



Navkar Corporation Ltd
Container Freight Stations & Rail Terminals



ANNUAL REPORT
2014-15



BOARD OF DIRECTORS

Mr. Shantilal J Mehta
Chairman and Managing Director

Mr. Jayesh Nemichand Mehta
Whole-time Director

Capt. Dinesh Gautama
Executive Director

Ms. Sudha Gupta
Non-Executive Independent Director

Mr. Rameshchandra Meghraj Purohit
Non-Executive Independent Director

Mr. Lalit Menghnani
Non-Executive Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Nemichand Jayavantraj Mehta
Chief Executive Officer

Mr. Anish Sewaram Maheshwari
Chief Financial Officer

Ms. Ekta Chuglani
Company Secretary

COMMITTEES OF THE BOARD

Audit Committee

Ms. Sudha Gupta - Chairperson
Mr. Rameshchandra Purohit - Member
Mr. Jayesh N Mehta - Member

Nomination & Remuneration Committee

Mr. Lalit Menghnani - Chairman
Mr. Rameshchandra Purohit - Member
Ms. Sudha Gupta - Member

Corporate Social Responsibility Committee

Ms. Sudha Gupta - Chairperson
Mr. Shantilal J Mehta - Member
Mr. Jayesh N Mehta - Member

Stakeholders Relationship Committee

Mr. Rameshchandra Purohit - Chairman
Mr. Shantilal J Mehta - Member
Mr. Lalit Menghnani - Member

AUDITORS

S. K. Patodia & Associates
Chartered Accountants

REGISTERED OFFICE

205-206, J. K. Chambers,
Sector-17, Vashi,
Navi Mumbai -400703,
Maharashtra, India
e-mail: cs@navkarcfs.com
website: www.navkarcfs.com

CORPORATE OFFICE

Survey No. 89/93/95/97,
Somathane Village,
Kon-Savla Rd., Taluka-Panvel,
Dist. Raigad,
Maharashtra – 410 206, India
e-mail: admin@navkarcfs.com

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited
C 13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai – 400078.
Tel.: 022-6171 5400
e-mail: ncl.ipo@linkintime.co.in

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NOTICE

Notice is hereby given that the Seventh Annual General Meeting (the Meeting) of the members of Navkar Corporation Limited (the Company) will be held on Saturday, December 12, 2015 at 11 a.m. at Hotel The Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai – 400 703, to transact the following businesses:

ORDINARY BUSINESS:

- To receive, consider and adopt:
 - the audited financial statements of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon; and
 - the audited consolidated financial statements of the Company for the financial year ended March 31, 2015 and the report of the Auditors thereon.
- To appoint a Director in place of Mr. Jayesh Nemichand Mehta (DIN: 00510313), who retires by rotation and being eligible offers himself for re-appointment.
- To appoint the Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the appointment of M/s. S. K. Patodia & Associates, Chartered Accountants, Mumbai (Firm Registration No. 112723W), as Statutory Auditors of the Company, approved in the Sixth Annual General Meeting held on 11th September, 2014 (hereinafter referred as said AGM) from the conclusion of the said AGM till the conclusion of Eleventh Annual General Meeting to be held in the year 2019, be and is hereby ratified and that they shall be paid such remuneration for the audit of the accounts for the financial year 2015-16 as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

- To appoint Capt. Dinesh Gautama (DIN 02384688) as a Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED that Capt. Dinesh Gautama (DIN 02384688) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 8th December, 2014 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts and take all such steps as

may be necessary, proper and expedient to give effect to this resolution.”

By Order of the Board

Navi Mumbai
November 02, 2015

Ekta Chuglani
Company Secretary

Registered Office:

205-206, J. K. Chambers,
Sector 17, Vashi,
Navi Mumbai – 400 703, India
CIN: U63000MH2008PLC187146
E-mail: cs@navkarcfs.com

Notes:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. A Member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other Member. **The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting.**
- The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means.** Instructions and other information relating to e-voting are given in Note No.13.
- Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- In terms of Section 152 of the Act, read with the provisions of the Articles of Association of the Company, Mr. Jayesh Nemichand Mehta (DIN: 00510313), Whole-time Director, retires by rotation at the Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company commends his re-appointment. Brief resume of Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the annexure to this Notice forming part of the Annual Report.



5. A Statement pursuant to Section 102(1) of the Act, relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
9. The Register of Members and Share Transfer Books of the Company shall remain close from Monday, December 07, 2015 to Saturday, December 12, 2015 (both days inclusive) for the purpose of Annual General Meeting.
10. **Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
11. The shares of the Company are under compulsory Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.
12. The members can attend the Meeting on December 12, 2015, at 11:00 a.m., in person or through proxy to vote on the resolutions set forth in the notice, if they are not able to exercise their votes through e-voting. The Scrutinizer shall submit the report for both physical and e-voting to the Chairman which shall be published on the website of the Company within 48 hours.
13. **Voting through electronic means:**

Pursuant to Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means (e-voting) in respect of the resolutions contained in this Notice.

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Saturday, 5th December 2015 (cut-off date) are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may also exercise their right to vote by electronic means.

The e-voting period will commence at 9.00 a.m. on Tuesday, December 08, 2015 and will end at 5.00 p.m. on Friday, December 11, 2015. The Company has appointed Mr. Hemant Shetye, Partner of M/s HS & Associates, Practicing Company Secretary, Mumbai, to act as the Scrutinizer for conducting the scrutiny of the votes cast.

The Company is providing e-voting facility to its members

to enable them to cast their votes electronically. The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting for AGM. Members are requested to carefully read the instructions for e-voting before casting their vote.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on December 08, 2015 at 9:00 a.m. and ends on December 11, 2015 at 5:00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of December 05, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) |
| Dividend Bank Details or Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.



Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Navkar Corporation Limited.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
- (xviii) If a Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) **In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or contact Mr. Wenceslaus Futado, Deputy Manager on Toll Free Telephone No. 18002005533 or write an email to helpdesk.evoting@cdslindia.com.**

14. Updated Information:

The Company made an initial public offering (“IPO”) of its equity shares of face value of ₹ 10 each in September 2015. Pursuant to the IPO, the Equity Shares were listed on Bombay Stock Exchange and National Stock Exchange on September 9, 2015. With a view to provide the members post listing information, the relevant information has been provided in the annexure to this Notice, included after the Directors’ Report.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Capt. Dinesh Gautama was appointed by the Board of Directors as an Additional Director of the Company with effect from December 08, 2014 and in terms of Section 161 of the Companies Act, 2013 (“Act”) holds office upto the date of this Annual General Meeting.

Capt. Dinesh Gautama is an Additional Executive Director of the Company. Prior to joining the Company, he sailed on the vessels of Shipping Corporation of India. His current responsibilities in the Company include making strategies towards the growth and expansion of the CFSS.

The Company has received a notice in writing from a Member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Capt. Dinesh Gautama for the office of Director of the Company.

The Board is of the opinion that the appointment of Capt. Dinesh Gautama would be in the best interest of the Company. The Board accordingly recommends the resolution at Item No. 4 of the Notice for approval by the members.

None of the Directors/Key Managerial Personnel of the Company other than Capt. Dinesh Gautama is concerned or interested in the resolution at Item No. 4 of the Notice.

By Order of the Board

Navi Mumbai
November 02, 2015

Ekta Chuglani
Company Secretary

Registered Office:
205-206, J. K. Chambers,
Sector 17, Vashi,
Navi Mumbai – 400 703, India
CIN: U63000MH2008PLC187146
E-mail: cs@navkarcfs.com



DIRECTORS' REPORT

To,
The Members of
Navkar Corporation Limited

Your Directors are pleased to present the Seventh Annual Report of the Company together with the audited financial statements of your Company for the financial year ended March 31, 2015.

1. Financial Highlights (Standalone) (in ₹)

| Particulars | For the Year Ended March 31, 2015 | For the Year Ended March 31, 2014 |
|-------------------------|-----------------------------------|-----------------------------------|
| Revenue from Operations | 3,287,542,893 | 3,493,500,801 |
| Other Income | 32,607,216 | 208,361,074 |
| Total Revenue | 3,320,150,109 | 3,701,861,875 |
| Less: Expenses | 2,506,378,515 | 2,710,465,657 |
| Profit Before Tax | 813,771,594 | 991,396,218 |
| Less: Tax Expenses | 117,087,716 | 85,891,816 |
| Profit After Tax | 696,683,878 | 905,504,402 |

2. Operations/State of the Company's Affairs

During the financial year 2014-15, your Company performed creditably in a challenging macroeconomic environment. During the year, the cargo handling services volumes increased from 244,128 TEUs for the financial year 2013-14 to 268,836 TEUs for the financial year 2014-15.

The total revenue of the Company decreased by 10.3% from ₹ 370.19 crore for the financial year 2013-14 to ₹ 332.02 crore for the financial year 2014-15, primarily due to a decrease in revenue from operations and due to a decrease in other income.

The revenue from operations decreased by 5.9% from ₹ 349.35 crore for the financial year 2013-14 to ₹ 328.76 crore for the financial year 2014-15, primarily since the Company discontinued business of the sale of agro products with effect from April 1, 2014, which accounted for ₹ 60.51 crore of revenue from operations for the financial year 2013-14. The decrease in the revenue from operations was partially offset by an increase of 11.2% in revenues from the cargo handling services to ₹ 236.99 crore for the financial year 2014-15 from ₹ 213.16 crore for the financial year 2013-14 and an increase of 19.7% in the revenues from the cargo storage services to ₹ 86.00 crore for the financial year 2014-15 from ₹ 71.83 crore for the financial year 2013-14.

Other income decreased by 84.4% from ₹ 20.84 crore for the financial year 2013-14 to ₹ 3.26 crore for the financial year 2014-15, primarily due to a decrease in foreign exchange gains from ₹ 16.98 crore for the financial year 2013-14 to Nil for the financial year 2014-15. This decrease was primarily due to foreign exchange fluctuations.

3. Dividend and Reserves

In order to conserve the resources, your Directors do not recommend any dividend for the year ended March 31,

2015. The details of reserves and surplus are provided in note no. 4 of the notes to the financial statements.

4. Share Capital

During the year under review, the authorized share capital of the Company was increased from ₹ 25.91 crore to ₹ 160 crore.

Further the Company has issued bonus shares to the existing equity shareholders of the Company in proportion of Five (5) equity shares for every One (1) equity share held and the paid up share capital of the Company was increased from ₹ 20.58 crore to ₹ 112 crore on March 3, 2015.

5. Subsidiary Company

During the year under review, the Company has one subsidiary, namely Navkar Terminals Limited.

Navkar Terminals Limited is in the process of developing an ICD adjacent to the proposed logistics park of the Company at Umergaon, Valsad district (near Vapi), Gujarat.

6. Consolidated Financial Statements

Pursuant to Section 129 of the Companies Act, 2013, and Accounting Standard AS 21, the Company has prepared consolidated accounts with that of its subsidiary, which also form part of this Annual Report.

7. Public Deposits

During the year under review, your Company has not accepted any deposits from the public within the ambit of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

8. Particulars of Loans, Guarantees or Investment by the Company

Details of Loans made, Guarantees given and Investments made by the Company as covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes (note no.14,15 and 37) to the Financial Statements.

9. Particulars of contracts or Arrangements with related parties.

Details of contracts or arrangements entered into with the related parties as per the provisions of Section 188 of the Companies Act, 2013 are disclosed in form No. AOC – 2 annexed with the Board Report as Annexure - 1.

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

There are no material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report like settlement of tax liabilities, operation of patent rights, depression in market value of investments, institution of cases by or against the company, sale or purchase of capital assets or destruction of any assets etc.



11. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

There has been no significant and material orders that has been passed by the Regulators or Courts or Tribunals that has impacted the Going Concern Status and Company's Operations in future.

12. Statutory Auditors

The Statutory Auditors, M/s S.K. Patodia & Associates, Chartered Accountants (Firm Registration No.: 112723W), Mumbai, who retire at the ensuing Annual General Meeting of the Company are eligible for re-appointment. They have confirmed their eligibility under section 141 of the Companies Act, 2013 and the Rules framed thereunder for re-appointment as Auditors of the Company.

13. Auditors' Report

The report of the Auditor's on the accounts of the Company does not contain any observations/remarks or qualifications and the same does not calls for any clarifications or explanations to be given in the Directors' Report.

14. Secretarial Audit Report

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s HS Associates, Practicing Company Secretaries, Mumbai, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "Annexure-2".

With reference to the observations of the Secretarial Auditor, the Company has appointed Company Secretary and Internal Auditor during the year. The observation of the Secretarial Auditor on related party guarantee is self explanatory. Hence for brevity no repetition is made here.

15. Corporate Governance Report

A report on corporate governance together with the Secretarial Auditor's Certificate on compliance with the conditions of corporate governance, forms the part of this Annual Report.

16. Extract of annual return

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure-3".

17. Directors and Key Managerial Personnel

Capt. Dinesh Gautama was appointed as an additional Director of the Company with effect from December 08, 2014 and Mrs. Shailaja N Mehta has resigned from the Directorship with effect from December 08, 2014.

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

Mr. Nemichand J Mehta ceased to be the Managing Director of the Company with effect from September 04,

2014 and was appointed as the Chief Executive Officer of the Company with effect from the same date.

The Board of Directors had designated Mr. Shantilal J Mehta as Chairman and Managing Director of the Company with effect from September 12, 2014 for further period of 3 years and re-appointed Mr. Jayesh N Mehta as Whole-time Director of the Company for further period of 3 years with effect from September 12, 2014.

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Jayesh N Mehta retires by rotation and being eligible for re-appointment, offers his candidature for the same.

Ms. Ekta Chuglani was appointed Company Secretary of the Company with effect from September 12, 2014.

Mr. Jayesh Kritikant Kothari was appointed as Chief Financial Officer (CFO) of the Company with effect from September 25, 2014 and during the year he resigned from the post of CFO with effect from February 06, 2015. Mr. Anish Sewaram Maheshwari was appointed as a CFO with effect from the same date.

18. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration, Corporate Social Responsibility Committee and Stakeholders' Grievance Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

19. Board Meeting

During the year 37 meetings were convened and held. The details of the same are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

20. Audit Committee

During the year Audit Committee was re-constituted on October 01, 2014. As on March 31, 2015 the Committee comprised the following :

Ms. Sudha Gupta - Chairperson

Mr. Rameshchandra Meghraj Purohit - Member

Mr. Jayesh Nemichand Mehta - Member

21. Establishment of Vigil Mechanism / whistle blower policy

As per the provisions of Section 177 of the Companies Act, 2013, your Company has adopted the Vigil Mechanism/ Whistle Blower Policy to provide appropriate avenues to the employees to bring to the attention of the management any issues which is perceived to be in violation of or in conflict with the fundamental business principals of the Company. The employees are free to report to the management concerns about unethical behavior, actual or suspected



fraud or violation of the codes of conduct or corporate governance policy or any improper activity to the Audit Committee of the Company or Chairman of the Company.

The Whistle Blower Policy has been appropriately communicated within the Company. The policy empowers the Chairman of the Audit Committee/Chairman of the Company to investigate any protected disclosure including matters concerning financials/accounting, etc. received from the employees under this policy.

22. Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee formulated the criteria for determining qualifications, positive attributes and independence of a director and also criteria for determining the remuneration of Directors, Key Managerial Personnels and other Employees.

23. Corporate Social Responsibility Committee

During the year Corporate Social Responsibility Committee was constituted on October 01, 2014. As on March 31, 2015 the Committee comprised the following :

Ms. Sudha Gupta - Chairperson

Mr. Shantilal J Mehta - Member

Mr. Jayesh Nemichand Mehta - Member

24. Corporate Social Responsibility

Corporate Social Responsibility (CSR) activities of the Company are guided by its CSR Policy, which is framed and approved by the Board of Directors of the Company. The Company undertakes its CSR activities through Navkar Charitable Trust. Some of the objects of the Navkar Charitable Trust include eradication of hunger, maintenance of homes for aged and orphans, promoting healthcare and animal welfare. The Company contributes to the corpus of Navkar Charitable Trust towards the above activities.

The statutory disclosure with respect to CSR activities forms part of this Annual Report and is annexed herewith as Annexure-4.

25. Risk Management Policy

As per the requirement of Section 134(3)(n) of the Companies Act, 2013, every company is required to include a statement indicating development and implementation of a risk management policy for the Company including identification therein of the elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

Accordingly, your Company has formulated a Risk Management Policy that outlines the framework and procedures to assess and mitigate the impact of risks.

Senior professionals, who are conversant with risk management systems and procedures have been entrusted with the risk management of the Company in accordance with the formulated policy.

26. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Conservation of Energy:

Your Company continuously strives to conserve energy, adopt environment friendly practices and employ technology for more efficient operations. Adequate measures have been implemented to conserve energy.

Technology Absorption:

The Company sincerely believes in utilizing technology to improve productivity, efficiency and quality of its business operations and working environment. There is major capital expenditure incurred for development of softwares and networking setup for CFS Operations.

Foreign Exchange Earnings and Outgo (Value in ₹)

| | |
|-----------------------------|------------|
| Foreign Exchange Earnings : | NIL |
| Foreign Exchange Outgo : | 12,579,502 |

27. Particulars of Employees

There were no employees in receipt of remuneration as specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

28. Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors state that:

- in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards had been followed and there are no material departures from the same;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;
- the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



29. Awards and Recognitions

In August 2014, your Company received 'Container Freight Station of the Year' award at the Gateway Awards, 2014.

In September 2014, your Company received 'Container Freight Station Operator of the Year (Specific)' for Nhava Sheva by the 5th All India Maritime and Logistics Awards, 2014.

In February 2015, your Company received the ICC Supply Chain Excellence Award 2015 in the category of 'CFS Management' from the Indian Chamber of Commerce.

30. Acknowledgement

Your Directors gratefully acknowledge all stakeholders of the Company viz. customers, dealers, vendors, banks and others. The Directors place on record their sincere appreciation to all the employees of the Company for their unstinted commitment and continued contribution to the Company.

On behalf of the Board of Directors

Shantilal J Mehta
Chairman and Managing Director
DIN: 00134162

Date : June 17, 2015

Place : Mumbai



ANNEXURE REFERRED IN NOTES TO THE NOTICE

BRIEF RESUMES OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE SEVENTH ANNUAL GENERAL MEETING OF THE COMPANY IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT

Mr. Jayesh Nemichand Mehta

Mr. Jayesh Nemichand Mehta, aged 28 years, is a Whole time Director of our Company. He holds a bachelor's degree in commerce from University of Mumbai. He has over nine years of experience in the field of management of CFS operations. He has been on the Board since the incorporation of the Company and is currently responsible for monitoring performance and maintenance work on CFS in addition to considering the long-term financial viability of projects and new ventures.

Mr. Jayesh Nemichand Mehta is also a Director on the Board of Navkar Terminals Limited, Sidhartha Corporation Private Limited and Bhagavati Commission Agents Private Limited.

Mr. Jayesh Nemichand Mehta holds 30,000 Equity Shares of the Company in his name and he is relative of Mr. Shantilal J Mehta, Chairman and Managing Director and Mr. Nemichand Mehta, Chief Executive Officer of the Company, who are promoters of the Company.

Capt. Dinesh Gautama

Capt. Dinesh Gautama, aged 61 years, is an Additional Executive Director of the Company. He holds a bachelor's degree in law from Siddharth College of Law, University of Mumbai, a master's degree in science in ecology and environment from Sikkim Manipal University of Health, Medical and Technological Sciences, a master's degree in arts in sociology from Annamalai University, a master's degree in legal theory and international law from University of Mumbai, a master's degree in arts from University of Mumbai, an M.Phil in English from Alagappa University, Tamil Nadu and a diploma in educational management from Center for Social Welfare Development, Chennai. He is a fellow of Shri Narottam Morarjee Institute of Shipping, the Institute of Insurance Surveyors and Adjusters and the Bombay Insurance Institute. He has over 20 years of experience in the maritime industry. He is a member of the Indian Adult Education Association, the Institute of Rail Transport, India, the Insurance Institute of India, the Institution of Marine Technologists, Indian Society for Training and Development, the Indian Council of Arbitration, the Bar Council of Maharashtra and Goa, the All India Management Association, the Company of Master Mariners of India and the Chartered Institute of Transport, London. Prior to joining the Company, he sailed on the vessels of Shipping Corporation of India. His current responsibilities in the Company include making strategies towards the growth and expansion of the CFSs. He was awarded a certificate of merit by the Indian Meteorological Department.

Capt. Dinesh Gautama is a Director on the Board of Navkar Terminals Limited and Meadows Shipping Private Limited.

Capt. Dinesh Gautama does not hold any shares in the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Forward-looking Statement

Forward-looking statements are identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realised. The Company's actual results, performance or achievements could thus differ from those projected in any forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

OVERVIEW:

The Indian Container Industry

Container freight stations ("CFSs") and inland container depots ("ICDs") offer a wide range of services including customs clearance, handling and the temporary storage of import or export laden and empty containers. A CFS is located near the gateway port (off-dock facility located near service ports) whereas an ICD (also known as a dry port) is located in the hinterland. In the financial year 2014, the size of the CFS and ICD industry in India was approximately ₹ 45 billion. The CFS segment accounted for approximately ₹ 30 billion and the ICD segment accounted for approximately ₹ 15 billion.

Growth of the CFS and ICD industry primarily depends on container traffic and global economic conditions. Over the last two years, container traffic growth has been modest, growing at a CAGR of 3%. Growth in the market size of the CFS and ICD industry has been slow for the same period. Of the total container traffic, approximately 45% is handled by CFSs, 28% by ICDs and the rest directly at ports.

Over the medium term, the CFS and ICD industry is expected to grow at a CAGR between 9% to 11% in value terms to reach a market size of ₹ 59 billion by the financial year 2017.

Domestic Freight Transportation

Freight transportation involves conveying different goods via road, rail, water, air or through pipelines. In India, the bulk of freight is transported by road. The road freight transport segment is also deregulated and highly fragmented with small operators owning a 77.0% share. High fragmentation in the industry adds to competition, offering customers better bargaining power.

In the financial year 2016, primary freight traffic (in billion tonne kilo metres terms or "BTKM") is expected to grow at 7.0% to 8.0% year on year as compared to the estimated growth rate of 6.0% for the financial year 2015 due to increased growth in industrial and agricultural GDP. Industrial GDP is expected to grow from 5.9% in the financial year 2015 to 6.2% in the financial year 2016, due to improved industrial activity, implementation



of infrastructure projects, recovery in mining activities and a rise in export demand. Additionally, the strong growth in roads, railways, urban infrastructure and irrigation projects that are being implemented is expected to result in a 10% to 12% growth in infrastructure project implementation in the financial year 2016.

In the financial year 2016, road freight in BTKM terms is expected to grow between 7% to 9% over the previous financial year due to improvements in primary freight availability and greater demand for road traffic as a result of capacity constraints in railways. Between the financial years 2014 to 2019, road freight traffic is expected to grow at a CAGR between 8% to 9% i.e. from 1,500 BTKM in the financial year 2014 to approximately 2,200 BTKM in the financial year 2019. In the financial year 2016, rail freight is expected to grow by 5% to 7% due to an expected increase in bulk traffic.

The Indian Cold Chain Industry

The cold storage industry plays an important role in reducing the waste of perishable commodities, such as fruits and vegetables. Revenues for the temperature controlled warehouse segment for the financial year 2015 is estimated to be between ₹ 185.00 billion and ₹ 190.00 billion.

Between the financial years 2015 and 2018, growth in the cold chain industry is expected to be maintained at a CAGR between 14% and 16%. By the financial year 2018, domestic cold chain industry revenues are expected to reach between ₹ 315.00 billion and ₹ 320.00 billion.

Business Performance, Opportunities and Outlook

The Company has three CFSs, Ajivali CFS I and Ajivali CFS II at Ajivali and Somathane CFS at Somathane, with an aggregate installed handling capacity of 310,000 TEUs per annum. The Company has a private railway freight terminal ("PFT") which allows the Company to load and unload cargo from container trains operating between Somathane CFS and the JN Port and to transport domestic cargo to and from inland destinations on the Indian rail network. The company own and operate trailers for the transportation of cargo between its CFSs and the JN Port by road.

The Company can handle cargo at controlled temperatures at its temperature controlled chamber and through its Reefer plug points at its CFSs. The Company is also certified to handle hazardous cargo at its Ajivali CFS II and its Somathane CFS. The Company provides cargo storage facilities at its CFSs which include a buffer yard and warehouses for the storage of cargo. The Company also offers services such as packing, labelling/ bar-coding, palletizing, fumigation and other related activities at its warehouses. The Company's warehouses are spread over an aggregate area of 500,000 sq. ft., which includes a bonded warehouse of 60,782 sq. ft. and an area of 118,000 sq. ft. designated for the consolidation of less than container load ("LCL") containers. The CFSs also have a customs facility for the examination and clearing of cargo and the Somathane CFS has a unit for the inspection and approval of agricultural cargo set up by the plant and quarantine authorities of the Ministry of Agriculture, Government of India. The Company also provides services for the repair and maintenance of containers and the storage of empty containers at its CFSs.

The proposed fully-integrated logistics park at Umergaon, Valsad district (near Vapi), Gujarat to provide a variety of warehousing and value added services; and proposed ICD adjacent to the logistics park through Navkar Terminal Limited, subsidiary of the Company, shall facilitate the Company to offer its services at its logistics park and ICD as a one-stop solution for importers and exporters.

The total consolidated revenue of the Company decreased by 10.6% from ₹ 370.19 crore for the financial year 2013-14 to ₹ 330.91 crore for the financial year 2014-15, primarily due to a decrease in revenue from operations and due to a decrease in other income.

The consolidated revenue from operations decreased by 5.9% from ₹ 349.35 crore for the financial year 2013-14 to ₹ 328.76 crore for the financial year 2014-15, primarily since the Company discontinued business of the sale of agro products with effect from April 1, 2014, which accounted for ₹ 60.51 crore of revenue from operations for the financial year 2013-14. The decrease in the revenue from operations was partially offset by an increase of 11.2% in revenues from the cargo handling services to ₹ 236.99 crore for the financial year 2014-15 from ₹ 213.16 crore for the financial year 2013-14 and an increase of 19.7% in the revenues from the cargo storage services to ₹ 86.00 crore for the financial year 2014-15 from ₹ 71.83 crore for the financial year 2013-14. The increase in the income from the cargo handling services was primarily attributable to an increase in the volumes from 244,128 TEUs for the financial year 2013-14 to 268,836 TEUs for the financial year 2014-15, an increase in tariffs charged to customers for certain types of cargo and services and favourable market conditions during the financial year 2014-15. The increase in revenue from the cargo storage services was primarily due to an increase in the volumes of cargo and containers stored, which related to an increase in the volumes and the requirement for more storage, as more businesses utilised railways as a *mode of transportation*.

Consolidated Other income decreased by 89.7% from ₹ 20.84 crore for the financial year 2013-14 to ₹ 2.15 crore for the financial year 2014-15, primarily due to a decrease in foreign exchange gains from ₹ 16.98 crore for the financial year 2013-14 to Nil for the financial year 2014-15. This decrease was primarily due to foreign exchange fluctuations.

