% (Shares allotted / acquired on November 23, 2004, on November 22, 2006, on June 3, 2008 and on February 4, 2009)
Gateway Distriparks (South) Private Limited	India	100% (Shares acquired on December 1, 2004)	100% (Shares acquired on December 1, 2004)
Gateway Rail Freight Limited (GRFL)	India	94.29% (Shares allotted /acquired on November 21, 2006, on March 17, 2008, on October 24, 2008 and on April 6, 2009)	89.18% (Shares allotted on November 21, 2006, on March 17, 2008 and on October 24, 2008)

**“T” NOTES TO THE ACCOUNTS (Contd.)**

Name of the Company	Country of incorporation	% voting power as at March 31, 2010	% voting power as at March 31, 2009
Gateway Distriparks (Kerala) Limited (GDKL)	India	60% (Shares allotted on March 5, 2007)	60% (Shares allotted on March 5, 2007)
Snowman Frozen Foods Limited (SFFL)	India	52.19% (Shares allotted/ acquired on November 22, 2006 and on December 17, 2009)	48.94% (Shares allotted/ acquired on November 22, 2006)

**(iii) Fixed Assets and Depreciation/ Amortisation:**

- (a) Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation/ amortisation. The Group capitalises all costs relating to the acquisition, installation and construction of fixed assets, including interest on borrowed funds used to finance the construction and acquisition of fixed assets, up to the date when the assets are ready for commercial use.
- (b) Depreciation on additions/ deletions to fixed assets is calculated on pro-rata basis from the month of such additions/ deletions. The Group provides depreciation on straight-line basis method at the rates specified under Schedule XIV (revised) to the Act or based on useful life whichever is higher, except for
- Leasehold land, which is being amortised over the lease period;
  - Leasehold Building, which is being amortised over a period of twenty four years;
  - Rail Siding, which is being amortised over a period of twenty years based on useful life estimated by the Management;
  - Reach Stackers (included in Yard Equipments), to be transferred to maintenance operator, are being depreciated over a period of seven years;
  - Computer Software, having an enduring benefit is being depreciated over three years based on evaluation of useful life by the Management;
  - Upfront fees of Punjab Conware’s Container Freight Station (“CFS”), is being amortised over the balance period of the Operations and Management agreement of the CFS with effect from July 1, 2007 (balance life as on March 31, 2010 is 11 years and 10 months);
  - Technical Know-How, which is being 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, which is being amortised over the period of agreement (i.e. twenty years) from the date of commencement of commercial operations (balance life as on March 31, 2010 are seventeen years and two months); and
  - Additions/construction of Building, Electrical Installations, Furniture and Fixtures and Office Equipments at Punjab Conware CFS is being amortised over the balance period of the Operations and Management Agreement of the CFS with effect from July 1, 2007.
- (c) Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition/ construction.
- (d) Goodwill on consolidation is not amortised but it is tested for impairment at the end of every financial year.
- (e) Consideration is given at each Balance Sheet date to determine whether there is any indication of impairment of the carrying amount of the fixed assets. If any indication exists, an asset’s recoverable amount is estimated. An impairment loss is recognised whenever

## “T” NOTES TO THE ACCOUNTS (Contd.)

the carrying amount of an asset exceeds the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

### (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 Gateway Distriparks (Kerala) Limited which will be allocated to the cost of the fixed assets on commencement of operations.

### (v) Investments:

Current Investments are stated at the lower of cost and fair value.

### (vi) Borrowing Cost:

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

### (vii) Foreign Currency Transactions:

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction date. Realised gains and losses on settlement of foreign currency transactions are recognised in the Profit and Loss Account. Foreign currency monetary assets and monetary liabilities at the year-end are translated at the year-end exchange rates, and the resultant exchange difference is recognised in the Profit and Loss Account, except for long term liabilities incurred for purpose of fixed assets which are capitalised as part of cost of fixed assets

### (viii) Employee Benefits:

#### (a) Defined Contribution Plans

The Company has Defined Contribution plans for post employment benefits namely Provident Fund and Pension Scheme which are recognised by the income tax authorities and administered through appropriate authorities.

The Company contributes to a Government administered Provident Fund and has no further obligation beyond making its contribution.

The Company's contribution to the above fund is charged to revenue every year.

#### (b) Defined Benefit Plans

The Company has a Defined Benefit Plan comprising of Gratuity Fund. The liability for the Defined Benefit Plan is provided on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit Method.

The gratuity scheme is funded through Comprehensive Gratuity Policy - cum - Group Term Life Insurance Policy from Tata AIG Life Insurance Company Limited, except for employees of Punjab Conware's CFS, the operations wherein are taken over by the Company under Operations and Management agreement, Gateway Distriparks (Kerala) Limited, Gateway Distriparks (South) Private Limited and Gateway Rail Freight Limited.

Termination benefits are recognised as an expense as and when incurred.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Profit and Loss Account as income or expense.

#### (c) Other Employee Benefits

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilised leave balances is provided based on an actuarial valuation carried out by an independent actuary as at the Balance Sheet date.



**“T” NOTES TO THE ACCOUNTS (Contd.)**

**(ix) Revenue Recognition:**

- (a) Income from Container Handling and Repair and Service Charges is 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, the Income from Ground Rent is not accrued for a period beyond 60 days on a consistent basis as per the prevailing business practice.
- (b) Income from Transportation, Storage and Handling activities are accrued on completion of the service. Sales revenue from export is recognised on transfer of significant risks and rewards of ownership that generally coincides with delivery of goods. Income from commission on consignment sales are recognised on the completion of consignment sales.
- (c) Income from auction sales is generated when the Group auctions long-standing cargo that has not been cleared by customs. Revenue and expenses for Auction Sales are recognised when auction is completed after necessary approvals from appropriate authorities are obtained. Auction Sales 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 ‘Current Liabilities and Provisions’. Unclaimed Auction Surplus, if any, in excess of one year is written back as ‘Income’ in the following financial year.
- (d) Income from Rail transportation is recognised on delivery of container/ cargo.

**(x) Deferred Taxation:**

Deferred Tax is recognised, subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets are not recognised unless there are timing differences, the reversal of which will result in sufficient income or there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. Deferred Tax Asset is not recognised on timing differences, which would arise and expected to be reversed during the period of tax holiday.

**(xi) Employees’ Stock Option Scheme:**

Stock Options granted to the employees under stock option schemes are evaluated as per the accounting treatment prescribed by Employees Stock Option Scheme and Employee Stock Purchase Scheme Guidelines 1999 issued by the Securities and Exchange Board of India. Accordingly, the excess of the fair value of the stock option as on the date of grant of options is charged to the Profit and Loss Account on straight-line-method over the vesting period of the options. The fair value of the options is measured on the basis of an independent valuation performed or the market price in respect of stock options granted.

**(xii) Provision for doubtful debts**

The provision for doubtful debts reflects the Management’s best estimate of probable losses inherent in the accounts receivable balance. Management primarily determines the allowance based on the aging of accounts receivable balances and historical write-off experience, net of recoveries.

**(xiii) Miscellaneous Expenditure (to the extent not written off or adjusted):**

Preliminary and other related expenses are being amortised on a straight-line basis over the period of five years. Unamortised portion is disclosed as ‘Miscellaneous Expenditure’ in the Balance Sheet.

**“T” NOTES TO THE ACCOUNTS (Contd.)**

**(xiv) Provisions and Contingent Liabilities**

Provisions are recognised when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when the Company has a possible obligation or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.