With India poised for a faster economic growth in coming years, the logistics industry is expected to perform better in future. The Company is also well placed for more robust and positive growth in coming years.

SHARE CAPITAL AND LISTING OF SHARES

The Company made an initial public offering ("IPO") of its equity shares of face value of ₹ 10 each (the "Equity Shares") in September 2015. Pursuant to the IPO, the Equity Shares were listed on BSE Limited and The National Stock Exchange of India Limited on September 9, 2015. The Company successfully offered and sold 38,709,676 Equity Shares (Fresh Issue of 32,903,225 and Offer for Sale 5,806,451 Equity Shares) in the IPO and raised ₹ 600 crore.



REDUCTION TO THE ESTIMATED DEPLOYMENT OF FUNDS TOWARDS THE OBJECTS OF THE IPO

The Company made an initial public offering ("IPO") of its equity shares of face value of ₹ 10 each (the "Equity Shares") in September 2015. Pursuant to the IPO, the Equity Shares were listed on BSE Limited and The National Stock Exchange of India Limited on September 9, 2015. The Company successfully offered and sold 38,709,676 Equity Shares (Fresh Issue of 32,903,225 and Offer for Sale 5,806,451 Equity Shares) in the IPO and raised ₹ 600 crore. The Board of Directors thanks all investors for their participation in the IPO. The Company intend to utilise the net proceeds of the issue for (i) funding expenditure towards capacity enhancement through technology upgrade at the Somathane CFS; (ii) development of the non-notified areas of the Ajivali CFS I, Ajivali CFS II and Somathane CFS, and (iii) establishment of a logistics park with warehouse facility and value added services at Vapi.

The fund requirements and deployment of the proceeds of the IPO as set out in the Prospectus were based on internal management estimates and in accordance with the Technical Reports prepared by Frischmann Prabhu (India) Private Limited, an independent engineering and project management consultancy firm, along with quotations received from suppliers/vendors.

In view of subsequent movement in prices of machineries and raw materials, the Company obtained fresh quotations for purchase of the RTGC machine, plant and machinery, and raw materials for land development, cementing and concreting and other construction works, resulting in reductions to the estimated deployment of funds towards the objects of the IPO (the "Statement of Revisions"). There are no variations in the Objects, as all activities included in the Objects shall be carried out as set out in the Prospectus and the excess funds shall be utilized in accordance with the disclosures in the Prospectus.

The Audit Committee of the Company in its meeting held on November 2, 2015 reviewed the Statement of Revisions and approved and recommended the Statement of Revisions to the Board of Directors of the Company for its approval. The Board of Directors approved the Statement of Revisions at its meeting held on November 2, 2015 and is pleased to inform that it estimates savings to the tune of ₹ 87.27 crore, subject to any further revisions in prices in the future. The Company intends to utilize the available excess funds on account of the aforementioned revisions for repayment of its existing loans, which will reduce the interest costs of the Company. The Company intends to utilize such interest costs saved for further investment in business growth and expansion opportunities

STATEMENT OF UTILIZATION OF IPO PROCEEDS

The Details of utilization of IPO proceeds as on September 30, 2015 are as under:

| Particulars | Amount (₹ In Lacs) |
|---|--------------------|
| Issue Proceeds | 51,000.00 |
| Less: Issue Expenses paid upto September 30, 2015 | 2,486.56 |
| Net Proceeds from IPO | 48,513.44 |
| Amount Utilised (Advances to Suppliers) | 633.16 |
| Funds to be Utilised (remain invested in bank current account and deposits) | 47,880.28 |

The amount pending utilization is kept in Fixed Deposits with Banks and Public Issue Bank Account as under:

| Particulars | Amount (₹ In Lacs) |
|---------------------------|--------------------|
| Fixed Deposits with Banks | 46,300.00 |
| Current Account | 301.74 |
| Public Issue Bank Account | 1,278.54 |

SHAREHOLDING PATTERN AS ON SEPTEMBER 30, 2015 (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

| Category of Shareholders | No. of Shares | % |
|--|---------------------|---------------|
| Promoters | 10,38,98,347 | 72.86 |
| Mutual Funds | 2,17,48,222 | 15.25 |
| Foreign Institutional Investors | 81,39,050 | 5.71 |
| Foreign Portfolio Investor (Corporate) | 6,45,162 | 0.45 |
| Bodies Corporate | 21,29,231 | 1.49 |
| Non-Resident Individuals | 13,673 | 0.01 |
| Resident Individuals | 51,23,627 | 3.59 |
| Hindu Undivided Family | 3,73,946 | 0.26 |
| Clearing Member | 5,36,765 | 0.38 |
| TOTAL | 14,26,08,023 | 100.00 |

SHARE PRICE DATA

| Month | High | | Low | | Close | |
|----------------|--------|--------|--------|--------|--------|--------|
| | BSE | NSE | BSE | NSE | BSE | NSE |
| October 2015 | 167.00 | 167.40 | 151.20 | 151.05 | 162.80 | 163.30 |
| September 2015 | 171.00 | 171.80 | 152.00 | 152.00 | 158.70 | 158.55 |

SHAREHOLDERS DATA AS ON SEPTEMBER 30, 2015

| Category | No. of Shareholders | % of Total Shareholders | No. of Shares | % of Total Shares |
|--------------|---------------------|-------------------------|---------------------|-------------------|
| Physical | 0 | 0.00 | 0 | 0.00 |
| Demat | 51526 | 100 | 14,26,08,023 | 100.00 |
| Total | 51526 | 100.00 | 14,26,08,023 | 100.00 |

DISTRIBUTION OF SHAREHOLDING (As on September 30, 2015)

| Shareholding of Nominal Value of ₹ | Number of shareholders | Percentage of Total | Share Amount ₹ | Percentage of Total |
|------------------------------------|------------------------|---------------------|----------------------|---------------------|
| 1 - 5000 | 51144 | 99.25 | 48143230.00 | 3.37 |
| 5001 - 10000 | 123 | 0.24 | 980210.00 | 0.06 |
| 10001 - 20000 | 87 | 0.17 | 1291770.00 | 0.09 |
| 20001 - 30000 | 32 | 0.06 | 799290.00 | 0.06 |
| 30001 - 40000 | 11 | 0.02 | 383030.00 | 0.03 |
| 40001 - 50000 | 15 | 0.03 | 695760.00 | 0.05 |
| 50001 - 100000 | 27 | 0.06 | 1955050.00 | 0.14 |
| 100001 & above | 87 | 0.17 | 1371831890.00 | 96.20 |
| Total | 51526 | 100.00 | 1426080230.00 | 100.00 |



Form No. AOC-2

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

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

Details of contracts or arrangements or transactions not at arm's length basis

| S. No. | Particulars | Details |
|--------|---|------------|
| 1. | Name(s) of the related party and nature of relationship | NIL |
| 2. | Nature of contracts/arrangements/transactions | |
| 3. | Duration of the contracts / arrangements / transactions | |
| 4. | Salient terms of the contracts or arrangements or transactions including the value, if any | |
| 5. | Justification for entering into such contracts or arrangements or transactions | |
| 6. | Date(s) of approval by the Board | |
| 7. | Amount paid as advances, if any | |
| 8. | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | |

Details of material contracts or arrangement or transactions at arm's length basis

| Sr. No. | Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date of approval by the Board | Amount paid as advances, if any (₹) |
|---------|---|---|---|--|-------------------------------|-------------------------------------|
| 1. | Harvard Global Logistics Limited (Enterprise on which key management personnel or their relative have significant influence) | Sale of Service | One year | At market price | 10/07/2014 31/03/2015 | 15,50,813 |
| 2. | Sidhartha Corporation Pvt Ltd (Enterprise on which key management personnel or their relative have significant influence) | Sale of Service | One year | At market price | 10/07/2014 31/03/2015 | 1,36,48,294 |

On behalf of the Board of Directors

Shantilal J Mehta
Chairman and Managing Director
DIN: 00134162

Date : June 17, 2015

Place : Mumbai



Secretarial Audit Report

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015.

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

To,
The Members,
Navkar Corporation Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Navkar Corporation Limited** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Navkar Corporation Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit year covering the financial year ended on 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Navkar Corporation Limited** ("**The Company**"), for the year ended on 31st March, 2015 according to the applicable provisions, if any, of:

- I. The Companies Act, 1956 and the Companies Act, 2013 (**the Act**) and the Rules made there under, as applicable;
- II. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") were applicable during the period:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; -
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client and

- V. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for Compliances under other applicable Act, Laws and Regulations to the Company as given in Annexure – A.

We have also examined compliance with the Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited. During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

We report that, since the Secretarial Standard-1 "Meeting of Board of Directors" and Secretarial Standard-2 "General Meetings" are effective from 1st July, 2015, compliance are not required for the year ended 31st March, 2015 as per notification dated 23rd April, 2015 issued by the Institute of Company Secretaries of India.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- Company has appointed Company Secretary w.e.f. 12.09.2014.
- There was no Internal Auditor during the period 22.01.2015 to 30.03.2015.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has: Reconstituted the Board and other committee in pursuance of provisions of the Act and Listing Agreement.

Complied with provision of the Act for Increase in authorised share capital.



Complied with the provision of the Act for Issue of Bonus shares.

Complied with the provision of change of Statutory Auditors.

Complied with the provisions of the Act and Listing Agreement for appointment of Merchant Bankers, Registrar and Transfer Agent and other intermediaries for proposed Initial Public Offer.

Complied with the provisions of corporate governance in pursuant to listing agreement.

Approval of Draft Red Herring Prospectus.

Authorised Board of Directors of the Company to create charge on the properties of the Company, in compliance of provision of section 180(1)(a) of the Act.

Authorised Board of Directors of the Company to borrow exceeding the sum of paid up share capital and reserve of the Company, in compliance of section 180(1)(c) of the Act.

Authorised Board of Directors of the Company to give loan, give guarantee or provide security exceeding the specified limited under section 186 of the Companies Act, 2013.

Adopted new set of Articles and Memorandum of Association of the Company.

The Corporate Guarantee given to Sidhartha Corporation Private Limited on 18th March, 2011, has been renewed during the F.Y. ended on 31st March, 2015.

For HS Associates
Company Secretaries

Mr. Hemant S. Shetye
Partner
FCS No.: 2827

Date : June 17, 2015

Place : Mumbai

4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For HS Associates
Company Secretaries

Mr. Hemant S. Shetye
Partner
FCS No.: 2827

Date : June 17, 2015

Place : Mumbai

Annexure –A

To,

The Members,

Navkar Corporation Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness appropriateness of financial records and books of accounts of the Company.



Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | |
|---|---|
| CIN | U63000MH2008PLC187146 |
| Registration Date | 29/09/2008 |
| Name of the Company | Navkar Corporation Limited |
| Category / Sub-Category of the Company | Company limited by shares Indian Non Government Company |
| Address of the Registered office and contact details | 205-206, J K Chambers, Sector 17, Vashi, Navi Mumbai – 400703 E-mail: cs@navkarcs.com |
| Whether listed company | Yes |
| Name, Address and Contact details of Registrar and Transfer Agent, if any | Link Intime India Private Limited, C 13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078. E-mail: ncl.ipo@linkintime.co.in Contact Person: Mr. Sachin Achar |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1 | Container Freight Stations | 521 and 522 | 98.25 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable section |
|---------|---------------------------------|-----------------------|--------------------------------|--------------------|--------------------|
| 1 | Navkar Terminals Limited | U74999MH2010PLC207578 | Subsidiary | 100% Equity Shares | 2(87)(ii) |

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

| Category of shareholders | Number of shares held at the beginning of the year as at 01.04.2014 | | | | Number of shares held at the end of the year as at 31.03.2015 | | | | % change during the year |
|-------------------------------|---|------------------|-------------------|-------------------|---|----------|--------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| A. Promoter | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a. Individual/HUF | 13,050,000 | 3,885,000 | 16,935,000 | 92.62 | 101,610,000 | - | 101,610,000 | 92.62 | - |
| b. Central govt./ State govt. | - | - | - | - | - | - | - | - | - |
| c. Bodies corporate | - | 1,349,133 | 1,349,133 | 7.38 | 8,094,798 | - | 8,094,798 | 7.38 | |
| d. Banks/Fl | - | - | - | - | - | - | - | - | - |
| e. Any other.... | - | - | - | - | - | - | - | - | - |
| Sub-total (A)(1) | 13,050,000 | 5,234,133 | 18,284,133 | 100.00 | 109,704,798 | - | 109,704,798 | 100.00 | |



| Category of shareholders | Number of shares held at the beginning of the year as at 01.04.2014 | | | | Number of shares held at the end of the year as at 31.03.2015 | | | | % change during the year |
|---|---|-----------|------------|-------------------|---|----------|-------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of total shares | Demat | Physical | Total | % of total shares | |
| (2) Foreign | | | | | | | | | |
| a. NRI-Individuals | - | - | - | - | - | - | - | - | - |
| b. Other Individuals | - | - | - | - | - | - | - | - | - |
| c. Bodies corporate | - | - | - | - | - | - | - | - | - |
| d. Banks/FI | - | - | - | - | - | - | - | - | - |
| e. Any other | - | - | - | - | - | - | - | - | - |
| Sub-total (A)(2) | - | - | - | - | - | - | - | - | - |
| Total Shareholding of Promoter (A) = (A) (1)+(A)(2) | 13,050,000 | 5,234,133 | 18,284,133 | 100.00 | 109,704,798 | - | 109,704,798 | 100.00 | - |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a. Mutual Funds | - | - | - | - | - | - | - | - | - |
| b. Banks/FI | - | - | - | - | - | - | - | - | - |
| c. Central Govt. | - | - | - | - | - | - | - | - | - |
| d. State Govt. | - | - | - | - | - | - | - | - | - |
| e. Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f. Insurance Companies | - | - | - | - | - | - | - | - | - |
| g. FIs | - | - | - | - | - | - | - | - | - |
| h. Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i. Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total(B)(1) | - | - | - | - | - | - | - | - | - |
| 2. Non-institutions | | | | | | | | | |
| a. Bodies Corporate | | | | | | | | | |
| i. Indian | | | | | | | | | |
| ii. Overseas | - | - | - | - | - | - | - | - | - |
| b. Individuals | - | - | - | - | - | - | - | - | - |
| i. Individual Shareholders holding nominal share capital upto ₹ 1 lakh | - | - | - | - | - | - | - | - | - |
| ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh | - | - | - | - | - | - | - | - | - |
| iii. Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(2) | - | - | - | - | - | - | - | - | - |
| Total Public Shareholding (B) = (B) (1)+(B)(2) | - | - | - | - | - | - | - | - | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 13,050,000 | 5,234,133 | 18,284,133 | 100.00 | 109,704,798 | - | 109,704,798 | 100.00 | - |



ii) Shareholding of Promoters

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year as at 01.04.2014 | | | Shareholding at the end of the year as at 31.03.2015 | | | % change in share holding during the year |
|---------|---------------------------------------|--|----------------------------------|--|--|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Mr. Shantilal J Mehta | 8,050,000 | 44.02 | NIL | 48,300,000 | 44.02 | NIL | NIL |
| 2 | Mr. Nemichand J Mehta | 5,150,000 | 28.17 | NIL | 30,900,000 | 28.17 | NIL | NIL |
| 3 | Mr. Jayesh N Mehta | 5,000 | 0.03 | NIL | 30,000 | 0.03 | NIL | NIL |
| 4 | Mrs. Shailaja N Mehta | 3,350,000 | 18.32 | NIL | 20,100,000 | 18.32 | NIL | NIL |
| 5 | Mr. Kunthukumar S Mehta | 350,000 | 1.91 | NIL | 2,100,000 | 1.91 | NIL | NIL |
| 6 | Mrs. Sairabai J Mehta | 20,000 | 0.11 | NIL | 120,000 | 0.11 | NIL | NIL |
| 7 | Mrs. Kamlabai S Mehta | 5,000 | 0.03 | NIL | 30,000 | 0.03 | NIL | NIL |
| 8 | Mrs. Seema K Mehta | 5,000 | 0.03 | NIL | 30,000 | 0.03 | NIL | NIL |
| 9 | Sidhartha Corporation Private Limited | 1,349,133 | 7.38 | NIL | 8,094,798 | 7.38 | NIL | NIL |
| | Total | 18,284,133 | 100 | NIL | 109,704,798 | 100 | NIL | NIL |

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

| Sl. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|--|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | There is change in the number of Shares held by promoters as mentioned in table Sr. No. ii) above. This change is by virtue of issue of bonus shares on March 3, 2015. | | | |
| | Date wise increase/decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc. | | | | |
| | At the end of the year | | | | |

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

| Sl. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | NIL | | | |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | | | | |
| | At the End of the year (or on the date of separation, if separated during the year) | | | | |



v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | For Each of the Directors and KMP | Shareholding at the beginning of the year as at 01.04.2014 | | Cumulative Shareholding during the year | | Shareholding at the end of the year as at 31.03.2015 | |
|---------|---------------------------------------|--|----------------------------------|---|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total Shares of the company | No. of shares | % of total shares of the company |
| | Shantilal J Mehta – Managing Director | 8,050,000 | 44.02 | 40,250,000 | 44.02 | 48,300,000 | 44.02 |
| | Jayesh Mehta – Whole-time Director | 5,000 | 0.03 | 25,000 | 0.03 | 30,000 | 0.03 |
| | Nemichand J Mehta - CEO | 5,150,000 | 28.17 | 25,750,000 | 28.17 | 30,900,000 | 28.17 |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (in ₹)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|----------------------|----------|----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 3,246,828,587 | 1,119,027,118 | - | 4,365,855,705 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 12,900,209 | - | - | 12,900,209 |
| Total (i+ii+iii) | 3,259,728,796 | 1,119,027,118 | - | 4,378,755,914 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | 781,288,669 | - | - | 781,288,669 |
| • Reduction | - | -65,440,525 | - | -65,440,525 |
| Net Change | 781,288,669 | -65,440,525 | - | 715,848,144 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 4,032,095,870 | 1,053,586,593 | - | 5,085,682,463 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 8,921,595 | - | - | 8,921,595 |
| Total (i+ii+iii) | 4,041,017,465 | 1,053,586,593 | - | 5,094,604,058 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | Total Amount |
|---------|---|---|------------------|------------------|-------------------|
| | | Shantilal J Mehta | Jayesh N Mehta | Dinesh Gautama* | |
| 1. | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 6,500,000 | 5,500,000 | 2,000,000 | 14,000,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | NIL | NIL | NIL | NIL |
| | (c) Profits in lieu of salary under Sec. 17(3) Income- tax Act, 1961 | NIL | NIL | NIL | NIL |
| 2. | Stock Option | NIL | NIL | NIL | NIL |
| 3. | Sweat Equity | NIL | NIL | NIL | NIL |
| 4. | Commission | | | | |
| | - as % of profit | NIL | NIL | NIL | NIL |
| | - others, specify... | NIL | NIL | NIL | NIL |
| 5. | Others, please specify | NIL | NIL | NIL | NIL |
| | Total (A) | 6,500,000 | 5,500,000 | 2,000,000 | 14,000,000 |
| | Ceiling as per the Act | In terms of the provisions of the Companies Act, 2013, the remuneration payable to Managing Director and Whole-time Director in aggregate shall not exceed 10% of the net profit of the Company. The remuneration paid to MD and WTD is well within the said limit. | | | |

* Joined w.e.f. December 8, 2014



B. Remuneration to other directors:

| Sl. No. | Particulars of Remuneration | Name of Directors | | | Total Amount |
|---------|---|---|----------------|-----------------------|----------------|
| | | Lalit Menghnani | Sudha Gupta | Rameshchandra Purohit | |
| 1. | Independent Directors | | | | |
| | • Fee for attending board/ committee meetings | 80,000 | 225,000 | 260,000 | 565,000 |
| | • Commission | NIL | NIL | NIL | |
| | • Others, please specify | NIL | NIL | NIL | |
| | Total (1) | 80,000 | 225,000 | 260,000 | 565,000 |
| 2. | Other Non-Executive Directors | NIL | | | |
| | • Fee for attending board committee meetings | | | | |
| | • Commission | | | | |
| | • Others, please specify | | | | |
| | Total (2) | NIL | | | |
| | Total (B)=(1+2) | 80,000 | 225,000 | 260,000 | 565,000 |
| | Total Managerial Remuneration | 80,000 | 225,000 | 260,000 | 565,000 |
| | Overall Ceiling as per the Act | In terms of the provisions of the Companies Act, 2013, the remuneration payable to Directors other than Executive Directors shall not exceed 1% of the net profit of the Company. The remuneration paid to the Directors is well within the said limit. | | | |

C. Remuneration to Key Managerial Personnel other than Manager/Whole-time Director :

(in ₹)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | | Total |
|---------|---|--------------------------|------------------|--------------------|-------------------|------------------|
| | | CEO | CFO | | Company Secretary | |
| | | Nemichand J Mehta | Jayesh Kothari* | Anish Maheshwari** | Ekta Chuglani*** | |
| 1. | Gross salary | 6,000,000 | 1,489,586 | 276,814 | 261,900 | 8,028,300 |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | NIL | NIL | NIL | NIL | NIL |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | NIL | NIL | NIL | NIL | NIL |
| 2. | Stock Option | NIL | NIL | NIL | NIL | NIL |
| 3. | Sweat Equity | NIL | NIL | NIL | NIL | NIL |
| 4. | Commission | NIL | | | | |
| | - as % of profit | NIL | NIL | NIL | NIL | NIL |
| | - others, specify... | NIL | NIL | NIL | NIL | NIL |
| | Total | 6,000,000 | 1,489,586 | 276,814 | 261,900 | 8,028,300 |

*Joined w.e.f. September 25, 2014 and resigned w.e.f. February 6, 2015.

Joined w.e.f. February 6, 2015. *Joined w.e.f. September 12, 2014.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year no penalties were levied against the Company, its directors or any of its officers under the Companies Act, 2013 nor was there any punishment or compounding of offences against the Company, its Directors or any of its officers.



Corporate Social Responsibility (CSR) Report

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline of the Company's CSR Policy

Your Company's CSR programmes are towards achieving one or more of the following - enhancing environmental and natural capital; supporting rural development; promoting education including skill development; providing preventive healthcare, providing sanitation and drinking water; creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India and preserving and promoting sports; to engage in affirmative action/interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons including from disadvantaged sections of society; to pursue CSR Programmes primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact; to contribute or provide funds to such organization/trust/society which undertakes the activities in the field of environmental sustainability, protection of flora and fauna and animal welfare;

2. Composition of CSR Committee

The CSR Committee of the Company is comprised of the following members of the Board of Directors of the Company:

Sudha Gupta – Chairperson

Shantilal J Mehta – Executive Member

Jayesh N Mehta – Executive Member

3. Average Net Profit of the Company for last three financial years

The average net profit of the Company for last three financial years, to be used for determining the amount to be utilised for Corporate Social Responsibility activities is ₹ 7,19,446,921/-

4. Prescribed CSR Expenditure

The amount earmarked for the purpose of CSR activities is ₹14,388,938/- which represents 2% of the average net profit of the Company, for immediately preceding three financial years, in terms of the requirement of section 135 of the Companies Act, 2013.

5. Details of Amount Spent on CSR Activities during the year

a) Total Amount of CSR Expenditure: (in ₹)

| Activities | FY 2014-2015 |
|--------------------------------|---------------------|
| Health Care and Animal Welfare | 14,500,000/- |
| Total | 14,500,000/- |

b) Amount Unspent, if any:

The entire amount year marked for the purpose of CSR activities has been utilized for the same as disclosed aforesaid, and there is no amount remaining unspent.

c) Manner in which the amount spent during the financial year is detailed below: (in ₹)

| Serial No. | CSR Project, program or Activity identified | Sector in which the Project is covered | Project or programs 1. Local area or Other 2. State & district where the project, program or activity undertaken | Amount Outlay (budget) Project, program or activity wise | Amount spent on the projects or programs sub-heads: 1. Direct expenditure on projects / programs 2. Overheads Expenditure : | Cumulative expenditure upto the reporting period | Amount spent directly or through implementing agency |
|--------------|---|--|--|---|---|--|--|
| 1 | Promoting healthcare and animal welfare | Healthcare and animal welfare | Local area and in state of Rajasthan | 14,500,000 | 14,500,000 | 14,500,000 | Through implementing agency Navkar Charitable Trust. |
| Total | | | | 14,500,000 | 14,500,000 | 14,500,000 | |

6. Failure to Spent the Amount Specified under Section 135 of the Companies Act, 2013

The Company has spent the entire amount of 2% of the average net profits of the Company for immediately preceding three financial years, for the purpose of CSR activities, as detailed aforesaid.

7. Responsibility Statement of the CSR Committee

The Chairperson of the CSR Committee, Ms. Sudha Gupta, reports that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Shantilal J Mehta

Sudha Gupta

Managing Director

Chairperson - CSR Committee



CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At Navkar Corporation Limited (NCL), Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. The Company's philosophy on Corporate Governance finds its roots in the rich legacy of ethical governance practices. The Company will continue to focus its energies and resources in creating and safeguarding shareholders wealth and, at the same time protect the interest of all its stakeholders.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving.

Board of Directors

During the year 2014-15 your Company has an optimum combination of executive and non-executive Directors on the Board of Directors (hereinafter referred to as Board).

| Category | Name of Directors |
|--------------------------------|---|
| Chairman and Managing Director | Shantilal J Mehta |
| Whole-time Director | Jayesh N Mehta |
| Executive Director | Dinesh Gautama |
| Independent Directors | Sudha Gupta Lalit Menghnani Rameshchandra Purohit |

Attendance of Directors at Board Meetings and at the last Annual General Meeting (AGM)

During the year ended on March 31, 2015, thirty-seven (37) meetings of the Board were held. The last Annual General Meeting (AGM) of the Company was held on September 11, 2014. The attendance of Directors at the Board meetings and the last AGM is as follow:

| Sr. No. | Name of the Director | Attendance at meetings during 2014-15 | | No. of other directorship(s) |
|---------|--|---------------------------------------|----------|------------------------------|
| | | Board Meetings | Last AGM | |
| 1 | Mr. Shantilal J Mehta | 37 | Yes | 1 |
| 2 | Mr. Nemichand J Mehta ¹ | 13 | Yes | 4 |
| 3 | Mr. Jayesh N Mehta | 37 | Yes | 3 |
| 4 | Mrs. Shailaja Mehta ² | 21 | Yes | Nil |
| 5 | Mr. Lalit Menghnani ³ | 4 | N.A. | 1 |
| 6 | Ms. Sudha Gupta ³ | 12 | N.A. | 4 |
| 7 | Mr. Rameshchandra Purohit ³ | 14 | N.A. | 3 |
| 8 | Capt Dinesh Gautama ⁴ | 15 | N.A. | 2 |

N.A. – Not applicable

¹Resigned from the post of Managing Director and became Chief Executive Officer with effect from 04.09.2014.

²Resigned as Director with effect from 08.12.2014

³Appointed as an Additional Independent director with effect from 12.09.2014

⁴Appointed as an Additional Executive Director with effect from 08.12.2014.

Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 25th April, 2015 to review the performance of Non-independent Directors (including the Chairman) and the Board as a whole for the year 2014-15. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

Evaluation of the Board's Performance

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

Code of Conduct

The Board of Directors has laid down a Code of Conduct for Business and Ethics (the Code) for all the Board members and all the employees in the management grade of the Company. It is prepared to maintain the standards of business conduct and ensure compliance with legal requirements, particularly the requirements under clause 49 of the Listing Agreement with stock exchange (s). The Code covers amongst other things the Company's commitment to honest & ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health & safety, transparency and compliance of laws & regulations etc. The Code of Conduct is posted on the website of the Company.

All the Board members and senior management personnel have confirmed compliance with the code. A declaration to that effect signed by the CEO is attached and forms part of the Annual Report of the Company.

Brief resume of Directors seeking re-appointment at the Seventh Annual General Meeting of the Company

Brief resume of Directors seeking re-appointment at the Seventh Annual General Meeting of the Company is included with the notice convening the Annual General Meeting.

BOARD COMMITTEES

Details of the Board Committees and other related information are provided hereunder:

Composition of Board Committees

Audit Committee

| | |
|---------------------------|---------------|
| Ms. Sudha Gupta | - Chairperson |
| Mr. Rameshchandra Purohit | - Member |
| Mr. Jayesh N Mehta | - Member |

Nomination & Remuneration Committee

| | |
|---------------------------|------------|
| Mr. Lalit Menghnani | - Chairman |
| Mr. Rameshchandra Purohit | - Member |
| Ms. Sudha Gupta | - Member |

Corporate Social Responsibility Committee

| | |
|-----------------------|---------------|
| Ms. Sudha Gupta | - Chairperson |
| Mr. Shantilal J Mehta | - Member |
| Mr. Jayesh N Mehta | - Member |

Stakeholders Relationship Committee

| | |
|---------------------------|------------|
| Mr. Rameshchandra Purohit | - Chairman |
| Mr. Shantilal J Mehta | - Member |
| Mr. Lalit Menghnani | - Member |

The Company Secretary is the Secretary to the Committees.

Meetings of Board Committees held during the year and Directors' Attendance

| Board Members | Audit Committee | Nomination & Remuneration Committee | Stakeholders' relationship Committee | Corporate Social Responsibility Committee |
|------------------------------|-----------------|-------------------------------------|--------------------------------------|---|
| Meetings held | 8 | 5 | 2 | 1 |
| Directors' Attendance | | | | |
| Shantilal J Mehta | 1 | 3 | 2 | 1 |
| Nemichand J Mehta | 1 | 1 | - | - |
| Shailaja N Mehta | - | 2 | - | - |
| Jayesh N Mehta | 8 | 3 | - | 1 |
| Lalit Menghnani | - | 2 | 2 | - |
| Sudha Gupta | 6 | 2 | - | 1 |
| Rameshchandra Purohit | 6 | 2 | 2 | - |

Terms of Reference and other details of Board Committees

Audit Committee

The Audit Committee of the Company is mandated to perform the functions specified under the Companies Act, 2013 and Clause 49 of the Listing Agreement and the powers and terms of reference are in compliance with the requirements provided therein.

Nomination & Remuneration Committee

The terms of reference of Nomination and Remuneration Committee includes inter-alia to formulate evaluation criteria and recommend to the Board from time to time on matters such as

candidates for induction on the Board, compensation structure for Managing Director, Whole-time Director and Key Managerial Personnel and other Senior Executives.

Remuneration Policy

The Nomination and Remuneration Committee of the Board is constituted in compliance with the provisions of Section 178(1) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Committee is fully empowered to frame compensation structure for Directors and its review from time to time.

Remuneration to Directors is paid as determined by the Board on recommendation of the Nomination and Remuneration Committee and subject to such approval of Shareholders and Central Government as may be required in accordance with applicable provisions of the Companies Act, 2013 relating to managerial remuneration. The Company pays no remuneration to Non-executive Directors except payment of Sitting Fees to Independent Directors for attending meetings of the Board and Committees.

Details of Remuneration to Directors

(in ₹)

| Name of Director | Remuneration | Sitting Fee | Total |
|-----------------------|--------------|-------------|-----------|
| Shantilal J Mehta | 65,00,000 | - | 65,00,000 |
| Jayesh N Mehta | 60,00,000 | - | 60,00,000 |
| Dinesh Gautama | 20,00,000 | - | 20,00,000 |
| Lalit Menghnani | - | 80,000 | 80,000 |
| Sudha Gupta | - | 2,25,000 | 2,25,000 |
| Rameshchandra Purohit | - | 2,60,000 | 2,60,000 |

During the year under review, no stock options were granted to any director or employee of the Company.

Corporate Social Responsibility Committee

The terms of reference of the Committee, inter alia, includes the following:

- Formulating the corporate social responsibility policy;
- Recommending the activities to be undertaken by our Company, in accordance with Schedule VII of the Companies Act and to recommend the amount of expenditure;
- Monitoring the corporate social responsibility policy and the expenditure of our Company; and
- To take steps for formation of any Trust/Society/Company for charitable purpose and get the same registered for the purpose of complying with CSR provisions.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Board is constituted in compliance with the provisions of Section 178(5) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Committee is fully empowered to consider and resolve grievances of security holders of the Company including complaints related to transfer of shares, non-receipt of Annual Report, Notices and other interests of the security holders. Periodic reports are placed for review by the Committee.



General Body Meetings

Annual General Meetings

The Company convenes Annual General Meeting generally within six months of the close of the Corporate Financial Year.

- a) Location and time of last three Annual General Meetings of the Company:

| Year | Day, Date and Time | Venue | Whether Special Resolution passed |
|---------|------------------------------------|--|-----------------------------------|
| 2013-14 | Thursday, 11.09.2014 at 9:30 a.m. | 205-206, J.K. Chambers, Sector 17, Vashi, Navi Mumbai - 400703 | Yes (five)* |
| 2012-13 | Monday, 30.09.2013 at 11:30 a.m. | 205-206, J.K. Chambers, Sector 17, Vashi, Navi Mumbai - 400703 | No |
| 2011-12 | Saturday, 29.09.2012 at 11:00 a.m. | 205-206, J.K. Chambers, Sector 17, Vashi, Navi Mumbai - 400703 | No |

- b) Details of Special Resolutions passed in the last three Annual General Meetings:

| Meeting held on | Special Resolutions passed in respect of the following matters: |
|-----------------------------|--|
| AGM 11th September, 2014 | <ol style="list-style-type: none"> Approval for authority to create security on the whole or substantially the whole of the undertaking of the Company and assets of the Company upto ₹ 2000 crore. Approval to increase the borrowing limit of the Company from financial institutions upto ₹ 2000 crore. Approval to give loan/guarantee or provide security in connection with loan to any other body corporate or person upto ₹ 2000 crore. Approval for adoption of new set of Articles of Association of the Company in place of its existing Articles of Association. Approval for adoption of new set of Memorandum of Association of the Company in place of its existing Memorandum of Association. |

Extra Ordinary General Meetings

In addition to Annual General Meeting, the Company holds General Meetings of the shareholders as and when need arises. During the year, 7 (seven) Extra Ordinary General Meeting were held on 01.04.2014, 30.09.2014, 20.01.2015, 22.01.2015, 05.02.2015, 28.02.2015 and 20.03.2015 at the Registered Office of the Company at 205-206, J.K. Chambers, Sector 17, Vashi, Navi Mumbai – 400703.

Vigil Mechanism & Whistle Blower Policy

The Company has in compliance with Section 177 of the Companies Act, 2013 has established Vigil Mechanism by adopting the, 'Whistle Blower Policy', for Directors and Employees. The Whistle Blower Policy provides for adequate safeguards against victimization of persons who use such mechanism and have provision for direct access to the Chairperson of the Audit Committee in appropriate cases. A copy of the Whistle Blower Policy is available on the website of the Company www.navkarcofs.com.

Disclosures

- Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in notes to accounts annexed to the financial statements.
- The Company has formulated a Whistle Blower Policy which provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provisions to avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the audit committee.
- No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- The Company has followed all relevant Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 while preparing Financial Statements.
- There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.
- During the year ended 31st March, 2015, the Company has one material unlisted subsidiary company as defined in Clause 49 of the Listing Agreement.
- The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Clause 49 of the Listing Agreement.

General Shareholder Information

Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is U63000MH2008PLC187146.

Financial Year

The financial year of the company is from 1st April to 31st March of the next year.

Book Closure

The dates for book closure are provided in the notice convening the Annual General Meeting.



Registrar and Transfer Agents

Link Intime India Private Limited
C 13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai – 400 078,
Maharashtra, India
Tel: (+91 22) 61715400
Fax: (+91 22) 25960329
E-mail: ncl.ipo@linkintime.co.in
Website: www.linkintime.co.in

Share Transfer System

All queries and requests relating to share/debenture transfers/transmissions may be addressed to our Registrar and Transfer Agent, Link Intime India Private Limited at the abovementioned address.

Share transfers, if documents are found to be in order, will be registered and returned in the normal course within two weeks from the date of receipt of the documents.

Dematerialisation of shares

As on March 31, 2015 the entire paid up equity share capital of the Company is held in dematerialized form.

Address for correspondence:

Registered Office: 205-206, J. K. Chambers,
Sector 17, Vashi,
Navi Mumbai – 400703.

Corporate Office: 89/93/95/97, at Somathane Village,
Kon Savla Road, Taluka Panvel,
Dist. Raigad, Maharashtra - 410206

Certificate on Compliance with Code of Conduct

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the code of business conduct and ethics for Directors / Management Personnel for the financial year 2014-15.

Nemichand J Mehta
Chief Executive Officer

Place : Mumbai
Date : June 17, 2015

Report on Corporate Governance by Company Secretary in Practice

To,
The Shareholders,
Navkar Corporation Limited.

We have reviewed the implementation of Corporate Governance produced by the company during the year ended 31st March, 2015 with the relevant records and documents maintained by the company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The Compliance of the conditions of the Corporate Governance is the responsibility of the Management. Our examination is neither an audit nor an expression of opinion of the financial statements of the company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance stipulated in the Clause 49 of the Listing Agreement with the Stock Exchanges.

We further state that our examination of such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For HS Associates,
Company Secretaries

Hemant Shetye
Partner
FCS- 2827
COP- 1483

Place : Mumbai
Date : June 17, 2015



INDEPENDENT AUDITORS' REPORT

To the Members of Navkar Corporation Limited,

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Navkar Corporation Limited (the 'Company'), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the accompanying standalone financial statements comply with the Accounting



Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014;

- (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in

its financial statements-Refer Note 31 and 33 to the financial statements;

- (ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2015;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Place: Mumbai
Date: June 17, 2015

Arun Poddar
Partner
Membership Number: 134572



Annexure to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Navkar Corporation Limited on the financial statements as of and for the year ended March 31, 2015.

- i. (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 2 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 have been noticed on such verification.
- ii. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has granted unsecured loans, to one company covered in the register maintained under Section 189 of the Act.
- (a) In respect of the aforesaid loans, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
- (b) In respect of the aforesaid loans, there is no overdue amount more than Rupees One Lakh.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income-tax and service-tax and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales-tax, wealth-tax, duty of customs, duty of excise, value added tax, 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, wealth-tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute. The particulars of dues of service-tax as at March 31, 2015 which have not been deposited on account of a dispute are as follows:
- | Name of the statute | Nature of dues | Amount (₹) | Period to which the amount relates | Forum where the dispute is pending |
|-----------------------|----------------|------------|------------------------------------|---|
| The Finance Act, 1994 | Service Tax | 20,372,506 | October 2011 to March 2012 | The Commissioner, Central Excise, Customs and Service Tax |
- (c) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, there are no amounts required to be transferred by the Company to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
- ix. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end.
- x. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks or financial institutions during the year are not prejudicial to the interest of the Company.
- xi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor we have been informed of any such case by the Management.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Place: Mumbai
Date: June 17, 2015

Arun Poddar
Partner
Membership Number: 134572



Balance Sheet as at March 31, 2015

| | | (in ₹) | |
|--|----------|-----------------------|----------------------|
| Particulars | Note No. | As at March 31, 2015 | As at March 31, 2014 |
| I EQUITY AND LIABILITIES | | | |
| 1. Shareholders' funds | | | |
| Share Capital | 3 | 1,120,047,980 | 205,841,330 |
| Reserves and Surplus | 4 | 3,952,518,381 | 4,179,078,847 |
| | | 5,072,566,361 | 4,384,920,177 |
| 2. Non - Current Liabilities | | | |
| Long-Term Borrowings | 5 | 3,840,442,023 | 3,429,367,019 |
| Deferred Tax Liabilities (Net) | 6 | 319,871,435 | 230,106,410 |
| Other Long-Term Liabilities | 7 | 250,000 | 250,000 |
| Long-Term Provisions | 8 | 25,647,752 | 15,224,867 |
| | | 4,186,211,210 | 3,674,948,296 |
| 3. Current Liabilities | | | |
| Short-Term Borrowings | 9 | 280,376,033 | 252,923,078 |
| Trade Payables | 10 | 112,887,439 | 13,532,559 |
| Other Current Liabilities | 11 | 1,018,558,442 | 766,219,234 |
| Short-Term Provisions | 12 | 52,524,997 | 79,562,560 |
| | | 1,464,346,911 | 1,112,237,431 |
| TOTAL | | 10,723,124,482 | 9,172,105,904 |
| II ASSETS | | | |
| 1. Non - Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 13 | 7,897,354,279 | 6,555,216,581 |
| Capital Work-In-Progress | | - | 436,403,145 |
| Non-Current Investments | 14 | 500,000 | 202,600,000 |
| Long-Term Loans and Advances | 15 | 1,437,598,048 | 696,925,004 |
| Other Non-Current Assets | 16 | 63,643,267 | 57,250,087 |
| | | 9,399,095,594 | 7,948,394,817 |
| 2. Current Assets | | | |
| Current Investments | 17 | 50,182,800 | - |
| Spare Parts and Consumables | 18 | 16,155,872 | - |
| Trade Receivables | 19 | 774,744,939 | 762,631,956 |
| Cash and Bank Balances | 20 | 8,153,793 | 11,624,264 |
| Short-Term Loans and Advances | 21 | 242,018,481 | 304,926,361 |
| Other Current Assets | 22 | 232,773,003 | 144,528,506 |
| | | 1,324,028,888 | 1,223,711,087 |
| TOTAL | | 10,723,124,482 | 9,172,105,904 |
| Summary of Significant Accounting Policies | 2 | | |

The notes referred to above are an integral part of the financial statements

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

For and on behalf of the Board of Directors

For **S. K. PATODIA & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : June 17, 2015

Shantilal Mehta
Managing Director
DIN : 00134162

Jayesh Mehta
Whole-time Director
DIN : 00510313

Anish Maheshwari
Chief Financial Officer

Ekta Chuglani
Company Secretary

Place : Mumbai
Date : June 17, 2015



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

(in ₹)

| Particulars | Note No. | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|----------|-----------------------------------|-----------------------------------|
| Revenue | | | |
| Revenue from Operations | 23 | 3,287,542,893 | 3,493,500,801 |
| Other Income | 24 | 32,607,216 | 208,361,074 |
| Total Revenue | | 3,320,150,109 | 3,701,861,875 |
| Expenses | | | |
| Cost of Services | 25 | 1,382,556,512 | 1,170,224,476 |
| Purchase of Traded Goods | 26 | - | 601,568,320 |
| Employee Benefits Expenses | 27 | 222,253,574 | 184,071,974 |
| Finance Costs | 28 | 263,695,066 | 330,435,616 |
| Depreciation and Amortization Expenses | 13 | 152,143,713 | 130,107,949 |
| Other Expenses | 29 | 485,729,650 | 294,057,322 |
| Total Expenses | | 2,506,378,515 | 2,710,465,657 |
| Profit before Tax | | 813,771,594 | 991,396,218 |
| Less: Tax Expenses: | | | |
| Current Tax | | 183,000,000 | 217,040,078 |
| Less: MAT Credit | | (163,537,976) | (194,180,811) |
| Earlier Years Current Tax Adjustments | | 3,520,086 | 6,299,830 |
| Deferred Tax | | 51,220,639 | 56,732,719 |
| Deferred Tax for Earlier Years | | 42,884,967 | - |
| Profit for the year | | 696,683,878 | 905,504,402 |
| Earnings Per Equity Share (Face Value ₹ 10 Per Share): | 30 | | |
| Basic and Diluted (₹) | | 6.35 | 10.18 |
| Summary of Significant Accounting Policies | 2 | | |
| The notes referred to above are an integral part of the financial statements | | | |

This is the Statement of Profit and Loss referred to in our report of the even date. For and on behalf of the Board of Directors

For **S. K. PATODIA & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 112723W

Shantilal Mehta
Managing Director
DIN : 00134162

Jayesh Mehta
Whole-time Director
DIN : 00510313

Arun Poddar
Partner
Membership Number: 134572

Anish Maheshwari
Chief Financial Officer

Ekta Chuglani
Company Secretary

Place : Mumbai
Date : June 17, 2015

Place : Mumbai
Date : June 17, 2015



Cash Flow Statement for the year ended March 31, 2015

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| A. Cash Flow from Operating Activities | | |
| Net profit before tax | 813,771,594 | 991,396,218 |
| Adjustments: | | |
| Depreciation and amortisation | 152,143,713 | 130,107,949 |
| Loss on sale of fixed assets (net) | 2,190,551 | 224,127 |
| Loss on sale of Investments | 10,367,726 | - |
| Provision for Diminution in Value of Current Investments | 40,874,700 | - |
| Exchange Fluctuation (Gain) / Loss on Loan | 122,239,473 | (169,812,412) |
| Interest Income | (17,259,308) | (4,644,197) |
| Finance costs | 263,695,066 | 330,435,616 |
| Operating cash flows before working capital changes | 1,388,023,515 | 1,277,707,301 |
| <u>Adjustments for Changes in Working Capital</u> | | |
| Decrease / (Increase) in Inventories | (16,155,872) | - |
| Decrease / (Increase) in Trade receivables | (12,112,983) | (131,557,902) |
| Decrease / (Increase) in Short term Loans and Advances | 62,907,880 | 17,825,657 |
| Decrease / (Increase) in Long term Loans and Advances | (531,357,278) | (49,579,087) |
| Decrease / (Increase) in Other Current Assets | (88,244,497) | (47,602,996) |
| Increase / (Decrease) in Trade Payables | 99,354,880 | (109,818,130) |
| Increase / (Decrease) in Other Current Liabilities | (24,980,977) | 21,100,105 |
| Increase / (Decrease) in Long term Provisions | 10,422,885 | 1,415,763 |
| Increase / (Decrease) in Short term Provisions | 9,822,492 | 4,754,762 |
| Cash generated from operations | 897,680,045 | 984,245,473 |
| Income taxes paid | (223,380,141) | (162,170,731) |
| Net cash flow from operating activities (A) | 674,299,904 | 822,074,742 |
| B. Cash Flow from Investing Activities | | |
| Purchase or construction of fixed assets (including capital work-in-progress and capital advances) | (1,122,020,438) | (936,063,562) |
| Proceeds from / (Investment in) fixed deposits (net) | (5,411,950) | (3,508,184) |
| Proceeds from sale of fixed assets | 2,795,556 | 1,026,666 |
| Acquisition of non-current investments | (400,000) | - |
| Proceeds from sale of Investments | 101,074,774 | - |
| Interest received | 17,259,308 | 4,644,197 |
| Net cash flow used in investing activities (B) | (1,006,702,750) | (933,900,883) |



Cash Flow Statement for the year ended March 31, 2015

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| C. Cash Flow from Financing Activities | | |
| Proceeds from issues of share capital (including security premium) | - | 350,000,000 |
| Proceeds from / (Repayment of) Long-Term Borrowings (net) | 579,056,408 | 70,164,875 |
| Increase / (Decrease) in Short term Borrowings | 18,530,877 | 26,232,652 |
| Finance costs | (267,673,680) | (341,437,347) |
| Net cash from financing activities (C) | 329,913,605 | 104,960,180 |
| Net cash Increase/(decrease) in cash and cash equivalents (A+B+C) | (2,489,241) | (6,865,961) |
| Cash and cash equivalents at the beginning of the year | 9,965,313 | 16,831,274 |
| Cash and cash equivalents at the end of the year | 7,476,072 | 9,965,313 |
| Net cash Increase/(decrease) in cash and cash equivalent | (2,489,241) | (6,865,961) |

Note:

The above Cash Flow Statement has been prepared under Indirect method as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statement'.

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

For and on behalf of the Board of Directors

For **S. K. PATODIA & ASSOCIATES**

Chartered Accountants

Firm Registration Number: 112723W

Arun Poddar

Partner

Membership Number: 134572

Place : Mumbai

Date : June 17, 2015

Shantilal Mehta

Managing Director

DIN : 00134162

Anish Maheshwari

Chief Financial Officer

Jayesh Mehta

Whole-time Director

DIN : 00510313

Ekta Chuglani

Company Secretary

Place : Mumbai

Date : June 17, 2015



Notes to the Financial Statements for the year ended March 31, 2015

NOTE 1 : COMPANY OVERVIEW

Navkar Corporation Limited (the 'Company') is limited Company domiciled in India and incorporated on September 29, 2008 under the provision of the Companies Act, 1956. The Company is engaged in providing Container Freight Station (CFS) facilities and is focused on capitalizing the available opportunities in the logistics space in western India. Our CFS is largely dependent on EXIM container traffic in and out of Indian port – JNPT.

NOTE 2 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation of financial statements

These financial statements have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 read with the Rule 7 of Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 (the "Act") and Accounting Standard-30 'Financial Instruments: Recognition and Measurement' issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in section 133 of the Act. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

B. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimated are recognized in the period in which the results are known / materialized.

C. Fixed Assets

Tangible Fixed Assets are stated at actual cost of acquisition amounts or revalued amount, (as the case may be), less accumulated depreciation and impairment loss, if any. The cost of an item is its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its

working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

D. Depreciation

Depreciation on Tangible Fixed Assets, upto the end of previous financial year i.e. upto March 31, 2014, was provided on "Straight Line Method" at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. Freehold land and land development is not depreciated.

With the applicability of Companies Act, 2013 with effect from April 1, 2014, depreciation / amortisation is provided on the Straight Line Method (SLM) unless otherwise mentioned, pro-rata to the period of use of assets, based on the useful lives as specified in Part C of Schedule II to the Companies Act, 2013, only for the following assets :

- Computers and Printers, including Servers and Networks
- Furniture and Fixtures
- Office Equipments

The management has continued with the depreciation rates for all other assets as per the Schedule XIV of the Companies Act, 1956.

The management has obtained technical evaluation reports for those assets for ascertaining their balance useful lives, based on which, the management has taken the unexpired useful life equivalent to the unexpired useful life of the individual asset as it was if the Schedule XIV of the Companies Act, 1956 would continue.

As per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, the carrying amount of the existing assets as on April 1, 2014:

- will be depreciated over the remaining useful life of the asset as per this Schedule
- in cases where the remaining useful life of an asset is nil, the residual value has been transferred to the retained earnings.

Depreciation on additions/ deletions to fixed assets is calculated pro-rata from / up to the date of such additions/ deletions.

Assets individually costing less than ₹ 5,000 are fully depreciated in the year of acquisition.



Notes to the Financial Statements for the year ended March 31, 2015

E. Impairment of Fixed Assets

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

F. Investments

Investments are classified into long term investments and current investments. Investments which are intended to be held for one year or more are classified as long term investments and investments which are intended to be held for less than one year are classified as current investments. Long term investments are carried at cost less other than any temporary diminution in value, determined separately for each investment. Current investments are carried at lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

G. Inventories

Inventories are valued at lower of cost or net realizable value. Cost is determined on First-In-First-Out (FIFO) basis. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

H. Recognition of Income

Revenue from services is recognized on accrual basis and when the consideration is reliably determinable and no significant uncertainty exists regarding the collection of the consideration. Import / export stuffed containers' ground rent charges, cargo storage charges is accounted to the extent of recoverability of maximum days and import container handling and delivery charges is accounted on accrual basis while import cargo handling are accounted on clearance.

Revenue from sale of Traded Goods is recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract.

The amount recognised as revenue is exclusive of Service

Tax, Sales Tax and Value Added Taxes (VAT), and is net of trade discounts.

Revenue and expenses for sale of abandoned cargo are recognized when auctioned after necessary approvals from appropriate authorities are obtained. Auction sale include recovery of the cost incurred in conducting auctions, custom duty and accrued ground rent and handling charges relating to long standing cargo.

I. Other Income

Rent from vehicles is accounted on time proportionate basis, based on agreement entered into with respective customers.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

J. Provisions and Contingent Liabilities

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

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

K. Accounting for Taxation of Income

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

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

Notes to the Financial Statements for the year ended March 31, 2015

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

Minimum Alternative Tax (MAT) under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the year for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

L. Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement / translation of short-term monetary assets and liabilities are recognized in the Statement of Profit and Loss. Gains and losses arising on account of differences in foreign exchange rates on translation / settlement of long-term monetary liabilities in so far as they relate to acquisition of a depreciable capital asset are added to/ deducted from the cost of the asset. Non-monetary foreign currency items are carried at cost.

M. Options and Swaps Contracts

Changes in fair value of hedging instruments that are designated and considered as effective hedges of highly probable forecasted transactions are recognised directly in shareholders' funds under 'Hedging Reserve Account' and to be recognised in the Statement of Profit and Loss when the underlying transaction occurs. Changes in fair value of the hedging instruments that do not qualify for hedge accounting are recognised in the Statement of Profit and Loss as they arise.

Swaps are fair valued at each reporting date and the changes in the fair value are recognised in the Statement of Profit and Loss.

N. Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial

period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

O. Leases

As a lessee:

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

As a lessor:

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating lease. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. Costs, including depreciation, incurred in earning the lease income are recognised as expenses.

P. Employee Benefits

Provident Fund

The Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year / period. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Compensated Absences

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



Notes to the Financial Statements for the year ended March 31, 2015

the unused entitlement as at the year end.

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

Q. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted

earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

R. Cash and Cash Equivalents

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

S. Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

T. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

NOTE 3 - SHARE CAPITAL

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Authorised Capital | | |
| 15,50,00,000 (March 31, 2014 : 2,09,10,000) Equity Shares of ₹ 10 each | 1,550,000,000 | 209,100,000 |
| 50,00,000 (March 31, 2014 : 50,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each | 50,000,000 | 50,000,000 |
| | 1,600,000,000 | 259,100,000 |
| Issued, Subscribed and Paid up Capital | | |
| 10,97,04,798 (March 31, 2014 : 1,82,84,133) Equity Shares of ₹ 10 each fully paid up | 1,097,047,980 | 182,841,330 |
| 23,00,000 (March 31, 2014: 23,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up | 23,000,000 | 23,000,000 |
| Total | 1,120,047,980 | 205,841,330 |

(a) Terms / rights attached to:

Equity Shares

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

0% Cumulative Redeemable Preference Shares

The Company has one class of preference shares having a par value of ₹ 10 per share. They have been issued for a period of 12 years and are redeemable thereafter. These shares do not carry any dividend. In the event of liquidation, the preference shareholders are eligible to receive repayment of the capital. They do not have any rights to participate in the profits or assets of the Company.