**2. Contingent Liabilities:**

Particulars	(Rs.)	
	2009-2010	2008-2009
Bank Guarantees and Continuity Bonds executed in favour of The President of India through the Commissioners of Customs and in favour of Sales Tax Authorities.	11,520,704,616	5,470,175,766
Bank Guarantee issued by Bank in favour of Punjab State Container and Warehousing Corporation Limited in respect of Operations and Management Contract of their CFS at Dronagiri Node, Nhava Sheva.	58,000,000	57,355,575
Bank Guarantee issued by Bank in favour of Container Corporation of India Limited for the purpose of delivery and collection of Containers.	-	1,000,000
Counter indemnity for guarantees issued by bank for loans taken by subsidiaries and for guarantees given by banks to Commissioner of Customs and to State Pollution Control Board for Subsidiaries.	2,768,721,437	2,782,738,580
Claims made by the Party not acknowledged as debts		
- Container Corporation of India Limited (Refer Note “a” below)	Not ascertainable	Not ascertainable
- Others	22,527,714	43,708,219
Disputed Service Tax Claims (including Interest and Penalty to the extent ascertainable)	32,581,255	-
Income Tax Matters	196,040	-
<b>Total</b>	<b>14,402,731,062</b>	<b>8,354,978,140</b>

**Notes:**

- a. The Company (“GDL”) and its subsidiary company, Gateway Rail Freight Limited (“GRFL”) 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 GDL and GRFL 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

**“T” NOTES TO THE ACCOUNTS (Contd.)**

- b. There was a fire at one of the warehouses of Punjab Conware Container Freight Station for which the Company is the “Operations and Management Operator” for 15 years with effect from February 1, 2007. The extent of damage/ loss to the warehouse and the cargo stored in the warehouse are being assessed by surveyors appointed by the Insurers. The Company is in the process of compiling the necessary information, assessing the situation and lodging insurance claims. Pending assessment of surveyor, the Company has written-off other equipments, furniture and fixtures aggregating Rs. 2,148,386. Further, loss of building and electrical installations aggregating Rs. 7,028,431 has been disclosed as ‘Claim Recoverable’ under other current assets.

**3. Capital Commitments:**

Estimated amount of contracts (net of advances of Rs. 77,954,373; Previous year Rs. 64,737,704) remaining to be executed on capital account and not provided for is Rs. 688,295,650; (Previous year Rs. 1,812,073,702).

**4. Employee Stock Option Plan**

Pursuant to the resolution passed by the Shareholders at the Annual General Meeting held on September 14, 2005, the Company had introduced new ESOP scheme for its Directors and employees.

Particulars	ESOP 2005-I	ESOP 2005-II	ESOP 2005-III	ESOP 2005-IV
Date of meeting of ESOP Committee / Board of Directors, granting the options	September 15, 2005	July 20, 2006	January 30, 2008	January 29, 2010
Maximum grant of options by ESOP Committee / Board of Directors	240,000 Equity Shares of Face Value Rs. 10 each	311,750 Equity Shares of Face Value Rs.10 each	306,875 Equity Shares of Face Value Rs. 10 each	345,000 Equity Shares of Face Value Rs. 10 each
Adjustment for issue of Bonus shares, in the ration of 1 new equity share for every 4 existing shares held in the Company, made on August 4, 2007	24,798 Equity Shares	65,812 Equity Shares	-	-
Vesting period	Options to vest on a graded basis after a minimum exercise period of 1 year from September 16, 2005.	Options to vest on a graded basis after a minimum exercise period of 1 year from July 21, 2006.	Options to vest on a graded basis after a minimum exercise period of 1 year from January 31, 2008.	Options to vest on a graded basis after a minimum exercise period of 1 year from January 30, 2010.
Exercise Period	Three years from the date of vesting, on graded basis.	Three years from the date of vesting on graded basis	Three years from the date of vesting, on graded basis.	Three years from the date of vesting, on graded basis.

**“Q” NOTES TO THE ACCOUNTS (Contd.)**

Exercise Price (including Share Premium above Face Value Rs. 10 per share)	Rs. 163.64 per share (at the time of grant of options) Rs. 130.92 per share (after adjustment for Bonus issue)	Rs. 136.56 per share (at the time of grant of options) Rs. 109.25 per share (after adjustment for Bonus issue)	Rs. 92.92 per share	Rs. 99.92 per share
Options outstanding as on March 31, 2010	65,436 Equity Shares	102,050 Equity Shares	109,325 Equity Shares	341,000 Equity Shares
Method of Accounting and Intrinsic Value	The excess of Fair Value (Closing Market Price on National Stock Exchange as on September 14, 2005) of the underlying equity shares on the date of the grant of stock options over the exercise price of the options is amortised over the vesting period	The excess of Fair Value (Closing Market Price on National Stock Exchange as on July 19, 2006) of the underlying equity shares on the date of the grant of stock options over the exercise price of the options is amortised over the vesting period	The excess of Fair Value (Closing Market Price on National Stock Exchange as on January 29, 2008) of the underlying equity shares on the date of the grant of stock options over the exercise price of the options is amortised over the vesting period	The excess of Fair Value (Closing Market Price on National Stock Exchange as on January 28, 2010) of the underlying equity shares on the date of the grant of stock options over the exercise price of the options is amortised over the vesting period

The details of movement in ESOP plans are given below:

(No. of Equity Shares)

Particulars	ESOP Plan I	ESOP Plan II	ESOP Plan III	ESOP Plan IV
Options granted	264,798	377,562	306,875	345,000
	(264,798)	(377,562)	(306,875)	(-)
Less: Options Exercised	33,800	152,137	158,301	-
	(33,800)	(118,875)	(-)	(-)
Less: Options lapsed	165,562	123,375	39,249	4,000
	(132,000)	(116,250)	(26,250)	(-)
Options outstanding at the end of the year	65,436	102,050	109,325	341,000
	(98,988)	(142,437)	(280,625)	(-)

Figures in brackets represents previous year.



**“Q” NOTES TO THE ACCOUNTS (Contd.)**

5. Based on opinions obtained from lawyer and tax consultant, the Management has taken a view that provisions of Section 80-IA (4)(i) of the Income Tax Act, 1961, of India (“the Income Tax Act”) have been fulfilled and the Company is eligible for tax holiday under the Income Tax Act in respect of the Container Freight Station activities. Consequently, the income-tax liability for the year ended March 31, 2010 has been determined under “Minimum Alternate Taxation” (“MAT”) pursuant to Section 115JB of the Income Tax Act. Considering the balance term of Section 80-IA(4)(i) of the Income Tax Act and based on the assessment of future profitability, the Company has taken MAT credit of Rs. 228,334,734 during the current year, as MAT credit can be set-off against future tax liability. Accordingly, Rs. 228,334,734 is carried as “Loans and Advances” as at March 31, 2010.

**6. Segment Reporting**

**Primary Segment:**

In accordance with Accounting Standard 17 – “Segment Reporting” notified under sub-section (3C) of Section 211 of the Act, the Group has determined its business segment as follows:

- a) “Container Freight Station” segment includes common user facilities located at various locations in India, offering services for handling and temporary storage of import / export laden and empty containers and cargo carried under customs control. The segment includes Container Freight stations located near sea ports and Inland Container Depots located in the interiors of the country away from the ports.
- b) “Rail Transportation” segment includes transportation of import / export / Domestic laden and empty containers by rail under concession agreement with Indian Railways. The Company provides rakes to customers for transporting containers on the Indian Railways network.
- c) “Road Transportation” segment includes transport of laden and empty containers by trailers to various locations in India by roads. It also includes transport of chilled and frozen products by refrigerated trucks to various locations in India by roads.
- d) “Other Operating Segments” includes storage facilities at cold stores at various locations in India. Chilled and frozen products are stored under appropriate controlled temperature conditions on behalf of customers at the cold stores.

**“T” NOTES TO THE ACCOUNTS (Contd.)**

(Rs.)

Particulars	2009-2010				2008-2009				Total
	Container Freight Station	Rail Transportation	Road Transportation	Other Operating Segments	Container Freight Station	Rail Transportation	Road Transportation	Other Operating Segments	
<b>Revenues</b>									
External	2,280,886,957	2,309,119,445	463,642,333	209,514,078	2,527,742,049	1,381,357,412	468,382,250	175,954,129	4,553,435,840
Inter-Segment	9,430,059	-	-	-	5,631,726	-	-	-	5,631,726
<b>Total Revenues</b>	<b>2,271,456,898</b>	<b>2,309,119,445</b>	<b>463,642,333</b>	<b>209,514,078</b>	<b>2,522,110,323</b>	<b>1,381,357,412</b>	<b>468,382,250</b>	<b>175,954,129</b>	<b>4,547,804,114</b>
<b>Result</b>									
Segment result	945,052,710	(22,099,024)	(34,551,541)	47,674,471	1,223,213,230	(165,999,938)	52,040,963	36,320,259	1,145,574,514
Less: Unallocated expenditure net of unallocated income									82,723,075
Less: Interest expense									201,568,789
Add: Interest income									61,257,425
Add: Profit on sale of investments (Net)									11,076,416
<b>Profit before taxation</b>									<b>933,616,491</b>
<b>Segment Assets</b>	3,726,227,148	5,115,520,779	409,860,024	509,528,134	3,454,648,330	4,409,544,452	470,145,991	417,673,087	8,752,011,860
Unallocated Corporate Assets									1,006,576,944
<b>Total Assets</b>	<b>3,726,227,148</b>	<b>5,115,520,779</b>	<b>409,860,024</b>	<b>509,528,134</b>	<b>3,454,648,330</b>	<b>4,409,544,452</b>	<b>470,145,991</b>	<b>417,673,087</b>	<b>9,758,588,804</b>
<b>Segment Liabilities</b>	175,959,364	740,828,255	29,345,378	38,843,876	204,678,323	141,658,398	19,566,843	26,205,647	392,109,211
Unallocated Corporate Liabilities									3,136,692,989
<b>Total Liabilities</b>	<b>175,959,364</b>	<b>740,828,255</b>	<b>29,345,378</b>	<b>38,843,876</b>	<b>204,678,323</b>	<b>141,658,398</b>	<b>19,566,843</b>	<b>26,205,647</b>	<b>3,528,802,200</b>
<b>Capital Expenditure</b>	<b>158,688,160</b>	<b>763,670,857</b>	<b>1,911,401</b>	<b>96,501,712</b>	<b>229,275,975</b>	<b>1,445,459,060</b>	<b>105,769,366</b>	<b>68,807,928</b>	<b>1,849,312,329</b>
Unallocated Capital Expenditure									90,156,355
<b>Total Capital Expenditure</b>	<b>158,688,160</b>	<b>763,670,857</b>	<b>1,911,401</b>	<b>96,501,712</b>	<b>229,275,975</b>	<b>1,445,459,060</b>	<b>105,769,366</b>	<b>68,807,928</b>	<b>1,939,468,684</b>

Figures in bracket indicates loss.

**Secondary Segment:** There is no secondary reportable segment relating to the Group's business.



**“T” NOTES TO THE ACCOUNTS (Contd.)**

**7. Disclosure of Related Party transactions :**

Related Party Disclosures, as required by Accounting Standard 18, “Related Party Disclosures”, notified under sub-section (3C) of Section 211 of the Act are given below:

Key Management Personnel: Mr Prem Kishan Gupta, Deputy Chairman and Managing Director  
(Rs.)

Key Management Personnel	2009-2010	2008-2009
Commission to Mr. Prem Kishan Gupta, Deputy Chairman and Managing Director	2,000,000	2,500,000
Directors’ Sitting Fees	107,275	77,580

**8. Directors’ Remuneration:**

Particulars	2009-2010	2008-2009
Commission to Deputy Chairman and Managing Director	2,000,000	2,500,000
Commission to Non Whole- time Directors	7,000,000	9,900,000
Directors’ Sitting Fees	1,154,159	799,170
<b>Total</b>	<b>10,154,159</b>	<b>13,199,170</b>

9. The Company has entered into cancellable leasing arrangements for use of office premises. The Lease rental of Rs. 38,260,714 (Previous Year Rs. 30,781,650) has been included under the head ‘Operating and Other Expenses - Rent’ under Schedule “R” in the Profit and Loss Account.

The Company has various operating leases for office facilities, warehouses, container lease facilities and residential premises for employees that are renewable on a periodic basis and cancelable at its option, except for five lease agreements which are of non cancelable nature. Rental expenses for operating lease recognised in the Profit and Loss Account for the year is Rs. 24,807,676 (Previous Year: Rs. 24,442,790).

- a) Disclosures under Accounting Standard 19 in respect of non cancelable operating leases are as below:

	2009-2010 Rs.	2008-2009 Rs.
Total Future minimum lease payments under non cancellable operating lease	44,150,264	104,587,898
Not later than one year	9,253,314	20,520,779
Later than one year and not later than five years	18,357,650	60,349,880
Later than five years	16,539,300	23,717,239

**10. Computation of Earnings Per Share (Basic and Diluted) :**

The number of shares used in computing Basic Earnings per share (EPS) is the weighted average number of shares outstanding during the year. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS, and also the weighted average number of equity shares which would be issued on exercise of options under the Employees Stock Option Plan 2005.

**“T” NOTES TO THE ACCOUNTS (Contd.)**

Particulars	2009-2010 Rs.	2008-2009 Rs.
I. Profit Computation for both Basic and Diluted Earnings Per Share of Rs. 10 each		
Net Profit as per the Profit and Loss Account available for Equity Shareholders (in Rupees)	791,441,732	795,757,845
II. Weighted average number of Equity Shares for Earnings per Share computation		
For Basic Earnings Per Share	107,756,539	112,268,227
Add : Weighted average outstanding employee stock options deemed to be issued for no consideration	-	-
No. of Shares for Diluted Earnings Per Share	107,756,539	112,268,227
III. Earnings Per Shares in Rupees (Weighted Average)		
Basic	7.34	7.09
Diluted	7.34	7.09

11. The Company has been legally advised that necessary prior approval of the Central Government of India is not necessary under Section 297 of the Act with respect to providing “Handling Income” services to private limited companies where a Director of the Company is a Director.
12. Gateway Rail Freight Limited (GRFL), subsidiary of the Company had entered into an agreement with Container Corporation of India Limited to form a Joint Venture Company (JV), to operate the Company’s Inland Container Depot at Garhi Harsaru. Pending formation of the JV, the Company has transferred the operations including receivables and payables under an Operations and Management arrangement to GRFL with effect from April 1, 2007.
13. Subsequent to year end, the Company has transferred freehold/ leasehold land, building, rail siding, reachstackers and forklifts at Garhi Harsuaru, Gurgaon having a book value aggregating Rs. 714,338,988 to its subsidiary Company Gateway Rail Freight Limited (GRFL). GRFL will use these assets to develop and operate a rail linked Inland Container Depot at Garhi Harsaru, Gurgaon.

**14. Provision for Contingencies**

Particulars	Indirect Taxes (Refer note below)	Others (Refer note below)	Total (Rs.)
<b>Opening Balance</b>	<b>4,778,778</b>	<b>33,080,760</b>	<b>37,859,538</b>
Previous year	(-)	(16,809,197)	(16,809,197)
Add: Provision Made	7,192,042	1,537,300	8,729,342
Previous year	(4,778,778)	(16,271,263)	(21,050,041)
Less: Amounts Utilised	-	-	-
Previous year	(-)	(-)	(-)
Less: Provision Reversed	-	33,080,760	33,080,760
Previous year	(-)	(-)	(-)
<b>Closing Balance</b>	<b>11,970,820</b>	<b>1,537,300</b>	<b>13,508,120</b>
<b>Previous year</b>	<b>(4,778,778)</b>	<b>(33,080,460)</b>	<b>(37,859,238)</b>

**“T” NOTES TO THE ACCOUNTS (Contd.)**

**Note:**

Represents estimates made for probable liabilities arising out of pending assessment proceedings with various Government Authorities. The information usually required by Accounting Standard 29 – “Provisions, Contingent Liabilities and Contingent Assets”, notified under Section 211(3C) of the Act, is not disclosed on grounds that it can be expected to prejudice the interests of the Company.