Notes to the Financial Statements for the year ended March 31, 2015

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

Equity Shares

(in ₹)

| Particulars | As at March 31, 2015 | | As at March 31, 2014 | |
|--|----------------------|----------------------|----------------------|-------------|
| | Number of shares | Amount ₹ | Number of shares | Amount ₹ |
| Balance as at the Beginning of the year | 18,284,133 | 182,841,330 | 14,784,133 | 147,841,330 |
| Add: Issue of Shares during the year | 91,420,665 | 914,206,650 | 3,500,000 | 35,000,000 |
| Balance as at the end of the year | 109,704,798 | 1,097,047,980 | 18,284,133 | 182,841,330 |

0% Cumulative Redeemable Preference Shares

| Particulars | As at March 31, 2015 | | As at March 31, 2014 | |
|--|----------------------|-------------------|----------------------|------------|
| | Number of shares | Amount ₹ | Number of shares | Amount ₹ |
| Balance as at the Beginning of the year | 2,300,000 | 23,000,000 | 2,300,000 | 23,000,000 |
| Add: Issue of Shares during the year | - | - | - | - |
| Balance as at the end of the year | 2,300,000 | 23,000,000 | 2,300,000 | 23,000,000 |

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Equity Shares

| Shares held by | As at March 31, 2015 | | As at March 31, 2014 | |
|---------------------------------------|----------------------|--------|----------------------|--------|
| | Number of Shares | % | Number of Shares | % |
| Mr. Shantilal Mehta | 48,300,000 | 44.03% | 8,050,000 | 44.03% |
| Mr. Nemichand Mehta | 30,900,000 | 28.17% | 5,150,000 | 28.17% |
| Mrs. Shailaja Mehta | 20,100,000 | 18.32% | 3,350,000 | 18.32% |
| Sidhartha Corporation Private Limited | 8,094,798 | 7.38% | 1,349,133 | 7.38% |

0% Cumulative Redeemable Preference Shares

| Shares held by | As at March 31, 2015 | | As at March 31, 2014 | |
|---------------------|----------------------|--------|----------------------|--------|
| | Number of Shares | % | Number of Shares | % |
| Mr. Shantilal Mehta | 1,086,980 | 47.26% | 1,086,980 | 47.26% |
| Mr. Nemichand Mehta | 573,390 | 24.93% | 573,390 | 24.93% |
| Mrs. Shailaja Mehta | 573,390 | 24.93% | 573,390 | 24.93% |

(d) Shares allotted as fully paid up equity shares as bonus issue (during 5 years immediately preceding March 31, 2015):

91,420,665 Equity Shares of ₹ 10 each fully paid up were issued as bonus shares on March 3, 2015 in the ratio of five fully paid up equity share for every equity share held on March 2, 2015, being the record date through capitalisation of surplus from the Statement of Profit and Loss Account.



Notes to the Financial Statements for the year ended March 31, 2015

NOTE 4 - RESERVES AND SURPLUS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-------------------------|-------------------------|
| Capital Reserve on Amalgamation (Refer Note (a) below): | | |
| Balance as at the beginning of the year | 260,128,720 | 260,128,720 |
| Add : Additions during the year | - | - |
| Balance as at the End of the Year | 260,128,720 | 260,128,720 |
| Capital Redemption Reserve: | | |
| Balance as at the beginning of the year | 26,354,167 | - |
| Add : Additions during the year | 19,166,667 | 26,354,167 |
| Balance as at the End of the Year | 45,520,834 | 26,354,167 |
| Securities Premium Reserve: | | |
| Balance as at the beginning of the year | 1,376,878,620 | 1,061,878,620 |
| Add : Additions during the year | - | 315,000,000 |
| Balance as at the End of the Year | 1,376,878,620 | 1,376,878,620 |
| Surplus in the Statement of Profit and Loss: | | |
| Balance as at the beginning of the year | 2,515,717,340 | 1,636,567,105 |
| Add: Profit for the year | 696,683,878 | 905,504,402 |
| Less: Transfer to Capital Redemption Reserve | (19,166,667) | (26,354,167) |
| Less: Issue of Bonus Shares (Refer Note (b) below) | (914,206,650) | - |
| Less: Amount Transferred from Block of Fixed Assets (Refer Note (c) below) (net of taxes) | (9,037,694) | - |
| Balance as at the End of the Year | 2,269,990,207 | 2,515,717,340 |
| Total | 3,952,518,381 | 4,179,078,847 |

Notes:

- Capital Reserve on Amalgamation is created as per the Scheme of Amalgamation between erstwhile Preeti Logistics Limited with the Company approved by the Hon'ble High Court Judicature at Bombay on February 11, 2010.
- Share holders have approved issue of bonus shares on February 28, 2015 in the ratio of five fully paid up equity share for one equity share held on March 2, 2015, being the record date, accordingly, the Company has issued 91,420,665 equity shares of ₹ 10 each fully paid up by utilising its surplus in the Statement of Profit and Loss.
- "With the applicability of Companies Act, 2013 with effect from April 1, 2014, and as per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, the carrying amount of the existing assets as on April 1, 2014 where the remaining useful life of an asset is nil, the residual value has been transferred to the retained earnings. The tax impact amounting to ₹ 4,340,581 on the above amounts has been reduced from the amounts transferred from block of fixed assets.

NOTE 5 - LONG - TERM BORROWINGS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-------------------------|-------------------------|
| Secured Loans (Refer Note (a) below) | | |
| Rupee Term Loans from Banks | 672,735,085 | 806,826,257 |
| Foreign Currency Term Loans from Banks | 1,941,674,683 | 1,295,213,843 |
| Rupee Term Loans from Others | 172,445,662 | 208,299,801 |
| For details of security, please refer Note below | | |
| Unsecured Loans (Refer Note (b) below) | | |
| Rupee Term Loans from Others | - | 162,627,574 |
| Loans from Related Parties (Interest Free) | 1,053,586,593 | 956,399,544 |
| Total | 3,840,442,023 | 3,429,367,019 |



Notes to the Financial Statements for the year ended March 31, 2015

Notes:

(a) Nature of security and terms of repayment for Secured Borrowings :

| Nature of Security | Terms of Repayment |
|---|--|
| <p>Rupee Term Loans from IndusInd Bank amounting to ₹ 93,000,000 (March 31, 2014 : Nil) collaterally secured by an Equitable Mortgage by way of deposit of title deeds of the Mortgagors land and building situated at Survey Nos.8/4 adm. 0-39-2 H.R.P. and 8/5 adm. 0-05-6 H.R.P, Survey No.9/4B adm. 0-32-0 H.R.P., and Survey No.16/3 adm. 0-04-0 H.R.P.</p> <p>Agricultural land bearing Survey No. 22/6 admeasuring 0-39-7 H.R.P. at Village Nandgaon, Taluka Panvel, District Raigad of Shri Nemichand J Mehta & other. Agricultural land bearing Survey No. 31/6 admeasuring 0-19-9 H.R.P. and Survey No. 19/5 admeasuring 0-15-4 H.R.P. at Village Nandgaon, Taluka Panvel, District Raigad of Mr. Nemichand J Mehta.</p> <p>Post dated cheques issued in the name of Indusind Bank Limited covering principal and interest repayments.</p> <p>Residual charge on company's fixed asset</p> <p>DSRA equivalent to 1 months interest obligations to be created upfront. Personal guarantee of Mr. Shantilal J Mehta, Mr. Nemichand Mehta, Mr. Jayesh Mehta, Mr. Kunthu Kumar Mehta and Ms. Shailaja Mehta.</p> | <p>Repayable in 36 monthly instalments, Rate of interest minimum 12.50% p.a.</p> |
| <p>Rupee Term Loans from Axis Bank amounting to ₹ 108,247,270 (March 31, 2014: ₹ 25,558,020) secured by the vehicles purchased from the loan proceedings. Personal Guarantee of Mr. Jayesh N Mehta, director of the Company.</p> | <p>Repayable in 35-58 monthly instalments, Rate of interest 10.25% - 11.50% p.a.</p> |
| <p>Rupee Term Loan from HDFC Bank amounting to ₹ 174,774,080 (March 31, 2014: ₹ 39,573,465) secured by the vehicles purchased from the loan proceedings. Personal Guarantee of Mr. Jayesh N Mehta, director of the Company and Co-Borrower is Mr. Jayesh N Mehta, director of the Company.</p> | <p>Repayable in 23-60 monthly instalments, Rate of interest 10.01% - 13.01% p.a.</p> |
| <p>Rupee Term Loan from ICICI Bank amounting to ₹ 72,035,847 (March 31, 2014 : ₹ 384,372,319) and a Foreign Currency Term Loan from ICICI Bank amounting to ₹ 1,004,978,318 (March 31, 2014 : ₹ 339,975,198) Secured by First charge/ hypothecation on the vehicles/ Equipment and assets to be funded by the takeover of the loans.</p> <p>First charge hypothecation on all unencumbered vehicles Equipment/Other Movable Assets valuing not less then ~ 200.0 million (based on the current market value of the assets valuation of the security to be done through ICICI empaneled valuer).</p> <p>Equitable Mortgage of the property located at address Plot No. 73, Sec. 50, Nerul, Navi Mumbai-400706 valuing ₹ 400 million approximately. In case of any shortfall the same to be meet by commercial property/residential property/industrial property/fixed deposit equivalent to the security cover of 1.0. The limit may be disbursed proportionately however the security cover to be maintained at 1.0 at all times.</p> <p>Security for RTL-III and RTL-IV to be extended for derivative limits. However, the derivative limits not to be included for the calculation of security cover of 1.0. This facility including derivative limit having Unconditional and irrevocable personal guarantees of:</p> | <p>Repayable in 35 - 60 monthly instalments (loans taken for purchase of commercial vehicles) & 32 quarterly instalments (other term loans), Rate of interest for Rupee term loan is ranging 9.75% - 13.50% p.a., Rate of interest for foreign currency term loan is ranging 5.45% - 6% p.a.</p> |
| <p>i. Mr. Nemichand J Mehta having networth of ₹ 323.5 million as on 31.03.2013.</p> <p>ii. Mr. Shantilal J Mehta having networth of ₹ 163.5 million as on 31.03.2013.</p> <p>iii. Mr. Kunthukumar S Mehta having networth of ₹ 282.7 million as on 31.03.2013.</p> <p>iv. Mr. Jayesh N Mehta having networth of ₹ 15.8 million as on 31.03.2013.</p> <p>v. Mrs. Shailaja N Mehta.</p> | |



Notes to the Financial Statements for the year ended March 31, 2015

| Nature of Security | Terms of Repayment |
|--|---|
| <p>Rupee Term Loan from Kotak Mahindra Bank amounting to ₹ 144,624,974 (March 31, 2014 : ₹ 15,356,983) Secured by the vehicles purchased from the loan proceedings.</p> <p>Mortgage over part of land situated at Moje- Tumb, Revenue S No. 44/1, Taluka Umbergaon, Valsad Dist. owned by Mr. Nemichand Jayvantraj Mehta. Three post dated cheques issued by Mr. Shantilal Jayvantraj Mehta and Mr. Nemichand Jayvantraj Mehta. Personal Guarantee of Shantilal J Mehta, Nemichand J Mehta, Kunthukumar S Mehta, Jayesh N. Mehta, Shailaja N. Mehta. Cross Collateral of property mentioned in Primary Collateral to be marked Cross Collateral in 3 Cr Loan after disbursement of LAP Loan.</p> | <p>Repayable in 35 - 95 monthly instalments, Rate of interest 10.68% - 15.50% p.a.</p> |
| <p>Rupee Term Loan from SBI Bank amounting to ₹ 173,116,573 (March 31, 2014: ₹ 479,555,769)</p> <p>Foreign Currency Term Loan from SBI Bank amounting to ₹ 1,606,305,255 (March 31, 2014 : ₹ 1,424,365,260)</p> <p>Primary & Collateral for all the loans :</p> <ul style="list-style-type: none"> - Secured by first charge on assets created out of the proposed term loan. - First / extension of mortgage charge on land with warehousing building at Container Freight Station, Yard I & II located at Village Ajiwali, Pune Mumbai National Highway (NH 4), Taluka Panvel, Raigad, owned by the Company. - First / extension of mortgage charge on land with warehousing building at Container Freight Station, Yard III with railway siding facility, located at Village Somathane, Kon-Savla Road, Taluka Panvel, Raigad, owned by the Company. - First / extension of charge on entire fixed assets of the Company located at locations stated above except the vehicles and equipments specifically charged for the vehicle / equipment loans. - First / extension of charge on 205-206, JK Chambers, Sector 17, Vashi, Navi Mumbai - 400 703, owned by Mr. Shantilal J Mehta, director of the Company. - First / extension of charge on CIDCO Plot No. 94, Sector 20, Kharghar, Panvel, Raigad - 410 206, owned by Mr. Nemichand J Mehta, managing director of the Company. - First charge on agri-land at 90/1/2 at Somathane Village, Kon-Sovla Road, Raigad - 410206. - TDR of ₹ 0.13 Crores - Extension of charge on entire current assets of the Company. - Personal Guarantees of : Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Jayesh N Mehta, Mr. Kunthu Kumar S Mehta, Mrs. Shailaja N Mehta, Ms. Kamalbai S Mehta, Ms. Seema K Mehta and Mrs. Sairabai J Mehta. | <p>Repayable in 69 - 84 monthly instalments, Rate of interest for Rupee term loan is ranging 11.10% - 13.50% p.a., Rate of interest for foreign currency term loan is 3.25% p.a. over 6 months LIBOR (Int. reset after 6 months).</p> |
| <p>Rupee Term Loan from Ratnakar Bank Limited amounting to ₹ 137,500,000 (March 31, 2014 : Nil) secured by Subservient charge on current assets of the Company.</p> <p>DSRA of interest of one month to be kept. PDC of existing working capital bank (State Bank of India)</p> <ul style="list-style-type: none"> - Personal Guarantees of : Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Jayesh N Mehta, Mr. Kunthu Kumar S Mehta, Mrs. Shailaja N Mehta. PDC of existing working capital bank (State Bank of India). | <p>Repayable in 12 equal quarterly instalments, Rate of interest 13.50%.</p> |
| <p>Rupee Term Loan from Daimler Financial Services Pvt Ltd amounting to ₹ 5,116,751 (March 31, 2014 : ₹ 7,096,454) secured by the vehicles purchased from the loan proceedings.</p> | <p>Repayable in 60 monthly instalments, Rate of interest 11.03% - 11.11% p.a.</p> |

Notes to the Financial Statements for the year ended March 31, 2015

| Nature of Security | Terms of Repayment |
|---|--|
| Rupee Term Loan from HDB Financial Services Limited amounting to ₹ 14,713,208 (March 31, 2014 : ₹ 21,787,388) secured by the vehicles purchased from the loan proceedings. | Repayable in 47 monthly instalments, Rate of interest 12.50% p.a. |
| Rupee Term Loan from Mini Financial Services amounting to ₹ Nil (March 31, 2014 : ₹ 2,414,449) secured by the vehicles purchased from the loan proceedings. | Repayable in 59 monthly instalments, Rate of interest 11.25% p.a. |
| Rupee Term Loan from Tata Capital Financial Services Limited amounting to ₹ 186,600,153 (March 31, 2014 : ₹ 230,786,334). Secured by the vehicles purchased from the loan proceedings. Personal Guarantee of Mr. Jayesh N Mehta. First and exclusive charge by mortgage of unencumbered residential property at Flat no 6 & 7, Basera CHS, Sector 17, Vashi, Navi Mumbai, owned by Mr. Nemichand Mehta and residential bungalow at Plot No. 94, Bungalow Plot, Sector 20, Kharghar, Navi Mumbai, owned by Mr. Nemichand J. Mehta and family. Personal Guarantee of Mr. Nemichand J. Mehta and Debt Service Reserve Account of ₹ 10 million. | Repayable in 35 - 59 monthly instalments & 84 quarterly instalments, Rate of interest 11.39% - 12.52% p.a. |
| Rupee Term Loan from Tata Motors Finance amounting to ₹ 28,705,007 (March 31, 2014 : Nil) secured by the vehicles purchased from the loan proceedings. Co-Borrower is Mr. Shantilal J Mehta (Director of Company). | Repayable in 47-59 monthly instalments, Rate of interest 10.25% |

(b) Details and terms of repayment for Unsecured Borrowings :

| Nature of Security | Terms of Repayment |
|---|---|
| Rupee Term Loan from Aditya Birla Finance Limited amounting to Nil (March 31, 2014 : ₹ 176,375,772) secured by residential property situated at Plot No.73, Dattay Tandel Marg, Gaothan Extension Scheme, Sector 50 (New), Seawoods, Nerul, Navi Mumbai - 400706, owned by director of the Company. | Repayable in 36 - 120 monthly instalments, Rate of interest 12.60% - 14.00% p.a. |
| Rupee Term Loan from Magma Fincorp Limited amounting to ₹ 617,182 (March 31, 2014 : ₹ 4,225,169). | Repayable in 36 monthly instalments, Rate of interest 8.76% - 8.86% p.a. |
| Rupee Term Loan from Religare Finvest Ltd amounting to ₹ 1,385,217 (March 31, 2014 : ₹ 5,090,504) | Repayable in 36 monthly instalments, Rate of interest 17.5% p.a. |
| Loans from Related Parties (Interest Free) amounting to ₹ 1,053,586,593 (March 31, 2014: 956,399,544) | Repayable on demand after March 31, 2017 or any such date on which existing loans under financing arrangement(s) under which the unsecured loans were provided by the Payees are repaid, whichever date shall fall later. |

NOTE 6 - DEFERRED TAX LIABILITIES (NET)

The major components of deferred tax liabilities/assets as recognized in the financial statements are as follows: (in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Deferred Tax Liabilities arising on account of timing differences in: | | |
| Depreciation | 328,552,109 | 235,852,787 |
| Deferred Tax Assets arising on account of timing differences in: | | |
| Gratuity | 7,369,343 | 5,219,253 |
| Leave encashment | 1,311,331 | 527,124 |
| Total | 319,871,435 | 230,106,410 |

Note : The tax impact of ₹ 4,340,581 on the amount of ₹ 13,378,275 transferred from the block of fixed assets to retained earnings (Refer Note 4), as per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, has been net off from the amounts so transferred to the retained earnings, and has been reduced from the opening deferred tax liabilities.



Notes to the Financial Statements for the year ended March 31, 2015

NOTE 7 - OTHER LONG TERM LIABILITIES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|----------------------------|-------------------------|-------------------------|
| Security Deposits Received | 250,000 | 250,000 |
| Total | 250,000 | 250,000 |

NOTE 8: LONG-TERM PROVISIONS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-------------------------|-------------------------|
| Provision for Employee Benefits: | | |
| Provision for Gratuity (Refer Note 35) | 21,794,072 | 13,867,869 |
| Provision for Compensated Absences (Refer Note 35) | 3,853,680 | 1,356,998 |
| Total | 25,647,752 | 15,224,867 |

NOTE 9- SHORT - TERM BORROWINGS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Secured Loans | | |
| Working Capital Loans from Banks (Refer Note (a) below) | 280,376,033 | 252,923,078 |
| Total | 280,376,033 | 252,923,078 |

(a) Details of security of Working Capital loan from banks

These facilities are secured against the following charge on various assets of the Company :

- Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
- Collateral :
 - Extension of mortgage charge on land with warehousing building at Container Freight Station, Yard I & II located at Village Ajiwali, Pune Mumbai National Highway (NH 4), Taluka Panvel, Raigad, measuring mortgageable area of 92,375 sq. mts., owned by the Company.
 - Extension of mortgage charge on land with warehousing building at Container Freight Station, Yard III with railway siding facility, located at Village Somathane, Kon-Savla Road, Taluka Panvel, Raigad, measuring area of 1,98,123 sq. mts., owned by the Company.
 - Extension of charge on entire fixed assets of the Company located at locations stated above except the vehicles and equipments specifically charged for the vehicle / equipment loans.
 - Extension of charge on 205-206, JK Chambers, Sector 17, Vashi, Navi Mumbai - 400 703, owned by Mr. Shantilal J Mehta, director of the Company.
 - Plots of Land and Building situated at Survey No. 139/2, 140/0, 141/1B, Village Ajiwali, Tal-Panvel, District Raigad with total area of 4080 Sq. Mtrs. of WDV Value of ₹ 5.18 Crores and cash collateral of ₹ 0.13 Crores.
 - DSRA equivalent to immediately ensuing quarter of debt servicing to be maintained in the form of Fixed Deposit of value of ₹ 1.64 Crs.
3. Personal Guarantees of : Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Jayesh N Mehta, Mr. Kunthu Kumar S Mehta, Mrs. Shailaja N Mehta, Ms. Kamalbai S Mehta, and Ms. Seema K. Mehta.

Notes to the Financial Statements for the year ended March 31, 2015

NOTE 10 - TRADE PAYABLES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|-----------------------------------|-------------------------|-------------------------|
| Trade Payables (Refer Note Below) | 112,887,439 | 13,532,559 |
| Total | 112,887,439 | 13,532,559 |

Note:

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2015. This information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company.

NOTE 11 - OTHER CURRENT LIABILITIES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Current Maturities of Long-Term Debt: | | |
| Rupee Term Loans from Banks (Refer Note 5 above) | 230,563,661 | 137,590,299 |
| Foreign Currency Term Loans from Banks (Refer Note 5 above) | 669,608,890 | 469,126,614 |
| Rupee Term Loans from Others (Refer Note 5 above) | 64,691,856 | 76,848,695 |
| Interest Accrued but not Due on Borrowings | 8,921,595 | 12,900,209 |
| Statutory Liabilities (Including Provident Fund, Tax Deducted at Source and other indirect taxes) | 33,222,908 | 59,213,639 |
| Employee Related Liabilities | 11,099,532 | 10,034,158 |
| Other Payables | 450,000 | 505,620 |
| Total | 1,018,558,442 | 766,219,234 |

NOTE 12 : SHORT-TERM PROVISIONS:

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Provision for Tax (Net of Advance taxes and Tax Deducted at Source) | 36,429,052 | 73,289,107 |
| Provision for Wealth Tax | 100,000 | 126,466 |
| Provision for Interest Rate Swap | 8,200,353 | 4,465,773 |
| Provision for Directors Sitting Fees | 508,500 | - |
| Provision for IPO Expenses | 6,179,800 | - |
| Provision for Employee benefits: | | |
| Provision for Gratuity (Refer Note 35) | 919,268 | 1,487,392 |
| Provision for Compensated Absences (Refer Note 35) | 188,024 | 193,822 |
| Total | 52,524,997 | 79,562,560 |

Notes to the Financial Statements for the year ended March 31, 2015

NOTE 13 - FIXED ASSETS

(in ₹)

| Description | Gross Block | | | Depreciation Block | | | Net Block | | | | |
|---|----------------------|---------------------------|--|----------------------|---------------------------------|--------------------|---|------------------------------|---------------------------------|----------------------|----------------------|
| | As at April 1, 2014 | Additions during the year | Deletions/ Adjustments during the year | As at March 31, 2015 | Accumulated upto March 31, 2014 | For the year | Transferred to Retained Earnings (Refer Note 1 below) | On Deletions during the year | Accumulated upto March 31, 2015 | As at March 31, 2015 | As at March 31, 2014 |
| Tangible Assets: | | | | | | | | | | | |
| Land and Land Developments (Refer Note 3 and 5 below) | 3,772,004,024 | 448,624,076 | - | 4,220,628,100 | - | - | - | - | - | 4,220,628,100 | 3,772,004,024 |
| Building | 807,637,384 | 103,148,646 | - | 910,786,030 | 44,555,798 | 14,205,132 | - | - | 58,760,930 | 852,025,100 | 763,081,586 |
| Plant and Machinery | 581,951,780 | 20,243,652 | - | 602,195,432 | 100,884,419 | 27,782,635 | - | - | 128,667,054 | 473,528,378 | 481,067,361 |
| Furniture and Fixtures | 25,571,658 | 436,879 | - | 26,008,537 | 5,763,463 | 2,942,729 | - | - | 8,706,192 | 17,302,345 | 19,808,195 |
| Computers and Printers | 46,914,303 | 13,970,268 | - | 60,884,571 | 27,240,489 | 9,376,912 | 6,720,087 | - | 43,337,488 | 17,547,083 | 19,673,814 |
| Network and Server Setup | 20,582,811 | 674,393 | - | 21,257,204 | 8,723,930 | 3,555,977 | - | - | 12,279,907 | 8,977,297 | 11,858,881 |
| Motor Vehicles (Refer Note 4 below) | 804,999,087 | 261,971,787 | 8,023,275 | 1,058,947,599 | 154,230,047 | 43,865,896 | - | 3,037,168 | 195,068,775 | 863,888,824 | 650,769,040 |
| Office Equipments | 22,106,309 | 4,936,465 | - | 27,042,774 | 4,771,062 | 6,171,690 | 6,658,188 | - | 17,600,940 | 9,441,834 | 17,335,247 |
| Railway Sidings | 904,751,614 | 658,639,627 | - | 1,563,391,241 | 85,133,181 | 44,242,742 | - | - | 129,375,923 | 1,434,015,318 | 819,618,433 |
| TOTAL | 6,986,519,970 | 1,512,645,793 | 8,023,275 | 8,491,141,488 | 431,302,389 | 152,143,713 | 13,378,275 | 3,037,168 | 593,787,209 | 7,897,354,279 | 6,555,216,581 |
| Previous Year | 6,505,564,431 | 483,198,417 | 2,243,878 | 6,986,518,970 | 302,187,524 | 130,107,949 | - | 993,084 | 431,302,389 | 6,555,216,581 | 6,203,376,907 |

Notes:

- With the applicability of Companies Act, 2013 with effect from April 1, 2014, and as per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, the carrying amount of the existing assets as on April 1, 2014 where the remaining useful life of an asset is nil, the residual value has been transferred to the retained earnings.
- The Company has given some of its Trucks and Trailers on rental basis under operating leases. Also refer to note 36 for other details.
- Gross block of Land and Land Development includes certain land and land development having gross block value of ₹ 170,061,841 (as at March 31, 2014: ₹ 149,884,961) situated at different locations, which are in the name of the Directors of the Company and are yet to be transferred in the name of the Company.
- Gross block of Motor Vehicles includes certain Motor Vehicles having gross block value of ₹ 19,466,809 (as at March 31, 2014: ₹ 14,586,379) which are in the name of the Directors of the Company and are yet to be transferred in the name of the Company.
- Land situated at Ajiwali was transferred in the books of account of the Company on September 29, 2008 from the erstwhile partnership firm, M/s. Navkar Infra & Logistics Corporation at INR 1,051.52 million. This land was revalued in the erstwhile partnership firm, M/s. Navkar Infra & Logistics Corporation and credited to the Partners Capital Accounts and Current Account. The balances of Partners Capital have been converted into Equity Share Capital Account and balances of Partners Current Accounts have been converted into Unsecured Loans in the Company on Part IX Conversion of the erstwhile partnership firm, M/s. Navkar Infra & Logistics Corporation into Navkar Corporation Limited.