The timing of the outflow with regard to the said matter depends on the exhaustion of remedies available to the Company under the law and hence, the Company is not able to reasonably ascertain the timing of the outflow.

15. The Subsidiary Company – Snowman Frozen Foods Limited had obtained Central Government approval dated March 31, 2009 under Section 269 of the Act for appointment of Manager of the Company for a period of three years w.e.f. May 27, 2008 at a remuneration of Rs. 387,750 per month. However, since the remuneration paid has been higher than the aforesaid limits, the Company had filed a revised application with Central Government dated May 28, 2009 seeking approval for the excess remuneration. The subsidiary Company’s application has been rejected vide letter dated April 15, 2010 and consequently the amount paid as excess remuneration of Rs. 3,444,535 (including Rs. 1,271,514 in relation to earlier year) is shown as recoverable from the Director/Manager and held in trust by him on behalf of the Company till such amount is refunded
16. The Subsidiary Company – Snowman Frozen Foods Limited had made a provision in the books of Rs. 6,385,641 in the previous year on account of stock discrepancies in consignment business, which has now been adjusted to the consignment party account in the current year. Further, the subsidiary company is in the process of completing its account reconciliation in all other aspects with this party, and in the opinion of the management, adjustments if any, arising out of such reconciliations will not be material.
17. The Subsidiary Company – Snowman Frozen Foods Limited had entered into a memorandum of understanding with ITC Limited and Thermo King India Private Limited to pool in their respective expertise and resources to operate a pilot project over a period of 18 months for a Fruits and Vegetables supply chain. The project got over in 2007-2008 and the Company has been making efforts to recover the outstanding balance of Rs. 3,927,698 representing expenditure incurred for the project, net of the share of loss to be borne by the Company as per agreement. Pending final settlement, the Company, on a prudent basis has made a provision of the net outstanding amount in its books.
18. With effect from April 1, 2009, the Company has changed its accounting policy for amortisation of Goodwill on consolidation. Goodwill on consolidation is not amortised but is tested for impairment at the end of each financial year. Till March 31, 2009, Goodwill on consolidation was amortised over a period of 10 years pro-rata on a monthly rest. Had the previous policy been followed, the amortisation expenses would have been higher and the Profit before tax would have been lower by Rs. 44,687,916 for the year ended March 31, 2010.

**19. Disclosure for AS-15 (Revised)**

The Group has adopted Accounting Standard 15 “Employee Benefits” with effect from April 1, 2007. Pursuant to adoption, the Group has classified various benefits provided to employees as under

**I. Defined Contribution Plans**

- a. Provident Fund
- b. State Defined Contribution Plan

-- Employers’ Contribution to Employee’s Pension Scheme 1995 and Labour Welfare Fund

During the year, the Group has recognised the following amounts in the Profit and Loss Account:

- Employers’ Contribution to Provident Fund \* Rs. 11,880,130 (Previous year: Rs. 10,983,270) [Includes EDLI charges and Employers’ Contribution to Employee’s Pension Scheme 1995]
- Contribution to Labour Welfare Fund \* Rs. 120 (Previous Year Rs. 1,560)

\* Included in Contribution to Provident and Other Funds (Refer Schedule “Q”)

**“T” NOTES TO THE ACCOUNTS (Contd.)**

**II. Defined Benefit Plan**

**Gratuity**

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

	(% per annum)	
	2009-2010	2008-2009
Discount Rate	7.75-8.50	7-8
Rate of increase in Compensation Levels	5-8	5-8
Rate of Return on Plan Assets	8	8

Particulars	2009-2010		2008-2009	
	Funded Rs.	Non- Funded Rs.	Funded Rs.	Non- Funded Rs.
<b>Change in the Present Value of Obligation</b>				
Present Value of Obligation at the beginning of the year	8,698,596	6,298,009	5,855,388	3,961,762
Interest Cost	736,723	534,525	520,679	354,480
Current Service Cost	1,840,460	1,767,803	1,817,640	1,694,994
Past Service Cost	-	-	-	-
Curtailment Cost/ (Credit)	-	-	-	-
Settlement Cost/ (Credit)	-	-	-	-
Benefits Paid	(682,286)	-	(353,556)	-
Actuarial (Gain)/ Loss on Obligations	(460,508)	(1,612,492)	858,445	286,773
Present Value of Obligation at the end of the year	<b>10,132,985</b>	<b>6,987,845</b>	<b>8,698,596</b>	<b>6,298,009</b>
<b>Change in Fair Value of Plan Assets</b>				
Fair Value of Plan Assets as at beginning of the year	4,768,375	-	3,629,630	-
Expected Return on Plan Assets	403,587	-	363,409	-
Actuarial Gain/ (Loss) on Plan Assets	351,206	-	(365,788)	-
Contributions	1,043,588	-	1,494,680	-
Benefits paid	(682,286)	-	(353,556)	-
Fair Value of Plan Assets as at end of the year	<b>5,884,470</b>	-	<b>4,768,375</b>	-



**“T” NOTES TO THE ACCOUNTS (Contd.)**

**Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at year end**

The Plan Assets are administered by Tata AIG Life Insurance Company Limited and Life Insurance Corporation as per Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority regulations.

**Reconciliation of Present Value of Defined Benefit**

Particulars	2009-2010		2008-2009	
	Funded Rs.	Non - Funded Rs.	Funded Rs.	Non- Funded Rs.
<b>Obligation and the Fair Value of Assets</b>				
Present Value of Funded Obligation as at				
end of the year	10,132,985	6,987,845	8,698,595	6,298,009
Fair Value of Plan Assets as at end of the year	5,884,470	-	4,768,375	-
Funded (Asset)/ Liability recognised in the				
Balance Sheet	(5,884,470)	-	(4,768,375)	-
Present Value of Unfunded Obligation as				
at end of the year	4,248,515	6,987,845	3,930,220	6,298,009
Unrecognised Past Service Cost	-	-	-	-
Unrecognised Actuarial (Gain)/ Loss	-	-	-	-
<b>Unfunded Net (Asset)/ Liability Recognised in Balance Sheet**</b>	<b>4,248,515</b>	<b>6,987,845</b>	<b>3,930,220</b>	<b>6,298,009</b>
** Included under Provisions “Gratuity” (Refer Schedule “M”)				
<b>Amount recognised in the Balance Sheet</b>				
Present Value of Obligation as at end of the year	10,132,985	6,987,845	8,698,595	6,298,009
Fair Value of Plan Assets as at end of the year	5,884,470	-	4,768,375	-
<b>(Asset)/ Liability recognised in the Balance Sheet***</b>	<b>4,248,515</b>	<b>6,987,845</b>	<b>3,930,220</b>	<b>6,298,009</b>
*** Included under Provisions “Gratuity” (Refer Schedule “M”)				
<b>Expenses Recognised in the Profit and Loss Account</b>				
Current Service Cost	1,840,460	1,767,803	1,817,640	1,694,994
Past Service Cost	-	-	-	-
Interest Cost	736,723	534,525	520,678	354,480
Expected Return on Plan Assets	(403,587)	-	(363,409)	-
Curtailment Cost/ (Credit)	-	-	-	-
Settlement Cost/ (Credit)	-	-	-	-



**“T” NOTES TO THE ACCOUNTS (Contd.)**

Particulars	2009-2010		2008-2009	
	Funded	Non - Funded	Funded	Non- Funded
	Rs.	Rs.	Rs.	Rs.
Net actuarial (Gain)/ Loss recognised in the year	(811,714)	(1,612,492)	1,224,233	286,773
<b>Total Expenses recognised in the Profit and Loss Account (excludes Rs. 44,407 payable to expired employee on March 31, 2010) ****</b>	<b>1,361,882</b>	<b>689,836</b>	<b>3,199,142</b>	<b>2,336,247</b>
<b>Expected Contribution for Next Year</b>	<b>2,921,382</b>	<b>-</b>	<b>1,887,619</b>	<b>-</b>

\*\*\*\* Included in Contribution to Provident and Other Funds (Refer Schedule “Q”)

Details of Present Value of Obligation, Plan Assets and Experience Adjustment:

	2009-2010 (Rs.)	2008-2009 (Rs.)	2007-2008 (Rs.)
Present value of obligation			
- Funded	7,481,668	8,698,595	5,855,388
- Unfunded	2,180,153	6,298,009	3,961,762
Fair value of plan assets	3,644,679	4,768,375	3,629,630
(Surplus)/Deficit	11,236,360	10,228,229	6,187,520
Experience Adjustments:			
(Gain)/ Loss on funded plan liabilities	(460,508)	858,445	(331,127)
Gain/ (Loss) on funded plan assets	351,206	(365,788)	158,296
(Gain)/ Loss on unfunded plan liabilities	(1,612,492)	286,773	137,849

**Other Employee Benefit Plan:**

The liability for leave encashment and compensated absences as at year end is Rs. 9,972,975 (Previous year: Rs. 8,807,238).

20. 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.

21. Previous year's figures have been rearranged to conform with current year's presentation, where applicable.

Signatures to Schedules “A” to “T” forming part of the Consolidated Financial Statements.

For and on behalf of the Board of Directors

**For Price Waterhouse**  
Firm Registration No. 301112E  
Chartered Accountants

**Uday Shah**  
Partner  
Membership No. F-46061

**Gopinath Pillai**  
Chairman

**Prem Kishan Gupta**  
Deputy Chairman and  
Managing Director

**R. Kumar**  
Deputy Chief Executive Officer and Chief Finance  
Officer cum Company Secretary

Place: Chennai  
Date: June 30, 2010

Place: Chennai  
Date: June 30, 2010

## INFORMATION RELATED TO SUBSIDIARY COMPANIES

[As per exemption letter dated 31 May 2010 from the Government of India, Ministry of Corporate Affairs, under Section 212(8) of the Companies Act, 1956]

S. No.	Particulars	Gateway East India Private Limited	Gateway Distriparks (South) Private Limited	Gateway Rail Freight Limited	Gateway Distriparks (Kerala) Limited	Snowman Frozen Foods Limited
1	Paid-up Share Capital	80,000,000	9,900,000	2,015,000,000	500,000	1,029,070,000
2	Share Application Money	5,481,722	-	1,300,417,713	192,561,700	-
3	Reserves & Surplus	52,520,548	332,798,532	-	-	90,666,504
4	Debit Balance in Profit and Loss Account	-	-	480,395,194	2,960,022	145,945,598
5	Miscellaneous Expenditure (to the extent not written off or adjusted)	-	-	4,747,251	72,567	-
6	Total Assets	147,982,743	377,766,081	5,623,338,610	190,126,153	1,027,892,834
7	Total Liabilities	9,980,473	35,067,549	2,793,063,342	97,042	54,101,928
8	Investments	-	-	-	-	-
9	Turnover	94,759,882	272,939,667	2,906,397,569	-	369,023,474
10	Profit before taxation (Profit / (Loss))	20,958,812	77,839,946	(133,773,533)	(1,051,735)	41,363,548
11	Provision for taxation (includes Income Tax, Deferred Tax (Net of Income Tax refunds & Minimum Alternate Tax Credit Entitlement)	(96,747)	26,758,687	(961,359)	(36,051)	-
12	Profit after taxation (Profit / (Loss))	20,862,065	104,598,633	(134,734,892)	(1,087,786)	41,363,548
13	Proposed Dividend	-	-	-	-	-

**For and on behalf of the Board of Directors**

**Gopinath Pillai**  
Chairman

**Prem Kishan Gupta**  
Deputy Chairman  
and Managing Director

**R. Kumar**  
Deputy Chief Executive  
Officer and Chief Finance Officer  
Cum Company Secretary

Place: Chennai  
Date : June 30, 2010





## NOTICE

NOTICE is hereby given that 16th Annual General Meeting of the Members of Gateway Distriparks Limited (**Company**) will be held on Monday, 20 September 2010 at Silver Jubilee Hall, Second floor, Navi Mumbai Sports Association, Near MGM Hospital, Sector IA, Vashi, Navi Mumbai - 400703 at 10.30 a.m. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at March 31, 2010 and Profit & Loss Account for the year ended on that date, the Reports of the Directors and Auditors thereon.
2. To declare a final dividend for the financial year ended March 31, 2010.
3. To re-appoint Mr. Gopinath Pillai, who retires by rotation in the Annual General Meeting and being eligible offers himself for re-appointment, as Director.
4. To re-appoint Mr. Shabbir Hassanbhai, who retires by rotation in the Annual General Meeting and being eligible offers himself for re-appointment, as Director.
5. To re-appoint Mr. Sat Pal Khattar, who retires by rotation in the Annual General Meeting and being eligible offers himself for re-appointment, as Director.
6. To re-appoint Auditors and in this connection, to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**RESOLVED THAT** the retiring auditors M/s. Price Waterhouse, Chartered Accountants, being eligible for reappointment, be and are hereby appointed to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, 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.

### SPECIAL BUSINESS

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution.

**RESOLVED THAT** pursuant to provisions of Section 81 (IA) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), the Foreign Exchange Management Act, 1999, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, Guidelines for Qualified Institutional Placement contained in Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 (**SEBI ICDR Regulations**), the notifications issued by the Reserve Bank of India (**RBI**), listing agreements entered into by the Company with the stock exchanges where the shares of the Company are listed, Articles of Association of the Company and other applicable laws, rules, regulations, notifications, circulars, schemes, guidelines, if any, of the Securities and Exchange Board of India (**SEBI**), **RBI**, stock exchanges where the shares of the Company are listed or any other concerned or relevant authority, and subject to all necessary approvals, consents, permissions and / or sanctions of the Government of India, **RBI**, **SEBI** and all other statutory, governmental and other authorities and departments as may be relevant (**Appropriate Authorities**), and subject to such terms, conditions, modifications and alterations as may be prescribed by any of the Appropriate Authorities while granting any such approval, consent, permission and/or sanction and agreed to by the Board of Directors of the Company (**Board**) (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers

conferred on the Board by this resolution), which the Board be and is hereby authorised to accept, the Company be and is hereby authorised to issue, offer and allot by way of rights issue, public issue or private placement to Qualified Institutional Buyers (**QIBs**) as defined in the SEBI ICDR Regulations or otherwise in Indian and/or International markets, equity shares of the Company (**Equity Shares**) and/or any instruments or securities including Global Depository Receipts and American Depository Receipts representing Equity Shares and/or convertible into Equity Shares (either at the option of the Company or holder thereof) including debentures or bonds or foreign currency convertible bonds (**FCCBs**) or warrants entitling the holder to apply for Equity Shares/instruments or securities representing Equity Shares (**Securities**) to be subscribed to in Indian and/or any foreign currency(ies) by resident or non-resident investors including foreign investors (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise) Foreign Institutional Investors (**FIIs**)/ QIBs/ Mutual Funds/ Pension Funds/Venture Capital Funds/Banks and such other persons or entities, whether or not such investors are members of the Company, to all or any of them, jointly or severally (**Investors**) through prospectus, offer document and/or other letter or circular (**Offer Document**) and/or on private placement basis, from time to time in one or more tranches as may be deemed appropriate by the Board for an aggregate amount (inclusive of such premium as may be determined by the Board) not exceeding Rs.250 crores (Rupees Two hundred Fifty crores) in aggregate, such issue and allotment to be made at such value or values, at par or at discount or at a premium to the market price prevailing at the time of the issue with or without voting rights at such interest or additional interest and in such form and manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with the lead manager(s) and/or underwriters and/or other advisors appointed by the Board in this respect.