Notes to the Financial Statements for the year ended March 31, 2015

NOTE 14 : NON-CURRENT INVESTMENTS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Trade Investments (Valued at cost unless stated otherwise) | | |
| Unquoted Equity Instruments | | |
| In Subsidiaries | | |
| 50,000 (as at March 31, 2014: 10,000) Equity Shares of Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) of ₹ 10 each fully paid up | 500,000 | 100,000 |
| Other Investments (Valued at cost unless stated otherwise) | | |
| Quoted Equity Instruments | | |
| Nil (as at March 31, 2014: 15,00,000) Equity Shares of Garnet International Limited of ₹ 10 each fully paid up (Also Refer Note 17) | - | 202,500,000 |
| Total | 500,000 | 202,600,000 |
| Aggregate amount of Unquoted Investments | 500,000 | 100,000 |
| Aggregate amount of Quoted Investments | - | 202,500,000 |
| Market Value of Quoted Investments | - | 139,350,000 |

NOTE 15 : LONG-TERM LOANS AND ADVANCES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Security Deposits | 5,855,885 | 6,336,170 |
| Capital Advances | 122,627,790 | 76,850,000 |
| MAT Credit Entitlement | 696,165,996 | 532,628,020 |
| Balances with government authorities | | |
| VAT deposit | 25,000 | 25,000 |
| Advances to Related Parties (Refer Note 37) | 546,344,499 | 11,507,433 |
| Other Loans and Advances | 66,578,878 | 69,578,381 |
| Total | 1,437,598,048 | 696,925,004 |

NOTE 16 : OTHER NON-CURRENT ASSETS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Fixed Deposits with Banks with a maturity period more than 12 months [under lien against bank guarantee and loans from banks] | 63,643,267 | 57,250,087 |
| Total | 63,643,267 | 57,250,087 |



Notes to the Financial Statements for the year ended March 31, 2015

NOTE 17 - CURRENT INVESTMENTS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-------------------------|-------------------------|
| Other Investments (Valued at cost unless stated otherwise) | | |
| Quoted Equity Instruments | | |
| 6,74,500 (as at March 31, 2014: Nil) Equity Shares of Garnet International Limited of ₹ 10 each fully paid up (Refer Note below) | 91,057,500 | - |
| Less: Provision for Diminution in Value of Investments | 40,874,700 | - |
| Total | 50,182,800 | - |
| Aggregate amount of Quoted Investments | 50,182,800 | - |
| Market Value of Quoted Investments | 50,182,800 | - |

Note:

During the year ended March 31, 2015, the Management has re-classified the non-current investments in Garnet International Limited (the 'investee company') to current investments as above. As per the Management's view, these investments would be disposed off within the year. The Company holds 10.84% and 24.10% holding as at March 31, 2015 and March 31, 2014 respectively in the investee company, however, the Company does not have any representation on the board of directors of the investee company, no participation in policy making processes, there is no material transactions between the Company and the investee Company, there is no interchange of managerial personnel and provision of essential technical information, hence the investee company has not been considered as an associate as per AS-23 and the Companies Act, 2013. In the year ended March 31, 2015, the Company has sold 825,500 shares of the Investee Company.

NOTE 18 - SPARE PARTS AND CONSUMABLES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--------------------------------------|-------------------------|-------------------------|
| Stock of Spare Parts and Consumables | 16,155,872 | - |
| Total | 16,155,872 | - |

NOTE 19 - TRADE RECEIVABLES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Receivables outstanding for a period exceeding six months from the date they became due for payment | - | - |
| Other Receivables | 774,744,939 | 762,631,956 |
| Total | 774,744,939 | 762,631,956 |



Notes to the Financial Statements for the year ended March 31, 2015

NOTE 20 : CASH AND BANK BALANCES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Cash and Cash Equivalents | | |
| Cash on Hand | 2,087,484 | 800,118 |
| Bank Balances | | |
| - In current accounts | 5,388,588 | 9,165,195 |
| | 7,476,072 | 9,965,313 |
| Other Bank Balances | | |
| Fixed Deposits with maturity period of more than 3 months but less than 12 months [under lien against bank guarantee] | 677,721 | 1,658,951 |
| Total | 8,153,793 | 11,624,264 |

NOTE 21 : SHORT-TERM LOANS AND ADVANCES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|-------------------------------------|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Advances to Employees | 5,105,092 | 1,059,926 |
| Prepaid Expenses | 15,693,994 | 13,032,333 |
| Balance with Government Authorities | | |
| - CENVAT Credit Receivable | 5,701,517 | 1,874,144 |
| Other Trade Advances | 215,517,878 | 288,959,958 |
| Total | 242,018,481 | 304,926,361 |

NOTE 22 : OTHER CURRENT ASSETS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-------------------------|-------------------------|
| Unbilled and Accrued Income | 183,485,760 | 143,526,210 |
| Proposed Public Issue Expenses (Refer Note 39) | 49,264,372 | - |
| Unamortised Option Premium | 22,871 | 1,002,296 |
| Total | 232,773,003 | 144,528,506 |

NOTE 23 : REVENUE FROM OPERATIONS

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|----------------------------------|--------------------------------------|--------------------------------------|
| Sale of Products: | | |
| Agro Products (Refer Note Below) | - | 605,057,416 |
| Auction Sale | 26,875,213 | 21,780,523 |
| Services Rendered: | | |
| Cargo Handling | 2,369,895,773 | 2,131,606,199 |
| Cargo Storage | 860,014,087 | 718,281,618 |
| Other Operating Revenue: | | |
| EDI Income | 6,321,622 | 3,495,688 |
| MNR Receipts | 24,436,198 | 13,279,357 |
| Total | 3,287,542,893 | 3,493,500,801 |

Note : The Company has discontinued the business of "Trading of Agro Products" as decided by the Board of Directors in the meeting held on March 31, 2014.



Notes to the Financial Statements for the year ended March 31, 2015

NOTE 24 : OTHER INCOME

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| Interest Income: | | |
| From Fixed Deposits with Banks | 6,154,643 | 3,708,657 |
| From Loans to Related Parties and Others | 11,104,665 | 935,540 |
| Rental Income | 8,750,000 | 22,000,000 |
| Foreign Exchange Gain (Net) | - | 169,794,217 |
| Miscellaneous Income | 6,597,908 | 11,922,660 |
| Total | 32,607,216 | 208,361,074 |

NOTE 25 : COST OF SERVICES

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|-------------------------------------|--------------------------------------|--------------------------------------|
| Container Handling Charges | 94,255,303 | 70,870,442 |
| Customs Cost Recovery | 2,749,396 | 3,234,483 |
| Custom Bottle Seals | 375,360 | 541,956 |
| Electricity Expenses | 26,478,603 | 19,902,520 |
| Freight and Cartage | 64,857,683 | 63,055,722 |
| Incentives, Discounts and Rebates | 484,983,400 | 369,297,204 |
| Port Handling Charges | 150,462,097 | 155,200,992 |
| Diesel and Petrol Expenses | 433,620,991 | 360,042,998 |
| Repairs and Maintenance | 66,384,936 | 63,412,862 |
| Other Operational Expenses | 4,575,495 | 8,025,097 |
| Railway Haulage and License Charges | 53,813,248 | 56,640,200 |
| Total | 1,382,556,512 | 1,170,224,476 |

NOTE 26 : PURCHASE OF TRADED GOODS

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------------------------|--------------------------------------|--------------------------------------|
| Purchase of Agro Products | - | 601,568,320 |
| Total | - | 601,568,320 |

NOTE 27 : EMPLOYEE BENEFITS EXPENSES

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| Salaries, Wages and Bonus | 180,694,120 | 157,329,926 |
| Contributions to provident and other funds | 11,924,755 | 10,468,935 |
| Gratuity Expenses | 7,689,922 | 1,354,391 |
| Leave Encashment Expenses | 2,537,628 | 342,936 |
| Staff Welfare Expenses | 19,407,149 | 14,575,786 |
| Total | 222,253,574 | 184,071,974 |

Notes to the Financial Statements for the year ended March 31, 2015

NOTE 28 : FINANCE COSTS

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---|--------------------------------------|--------------------------------------|
| Interest on Borrowings from Banks on Term Loans | 189,496,243 | 262,281,816 |
| Interest on Borrowings from Others on Term Loans | 28,325,592 | 26,757,494 |
| Interest on Borrowings from Banks on Short-Term Loans | 10,555,647 | 13,255,694 |
| Interest on Others | 10,230,639 | 4,008,266 |
| Bank Charges and Commission | 25,086,945 | 24,132,346 |
| Total | 263,695,066 | 330,435,616 |

NOTE 29 : OTHER EXPENSES

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| Advertisement Expenses | 463,018 | 1,141,083 |
| Payment to Auditors: | | |
| Audit Fees | 500,000 | 561,800 |
| Taxation Matters | - | 33,500 |
| CSR Expenses (Refer Note 40) | 14,500,000 | - |
| Donation Expenses | 12,446,147 | 42,086,863 |
| General and Office Expenses | 7,669,397 | 4,992,444 |
| Information Technology Expenses | 9,489,397 | 8,492,181 |
| Insurance Expenses | 11,535,445 | 14,983,726 |
| Foreign Exchange Loss (Net) | 143,434,005 | - |
| Legal and Professional Fees | 45,452,085 | 20,392,887 |
| Loss on Sale of Fixed Assets | 2,190,551 | 224,127 |
| Loss on Sale of Investments | 10,367,726 | - |
| Provision for Diminution in Value of Current Investments | 40,874,700 | - |
| Printing and Stationery | 2,749,400 | 2,903,508 |
| Rent Expenses | 13,375 | - |
| Expenses Incurred for Increase in Authorised Share Capital | 12,738,750 | - |
| Rates and Taxes | 23,616,278 | 20,358,946 |
| Repairs and Maintenance - Others | 42,159,186 | 41,485,988 |
| Sales Promotion Expenses | 17,605,360 | 4,427,394 |
| Option Derivatives Hedge Cost | 26,779,425 | 93,797,704 |
| Security Expenses | 38,125,874 | 21,465,098 |
| Telephone and Internet Charges | 2,414,877 | 2,325,119 |
| Travelling Expenses | 9,611,520 | 7,684,317 |
| Miscellaneous Expenses | 10,993,134 | 6,700,637 |
| Total | 485,729,650 | 294,057,322 |



Notes to the Financial Statements for the year ended March 31, 2015

NOTE 30 : EARNINGS PER EQUITY SHARE

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| Net Profit attributable to Equity Shareholders (₹) | 696,683,878 | 905,504,402 |
| Weighted average number of equity shares (Nos.) - Post Bonus Issue | 109,704,798 | 88,934,934 |
| Basic and Diluted Earnings Per Share (₹) | 6.35 | 10.18 |
| Face value per Share (₹) | 10.00 | 10.00 |

NOTE 31 : CONTINGENT LIABILITIES NOT PROVIDED FOR

(a) (in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Disputed Liabilities in respect of Service Tax | 20,372,506 | 20,372,506 |
| Claims against the Company not acknowledged as debts in respect of Railway land license fee | 74,255,258 | 59,112,980 |
| Claims against the Company not acknowledged as debts in respect of Labour laws | 5,591,705 | 6,884,953 |
| Total | 100,219,469 | 86,370,439 |

(b) State Bank of India has given guarantee amounting to ₹ 263,363,328 (as at March 31, 2014: ₹ 253,853,985) on behalf of the Company as required by the Custom Authority in favour of the President of India.

NOTE 32 : CAPITAL AND OTHER COMMITMENTS

(a) Capital Commitments

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-------------------------|-------------------------|
| Estimated value of Contracts in respect of Fixed Assets remaining to be executed (Net of Capital Advances) | 158,008,602 | - |
| Total | 158,008,602 | - |

(b) Other Commitments

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Corporate Guarantees given by the Company (Refer Note (i) below) | 4,368,924,000 | 1,650,000,000 |
| Co-Borrower for Commercial Vehicle Loans taken by a Related Party (Refer Note (ii) below) | 5,313,000 | - |
| Total | 4,374,237,000 | 1,650,000,000 |

Notes to the Financial Statements for the year ended March 31, 2015

Note:

- (i) The Company has issued Corporate Guarantees aggregating to ₹ 2,668.924 million as at year end (March 31, 2014: ₹ Nil) on behalf of Navkar Terminals Limited which has now been merged with Harvard Credit Rating Agency Limited (Formerly known as Harvard Credit Rating Agency Private Limited) effective from November 1, 2014, ₹ 1,700 million as at year end (March 31, 2014: ₹ 1,500 million) on behalf of Sidhartha Corporation Private Limited and ₹ Nil as at year end (March 31, 2014: ₹ 150 million) on behalf of M/s Arihant Industries (Prop. Nemichand Mehta). Liabilities outstanding for which Corporate Guarantees have been issued aggregates ₹ 1,873.04 million as on March 31, 2015 (March 31, 2014: ₹ 1,610.16 million).
- (ii) The Company is a Co-Borrower for Commercial Vehicle Loans taken by Navkar Terminals Limited, which has now been merged with Harvard Credit Rating Agency Limited (Formerly known as Harvard Credit Rating Agency Private Limited) effective from November 1, 2014, aggregating to ₹ 5.313 million as at year end (March 31, 2014: Nil). Liabilities outstanding for which the Company is a co-applicant aggregates to ₹ 4.47 million as on March 31, 2015 (March 31, 2014: Nil).

NOTE 33 : P. D. Sekhsaria Trading Company Private Limited and United India Insurance Company Limited filed a special civil suit dated March 25, 2013 before the Court of Civil Judge against the Company for recovery of ₹ 42,340,533 along with interest from the date of cause of action until realization of the amount in respect of loss of cargo stored at the Company's premises due to fire. United India Insurance Company Limited settled the claim of P. D. Sekhsaria Trading Company Private Limited by paying an amount of ₹ 42,340,533 under a marine insurance policy taken by P. D. Sekhsaria Trading Company Private Limited from United India Insurance Company Limited and was entitled to file the suit pursuant to subrogation and assignment. The Company then filed a reply dated November 26, 2013. As per the Management's view, the liabilities would not arise to the Company as the Company has insurance cover for the same, hence not considered as contingent liabilities.

NOTE 34 : SEGMENT INFORMATION

Information about Primary Business Segment

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. The Company is engaged in CFS Operations and related activities during the year, consequently the Company does not have separate reportable business segment for the year ended March 31, 2015.

Information about Secondary Geographical Segment

The Company is engaged in providing services to customers located in India, consequently the Company does not have separate reportable geographical segment for the year ended March 31, 2015.

NOTE 35 : EMPLOYEE BENEFITS

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

- I. Defined Contribution Plans
- Employers' Contribution to Provident Fund and Employee's Pension Scheme
 - Employers' Contribution to Employee's State Insurance

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

| | (in ₹) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2015 | Year ended March 31, 2014 |
| Employers' Contribution to Provident Fund and Employee's Pension Scheme | 8,802,132 | 6,793,580 |
| Employers' Contribution to Employee's State Insurance | 3,122,623 | 3,675,355 |
| Total Expenses recognised in the Statement of Profit and Loss (Refer Note 27) | 11,924,755 | 10,468,935 |



Notes to the Financial Statements for the year ended March 31, 2015

(in ₹)

| | Year ended March 31, 2015 | Year ended March 31, 2014 |
|---|------------------------------|------------------------------|
| II. Defined Benefit Plan | | |
| Contribution to Gratuity Fund | | |
| a. Major Assumptions | (% p.a.) | (% p.a.) |
| Discount Rate | 7.77% | 9.19% |
| Salary Escalation Rate @ | 8.00% | 8.00% |
| @ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors. | | |
| Employee Turnover | 3.00% | 7.50% |
| b. Change in Present Value of Obligation | | |
| Present Value of Obligation as at the beginning of the year | 15,355,261 | 14,119,911 |
| Current Service Cost | 5,629,478 | 4,465,256 |
| Interest Cost | 1,386,357 | 890,553 |
| Past Service Cost | - | - |
| Transferred In | 207,692 | - |
| Benefit paid | (539,535) | (119,041) |
| Actuarial (Gain)/ Loss on Obligations | 674,087 | (4,001,418) |
| Present Value of Obligation as at the end of the year | 22,713,340 | 15,355,261 |
| c. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets | | |
| Present Value of Funded Obligation | 22,713,340 | 15,355,261 |
| Fair Value of Plan Assets | - | - |
| Funded Status | (22,713,340) | (15,355,261) |
| Present Value of Unfunded Obligation | 22,713,340 | 15,355,261 |
| Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions (Refer Note 8 and 12) | 22,713,340 | 15,355,261 |
| d. Expenses Recognised in the Statement of Profit and Loss | | |
| Current Service Cost | 5,629,478 | 4,465,256 |
| Past Service Cost | - | - |
| Interest Cost | 1,386,357 | 890,553 |
| Expected Return on Plan Assets | - | - |
| Actuarial Losses Recognised in the year | 674,087 | (4,001,418) |
| Total expenses recognised in the Statement of Profit and Loss (Refer Note 27) | 7,689,922 | 1,354,391 |
| e. Amounts recognised in the Balance Sheet | | |
| Present Value of Obligation as at year end | (22,713,340) | (15,355,261) |
| Fair Value of Plan Assets as at year end | - | - |
| Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions (Refer Note 8 and 12) | 22,713,340 | 15,355,261 |
| f. Experience Adjustments | | |
| On Plan Liabilities | (674,087) | 4,001,418 |
| On Plan Assets | - | - |
| Total Experience Adjustment | (674,087) | 4,001,418 |



Notes to the Financial Statements for the year ended March 31, 2015

III. Other Employee Benefit

The liability for leave entitlement as at year end is ₹ 4,041,704 (March 31, 2014: ₹ 1,550,820) disclosed under Long Term Provisions (Refer Note 8) and Short Term Provision (Refer Note 12).

NOTE 36 : OPERATING LEASE TRANSACTIONS

The Company has leased out certain trucks and trailers under cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee for which Rent Income of ₹ 8,750,000 (2013-14: ₹ 22,000,000) for the year has been recognised in the Statement of Profit and Loss.

The Company has agreement for leased out of 45 numbers of trucks and trailers and not specific trucks and trailers, considering the nature of business of the Company, there are large number of trucks and trailers are owned by the Company, therefore, it is not feasible to identify the particular trucks and trailers are given on lease at a single point of time as the same is given on the basis of availability of the trucks and trailers as and when required by the party. Hence, the information regarding gross carrying amount, accumulated depreciation and net carrying amount as at year end and depreciation for the year as required by the Accounting Standard - (AS) 19 ' are not disclosed.

NOTE 37 : RELATED PARTY DISCLOSURE

i) Relationship

| Description of relationship | Names of Related Parties |
|--|---|
| Key Management Personnel | Mr. Shantilal J Mehta Mr. Nemichand J Mehta Mr. Jayesh N Mehta Mrs. Shailaja N Mehta Ms. Ekta Chuglani (Company Secretary w.e.f. 12-09-2014) Mr. Jayesh Kothari (Chief Financial Officer from 25-09-2014 to 05-02-2015) Mr. Anish Maheshwari (Chief Financial Officer w.e.f 06-02-2015) Mr. Dinesh Gautama (w.e.f. 08-12-2014) |
| Relative of key management personnel with whom the Company has entered into transactions during the year | Mr. Kunthu Kumar Mehta Mrs. Kamalbai S. Mehta Mrs. Sairabai J. Mehta Mrs. Seema K. Mehta |
| Subsidiary | Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) |
| Enterprises in which Key Management personnel and relatives of Key Management personnel have significant influence | Sidhartha Corporation Private Limited Harvard Global Logistics Limited Navkar Terminals Limited [Merged with Harvard Credit Rating Agency Ltdimited(now known as Navkar Terminals Limited), as per the Scheme of Amalgamation, appointed date is 01-11-2014] M/s. Arihant Industries (Director's Proprietorship) M/s. Bhagwati Onion Suppliers (Director's Proprietorship) Navkar Charitable Trust |

Notes:

- 1) The list of related parties above has been limited to entities with which transactions have taken place during the year.
- 2) Related party transactions have been disclosed till the time the relationship existed.



Notes to the Financial Statements for the year ended March 31, 2015

ii) Transaction with Related Parties during the year

(in ₹)

| Particulars | For the Year Ended March 31, 2015 | For the Year Ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| Directors Remuneration and Salary | | |
| Mr. Shantilal J Mehta | 6,500,000 | 3,800,000 |
| Mr. Nemichand J Mehta | 6,000,000 | 2,900,000 |
| Mr. Jayesh N Mehta | 5,500,000 | 2,400,000 |
| Ms. Ekta Chuglani (Company Secretary w.e.f. 12-09-2014) | 261,900 | - |
| Mr. Dinesh Gautama (w.e.f. 08-12-2014) | 2,000,000 | - |
| Mr. Jayesh Kothari (Chief Financial Officer from 25-09-2014 to 05-02-2015) | 1,489,586 | - |
| Mr. Anish Maheshwari (Chief Financial Officer w.e.f. 06-02-2015) | 276,814 | - |
| | 22,028,300 | 9,100,000 |
| Sale of Service | | |
| Harvard Global Logistics Limited | 1,550,813 | 1,405,785 |
| Sidhartha Corporation Private Limited | 13,648,294 | 12,106,443 |
| | 15,199,107 | 13,512,228 |
| Sale of Goods | | |
| M/s. Bhagwati Onion Suppliers (Director's Proprietorship) | - | 361,428,630 |
| | - | 361,428,630 |
| Interest Income on Loan given | | |
| Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) | 11,104,665 | - |
| | 11,104,665 | - |
| Purchase of Goods | | |
| M/s. Arihant Industries (Director's Proprietorship) | - | 272,702,450 |
| | - | 272,702,450 |
| Donations and CSR Expenses | | |
| Navkar Charitable Trust | 26,946,147 | 42,061,078 |
| | 26,946,147 | 42,061,078 |
| Rent Expenses | | |
| Mr. Shantilal J Mehta | 4,000 | - |
| Mr. Nemichand J Mehta | 9,375 | - |
| | 13,375 | - |
| Loans and Advances Given | | |
| Navkar Terminals Limited [Merged with Harvard Credit Rating Agency Limited (Now known as Navkar Terminals Limited), as per the Scheme of Amalgamation, appointed date is 01-11-2014] | 41,394,126 | - |
| Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) | 510,343,173 | - |
| Harvard Global Logistics Limited | 10,132,001 | 4,208,000 |
| | 561,869,300 | 4,208,000 |

Notes to the Financial Statements for the year ended March 31, 2015

(in ₹)

| Particulars | For the Year Ended March 31, 2015 | For the Year Ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| Advance Given Received Back | | |
| Harvard Global Logistics Limited | 21,639,434 | 8,100,000 |
| Navkar Terminals Limited [Merged with Harvard Credit Rating Agency Limited (Now known as Navkar Terminals Limited), as per the Scheme of Amalgamation, appointed date is 01-11-2014] | 800 | - |
| Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) | 5,392,000 | - |
| | 27,032,234 | 8,100,000 |
| Investments in Equity shares | | |
| Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) | 400,000 | - |
| | 400,000 | - |
| Allotment of Equity Shares (Including Securities Premium) | | |
| Mr. Nemichand J Mehta | 257,500,000 | 180,000,000 |
| Mr. Shantilal J Mehta | 402,500,000 | 170,000,000 |
| Mr. Kunthu Kumar Mehta | 17,500,000 | - |
| Mrs. Shailaja N Mehta | 167,500,000 | - |
| Sidhartha Corporation Private Limited | 67,456,650 | - |
| Mrs. Sairabai J Mehta | 1,000,000 | - |
| Mr. Jayesh N Mehta | 250,000 | - |
| Mrs. Kamalbai S Mehta | 250,000 | - |
| Mrs. Seema K Mehta | 250,000 | - |
| | 914,206,650 | 350,000,000 |
| Loan Taken | | |
| Mr. Shantilal J Mehta | 226,677,672 | 38,309,149 |
| Mr. Nemichand J Mehta | 88,097,497 | 32,114,482 |
| Mrs. Shailaja N Mehta | 194,025 | 19,998,500 |
| Mr. Jayesh N Mehta | 64,036,022 | 1,710,750 |
| Mrs. Kamalbai S Mehta | 337,000 | - |
| | 379,342,216 | 92,132,881 |
| Loan Taken Repaid | | |
| Mr. Shantilal J Mehta | 4,777,566 | 171,563,971 |
| Mr. Nemichand J Mehta | 210,032,000 | 180,950,856 |
| Mrs. Shailaja N Mehta | 61,497,771 | 422,181 |
| Mr. Jayesh N Mehta | 5,510,830 | - |
| Mrs. Kamalbai S Mehta | 337,000 | - |
| | 282,155,167 | 352,937,008 |



Notes to the Financial Statements for the year ended March 31, 2015

iii) Balance with Related Parties :

| Particulars | (in ₹) | |
|---|----------------------------------|----------------------------------|
| | Balances as at March 31, 2015 | Balances as at March 31, 2014 |
| Loans and Advances Given | | |
| Harvard Global Logistics Limited | - | 11,507,433 |
| Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) | 546,344,499 | - |
| | 546,344,499 | 11,507,433 |
| Loans Payable | | |
| Mr. Shantilal J Mehta | 505,233,092 | 283,332,986 |
| Mr. Nemichand J Mehta | 170,894,743 | 292,829,246 |
| Mrs. Shailaja N Mehta | 184,520,960 | 245,824,706 |
| Mr. Jayesh N Mehta | 192,937,798 | 134,412,606 |
| | 1,053,586,593 | 956,399,544 |
| Remuneration Payable | | |
| Ms. Ekta Chuglani (Company Secretary w.e.f. 12-09-2014) | 35,500 | - |
| Mr. Dinesh Gautama | 350,172 | - |
| Mr. Anish Maheshwari (Chief Financial Officer w.e.f. 06-02-2015) | 133,383 | - |
| | 519,055 | - |
| Corporate Guarantees Given | | |
| Sidhartha Corporation Private Limited | 1,700,000,000 | 1,500,000,000 |
| M/s. Arihant Industries | - | 150,000,000 |
| Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) | 2,668,924,000 | - |
| | 4,368,924,000 | 1,650,000,000 |

NOTE 38 : DERIVATIVE INSTRUMENTS

The Company is exposed to foreign currency fluctuations on foreign currency assets/ liabilities, payables denominated in foreign currency. In line with the Company's risk management policies and procedures, the Company enters into foreign currency option contracts and swap contracts to manage its exposure.

The following are outstanding Foreign currency options contracts against the future repayment of borrowings :

| Non- Designated Cash flow Hedges | Currency Pair | Notional Amount (Foreign Currency) | Fair Value Gain / (Loss) ₹ |
|----------------------------------|---------------|------------------------------------|----------------------------|
| Options - USD/INR Call | USD/INR | 29,130,100 (25,874,000) | 26,779,425 (93,797,704) |

NOTE 39 : INITIAL PUBLIC OFFERING

The Company has filed Draft Red Hearing Prospectus ('DRHP') as on March 31, 2015 for the proposed Initial Public Offering ('IPO') with the Securities Exchange Board of India ('SEBI') for shares to be listed at Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE'). During the year, the Company has incurred ₹ 49,264,372 towards proposed IPO which are classified as 'Proposed Public Issue Expenses' and grouped under 'Other Current Assets' in the financial statements. These expenses would be adjusted against the securities premium account on completion of the public issue.