**RESOLVED FURTHER THAT** as per the applicable provisions of SEBI (ICDR) Regulations, the Relevant Date for determining the price of the Equity Shares to be issued to QIBs shall be the date of the meeting in which the Board of Directors of the Company or the Committee of Directors duly authorised by the Board of Directors of the Company decides to open the proposed issue.

**RESOLVED FURTHER THAT** the Board or any person authorised by the Board be and is hereby authorised to enter into and execute all such agreements and arrangements with any lead manager(s), co-lead manager(s), manager(s), advisor(s), underwriter(s), depository(ies), custodian(s) and all such agencies as may be involved or concerned in such offerings of Equity Shares or Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and also to seek the listing of such Equity Shares or Securities in one or more Indian/ International Stock Exchanges.

**RESOLVED FURTHER THAT** the placement and other documents for the aforesaid issue be finalised, approved and signed by any two members of the Board and or any person authorised by the Board for and on behalf of the Company with authority to amend, vary or modify the same as may be considered desirable or expedient and for the purpose aforesaid to give such declarations, affidavits certificates, consents, authorities as may be required from time to time.

**RESOLVED FURTHER THAT** the Board may issue depository receipt(s) or certificate(s), representing the Equity Shares or Securities issued by the Company in registered or bearer form with such features and attributes as are prevalent in Indian and/or International capital markets for the instruments of this nature and to provide for the tradability or free transferability thereof, as per the Indian/International practices and regulations and under the norms and practices prevalent in the Indian/International markets.

**RESOLVED FURTHER THAT** the Company be and is hereby authorised to issue and allot such number of further Equity Shares as may be required to be issued and allotted pursuant

to this resolution and / or conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking pari-passu with the existing equity shares of the Company in all respects except provided otherwise under the terms of issue and in the offer document and subject to the provisions of the Memorandum and Articles of Association of the Company and the Equity Shares as aforesaid shall be in a dematerialised form.

**RESOLVED FURTHER THAT** subject to the existing law and regulations, such Equity Shares or Securities to be issued, that are not subscribed, may be disposed of by the Board to such person(s) and in such manner and on such terms as the Board may in its absolute discretion think most beneficial to the Company, including offering or placing them with resident or non-resident investors including foreign investor(s) (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise)/ Foreign Institutional Investors (FIIs)/ Qualified Institutional Buyers (QIBs)/ Mutual Funds/ Pension Funds/Venture Capital Funds/ Banks and/or Employees and Business Associates of the Company or such other person(s) or entity(ies) or otherwise, whether or not such investors are members of the Company, as the Board may in its absolute discretion decide.

**RESOLVED FURTHER THAT** in case of an issuance of FCCBs / ADRs / GDRs, the relevant date for the determination of the issue and conversion price of the Securities offered, shall be determined in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as may be amended from time to time.

**RESOLVED FURTHER THAT** in addition to all applicable Indian laws, the Securities issued in pursuance of this Resolution shall also be governed by all applicable laws and regulations of any jurisdiction outside India where they are listed or proposed to be listed or that may in any other manner apply to such Securities or provided in the terms of their issue.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolutions, the Board and / or any person authorised by the Board, be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for giving effect to this resolution, including without limitation the power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue(s)/ offer(s) or allotment(s) or otherwise and utilisation of the issue proceeds and or otherwise to alter or modify the terms of issue, if any, as it may in its absolute discretion deem fit and proper without being required to seek any further consent or approval of the Company to the end and intent that the Company shall be deemed to have given its approval thereto expressly by the authority of this resolution.

By order of the Board

**R. Kumar**

*Dy. CEO & Chief Finance Officer -cum- Company*

Secretary

Registered Office:  
Sector 6, Dronagiri,  
Tal: Uran, Dt: Raigad  
Navi Mumbai – 400 707

Place: Delhi  
Dated: 26 July 2010





## NOTES

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- b) Proxies in order to be effective, should be completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
- c) The Register of Members and Share Transfer Register of the Company will remain closed from Friday, 10 September 2010 to Monday, 20 September 2010, both days inclusive.
- d) Subject to the provisions of Section 206A of the Companies Act, 1956, dividend as declared at the meeting, will be payable on or after 11 October 2010 to those members whose names appear on the Register of Members as on 10 September 2010.
- e) Members holding shares in electronic form may please note that: (a) the dividend, when declared, will be credited to their respective Bank Accounts as furnished to the Depository Participants through the Electronic Clearing Service (ECS) where this facility is available; (b) in other cases, Bank details as furnished to the Depository Participants will be printed on the dividend warrants as per the applicable regulations. The Company shall not entertain any direct communications for deletion of / change of such Bank details. Further, it may be noted that instructions, if any, already given by the members in respect of the shares held in physical form will not be automatically applicable to the dividend paid on their holding in electronic form.
- f) Members who are holding shares in physical form are requested to notify the change in their respective addresses or bank details to the Company and always quote their folio numbers in all correspondence with the Company. In respect of holding in electronic form, members are requested to notify any change in addresses or bank details to their respective Depository Participants.
- g) Pursuant to Section 205C of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred, to the Investor Education and Protection Fund (the Fund) set up by the Government of India and no payments shall be made in respect of any such claims by the Fund. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Investor Service Department at the Company's registered office. Members are encouraged to utilize the ECS for receiving dividends.
- h) Members desirous of obtaining any information as regards Accounts are requested to write to the company at least one week before the meeting so that the information required will be made available at the meeting.
- i) Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business is annexed hereto.
- j) Members are requested to notify promptly any change in address to the Registrars at the following address:

**M/s. Link Intime India Pvt. Ltd.**

Unit : Gateway Distriparks Limited.  
C-13, Kantilal Maganlal Industrial Estate,  
Pannalal Silk Mill Compound,  
L.B.S Road, Bhandup (W), Mumbai - 400 078

## ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956.

### Item No. 7

The Company is proposing to expand its operations and has formulated development plans for itself and its subsidiaries. To meet the fund requirements for such growth and for general corporate purposes, the Company plans to raise an amount not exceeding Rs. 250 crores.

The Company is exploring several avenues for raising the funds and seeks the enabling approval of the shareholders for issue of equity shares of the Company (**Equity Shares**) and/or any instruments or securities including Global Depository Receipts and American Depository Receipts representing Equity Shares and/or convertible into Equity Shares (either at the option of the Company or holder thereof) including debentures or bonds or foreign currency convertible bonds or warrants entitling the holder to apply for Equity Shares/instruments or securities (**Securities**) to resident or non-resident investors including foreign investors (whether institutions and/or incorporated bodies and/or individuals and/or trusts and/or otherwise) Foreign Institutional Investors (FIIs)/ Qualified Institutional Buyers (QIBs)/ Mutual Funds/ Pension Funds/Venture Capital Funds/Banks and such other persons or entities, whether or not such investors are members of the Company (**Investors**) through qualified institutional placements or in any other manner in accordance with the applicable law.

#### (a) Objects of the Issue:

In order to augment the long term resources of the Company for meeting part of its fund requirements, for investing in expansion and development of its existing businesses including those of its subsidiaries, future acquisitions, capital expenditure, working capital requirements and for general corporate purposes, the Company proposes to issue Equity Shares or Securities.