Notes to the Financial Statements for the year ended March 31, 2015

NOTE 40 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

- (a) Gross amount required to be spent by the Company during the year ₹ 14,388,938
(b) Amount spent during the year on:

| Particulars | In cash ₹ | Yet to be paid in cash ₹ | Total ₹ |
|--|--------------|-----------------------------|------------|
| (i) Construction/ acquisition of any asset | - | - | - |
| (ii) On purposes other than (i) above | 14,500,000 | | 14,500,000 |

NOTE 41 : LOANS AND GUARANTEE GIVEN

Disclosure for loans given to subsidiary and guarantee given on behalf of subsidiary and other group company:

| Name of entity | Loans/ Guarantee | Amount ₹ | Purpose for which the loan/ guarantee is proposed to be utilised |
|---|---------------------|---------------|--|
| Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) | Loans | 546,344,499 | Loans given for establishment of Inland Container Depot ('ICD'). |
| Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) | Guarantee | 2,660,000,000 | The guarantee given by the Company for Term Loans taken by Navkar Terminals Limited for establishment of Inland Container Depot ('ICD'). |
| Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) | Guarantee | 8,924,000 | The guarantee given by the Company for Commercial Vehicle Loans taken by Navkar Terminals Limited. |
| Sidhartha Corporation Private Limited | Guarantee | 1,700,000,000 | The guarantee given by the Company for working capital loans taken by Sidhartha Corporation Private Limited. |

NOTE 42 : CURRENT ASSETS AND LOANS AND ADVANCES

In the opinion of the Board, the Current Assets and Loans and Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

NOTE 43 : PREVIOUS YEAR'S FIGURES

Previous year's figures have been reclassified to conform to current year's classification wherever applicable.

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

For and on behalf of the Board of Directors

For **S. K. PATODIA & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 112723W

Shantilal Mehta
Managing Director
DIN : 00134162

Jayesh Mehta
Whole-time Director
DIN : 00510313

Arun Poddar
Partner
Membership Number: 134572

Anish Maheshwari
Chief Financial Officer

Ekta Chuglani
Company Secretary

Place : Mumbai
Date : June 17, 2015

Place : Mumbai
Date : June 17, 2015



INDEPENDENT AUDITORS' REPORT

To the Members of Navkar Corporation Limited,

Report on the Consolidated Financial Statements

1. We have audited the accompanying Consolidated financial statements of Navkar Corporation Limited, the parent (hereinafter referred to as 'the Holding Company') and its wholly owned subsidiary (collectively referred to as 'the Group'), which comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements"), which we have signed under reference to this report.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included

in the audit report under the provisions of the Act and the Rules made thereunder.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

8. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Holding Company and subsidiary company incorporated in India, as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
9. As required by Section 143(3) of the Act, we report to the extent applicable, that:



- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the accompanying consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act; and
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group—Refer Note 31 and 33 to the consolidated financial statements.;
- (ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company incorporated in India.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Place: Mumbai
Date: June 17, 2015

Arun Poddar
Partner
Membership Number: 134572



Annexure to Independent Auditors' Report

Referred to in paragraph 8 of the Independent Auditors' Report of even date to the members of Navkar Corporation Limited on the consolidated financial statements as of and for the year ended March 31, 2015.

- i. (a) The Group 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 2 years which, in our opinion, is reasonable having regard to the size of the Group 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 have been noticed on such verification.
- ii. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Group and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Group is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Group has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Group and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Group, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Group has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Group.
- vii. (a) According to the information and explanations given to us and the records of the Group examined by us, in our opinion, the Group is generally regular in depositing undisputed statutory dues in respect of income-tax, service-tax and value added tax and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales-tax, wealth-tax, duty of customs, duty of excise, 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 Group examined by us, there are no dues of income-tax, sales-tax, wealth-tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute. The particulars of dues of service-tax as at March 31, 2015 which have not been deposited on account of a dispute are as follows:
- | Name of the statute | Nature of dues | Amount (₹) | Period to which the amount relates | Forum where the dispute is pending |
|-----------------------|----------------|------------|------------------------------------|---|
| The Finance Act, 1994 | Service Tax | 20,372,506 | October 2011 to March 2012 | The Commissioner, Central Excise, Customs and Service Tax |
- (c) According to the information and explanations given to us and the records of the Group examined by us, in our opinion, there are no amounts required to be transferred by the Group to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and the rules made thereunder.
- viii. The Group has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
- ix. According to the records of the Group examined by us and the information and explanation given to us, the Group has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date. The Group has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end.
- x. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Group for loans taken by others from banks or financial institutions during the year are not prejudicial to the interest of the Group.
- xi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- xii. During the course of our examination of the books and records of the Group, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Group, noticed or reported during the year, nor we have been informed of any such case by the Management.

For S. K. Patodia & Associates
Chartered Accountants
Firm Registration Number: 112723W

Place: Mumbai
Date: June 17, 2015

Arun Poddar
Partner
Membership Number: 134572



Consolidated Balance Sheet As At March 31, 2015

(in ₹)

| Particulars | Note No. | As at March 31, 2015 | As at March 31, 2014 |
|--|----------|-----------------------|----------------------|
| I EQUITY AND LIABILITIES | | | |
| 1. Shareholders' funds | | | |
| Share Capital | 3 | 1,120,047,980 | 205,841,330 |
| Reserves and Surplus | 4 | 6,319,824,428 | 4,178,871,818 |
| | | 7,439,872,408 | 4,384,713,148 |
| 2. Minority Interests | | | |
| | | 9,979,000 | - |
| 3. Non - Current Liabilities | | | |
| Long-Term Borrowings | 5 | 4,304,161,231 | 3,429,653,710 |
| Deferred Tax Liabilities (Net) | 6 | 319,369,803 | 230,106,410 |
| Other Long-Term Liabilities | 7 | 250,000 | 250,000 |
| Long-Term Provisions | 8 | 25,647,752 | 15,224,867 |
| | | 4,649,428,786 | 3,675,234,987 |
| 4. Current Liabilities | | | |
| Short-Term Borrowings | 9 | 280,376,033 | 252,923,078 |
| Trade Payables | 10 | 116,256,530 | 13,571,737 |
| Other Current Liabilities | 11 | 1,042,423,624 | 766,219,234 |
| Short-Term Provisions | 12 | 52,524,997 | 79,562,560 |
| | | 1,491,581,184 | 1,112,276,609 |
| | | 13,590,861,378 | 9,172,224,744 |
| II ASSETS | | | |
| 1. Non - Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 13 | 10,734,545,046 | 6,555,216,581 |
| Capital Work-In-Progress | | 273,665,076 | 436,403,145 |
| Goodwill on Consolidation | | 58,346 | 58,346 |
| Non-Current Investments | 14 | - | 202,500,000 |
| Long-Term Loans and Advances | 15 | 1,191,165,911 | 696,925,004 |
| Other Non-Current Assets | 16 | 63,643,267 | 57,250,087 |
| | | 12,263,077,646 | 7,948,353,163 |
| 2. Current Assets | | | |
| Current Investments | 17 | 50,182,800 | - |
| Spare Parts and Consumables | 18 | 16,155,872 | - |
| Trade Receivables | 19 | 774,717,806 | 762,631,956 |
| Cash and Bank Balances | 20 | 10,536,467 | 11,722,911 |
| Short-Term Loans and Advances | 21 | 243,417,784 | 304,988,208 |
| Other Current Assets | 22 | 232,773,003 | 144,528,506 |
| | | 1,327,783,732 | 1,223,871,581 |
| | | 13,590,861,378 | 9,172,224,744 |
| TOTAL | | | |
| Summary of Significant Accounting Policies | 2 | | |
| The notes referred to above are an integral part of the financial statements | | | |

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

For **S. K. PATODIA & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : June 17, 2015

For and on behalf of the Board of Directors

Shantilal Mehta
Managing Director
DIN : 00134162

Jayesh Mehta
Whole-time Director
DIN : 00510313

Anish Maheshwari
Chief Financial Officer

Ekta Chuglani
Company Secretary

Place : Mumbai
Date : June 17, 2015



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

(in ₹)

| Particulars | Note No. | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|----------|-----------------------------------|-----------------------------------|
| Revenue | | | |
| Revenue from Operations | 23 | 3,287,542,893 | 3,493,500,801 |
| Other Income | 24 | 21,502,551 | 208,361,074 |
| Total Revenue | | 3,309,045,444 | 3,701,861,875 |
| Expenses | | | |
| Cost of Services | 25 | 1,382,556,512 | 1,170,224,476 |
| Purchase of Traded Goods | 26 | - | 601,568,320 |
| Employee Benefits Expenses | 27 | 222,253,574 | 184,071,974 |
| Finance Costs | 28 | 263,695,831 | 330,436,166 |
| Depreciation and Amortization Expenses | 13 | 152,143,713 | 130,107,949 |
| Other Expenses | 29 | 487,402,141 | 294,127,087 |
| Total Expenses | | 2,508,051,771 | 2,710,535,972 |
| Profit before Tax | | 800,993,673 | 991,325,903 |
| Less: Tax Expenses: | | | |
| Current Tax | | 183,000,000 | 217,040,078 |
| Less: MAT Credit | | (163,537,976) | (194,180,811) |
| Earlier Years Current Tax Adjustments | | 3,520,086 | 6,299,830 |
| Deferred Tax | | 50,719,007 | 56,732,719 |
| Deferred Tax for Earlier Years | | 42,884,967 | - |
| Profit for the year | | 684,407,589 | 905,434,087 |
| Earnings Per Equity Share (Face Value ₹10 Per Share): | 30 | | |
| Basic and Diluted (₹) | | 6.24 | 10.18 |
| Summary of Significant Accounting Policies | 2 | | |
| The notes referred to above are an integral part of the financial statements | | | |

This is the Statement of Profit and Loss referred to in our report of the even date. For and on behalf of the Board of Directors

For **S. K. PATODIA & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : June 17, 2015

Shantilal Mehta
Managing Director
DIN : 00134162

Anish Maheshwari
Chief Financial Officer

Place : Mumbai
Date : June 17, 2015

Jayesh Mehta
Whole-time Director
DIN : 00510313

Ekta Chuglani
Company Secretary



Consolidated Cash Flow Statement for the year ended March 31, 2015

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| A. Cash Flow from Operating Activities | | |
| Net profit before tax | 800,993,673 | 991,325,903 |
| Adjustments: | | |
| Depreciation and amortisation | 152,143,713 | 130,107,949 |
| Loss on sale of fixed assets (net) | 2,190,551 | 224,127 |
| Loss on sale of Investments | 10,367,726 | - |
| Provision for Diminution in Value of Current Investments | 40,874,700 | - |
| Exchange Fluctuation (Gain)/Loss on Loan | 122,239,473 | (169,812,412) |
| Interest Income | (6,157,643) | (4,644,197) |
| Finance costs | 263,695,831 | 330,436,166 |
| Miscellaneous Expenses Written Off | 61,847 | - |
| Operating cash flows before working capital changes | 1,386,409,871 | 1,277,637,536 |
| <u>Adjustments for Changes in Working Capital</u> | | |
| Decrease/(Increase) in Inventories | (16,155,872) | - |
| Decrease/(Increase) in Trade receivables | (12,085,850) | (131,557,902) |
| Decrease/(Increase) in Short term Loans and Advances | 65,101,478 | 17,763,810 |
| Decrease/(Increase) in Long term Loans and Advances | 14,981,971 | (86,024,087) |
| Decrease/(Increase) in Other Current Assets | (88,244,497) | (47,483,811) |
| Increase / (Decrease) in Trade Payables | 91,255,469 | (109,805,703) |
| Increase / (Decrease) in Other Current Liabilities | (6,803,929) | 21,100,105 |
| Increase / (Decrease) in Long term Provisions | 10,422,885 | 1,415,763 |
| Increase / (Decrease) in Short term Provisions | 9,822,492 | 4,754,762 |
| Cash generated from operations | 1,454,704,018 | 947,800,473 |
| Income taxes paid | (223,380,141) | (162,170,731) |
| Net cash flow from operating activities (A) | 1,231,323,877 | 785,629,742 |
| B. Cash Flow from Investing Activities | | |
| Purchase or construction of fixed assets (including capital work-in-progress and capital advances) | (2,041,126,845) | (899,618,562) |
| Proceeds from / (Investment in) fixed deposits (net) | (5,411,950) | (3,508,184) |
| Proceeds from sale of Investments | 101,074,774 | - |
| Proceeds from sale of fixed assets | 2,795,556 | 1,026,666 |
| Interest received | 6,157,643 | 4,644,197 |
| Net cash flow used in investing activities (B) | (1,936,510,822) | (897,455,883) |



Consolidated Cash Flow Statement for the year ended March 31, 2015

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| C. Cash Flow from Financing Activities | | |
| Proceeds from issues of share capital (including security premium) | - | 350,000,000 |
| Proceeds from/ (Repayment of) Long-Term Borrowings (net) | 953,038,585 | 70,164,875 |
| Increase / (Decrease) in Short term Borrowings | 18,530,877 | 26,232,652 |
| Finance costs | (267,674,445) | (341,437,897) |
| Net cash from financing activities (C) | 703,895,017 | 104,959,630 |
| Net cash Increase/(decrease) in cash and cash equivalents (A+B+C) | (1,291,928) | (6,866,511) |
| Cash and cash equivalents at the beginning of the year | 10,063,960 | 16,930,471 |
| Add: Transfer on merger | 1,086,714 | - |
| Cash and cash equivalents at the end of the year | 9,858,746 | 10,063,960 |
| Net cash Increase/(decrease) in cash and cash equivalent | (1,291,928) | (6,866,511) |

Note:

The above Cash Flow Statement has been prepared under Indirect method as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statement'.

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

For and on behalf of the Board of Directors

For **S. K. PATODIA & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 112723W

Shantilal Mehta
Managing Director
DIN : 00134162

Jayesh Mehta
Whole-time Director
DIN : 00510313

Arun Poddar
Partner
Membership Number: 134572

Anish Maheshwari
Chief Financial Officer

Ekta Chuglani
Company Secretary

Place : Mumbai
Date : June 17, 2015

Place : Mumbai
Date : June 17, 2015



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

NOTE 1 : GROUP OVERVIEW

Navkar Corporation Limited (the "Company") is limited Company domiciled in India and incorporated on September 29, 2008 under the provision of the Companies Act, 1956. The Company is engaged in providing Container Freight Station (CFS) facilities and is focused on capitalizing the available opportunities in the logistics space in western India. Our CFS is largely dependent on EXIM container traffic in and out of Indian port – JNPT.

Its wholly owned subsidiary, Navkar Terminals Limited (formerly known as Harvard Credit Rating Agency Limited) (the "Subsidiary Company") is a limited company and was incorporated on September 13, 2010 under the provision of the Companies Act, 1956.

During the year, the Scheme of Amalgamation (the "Scheme") between Navkar Terminals Limited (the "Transferor Company") with the subsidiary Company (the "Transferee Company") and their respective shareholders and creditors under section 391 to 394 of the Companies Act, 1956, was approved by the High Court of Bombay by its order dated January 30, 2015. The Order had been filed with the Registrar of Companies on March 12, 2015.

As per the Scheme, the name of the Company shall be changed to "Navkar Terminals Limited" or such other name as may be approved by the Registrar of Companies (RoC). The name of the Company is to be changed from Harvard Credit Rating Agency Private Limited to Navkar Terminals Limited. This name change can be effected on conversion of the Company to a Public Limited Company. Accordingly, the Company had filed form with RoC on February 24, 2015 regarding conversion to a Public Limited Company. The RoC has approved on February 26, 2015 the name change from Harvard Credit Rating Agency Private Limited to Harvard Credit Rating Agency Limited w.e.f. February 26, 2015. Further, the Company has filed form with RoC on May 12, 2015 regarding the name change from Harvard Credit Rating Agency Limited to Navkar Terminals Limited and RoC has approved the said name change w.e.f. June 3, 2015.

NOTE 2 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation of consolidated financial statements

The consolidated financial statements include the financial statements of Navkar Corporation Limited, the parent (hereinafter referred to as 'the Company') and its wholly owned subsidiary (collectively referred to as 'the Group').

These consolidated financial statements have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 read with the Rule 7 of Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 (the "Act") and Accounting Standard–30 'Financial Instruments: Recognition and Measurement' issued by the Institute of Chartered Accountants of India to the extent it does not

contradict any other accounting standard referred to in section 133 of the Act. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Group unless otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

B. Basis of Consolidation

The Financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together the balances of like items of assets, liabilities, income and expenditure after fully eliminating the intra-group balances and intra-group transactions resulting in unrealized profit or loss. Unrealised losses resulting from intra-group transactions have also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the Group. The amounts shown in respect of reserves comprise of the share of the Company in post acquisition increase in the relevant reserves of the Group entities.

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 of the cost to the parent of its investment in the subsidiary entities over its share of the equity in the subsidiary entities at the dates on which the investments are made is recognised in the financial statements as 'Goodwill'. The excess of parent's share of equity in consolidated subsidiary entities as on the date of investments in excess of the cost of investment is recognised in the consolidated financial statements as 'Capital Reserve' and shown under the head 'Reserves and Surplus'.

Minority interest in the net assets of consolidated subsidiary entities consists of:

- the amount of equity attributable to minorities shareholders at the date on which investments in subsidiary are made; and
- the minorities' share of movements in equity since the dates the parent subsidiary relationship came into existence.

C. Use of estimates

The preparation of consolidated financial statements in conformity with generally accepted accounting principles



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimated are recognized in the period in which the results are known/ materialized.

D. Fixed Assets

Tangible Fixed Assets are stated at actual cost of acquisition amounts or at revalued amount, (as the case may be), less accumulated depreciation and impairment loss, if any. The cost of an item is its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Tangible fixed assets under construction are disclosed as capital work-in-progress.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

E. Depreciation

Depreciation on Tangible Fixed Assets, upto the end of previous financial year i.e. upto March 31, 2014, was provided on "Straight Line Method" at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956. Freehold land and land development is not depreciated.

With the applicability of the Companies Act, 2013 with effect from April 1, 2014, depreciation / amortisation is provided on the Straight Line Method (SLM) unless otherwise mentioned, pro-rata to the period of use of assets, based on the useful lives as specified in Part C of Schedule II to the Companies Act, 2013, only for the following assets :

- Computers and Printers, including Servers and Networks
- Furniture and Fixtures
- Office Equipments
- Motor Vehicle (in case of subsidiary company)

The management has continued with the depreciation rates for all other assets as per the Schedule XIV of the Companies Act, 1956.

The management has obtained technical evaluation reports for those assets for ascertaining their balance useful lives, based on which, the management has taken the unexpired useful life equivalent to the unexpired useful life of the individual asset as it was if the Schedule XIV of the Companies Act, 1956 would continue.

As per the provisions of Note 7 of Para C of Schedule II

of the Companies Act, 2013, the carrying amount of the existing assets as on April 1, 2014:

- will be depreciated over the remaining useful life of the asset as per this Schedule
- in cases where the remaining useful life of an asset is nil, the residual value has been transferred to the retained earnings.

Depreciation on additions/ deletions to fixed assets is calculated pro-rata from/ up to the date of such additions/ deletions.

F. Impairment of Fixed Assets

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

G. Investments

Investments are classified into long term investments and current investments. Investments which are intended to be held for one year or more are classified as long term investments and investments which are intended to be held for less than one year are classified as current investments. Long term investments are carried at cost less other than any temporary diminution in value, determined separately for each investment. Current investments are carried at lower of cost or fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

H. Inventories

Inventories are valued at lower of cost or net realizable value. Cost is determined on First-In-First-Out (FIFO) basis. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

I. Recognition of Income

Revenue from services is recognized on accrual basis and when the consideration is reliably determinable and no significant uncertainty exists regarding the collection of the consideration. Import / export stuffed containers'



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

ground rent charges, cargo storage charges is accounted to the extent of recoverability of maximum days and import container handling and delivery charges is accounted on accrual basis while import cargo handling are accounted on clearance.

Revenue from sale of Traded Goods is recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract.

The amount recognised as revenue is exclusive of Service Tax, Sales Tax and Value Added Taxes (VAT), and is net of trade discounts.

Revenue and expenses for sale of abandoned cargo are recognized when auctioned after necessary approvals from appropriate authorities are obtained. Auction sale include recovery of the cost incurred in conducting auctions, custom duty and accrued ground rent and handling charges relating to long standing cargo.

J. Other Income

Rent from vehicles is accounted on time proportionate basis, based on agreement entered into with respective customers.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

K. Provisions and Contingent Liabilities

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

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

L. Accounting for Taxation of Income

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

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

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

Minimum Alternative Tax (MAT) under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the year for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

M. Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of short-term monetary assets and liabilities are recognized in the Statement of Profit and Loss. Gains and losses arising on account of differences in foreign exchange rates on translation/ settlement of long-term monetary liabilities in so far as they relate to acquisition of a depreciable capital asset are added to/ deducted from the cost of the asset. Non-monetary foreign currency items are carried at cost.

N. Options and Swaps Contracts

Changes in fair value of hedging instruments that are designated and considered as effective hedges of highly probable forecasted transactions are recognised directly in shareholders' funds under 'Hedging Reserve Account' and to be recognised in the Statement of Profit and Loss when the underlying transaction occurs. Changes in fair value of the hedging instruments that do not qualify for hedge accounting are recognised in the Statement of Profit and Loss as they arise.



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

Swaps are fair valued at each reporting date and the changes in the fair value are recognised in the Statement of Profit and Loss.

O. Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

P. Leases

As a lessee:

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

As a lessor:

The Group has leased certain tangible assets and such leases where the Group has substantially retained all the risks and rewards of ownership are classified as operating lease. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished. Costs, including depreciation, incurred in earning the lease income are recognised as expenses.

Q. Employee Benefits

Provident Fund

The Contribution towards provident fund for employees is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year/ period. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year/ period in which they arise.

Compensated Absences

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

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

R. Earnings Per Share

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

S. Cash and Cash Equivalents

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

T. Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

U. Amalgamation

The Company accounts for amalgamations using the 'Pooling of Interest Method of Accounting' as prescribed in the Accounting Standard (AS)-14: "Accounting for Amalgamations". The assets, liabilities and reserves of the transferor company are recorded by the transferee company at their existing carrying amounts.

V. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

NOTE 3 - SHARE CAPITAL

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Authorised Capital | | |
| 155,000,000 (March 31, 2014 : 20,910,000) Equity Shares of ₹ 10 each | 1,550,000,000 | 209,100,000 |
| 5,000,000 (March 31, 2014 : 5,000,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each | 50,000,000 | 50,000,000 |
| Issued, Subscribed and Paid up Capital | 1,600,000,000 | 259,100,000 |
| 109,704,798 (March 31, 2014 : 18,284,133) Equity Shares of ₹ 10 each fully paid up | 1,097,047,980 | 182,841,330 |
| 23,00,000 (March 31, 2014: 23,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up | 23,000,000 | 23,000,000 |
| Total | 1,120,047,980 | 205,841,330 |

(a) **Terms / rights attached to:**

Equity Shares

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

0% Cumulative Redeemable Preference Shares

The Company has one class of preference shares having a par value of ₹10 per share. They have been issued for a period of 12 years and are redeemable thereafter. These shares do not carry any dividend. In the event of liquidation, the preference shareholders are eligible to receive repayment of the capital. They do not have any rights to participate in the profits or assets of the Company.

(b) **Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period**

Equity Shares

(in ₹)

| Particulars | As at March 31, 2015 | | As at March 31, 2014 | |
|--|----------------------|----------------------|----------------------|-------------|
| | Number of shares | Amount ₹ | Number of shares | Amount ₹ |
| Balance as at the Beginning of the year | 18,284,133 | 182,841,330 | 14,784,133 | 147,841,330 |
| Add: Issue of Shares during the year | 91,420,665 | 914,206,650 | 3,500,000 | 35,000,000 |
| Balance as at the end of the year | 109,704,798 | 1,097,047,980 | 18,284,133 | 182,841,330 |

0% Cumulative Redeemable Preference Shares

| Particulars | As at March 31, 2015 | | As at March 31, 2014 | |
|--|----------------------|-------------------|----------------------|------------|
| | Number of shares | Amount ₹ | Number of shares | Amount ₹ |
| Balance as at the Beginning of the year | 2,300,000 | 23,000,000 | 2,300,000 | 23,000,000 |
| Add: Issue of Shares during the year | - | - | - | - |
| Balance as at the end of the year | 2,300,000 | 23,000,000 | 2,300,000 | 23,000,000 |



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Equity Shares

| Shares held by | As at March 31, 2015 | | As at March 31, 2014 | |
|---------------------------------------|----------------------|--------|----------------------|--------|
| | Number of shares | % | Number of shares | % |
| Mr. Shantilal J Mehta | 48,300,000 | 44.03% | 8,050,000 | 44.03% |
| Mr. Nemichand J Mehta | 30,900,000 | 28.17% | 5,150,000 | 28.17% |
| Mrs. Shailaja N Mehta | 20,100,000 | 18.32% | 3,350,000 | 18.32% |
| Sidhartha Corporation Private Limited | 8,094,798 | 7.38% | 1,349,133 | 7.38% |

0% Cumulative Redeemable Preference Shares

| Shares held by | As at March 31, 2015 | | As at March 31, 2014 | |
|-----------------------|----------------------|--------|----------------------|--------|
| | Number of shares | % | Number of shares | % |
| Mr. Shantilal J Mehta | 1,086,980 | 47.26% | 1,086,980 | 47.26% |
| Mr. Nemichand J Mehta | 573,390 | 24.93% | 573,390 | 24.93% |
| Mrs. Shailaja N Mehta | 573,390 | 24.93% | 573,390 | 24.93% |

(d) Shares allotted as fully paid up equity shares as bonus issue (during 5 years immediately preceding March 31, 2015):

91,420,665 Equity Shares of ₹ 10 each fully paid up were issued as bonus shares on March 3, 2015 in the ratio of five fully paid up equity share for every equity share held on March 2, 2015, being the record date through capitalisation of surplus from the Statement of Profit and Loss Account.

NOTE 4 - RESERVES AND SURPLUS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|----------------------|----------------------|
| Capital Reserve on Amalgamation: | | |
| Balance as at the beginning of the year (Refer Note (a) below) | 260,128,720 | 260,128,720 |
| Add : Transferred on Merger (Refer Note (d) below) | 229,521,000 | - |
| Balance as at the End of the Year | 489,649,720 | 260,128,720 |
| Capital Redemption Reserve: | | |
| Balance as at the beginning of the year | 26,354,167 | - |
| Add : Additions during the year | 19,166,667 | 26,354,167 |
| Balance as at the End of the Year | 45,520,834 | 26,354,167 |
| Securities Premium Reserve: | | |
| Balance as at the beginning of the year | 1,376,878,620 | 1,061,878,620 |
| Add : Transferred on Merger (Refer Note (d) below) | 2,155,500,000 | 315,000,000 |
| Balance as at the End of the Year | 3,532,378,620 | 1,376,878,620 |
| Surplus in the Statement of Profit and Loss: | | |
| Balance as at the beginning of the year | 2,515,510,311 | 1,636,430,391 |
| Add: Profit for the year | 684,407,589 | 905,434,087 |
| Less: Transfer to Capital Redemption Reserve | (19,166,667) | (26,354,167) |
| Less: Issue of Bonus Shares (Refer Note (b) below) | (914,206,650) | - |
| Less: Amount Transferred from Block of Fixed Assets (Refer Note (c) below) | (9,037,694) | - |
| Add/(Less): Surplus/ (Deficit) Transferred on Merger (Refer Note (d) below) | (5,231,635) | - |
| Balance as at the End of the Year | 2,252,275,254 | 2,515,510,311 |
| Total | 6,319,824,428 | 4,178,871,818 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

Notes:

- (a) Capital Reserve on Amalgamation is created as per the Scheme of Amalgamation between erstwhile Preeti Logistics Limited with the Company approved by the Hon'ble High Court Judicature at Bombay on February 11, 2010.
- (b) Shareholders have approved issue of bonus shares on February 28, 2015 in the ratio of five fully paid up equity share for one equity share held on March 2, 2015, being the record date, accordingly, the Company has issued 91,420,665 equity shares of ₹ 10 each fully paid up by utilising its surplus in the Statement of Profit and Loss.
- (c) With the applicability of Companies Act, 2013 with effect from April 1, 2014, and as per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, the carrying amount of the existing assets as on April 1, 2014 where the remaining useful life of an asset is nil, the residual value has been transferred to the retained earnings. The tax impact amounting to ₹ 4,340,581 on the above amounts has been reduced from the amounts transferred from block of fixed assets.
- (d) Capital Reserve, Securities Premium Reserve and Surplus/ (Deficit) in the Profit and Loss are transferred on Amalgamation as per the Scheme of Amalgamation between erstwhile Navkar Terminals Limited, Harvard Credit Rating Agency Limited (now known as Navkar Terminals Limited) and their respective shareholders approved by the Hon'ble High Court Judicature at Bombay on January 30, 2015.

NOTE 5 - LONG - TERM BORROWINGS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-------------------------|-------------------------|
| Secured Loans (Refer Note (a) below) | | |
| Rupee Term Loans from Banks | 925,488,005 | 806,826,257 |
| Foreign Currency Term Loans from Banks | 1,941,674,683 | 1,295,213,843 |
| Rupee Term Loans from Others | 175,688,259 | 208,299,801 |
| For details of security, please refer Note below | | |
| Unsecured Loans (Refer Note (b)) | | |
| Rupee Term Loans from Others | - | 162,627,574 |
| Loans from Related Parties (Interest Free) | 1,261,310,284 | 956,686,235 |
| Total | 4,304,161,231 | 3,429,653,710 |

Notes:

(a) Nature of security and terms of repayment for Secured Borrowings :

| Nature of Security | Terms of Repayment |
|--|--|
| Rupee Term Loans from IndusInd Bank amounting to ₹ 93,000,000 (March 31, 2014 : Nil) collaterally secured by an Equitable Mortgage by way of deposit of title deeds of the Mortgagors land and building situated at Survey Nos.8/4 adm. 0-39-2 H.R.P. and 8/5 adm. 0-05-6 H.R.P, Survey No.9/4B adm. 0-32-0 H.R.P., and Survey No.16/3 adm. 0-04-0 H.R.P. Agricultural land bearing Survey No. 22/6 admeasuring 0-39-7 H.R.P. at Village Nandgaon, Taluka Panvel, District Raigad of Shri Nemichand J Mehta & other. Agricultural land bearing Survey No. 31/6 admeasuring 0-19-9 H.R.P. and Survey No. 19/5 admeasuring 0-15-4 H.R.P. at Village Nandgaon, Taluka Panvel, District Raigad of Mr. Nemichand J. Mehta. Post dated cheques issued in the name of Indusind Bank Limited covering principal and interest repayments. Residual charge on company's fixed asset DSRA equivalent to 1 months interest obligations to be created upfront. Personal guarantee of Mr. Shantilal J Mehta, Mr. Nemichand Mehta, Mr. Jayesh Mehta, Mr. Kunthu Kumar Mehta and Ms. Shailaja Mehta. | Repayable in 36 monthly instalments, Rate of interest minimum 12.50% p.a. |
| Rupee Term Loans from Axis Bank amounting to ₹ 108,247,270 (March 31, 2014: ₹ 25,558,020) secured by the vehicles purchased from the loan proceedings. Personal Guarantee of Mr. Jayesh N. Mehta, director of the Company. | Repayable in 35-58 monthly instalments, Rate of interest 10.25% - 11.50% p.a. |



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

| Nature of Security | Terms of Repayment |
|---|--|
| <p>Rupee Term Loan from HDFC Bank amounting to ₹ 174,774,080 (March 31, 2014: ₹ 39,573,465) secured by the vehicles purchased from the loan proceedings. Personal Guarantee of Mr. Jayesh N. Mehta, director of the Company and Co-Borrower is Mr. Jayesh N. Mehta, director of the Company.</p> | <p>Repayable in 23-60 monthly instalments, Rate of interest 10.01% - 13.01% p.a.</p> |
| <p>Rupee Term Loan from ICICI Bank amounting to ₹ 72,035,847 (March 31, 2014 : ₹ 384,372,319) and a Foreign Currency Term Loan from ICICI Bank amounting to ₹ 1,004,978,318 (March 31, 2014 : ₹ 339,975,198)</p> <p>Secured by First charge/ hypothecation on the vehicles / Equipment and assets to be funded by the takeover of the loans.</p> <p>First charge hypothecation on all unencumbered vehicles Equipment/Other Movable Assets valuing not less then ₹ 200.0 million (based on the current market value of the assets valuation of the security to be done through ICICI empaneled valuer).</p> <p>Equitable Mortgage of the property located at address Plot No. 73, Sec. 50, Nerul, Navi Mumbai-400706 valuing ₹ 400 million approximately.</p> <p>In case of any shortfall the same to be meet by commercial property/residential property/industrial property/fixed deposit equivalent to the security cover of 1.0.</p> <p>The limit may be disbursed proportionately however the security cover to be maintained at 1.0 at all times.</p> <p>Security for RTL-III and RTL-IV to be extended for derivative limits. However, the derivative limits not to be included for the calculation of security cover of 1.0.</p> <p>This facility including derivative limit having Unconditional and irrevocable personal guarantees of:</p> <ol style="list-style-type: none"> Mr. Nemichand. J Mehta having networth of ₹ 323.5 million as on 31.03.2013. Mr. Shantilal J Mehta having networth of ₹ 163.5 million as on 31.03.2013. Mr. Kuntukumar S Mehta having networth of ₹ 282.7 million as on 31.03.2013 Mr. Jayesh N Mehta having networth of ₹ 15.8 million as on 31.03.2013. Mrs. Shailaja N Mehta. | <p>Repayable in 35 - 60 monthly instalments (loans taken for purchase of commercial vehicles) & 32 quarterly instalments (other term loans), Rate of interest for Rupee term loan is ranging 9.85% - 13.50% p.a., Rate of interest for foreign currency term loan is ranging 5.45% - 6% p.a.</p> |
| <p>Rupee Term Loan from Kotak Mahindra Bank amounting to ₹ 144,624,974 (March 31, 2014 : ₹ 15,356,983) Secured by the vehicles purchased from the loan proceedings. Mortgage over part of land situated at Moje- Tumb, Revenue S No. 44/1, Taluka Umbergaon, Valsad Dist. owned by Mr. Nemichand Jayvantraj Mehta. Three post dated cheques issued by Mr. Shantilal Jayvantraj Mehta and Mr. Nemichand Jayvantraj Mehta. Personal Guarantee of Shantilal J Mehta, Nemichand J Mehta, Kunthukumar S Mehta, Jayesh N Mehta, Shailaja N Mehta. Cross Collateral of property mentioned in Primary Collateral to be marked Cross Collateral in ₹ 3 Cr Loan after disbursement of LAP Loan.</p> | <p>Repayable in 35 - 95 monthly instalments, Rate of interest 10.68% - 15.50% p.a.</p> |
| <p>Rupee Term Loan from SBI Bank amounting to ₹ 173,116,573 (March 31, 2014: ₹ 479,555,769)</p> <p>Foreign Currency Term Loan from SBI Bank amounting to ₹ 1,606,305,255 (March 31, 2014 : ₹ 1,424,365,260)</p> <p>Primary & Collateral for all the loans :</p> <ul style="list-style-type: none"> - Secured by first charge on assets created out of the proposed term loan. - First / extension of mortgage charge on land with warehousing building at Container Freight Station, Yard I & II located at Village Ajiwali, Pune Mumbai National Highway (NH 4), Taluka Panvel, Raigad, owned by the Company. - First / extension of mortgage charge on land with warehousing building at Container Freight Station, Yard III with railway siding facility, located at Village Somathane, Kon-Savla Road, Taluka Panvel, Raigad, owned by the Company. | <p>Repayable in 69 - 84 monthly instalments, Rate of interest for Rupee term loan is ranging 11.10% - 13.50% p.a., Rate of interest for foreign currency term loan is 3.25% p.a. over 6 months LIBOR (Int. reset after 6 months).</p> |



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

| Nature of Security | Terms of Repayment |
|--|--|
| <ul style="list-style-type: none"> - First / extension of charge on entire fixed assets of the Company located at locations stated above except the vehicles and equipments specifically charged for the vehicle / equipment loans. - First / extension of charge on 205-206, JK Chambers, Sector 17, Vashi, Navi Mumbai - 400 703, owned by Mr. Shantilal J Mehta, director of the Company. - First / extension of charge on CIDCO Plot No. 94, Sector 20, Kharghar, Panvel, Raigad - 410 206, owned by Mr. Nemichand J Mehta, managing director of the Company. - First charge on agri-land at 90/1/2 at Somathane Village, Kon-Sovla Road, Raigad - 410206. - TDR of ₹ 0.13 Crores - Extension of charge on entire current assets of the Company. - Personal Guarantees of : Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Jayesh N Mehta, Mr. Kunthu Kumar S Mehta, Mrs. Shailaja N Mehta, Ms. Kamalbai S Mehta, Ms. Seema K. Mehta and Mrs. Sairabai J Mehta. | |
| <p>Rupee Term Loan from Ratnakar Bank Limited amounting to ₹ 137,500,000 (March 31, 2014 : Nil) secured by Subservient charge on current assets of the Company. DSRA of interest of one month to be kept. PDC of existing working capital bank (State Bank of India)</p> <ul style="list-style-type: none"> - Personal Guarantees of : Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Jayesh N Mehta, Mr. Kunthu Kumar S Mehta, Mrs. Shailaja N Mehta. <p>PDC of existing working capital bank (State Bank of India).</p> | <p>Repayable in 12 equal quarterly instalments, Rate of interest 13.50%.</p> |
| <p>Rupee Term Loans (Consortium Loan Facility) from:</p> <p>Axis Bank Limited - ₹ 40,600,000 (March 31, 2014 : Nil)</p> <p>Export Import Bank of India - ₹ 36,900,000 (March 31, 2014 : Nil)</p> <p>IDBI Bank Limited - ₹ 40,600,000 (March 31, 2014 : Nil)</p> <p>State Bank of India - ₹ 46,100,000 (March 31, 2014 : Nil)</p> <p>State Bank of Travancore - ₹ 40,600,000 (March 31, 2014 : Nil)</p> <p>Union Bank of India - ₹ 40,600,000 (March 31, 2014 : Nil)</p> <p>Secured by:</p> <ul style="list-style-type: none"> - First pari-passu charge on all the immovable properties and assets of the Borrower pertaining to the Project together with all appurtenances thereon and there under, present and future. - A first charge on all the immovable properties and assets to be utilized for the Project acquired by Shri Nemichand Mehta. - A first charge on all the Borrower's movable properties and assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future. - A first charge on all the Current Assets and non-current assets of the Borrower, Borrower's tangible or intangible assets related to the Project including but not limited to Book Debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future and goodwill, uncalled capital, both present and future. | <p>Repayable in 87 monthly installments commencing from the January 31, 2017.</p> <p><u>Rate of Interest</u></p> <p>1) Axis Bank Limited:</p> <ul style="list-style-type: none"> - Upto one year from the Initial Drawdown Date - Base Rate (floating) of Axis plus Spread of 1.75% per annum payable monthly present effective rate being 12.00% per annum. - After one year from the Initial Drawdown Date - Base Rate (floating) of Axis plus Spread of 1.95% per annum payable monthly present effective rate being 12.20% per annum. <p>2) Export Import Bank of India:</p> <p>a) Rupee:</p> <ul style="list-style-type: none"> - Long-Term Minimum Lending Rate of Exim plus Spread of 1.95% per annum payable monthly present effective rate being 12.20% per annum. |



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

| Nature of Security | Terms of Repayment |
|--|---|
| <ul style="list-style-type: none"> - A first charge on all the bank accounts of the Borrower related to the Project including but not limited to the Trust & Retention Account and all its Retention Accounts and each of the other accounts required to be created by the Borrower under any Financing Documents or Project Documents or other contract, including a charge on all the moneys, receivable in such accounts.- A pledge of equity shares held by the Sponsors who are the existing shareholders, aggregating to 30% of paid up and voting equity share capital of the Borrower for the period till the Final Settlement Date. The shares to be pledged shall be free from any restrictive covenants/lien or other encumbrance under any contract / arrangement including shareholder agreement /joint venture agreement/ financing arrangement with regard to pledge/transfer of the shares including transfer upon enforcement of the pledge. In case the equity increases in future, number of shares pledged with the Lenders shall be increased proportionately to maintain the pledge of 30% of paid up and voting equity share capital of the Borrower at all times till the Final Settlement Date. - Personal Guarantee Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Kunthukumar S Mehta, Mr. Jayesh N Mehta, Mrs. Shailaja Nemichand Mehta, Mrs. Kamalbai S Mehta, Mrs. Seema Kunthukumar Mehta and Mrs. Pratiksha J Mehta. - Corporate Guarantee of Navkar Corporation Limited. No guarantee commission shall be payable by the Borrower to the above personal guarantors and corporate guarantor. - Non Disposal Undertaking of 21% of the aggregate shareholding of the Borrower (over and above pledge of 30% as above). | <ul style="list-style-type: none"> - Long Term Minimum Lending Rate plus 195 BPS p.a. Long-Term Minimum Lending Rate is presently at 10.25% p.a. and is subject to change as per Exim's Directives. b) USD: <ul style="list-style-type: none"> - USD LIBOR [6 months (Advance)] plus 450 BPS p.a. payable with quarterly rests on dates to be advised at the time of Initial Drawdown and shall be reset five years from the Initial Drawdown Date. 3) IDBI Bank Limited: <ul style="list-style-type: none"> - Base Rate (floating) of IDBI plus Spread of 2.00% per annum payable monthly. 4) State Bank of India : <ul style="list-style-type: none"> - Base Rate (floating) of SBI plus Spread of 2.20% per annum payable monthly present effective rate being 12.20% per annum. 5) State Bank of Travancore: <ul style="list-style-type: none"> - Base Rate (floating) of SBT plus Spread of 1.95% per annum payable monthly present effective rate being 12.20% per annum. 6) Union Bank of India: <ul style="list-style-type: none"> - Base Rate (floating) of UB plus Spread of 2.00% per annum payable monthly. |
| <p>Rupee Term Loans from Axis Bank Limited, amounting to ₹ 3,960,000 (March 31,2014: Nil) Secured by the vehicles purchased from the loan proceedings and Corporate Guarantee of Navkar Corporation Limited, Parent Company.</p> | <p>Repayable in 59 monthly instalments, Rate of interest 10.26% p.a.</p> |
| <p>Rupee Term Loans from HDFC Bank Limited, amounting to ₹ 4,856,410 (March 31,2014: Nil) Secured by the equipment purchased from the loan proceedings and Corporate Guarantee of Navkar Corporation Limited, Parent Company.</p> | <p>Repayable in 59 monthly instalments, Rate of interest 10.69% p.a.</p> |
| <p>Rupee Term Loans from Tata Capital Financial Services Limited, amounting to ₹ 4,471,157 (March 31, 2014: Nil) Secured by the equipment purchased from the loan proceedings and Co-Borrower is Navkar Corporation Limited, Parent Company and Personal Guarantee of Kunthu Kumar Mehta.</p> | <p>Repayable in 47 monthly instalments, Rate of interest 12.00% p.a.</p> |
| <p>Rupee Term Loan from Daimler Financial Services Pvt Ltd amounting to ₹ 5,116,751 (March 31, 2014 : ₹ 7,096,454) secured by the vehicles purchased from the loan proceedings.</p> | <p>Repayable in 60 monthly instalments, Rate of interest 11.03% - 11.11% p.a.</p> |
| <p>Rupee Term Loan from HDB Financial Services Limited amounting to ₹ 14,713,208 (March 31, 2014 : ₹ 21,787,388) secured by the vehicles purchased from the loan proceedings.</p> | <p>Repayable in 47 monthly instalments, Rate of interest 12.50% p.a.</p> |
| <p>Rupee Term Loan from Mini Financial Services amounting to ₹ Nil (March 31, 2014 : ₹ 2,414,449) secured by the vehicles purchased from the loan proceedings.</p> | <p>Repayable in 59 monthly instalments, Rate of interest 11.25% p.a.</p> |
| <p>Rupee Term Loan from Tata Capital Financial Services Limited amounting to ₹ 186,600,153 (March 31, 2014 : ₹ 230,786,334). Secured by the vehicles purchased from the loan proceedings. Personal Guarantee of Mr. Jayesh N Mehta.</p> | <p>Repayable in 35 - 59 monthly instalments & 84 quarterly instalments, Rate of interest 11.39% - 12.52% p.a.</p> |

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

| Nature of Security | Terms of Repayment |
|--|---|
| First and exclusive charge by mortgage of unencumbered residential property at Flat no 6 & 7, Basera CHS, Sector 17, Vashi, Navi Mumbai, owned by Mr. Nemichand Mehta and residential bungalow at Plot No. 94, Bungalow Plot, Sector 20, Kharghar, Navi Mumbai, owned by Mr. Nemichand J Mehta and family. Personal Guarantee of Mr. Nemichand J Mehta and Debt Service Reserve Account of ₹ 10 million. | |
| Rupee Term Loan from Tata Motors Finance amounting to ₹ 28,705,007 (March 31, 2014 : Nil) secured by the vehicles purchased from the loan proceedings. Co-Borrower is Mr. Shantilal J Mehta (Director of Company). | Repayable in 47-59 monthly instalments, Rate of interest 10.25% |

(b) Details and terms of repayment for Unsecured Borrowings :

| | |
|---|---|
| Rupee Term Loan from Aditya Birla Finance Limited amounting to Nil (March 31, 2014 : ₹ 176,375,772) secured by residential property situated at Plot No.73, Dattay Tandel Marg, Gaothan Extension Scheme, Sector 50 (New), Seawoods, Nerul, Navi Mumbai - 400706, owned by director of the Company. | Repayable in 36 - 120 monthly instalments, Rate of interest 12.60% - 14.00% p.a. |
| Rupee Term Loan from Magma Fincorp Limited amounting to ₹ 617,182 (March 31, 2014 : ₹ 4,225,169). | Repayable in 36 monthly instalments, Rate of interest 8.76% - 8.86% p.a. |
| Rupee Term Loan from Religare Finvest Ltd amounting to ₹ 1,385,217 (March 31, 2014 : ₹ 5,090,504) | Repayable in 36 monthly instalments, Rate of interest 17.5% p.a. |
| Loans from Related Parties amounting to ₹ 1,053,586,593 (March 31, 2014: ₹ 956,399,544) | Repayable on demand after March 31, 2017 or any such date on which existing loans under financing arrangements under which the unsecured loans were provided by the Payees are repaid, whichever date shall fall later. The said loans are interest-free. |
| Loans from Related Parties amounting to ₹ 207,723,691 (March 31, 2014: ₹ 286,691) | Repayable on demand after March 31, 2024 or after final settlement date on which existing loans under financing arrangement(s) under which the unsecured loans were provided by the Payees are repaid. The loan is interest-free. |

NOTE 6 - DEFERRED TAX LIABILITIES (NET)

The major components of deferred tax liabilities/assets as recognized in the financial statements is as follows: (in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Deferred Tax Liabilities arising on account of timing differences in: | | |
| Depreciation | 328,552,109 | 235,852,787 |
| Deferred Tax Assets arising on account of timing differences in: | | |
| Gratuity | 7,369,343 | 5,219,253 |
| Leave encashment | 1,311,331 | 527,124 |
| Expenses allowable u/s. 35DD | 389,618 | - |
| Business Losses | 112,014 | - |
| Total | 319,369,803 | 230,106,410 |

Note : The tax impact of ₹ 4,340,581 on the amount of ₹ 13,378,275 transferred from the block of fixed assets to retained earnings (Refer Note 4), as per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, has been net off from the amounts so transferred to the retained earnings, and has been reduced from the opening deferred tax liabilities.



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

NOTE 7 - OTHER LONG TERM LIABILITIES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|----------------------------|-------------------------|-------------------------|
| Security Deposits Received | 250,000 | 250,000 |
| Total | 250,000 | 250,000 |

NOTE 8: LONG-TERM PROVISIONS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-------------------------|-------------------------|
| Provision for Employee Benefits: | | |
| Provision for Gratuity (Refer Note 35) | 21,794,072 | 13,867,869 |
| Provision for Compensated Absences (Refer Note 35) | 3,853,680 | 1,356,998 |
| Total | 25,647,752 | 15,224,867 |

NOTE 9- SHORT - TERM BORROWINGS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Secured Loans | | |
| Working Capital Loans from Banks (Refer Note below) | 280,376,033 | 252,923,078 |
| Total | 280,376,033 | 252,923,078 |

These facilities are secured against the following charge on various assets of the Company :

- Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
- Collateral :
 - Extension of mortgage charge on land with warehousing building at Container Freight Station, Yard I & II located at Village Ajiwali, Pune Mumbai National Highway (NH 4), Taluka Panvel, Raigad, measuring mortgageable area of 92,375 sq. mts., owned by the Company.
 - Extension of mortgage charge on land with warehousing building at Container Freight Station, Yard III with railway siding facility, located at Village Somathane, Kon-Savla Road, Taluka Panvel, Raigad, measuring area of 1,98,123 sq. mts., owned by the Company.
 - Extension of charge on entire fixed assets of the Company located at locations stated above except the vehicles and equipments specifically charged for the vehicle / equipment loans.
 - Extension of charge on 205-206, JK Chambers, Sector 17, Vashi, Navi Mumbai - 400 703, owned by Mr. Shantilal J Mehta, director of the Company.
 - Plots of Land and Building situated at Survey No. 139/2, 140/0, 141/1B, Village Ajiwali, Tal-Panvel, District Raigad with total area of 4080 Sq. Mtrs. of WDV Value of ₹ 5.18 Crores and cash collateral of ₹ 0.13 Crores.
 - DSRA equivalent to immediately ensuing quarter of debt servicing to be maintained in the form of Fixed Deposit of value of ₹ 1.64 Crore.
- Personal Guarantees of : Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Jayesh N Mehta, Mr. Kunthu Kumar S Mehta, Mrs. Shailaja N Mehta, Mrs. Kamalbai S. Mehta, and Ms. Seema K. Mehta.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

NOTE 10 - TRADE PAYABLES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|-----------------------------------|-------------------------|-------------------------|
| Trade Payables (Refer Note Below) | 116,256,530 | 13,571,737 |
| Total | 116,256,530 | 13,571,737 |

Note:

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at March 31, 2015. This information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined on the basis of information available with the Company.