#### (b) Pricing of the Issue:

In case of an issue of Equity Shares or Securities to Qualified Institutional Buyers pursuant to Chapter VIII of the SEBI ICDR Regulations, the issue price of Securities shall be at a price calculated in accordance with Chapter VIII of SEBI ICDR Regulations, as amended from time to time.

In case of issue of FCCBs/ADRs/GDRs, the issue price and conversion shall be at a price calculated in accordance with applicable laws including the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended from time to time.

#### (c) Terms and Conditions:

The terms and conditions for the proposed offer will be determined by the Board of Directors or Committee thereof, in consultation with the Advisors, Lead Managers, Underwriters and such other authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors.

The issue / allotment / conversion / listing would be subject to the availability of regulatory approvals, if any. The conversion of securities held by foreign investors, into shares would be subject to the applicable foreign investment limits prescribed by the Appropriate Authorities from time to time.

The equity shares, which would be allotted, shall rank pari passu with the then existing equity shares of the Company including dividend entitlement.

#### (d) Authority to the Board of Directors:

The Special Resolution also seeks to empower the Board to take all actions and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient for the purpose of giving effect to the resolutions and matters concerning thereto,

connected therewith and incidental thereto and to resolve and settle all questions and difficulties that may arise in the proposed issue / offer, allotment and conversion of any of the aforesaid Equity Shares or Securities, utilization of the issue proceeds, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, which will include the following.

- a) to appoint or modify the terms of appointment or terminate the appointment and enter into and execute all such arrangements / agreements / contracts, with any lead manager(s) / underwriter(s) / global coordinator(s) / book runner(s) / merchant banker(s) / stabilising agent(s) / guarantor(s) / depository(ies) / listing agent(s) / trustees / legal counsel / custodian(s) / principal paying agent(s) / paying agent(s)/ conversion agent(s) / transfer agent(s) / process agent(s) / advisor(s) / registrar(s) / banker(s) and all such agencies or entities, within and outside India, as may be involved or concerned in such issue / offering of the Equity Shares or Securities and to remunerate all such agencies or entities involved in cash or in other permissible form including by way of payment of commission, brokerage, fees, expenses and reimbursement of their actual expenses incurred in relation to the issue/offering/listing of Equity Shares or Securities and other expenses, if any or the like, subject to applicable laws and regulations;
- b) to approve the issue price, the number of Equity Shares or Securities to be offered, issued and allotted, the basis of allocation and allotment of Equity Shares or Securities or Equity Shares to be allotted, if any, on conversion of Securities;
- c) to finalize and approve the offer documents and filing of the same with any authority or persons as may be required;
- d) to execute and deliver all contracts, agreements and all other documents, deeds, and instruments as may be required or desirable in connection with the issue of Equity Shares or Securities or equity shares to be allotted on conversion of Securities by the Company;
- e) in consultation with the Lead Managers, Underwriters, Advisors and/or other persons as appointed by the Company, to determine the form, terms and timing of the issue(s)/offering(s) including the investors to whom the Equity Shares or Securities are to be allotted, issue price, face value, number of equity shares or other securities upon conversion or redemption or cancellation of the Securities, the price, premium or discount on issue/conversion of Securities, rate of interest, period of conversion, listing on one or more Stock Exchanges in India and/ or abroad and fixing of record date or book closure and related or incidental matters, as the Board in its absolute discretion deem fit and accept any modifications in the proposal as may be required by the authorities in such issues in India and/or abroad;
- f) to issue receipts/certificates or other requisite documents representing the underlying Securities issued/to be issued by the Company with such features and attributes as are prevalent in India/ International capital markets, for instruments of this nature and provide for the free tradability or transferability thereof as per laws, rules, regulations and guidelines under the forms and practices prevalent in the Indian/International markets;
- g) to open bank accounts and demat accounts as may be required for the transaction;
- h) to make applications for listing of the Equity Shares or Securities (including the resultant equity shares to be issued as per the terms of issue of the said Securities) on any Indian and/or Foreign Stock Exchanges and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s);
- i) to do all such acts, deeds, matters and things and execute all such other documents including making applications and seeking approvals that may be necessary from Government of India, Reserve Bank of India, Foreign Investment and Promotion Board, SEBI, Stock Exchanges and any other regulatory authority or from any other person as may be necessary and pay all such fees, as it may, in its absolute discretion, deem necessary or desirable for this purpose;

- j) to make such applications to the relevant authorities and necessary regulatory filings in connection with the issue;
- k) to affix the Common Seal of the Company on any agreement(s)/documents as may be required to be executed in connection with the above, in terms of Articles of Association of the Company; and
- l) to authorize or delegate all or any of the powers herein above conferred to one or more persons, as it deems fit.

The consent of the Members is being sought pursuant to the provisions of Section 81(IA) and other applicable provisions of the Companies Act, 1956 and in terms of the provisions of the Listing Agreement executed by the Company with Stock Exchanges where the equity shares of the Company are listed. Since the resolution involves issue of Equity Shares or Securities to persons who may or may not be the existing members, special resolution in terms of Section 81(IA) is proposed for your approval.

The special resolution, if passed, will have the effect of permitting the Board to issue and allot Equity Shares or Securities to the investors who may or may not be the existing members of the Company and the Board will have power to decide the date of opening of the issue and other related matters.

The Board believes that capital raising options would further strengthen the financial position of the Company and is in the interest of the Company and therefore recommends the resolution for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the resolution except to the extent of any allotment undertaken to any entity in which they may be deemed to be concerned or interested as a member, director or in any other capacity.

**ADDITIONAL INFORMATION ABOUT DIRECTORS RECOMMENDED FOR APPOINTMENT OR SEEKING REAPPOINTMENT AT THE ANNUAL GENERAL MEETING.**

Pursuant to the provisions of Section 256 of the Companies Act, 1956, Mr. Gopinath Pillai, Mr. Shabbir Hassanbhai and Mr. Sat Pal Khattar, Directors of the Company, retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment.

**1) Mr. Gopinath Pillai**

**Profile and Expertise in specific functional areas**

Aged 73 years, Mr. Gopinath Pillai is non-executive Chairman of the Company. He has extensive experience in areas of finance, industry and trading. He currently serves as the Non-resident Ambassador of Singapore to Iran. He is also Chairman of the Institute of South Asian Studies established by Singapore Government.

**Companies in which Mr. Gopinath Pillai holds directorship and committee membership**

NAME OF THE COMPANIES	NATURE OF INTEREST
Gateway Distriparks Limited	Chairman (Member-Audit and Investors Relations Committees)
Gateway Rail Freight Limited	Director
Gateway Distriparks (Kerala) Limited	Director
Snowman Frozen Foods Limited	Director

**Shareholding in the company**

Mr. Gopinath Pillai holds 741,000 equity shares in the Company.

**2) Mr. Shabbir Hassanbhai**

**Profile and Expertise in specific functional areas**

Aged 64 years, Mr. Shabbir Hassanbhai is a member of Association of Certified & Corporate Accountants, UK. He has a business experience of more than 37 years in international trade. He has been a past

President of the Singapore Indian Chamber of Commerce & Industry, Treasurer of the Singapore Indian Development Association. He has worked at senior level positions and was the Managing Director with Veneer Products Limited, Oregon, USA.

**Companies in which Mr. Shabbir Hassanbhai holds directorship and committee membership**

NAME OF THE COMPANIES	NATURE OF INTEREST
Gateway Distriparks Limited	Director (Member-Audit and Investors Relations Committees)
Gateway Rail Freight Limited	Director
Snowman Frozen Foods Limited	Director

**Shareholding in the company**

Mr. Shabbir Hassanbhai holds 415,000 equity shares in the company.

**3) Mr. Sat Pal Khattar**

**Profile and Expertise in specific functional areas**

Mr. Sat Pal Khattar, aged 68 years, is a lawyer by profession. He is a Consultant in the Firm of Khattar Wong & Partners, which has one of the largest legal practice in Singapore. He is a member of the Presidential Council of Minority Rights and a Trustee of the Singapore Business Federation. He is also a life trustee of SINDA, a non profit body set up to foster and help the less fortunate members of the Indian community in Singapore. Mr Khattar is a Director of a number of public and private companies in Singapore, Hong Kong and United Kingdom. His investments in India include real estate, commercial development, IT and IT education.

**Companies in which Mr. Sat Pal Khattar holds directorship and committee membership**

NAME OF THE COMPANIES	NATURE OF INTEREST
Gateway Distriparks Limited	Director
Gateway Rail Freight Limited	Director
Devbhoomi Awas Limited	Director
Edutech Informatics India Ltd.	Director
India Infoline Limited	Director (Member – Audit Committee)
Mahindra Sona Limited	Director
Prasha Technologies Limited	Director
Purearth Infrastructure Limited (formerly known as DCM Estates & Infrastructure Ltd.	Director
Strategic Image Management Limited	Director

**Shareholding in the company**

Mr. Sat Pal Khattar holds 3,300,000 equity shares in the company.



# GATEWAY DISTRI PARKS LIMITED

Regd. Office : Sector 6, Dronagiri, Tal: Uran, Dt: Raigad, Navi Mumbai – 400 707



## ANNUAL GENERAL MEETING PROXY FORM

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member(s) of the above named Company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him \_\_\_\_\_ as my/our proxy and to vote for me/us on my/our behalf at the **16th ANNUAL GENERAL MEETING** of the Company at Silver Jubilee Hall, Second floor, Navi Mumbai Sports Association, Near MGM Hospital, Sector IA, Vashi, Navi Mumbai - 400703 to be held on Monday, September 20, 2010 at 10.30 a.m. or at any adjournment thereof.

Signed this \_\_\_\_\_ day of September, 2010

Ledger Folio No. \_\_\_\_\_

DP ID \* \_\_\_\_\_

Client ID \* \_\_\_\_\_

No. of shares held \_\_\_\_\_

Please affix  
Re.0.15  
revenue stamp

(Signature of the Member)

\* Applicable for the members holding shares in electronic form.

**NOTE:** This form duly completed and signed should be deposited at the Registered Office of the Company not less than 48 hours before the meeting.

-----TEAR HERE-----



# GATEWAY DISTRI PARKS LIMITED

Regd. Office : Sector 6, Dronagiri, Tal: Uran, Dt: Raigad, Navi Mumbai – 400 707

## ATTENDANCE SLIP

### TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Full name of the Member attending (IN BLOCK LETTERS) : \_\_\_\_\_

Full Name of the Proxy (IN BLOCK LETTERS) : \_\_\_\_\_

(To be filled in if Proxy attends instead of the Member)

I hereby record my presence at the **16th ANNUAL GENERAL MEETING** of the Company at Silver Jubilee Hall, Second floor, Navi Mumbai Sports Association, Near MGM Hospital, Sector IA, Vashi, Navi Mumbai - 400703 being held on Monday, September 20, 2010 at 10.30 a.m.

Ledger Folio No. \_\_\_\_\_

DP ID \* \_\_\_\_\_

Client ID \* \_\_\_\_\_

No. of shares held \_\_\_\_\_

Member's/Proxy's Signature

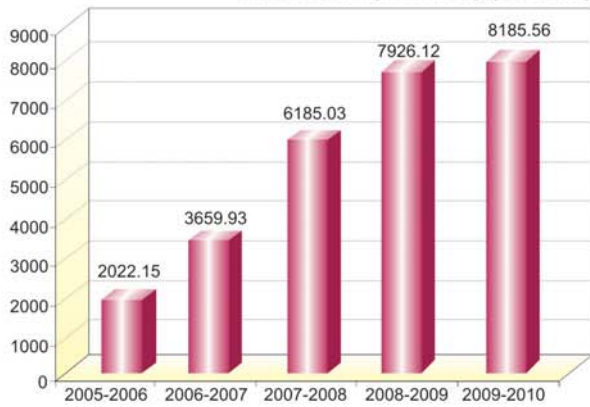
(To be signed at the time of handing over this slip)

\* Applicable for the members holding shares in electronic form.

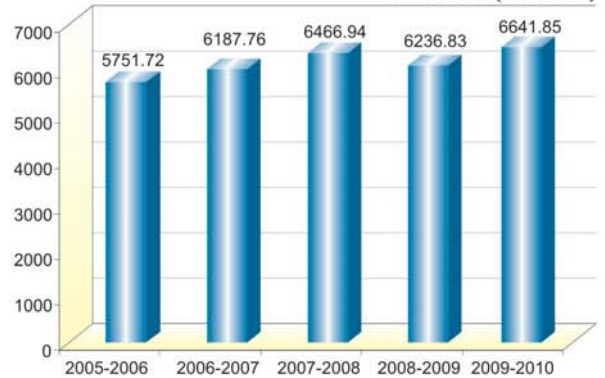
**NOTE:** Members are requested to bring their copies of the Annual report and a proof of identification, to the meeting.

# CONSOLIDATED RESULTS AT A GLANCE

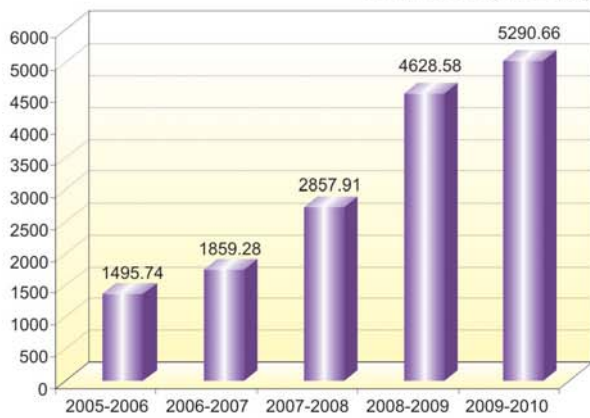
**Fixed Assets (Net Block) (Rs. in mn)**



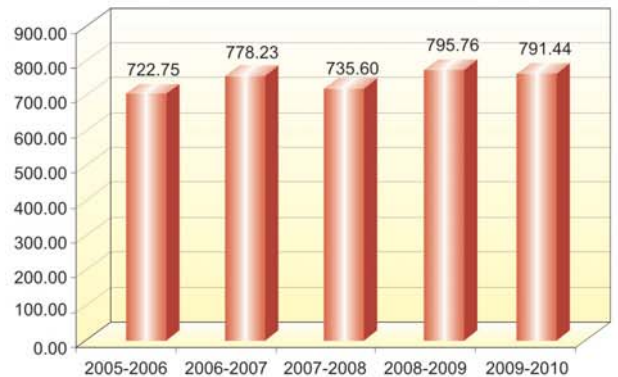
**Networth (Rs. in mn)**



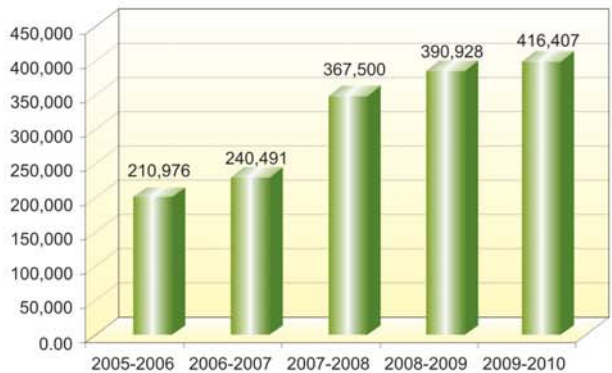
**Total Income (Rs. in mn)**



**PAT (Rs. in mn)**



**TEUs No.**







**Gateway Distriparks Ltd.**  
Sector 6, Dronagiri, Taluka Uran, District Raigad, Navi Mumbai- 400 707.