NOTE 11 - OTHER CURRENT LIABILITIES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Current Maturities of Long-Term Debt: | | |
| Rupee Term Loans from Banks (Refer Note 5 above) | 232,027,151 | 137,590,299 |
| Foreign Currency Term Loans from Banks (Refer Note 5 above) | 669,608,890 | 469,126,614 |
| Rupee Term Loans from Others (Refer Note 5 above) | 65,920,416 | 76,848,695 |
| Interest Accrued but not Due on Borrowings | 11,423,260 | 12,900,209 |
| Statutory Liabilities (Including Provident Fund, Tax Deducted at Source and other indirect taxes) | 51,894,375 | 59,213,639 |
| Employee Related Liabilities | 11,099,532 | 10,034,158 |
| Other Payables | 450,000 | 505,620 |
| Total | 1,042,423,624 | 766,219,234 |

NOTE 12 : SHORT-TERM PROVISIONS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Provision for Tax (Net of Advance taxes and Tax Deducted at Source) | 36,429,052 | 73,289,107 |
| Provision for Wealth Tax | 100,000 | 126,466 |
| Provision for Interest Rate Swap | 8,200,353 | 4,465,773 |
| Provision for Directors Sitting Fees | 508,500 | - |
| Provision for IPO expenses | 6,179,800 | - |
| Provision for Employee benefits: | | |
| Provision for Gratuity (Refer Note 35) | 919,268 | 1,487,392 |
| Provision for Compensated Absences (Refer Note 35) | 188,024 | 193,822 |
| Total | 52,524,997 | 79,562,560 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

NOTE 13 - FIXED ASSETS

(in ₹)

| Description | Gross Block | | | | Depreciation Block | | | | Net Block | | | | |
|---|---------------------|---|---------------------------|--|----------------------|---------------------------------|---|--------------|-------------------------------|------------------------------|---------------------------------|----------------------|----------------------|
| | As at April 1, 2014 | Transferred from Navkar Terminals Limited | Additions during the year | Deletions/ Adjustments during the year | As at March 31, 2015 | Accumulated upto March 31, 2014 | Transferred from Navkar Terminals Limited | For the year | Transfer to Retained Earnings | On Deletions during the year | Accumulated upto March 31, 2015 | As at March 31, 2015 | As at March 31, 2014 |
| Tangible Assets: | | | | | | | | | | | | | |
| Land and Land Developments (Refer Note 3, 5 and 6 below) | 3,772,004,024 | 2,448,191,463 | 813,048,028 | - | 7,033,243,515 | - | - | - | - | - | - | 7,033,243,515 | 3,772,004,024 |
| Building | 807,637,384 | - | 103,148,646 | - | 910,786,030 | 44,555,798 | - | 14,205,132 | - | - | 58,760,930 | 852,025,100 | 763,081,586 |
| Plant and Machinery | 581,951,780 | 9,950,581 | 27,603,314 | - | 619,505,675 | 100,884,419 | 119,484 | 28,050,269 | - | - | 129,054,172 | 490,451,503 | 481,087,361 |
| Furniture and Fixtures | 25,571,658 | 4,100 | 460,929 | - | 26,036,687 | 5,763,463 | 140 | 2,947,164 | - | - | 8,710,767 | 17,325,920 | 19,808,195 |
| Computers and Printers | 46,914,303 | - | 13,999,968 | - | 60,914,271 | 27,240,489 | - | 9,377,221 | 6,720,087 | - | 43,337,797 | 17,576,474 | 19,673,814 |
| Network and Server Setup | 20,582,811 | - | 674,393 | - | 21,257,204 | 8,723,930 | - | 3,555,977 | - | - | 12,279,907 | 8,977,297 | 11,858,881 |
| Motor Vehicles (Refer Note 4 below) | 804,999,087 | - | 267,941,105 | 8,023,275 | 1,064,916,917 | 154,230,047 | - | 43,892,936 | - | 3,037,168 | 195,085,815 | 869,831,102 | 650,769,040 |
| Office Equipments | 22,106,309 | - | 6,639,490 | - | 28,745,799 | 4,771,062 | - | 6,217,732 | 6,658,188 | - | 17,646,982 | 11,098,817 | 17,335,247 |
| Railway Sittings | 904,751,614 | - | 658,639,627 | - | 1,563,391,241 | 85,133,181 | - | 44,242,742 | - | - | 129,375,923 | 1,434,016,318 | 819,618,433 |
| TOTAL | 6,986,518,970 | 2,458,146,144 | 1,892,155,500 | 8,023,275 | 11,328,797,339 | 431,302,389 | 119,624 | 152,489,173 | 13,378,275 | 3,037,168 | 594,252,293 | 10,734,545,046 | 6,555,216,581 |
| Previous Year | 6,505,584,431 | - | 483,198,417 | 2,243,878 | 6,986,518,970 | 302,187,524 | - | 130,107,949 | - | 993,084 | 431,302,389 | 6,555,216,581 | 6,203,376,907 |

Notes:

- Depreciation for the year includes ₹ 345,460, which has been transferred to Pre-Operative expenses as the same is related to the subsidiary company (Refer Note 45).
- The Company has given some of its Trucks and Trailers on rental basis under operating leases. Also refer to note 36 for other details.
- Gross block of Land and Land Development includes certain land and land development having gross block value of ₹ 170,061,841 (as at March 31, 2014: ₹ 149,884,961) situated at different locations, which are in the name of the Directors of the Company and are yet to be transferred in the name of the Company.
- Gross block of Motor Vehicles includes certain Motor Vehicles having gross block value of ₹ 19,466,809 (as at March 31, 2014: ₹ 14,586,379) which are in the name of the Directors of the Company and are yet to be transferred in the name of the Company.
- Land situated at Ajwari was transferred in the books of account of the Company on September 29, 2008 from the erstwhile partnership firm, M/s. Navkar Infra & Logistics Corporation at INR 1,051.52 million. This land was revalued in the erstwhile partnership firm, M/s. Navkar Infra & Logistics Corporation and credited to the Partners' Capital Accounts and Current Account. The balances of Partners' Capital have been converted into Equity Share Capital Account and balances of Partners' Current Accounts have been converted into Unsecured Loans in the Company on Part IX Conversion of the erstwhile partnership firm, M/s. Navkar Infra & Logistics Corporation into Navkar Corporation Limited.
- Land situated at District - Valsad, Near Vapi, Gujarat (the 'Land') which was transferred in the books of account of the erstwhile Navkar Terminals Limited which is amalgamated with the subsidiary company. (Refer Note 44) on May 9, 2014 from the erstwhile partnership firm, M/s. Navkar Terminals on ₹ 2,394,500,000. The Land was revalued in the erstwhile partnership firm, M/s. Navkar Terminals credited to the partners current accounts. The balances of Partners' Capital Accounts have been converted into Equity Share Capital Account and the balances of Partners' Current Accounts have been converted into Securities Premium Account in the erstwhile Navkar Terminals Limited on conversion under Part I of Chapter XXI of the Companies Act, 2013 on May 9, 2014 of the erstwhile partnership firm, M/s. Navkar Terminals.



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

NOTE 14 : NON-CURRENT INVESTMENTS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Other Investments (Valued at cost unless stated otherwise) | | |
| Quoted Equity Instruments | | |
| Nil (as at March 31, 2014: 15,00,000) Equity Shares of Garnet International Limited of ₹ 10 each fully paid up (Also Refer Note 17) | - | 202,500,000 |
| Total | - | 202,500,000 |
| Aggregate amount of Quoted Investments | - | 202,500,000 |
| Market Value of Quoted Investments | - | 139,350,000 |

NOTE 15 : LONG-TERM LOANS AND ADVANCES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Security Deposits | 6,274,425 | 6,336,170 |
| Capital Advances | 412,076,612 | 76,850,000 |
| Advance Railway License Fee | 10,000,000 | - |
| MAT Credit Entitlement | 696,165,996 | 532,628,020 |
| Balances with government authorities | | |
| VAT deposit | 60,000 | 25,000 |
| CST Deposit | 10,000 | - |
| Advances to Related Parties (Refer Note 37) | - | 11,507,433 |
| Other Loans and Advances | 66,578,878 | 69,578,381 |
| Total | 1,191,165,911 | 696,925,004 |

NOTE 16 : OTHER NON-CURRENT ASSETS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Fixed Deposits with Banks with a maturity period more than 12 months [under lien against bank guarantee and loans from banks] | 63,643,267 | 57,250,087 |
| Total | 63,643,267 | 57,250,087 |

NOTE 17 : CURRENT INVESTMENTS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-------------------------|-------------------------|
| Other Investments (Valued at cost unless stated otherwise) | | |
| Quoted Equity Instruments | | |
| 6,74,500 (as at March 31, 2014: Nil) Equity Shares of Garnet International Limited of ₹ 10 each fully paid up (Refer Note below) | 91,057,500 | - |
| Less: Provision for Diminution in Value of Investments | 40,874,700 | - |
| Total | 50,182,800 | - |
| Aggregate amount of Quoted Investments | 50,182,800 | - |
| Market Value of Quoted Investments | 50,182,800 | - |



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

Note: During the year ended March 31, 2015, the Management has re-classified the non-current investments in Garnet International Limited (the 'investee company') to current investments as above. As per the Management's view, these investments would be disposed off within the year. The Company holds 10.84% and 24.10% holding as at March 31, 2015 and March 31, 2014 respectively in the investee company, however, the Company does not have any representation on the board of directors of the investee company, no participation in policy making processes, there is no material transactions between the Company and the investee Company, there is no interchange of managerial personnel and provision of essential technical information, hence the investee company has not been considered as an associate as per AS-23 and the Companies Act, 2013. In the year ended March 31, 2015, the Company has sold 825,500 shares of the Investee Company.

NOTE 18 : SPARE PARTS AND CONSUMABLES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--------------------------------------|-------------------------|-------------------------|
| Stock of Spare Parts and Consumables | 16,155,872 | - |
| Total | 16,155,872 | - |

NOTE 19 - TRADE RECEIVABLES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Receivables outstanding for a period exceeding six months from the date they became due for payment | - | - |
| Other Receivables | 774,717,806 | 762,631,956 |
| Total | 774,717,806 | 762,631,956 |

NOTE 20 : CASH AND BANK BALANCES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Cash and Cash Equivalents | | |
| Cash on Hand | 3,887,247 | 884,603 |
| Bank Balances | | |
| - In current accounts | 5,971,499 | 9,179,357 |
| | 9,858,746 | 10,063,960 |
| Other Bank Balances | | |
| Fixed Deposits with maturity period of more than 3 months but less than 12 months [under lien against bank guarantee] | 677,721 | 1,658,951 |
| Total | 10,536,467 | 11,722,911 |

NOTE 21 : SHORT-TERM LOANS AND ADVANCES

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|-------------------------------------|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Advances to Employees | 5,105,092 | 1,059,926 |
| Prepaid Expenses | 15,693,994 | 13,094,180 |
| Balance with Government Authorities | | |
| - CENVAT Credit Receivable | 6,091,414 | 1,874,144 |
| Other Trade Advances | 216,527,284 | 288,959,958 |
| Total | 243,417,784 | 304,988,208 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

NOTE 22 : OTHER CURRENT ASSETS

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-------------------------|-------------------------|
| Unbilled and Accrued Income | 183,485,760 | 143,526,210 |
| Proposed Public Issue Expenses (Refer Note 39) | 49,264,372 | - |
| Unamortised Option Premium | 22,871 | 1,002,296 |
| Total | 232,773,003 | 144,528,506 |

NOTE 23 : REVENUE FROM OPERATIONS

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|----------------------------------|--------------------------------------|--------------------------------------|
| Sale of Products: | | |
| Agro Products (Refer Note Below) | - | 605,057,416 |
| Auction Sale | 26,875,213 | 21,780,523 |
| Services Rendered: | | |
| Cargo Handling | 2,369,895,773 | 2,131,606,199 |
| Cargo Storage | 860,014,087 | 718,281,618 |
| Other Operating Revenue: | | |
| EDI Income | 6,321,622 | 3,495,688 |
| MNR Receipts | 24,436,198 | 13,279,357 |
| Total | 3,287,542,893 | 3,493,500,801 |

Note:

The Company has discontinued the business of "Trading of Agro Products" as decided by the Board of Directors in the meeting held on March 31, 2014.

NOTE 24 : OTHER INCOME

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--------------------------------|--------------------------------------|--------------------------------------|
| Interest Income: | | |
| From Fixed Deposits with Banks | 6,154,643 | 3,708,657 |
| From Loans to Others | - | 935,540 |
| Rental Income | 8,750,000 | 22,000,000 |
| Foreign Exchange Gain (Net) | - | 1,69,794,217 |
| Miscellaneous Income | 6,597,908 | 11,922,660 |
| Total | 21,502,551 | 208,361,074 |



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

NOTE 25 : COST OF SERVICES

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|-------------------------------------|--------------------------------------|--------------------------------------|
| Container Handling Charges | 94,255,303 | 70,870,442 |
| Customs Cost Recovery | 2,749,396 | 3,234,483 |
| Custom Bottle Seals | 375,360 | 541,956 |
| Electricity Expenses | 26,478,603 | 19,902,520 |
| Freight and Cartage | 64,857,683 | 63,055,722 |
| Incentives, Discounts and Rebates | 484,983,400 | 369,297,204 |
| Port Handling Charges | 150,462,097 | 155,200,992 |
| Diesel and Petrol Expenses | 433,620,991 | 360,042,998 |
| Repairs and Maintenance | 66,384,936 | 63,412,862 |
| Other Operational Expenses | 4,575,495 | 8,025,097 |
| Railway Haulage and License Charges | 53,813,248 | 56,640,200 |
| Total | 1,382,556,512 | 1,170,224,476 |

NOTE 26 : PURCHASE OF TRADED GOODS

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------------------------|--------------------------------------|--------------------------------------|
| Purchase of Agro Products | - | 601,568,320 |
| Total | - | 601,568,320 |

NOTE 27 : EMPLOYEE BENEFITS EXPENSES

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| Salaries, Wages and Bonus | 180,694,120 | 157,329,926 |
| Contributions to provident and other funds | 11,924,755 | 10,468,935 |
| Gratuity Expenses | 7,689,922 | 1,354,391 |
| Leave Encashment Expenses | 2,537,628 | 342,936 |
| Staff Welfare Expenses | 19,407,149 | 14,575,786 |
| Total | 222,253,574 | 184,071,974 |

NOTE 28 : FINANCE COSTS

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---|--------------------------------------|--------------------------------------|
| Interest on Borrowings from Banks on Term Loans | 189,496,243 | 262,281,816 |
| Interest on Borrowings from Others on Term Loans | 28,325,592 | 26,757,494 |
| Interest on Borrowings from Banks on Short-Term Loans | 10,555,647 | 13,255,694 |
| Interest on Others | 10,230,639 | 4,008,266 |
| Bank Charges and Commission | 25,087,710 | 24,132,896 |
| Total | 263,695,831 | 330,436,166 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

NOTE 29 : OTHER EXPENSES

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--|--------------------------------------|--------------------------------------|
| Advertisement Expenses | 463,018 | 1,141,083 |
| Payment to Auditors: | | |
| Audit Fees | 530,000 | 574,227 |
| Taxation Matters | - | 33,500 |
| CSR Expenses (Refer Note 40) | 14,500,000 | - |
| Donation Expenses | 12,446,147 | 42,086,863 |
| General and Office Expenses | 7,669,397 | 4,992,444 |
| Information Technology Expenses | 9,489,397 | 8,492,181 |
| Insurance Expenses | 11,535,445 | 14,983,726 |
| Foreign Exchange Loss (Net) | 143,434,005 | - |
| Legal and Professional Fees | 45,452,505 | 20,392,887 |
| Loss on Sale of Fixed Assets | 2,190,551 | 224,127 |
| Loss on Sale of Investments | 10,367,726 | - |
| Provision for Diminution in Value of Current Investments | 40,874,700 | - |
| Printing and Stationery | 2,749,499 | 2,903,508 |
| Rent Expenses | 17,375 | - |
| Expenses Incurred for Increase in Authorised Share Capital | 12,738,750 | - |
| Rates and Taxes | 23,616,278 | 20,358,946 |
| Repairs and Maintenance - Others | 42,159,186 | 41,485,988 |
| Sales Promotion Expenses | 17,605,360 | 4,427,394 |
| Option Derivatives Hedge Cost | 26,779,425 | 93,797,704 |
| Security Expenses | 38,125,874 | 21,465,098 |
| Telephone and Internet Charges | 2,414,877 | 2,325,119 |
| Traveling Expenses | 9,611,520 | 7,684,317 |
| Miscellaneous Expenses | 11,054,981 | 6,757,975 |
| Expenses Incurred on Merger | 1,576,125 | - |
| Total | 487,402,141 | 294,127,087 |

NOTE 30 : EARNINGS PER EQUITY SHARE

(in ₹)

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---|--------------------------------------|--------------------------------------|
| Profit attributable to Equity shareholders (₹) | 684,407,589 | 905,434,087 |
| Weighted average number of equity shares (Nos.) (post merger) | 109,704,798 | 88,934,934 |
| Basic and Diluted Earnings Per Share (₹) | 6.24 | 10.18 |
| Face value per Share (₹) | 10 | 10 |



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

NOTE 31 : CONTINGENT LIABILITIES NOT PROVIDED FOR

a) (in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Disputed Liabilities in respect of Service Tax | 20,372,506 | 20,372,506 |
| Claims against Company not acknowledged as debts in respect of Railway land license fee | 74,255,258 | 59,112,980 |
| Claims against Company not acknowledged as debts in respect of Labour laws | 5,591,705 | 6,884,953 |
| Dividend on 99,790 - 6% Cumulative Redeemable Preference shares of ₹ 100 each | 21,366 | - |
| Total | 100,240,835 | 86,370,439 |

- (b) State Bank of India has given guarantee amounting to ₹ 263,363,328 (as at March 31, 2014: ₹ 253,853,985) on behalf of the Company as required by the Custom Authority in favour of the President of India.

NOTE 32 : CAPITAL AND OTHER COMMITMENTS

(a) Capital Commitments (Amount in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-------------------------|-------------------------|
| Estimated value of Contracts in respect of Fixed Assets remaining to be executed (Net of Capital Advances) | 158,008,602 | - |
| Total | 158,008,602 | - |

(b) Other Commitments (in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|---|-------------------------|-------------------------|
| Corporate Guarantees given by the Company (Refer Note (i) below) | 4,368,924,000 | 1,650,000,000 |
| Co-Borrower for Commercial Vehicle Loans taken by a Related Party (Refer Note (ii) below) | 5,313,000 | - |
| Total | 4,374,237,000 | 1,650,000,000 |

Notes:

- (i) The Company has issued Corporate Guarantees aggregating to ₹ 2,668.92 million as at year end (March 31, 2014: ₹ Nil) on behalf of erstwhile Navkar Terminals Limited which has been merged with Harvard Credit Rating Agency Limited (now known as Navkar Terminals Limited) effective from November 1, 2014, ₹ 1,700 million as at year end (March 31, 2014: ₹ 1,500 million) on behalf of Sidhartha Corporation Private Limited and ₹ Nil as at year end (March 31, 2014: ₹ 150 million) on behalf of M/s Arihant Industries (Prop. Nemichand Mehta). Liabilities outstanding for which Corporate Guarantees have been issued aggregates ₹1,873.04 million as on March 31, 2015 (March 31, 2014: ₹ 1,610.16 million).
- (ii) The Company is a Co-Borrower for Commercial Vehicle Loans taken by erstwhile Navkar Terminals Limited, which has been merged with Harvard Credit Rating Agency Limited (now known as Navkar Terminals Limited) effective from November 1, 2014, aggregating to ₹ 5.31 million as at year end (March 31, 2014: Nil). Liabilities outstanding for which the Company is a co-applicant aggregates to ₹ 4.47 million as on March 31, 2015 (March 31, 2014: Nil).

NOTE 33:

P. D. Sekhsaria Trading Company Private Limited and United India Insurance Company Limited filed a special civil suit dated March 25, 2013 before the Court of Civil Judge against the Company for recovery of ₹ 42,340,533 along with interest from the date of cause of action until realization of the amount in respect of loss of cargo stored at the Company's premises due to fire. United India Insurance Company Limited settled the claim of P. D. Sekhsaria Trading Company Private Limited by paying an

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

amount of ₹ 42,340,533 under a marine insurance policy taken by P. D. Sekhsaria Trading Company Private Limited from United India Insurance Company Limited and was entitled to file the suit pursuant to subrogation and assignment. The Company then filed a reply dated November 26, 2013. As per the Management's view, the liabilities would not arise to the Company as the Company has insurance cover for the same, hence not considered as contingent liabilities.

NOTE 34 : SEGMENT INFORMATION

Information about Primary Business Segment

The Group has identified business segments as its primary segment and geographic segments as its secondary segment. The Company is engaged in CFS Operations and related activities during the year, consequently the Company does not have separate reportable business segment for the year ended March 31, 2015.

Information about Secondary Geographical Segment

The Group is engaged in providing services to customers located in India, consequently the Company does not have separate reportable geographical segment for the year ended March 31, 2015.

NOTE 35 : EMPLOYEE BENEFITS

The Group has classified the various benefits provided to employees as under:

I. Defined Contribution Plans

- a. Employers' Contribution to Provident Fund and Employee's Pension Scheme
- b. Employers' Contribution to Employee's State Insurance

During the year, the Group has incurred and recognised the following amounts in the Statement of Profit and Loss:

| Particulars | (in ₹) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2015 | Year ended March 31, 2014 |
| Employers' Contribution to Provident Fund and Employee's Pension Scheme | 8,802,132 | 6,793,580 |
| Employers' Contribution to Employee's State Insurance | 3,122,623 | 3,675,355 |
| Total Expenses recognised in the Statement of Profit and Loss (Refer Note 27) | 11,924,755 | 10,468,935 |
| II. Defined Benefit Plan | | |
| Contribution to Gratuity Fund | | |
| a. Major Assumptions | (% p.a.) | (% p.a.) |
| Discount Rate | 7.77% | 9.19% |
| Salary Escalation Rate @ | 8.00% | 8.00% |
| @ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors. | | |
| Employee Turnover | 3.00% | 7.50% |
| b. Change in Present Value of Obligation | | |
| Present Value of Obligation as at the beginning of the year | 15,355,261 | 14,119,911 |
| Current Service Cost | 5,629,478 | 4,465,256 |
| Interest Cost | 1,386,357 | 890,553 |
| Past Service Cost | - | - |
| Transferred In | 207,692 | - |
| Benefit paid | (539,535) | (119,041) |
| Actuarial (Gain)/ Loss on Obligations | 674,087 | (4,001,418) |
| Present Value of Obligation as at the end of the year | 22,713,340 | 15,355,261 |



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(in ₹)

| Particulars | Year ended March 31, 2015 | Year ended March 31, 2014 |
|---|------------------------------|------------------------------|
| c. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets | | |
| Present Value of Funded Obligation | 22,713,340 | 15,355,261 |
| Fair Value of Plan Assets | - | - |
| Funded Status | (22,713,340) | (15,355,261) |
| Present Value of Unfunded Obligation | 22,713,340 | 15,355,261 |
| Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions (Refer Note 8 and 12) | 22,713,340 | 15,355,261 |
| d. Expenses Recognised in the Statement of Profit and Loss | | |
| Current Service Cost | 5,629,478 | 4,465,256 |
| Past Service Cost | - | - |
| Interest Cost | 1,386,357 | 890,553 |
| Expected Return on Plan Assets | - | - |
| Actuarial Losses Recognised in the year | 674,087 | (4,001,418) |
| Total expenses recognised in the Statement of Profit and Loss (Refer Note 27) | 7,689,922 | 1,354,391 |
| e. Amounts recognised in the Balance Sheet | | |
| Present Value of Obligation as at year end | (22,713,340) | (15,355,261) |
| Fair Value of Plan Assets as at year end | - | - |
| Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions (Refer Note 8 and 12) | 22,713,340 | 15,355,261 |
| f. Experience Adjustments | | |
| On Plan Liabilities | (674,087) | 4,001,418 |
| On Plan Assets | - | - |
| Total Experience Adjustment | (674,087) | 4,001,418 |

III. Other Employee Benefit

The liability for leave entitlement as at year end is ₹ 4,041,704 (March 31, 2014: ₹ 1,550,820) disclosed under Long Term Provisions (Refer Note 8) and Short Term Provision (Refer Note 12).

NOTE 36: OPERATING LEASE TRANSACTIONS

- (i) The Company has leased out certain trucks and trailers under cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee for which Rent Income of ₹ 8,750,000 (2013-14: ₹ 22,000,000) for the year has been recognised in the Statement of Profit and Loss.

The Company has agreement for leased out of 45 numbers of trucks and trailers and not specific trucks and trailers, considering the nature of business of the Company, there are large number of trucks and trailers are owned by the Company, therefore, it is not feasible to identify the particular trucks and trailers are given on lease at a single point of time as the same is given on the basis of availability of the trucks and trailers as and when required by the party. Hence, the information regarding gross carrying amount, accumulated depreciation and net carrying amount as at year end and depreciation for the year as required by the Accounting Standard - (AS) 19 ' are not disclosed.

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

NOTE 37: RELATED PARTY DISCLOSURE

i) Relationship

| Description of relationship | Names of Related Parties |
|--|--|
| Key Management Personnel | Mr. Shantilal J Mehta Mr. Nemichand J Mehta Mrs. Shailaja N Mehta Mr. Jayesh N Mehta Ms. Ekta Chuglani (Company Secretary w.e.f. 12-09-2014) Mr. Jayesh Kothari (Chief Financial Officer w.e.f. 25-09-2014) Mr. Anish Maheshwari (Chief Financial Officer w.e.f 06-02-2015) Mr. Dinesh Gautama (w.e.f. 08-12-2014) |
| Relative of key management personnel with whom the Group has entered into transactions during the year | Mr. Kunthu Kumar S Mehta Mrs. Kamalbai S Mehta Mrs. Sairabai J Mehta Mrs. Seema K Mehta Mrs. Pratiksha J Mehta |
| Enterprises in which Key Management personnel and relatives of Key Management personnel have significant influence | Sidhartha Corporation Private Limited Harvard Global Logistics Limited Navkar Terminals Limited [Merged with Harvard Credit Rating Agency Limited (now known as Navkar Terminals Limited), as per the Scheme of Amalgamation, appointed date is 01-11-2014] M/s. Arihant Industries (Director's Proprietorship) M/s. Bhagwati Onion Suppliers (Director's Proprietorship) Navkar Charitable Trust |

Notes

- The list of related parties above has been limited to entities with which transactions have taken place during the year.
- Related party transactions have been disclosed till the time the relationship existed.

ii) Transaction with Related Parties during the year

| Particulars | (in ₹) | |
|--|--------------------------------------|--------------------------------------|
| | For the Year Ended March 31, 2015 | For the Year Ended March 31, 2014 |
| Directors Remuneration and Salary | | |
| Mr. Shantilal J Mehta | 6,500,000 | 3,800,000 |
| Mr. Nemichand J Mehta | 6,000,000 | 2,900,000 |
| Mr. Jayesh N Mehta | 5,500,000 | 2,400,000 |
| Ms. Ekta Chuglani (Company Secretary w.e.f. 12-09-2014) | 261,900 | - |
| Mr. Dinesh Gautama (w.e.f. 08-12-2014) | 2,000,000 | - |
| Mr. Jayesh Kothari (Chief Financial Officer from 25-09-2014 to 06-02-2015) | 1,489,586 | - |
| Mr. Anish Maheshwari (Chief Financial Officer w.e.f. 06-02-2015) | 276,814 | - |
| | 22,028,300 | 9,100,000 |



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

| | (in ₹) | |
|--|--|--|
| Particulars | For the Year Ended March 31, 2015 | For the Year Ended March 31, 2014 |
| Sale of Service | | |
| Harvard Global Logistics Limited | 1,550,813 | 1,405,785 |
| Sidhartha Corporation Private Limited | 13,648,294 | 12,106,443 |
| | 15,199,107 | 13,512,228 |
| Sale of Goods | | |
| M/s. Bhagwati Onion Suppliers (Director's Proprietorship) | - | 361,428,630 |
| | - | 361,428,630 |
| Purchase of Goods | | |
| M/s. Arihant Industries (Director's Proprietorship) | - | 272,702,450 |
| | - | 272,702,450 |
| Donations and CSR Expenses | | |
| Navkar Charitable Trust | 26,946,147 | 42,061,078 |
| | 26,946,147 | 42,061,078 |
| Rent Expenses | | |
| Mr. Shantilal J Mehta | 4,000 | - |
| Mr. Nemichand J Mehta | 9,375 | - |
| | 13,375 | - |
| Loans and Advances Given | | |
| Navkar Terminals Limited [Merged with Harvard Credit Rating Agency Limited (now known as Navkar Terminals Limited), as per the Scheme of Amalgamation, appointed date is 01-11-2014] | 41,394,126 | - |
| Harvard Global Logistics Limited | 10,132,001 | 4,208,000 |
| | 51,526,127 | 4,208,000 |
| Advance Given Received Back | | |
| Harvard Global Logistics Limited | 21,639,434 | 8,100,000 |
| Navkar Terminals Limited [Merged with Harvard Credit Rating Agency Limited (now known as Navkar Terminals Limited), as per the Scheme of Amalgamation, appointed date is 01-11-2014] | 800 | - |
| | 21,640,234 | 8,100,000 |
| Allotment of Equity Shares (Including Securities Premium) | | |
| Mr. Nemichand J Mehta | 257,500,000 | 180,000,000 |
| Mr. Shantilal J Mehta | 402,500,000 | 170,000,000 |
| Mr. Kunthu Kumar Mehta | 17,500,000 | - |
| Mrs. Shailaja N Mehta | 167,500,000 | - |
| Sidhartha Corporation Private Limited | 67,456,650 | - |
| Mrs. Sairabai J Mehta | 1,000,000 | - |
| Mr. Jayesh N Mehta | 250,000 | - |
| Mrs. Kamalbai S Mehta | 250,000 | - |
| Mrs. Seema K Mehta | 250,000 | - |
| | 914,206,650 | 350,000,000 |

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(in ₹)

| Particulars | For the Year Ended March 31, 2015 | For the Year Ended March 31, 2014 |
|---|--------------------------------------|--------------------------------------|
| Loan Taken | | |
| Mr. Shantilal J Mehta | 226,677,672 | 38,309,149 |
| Mr. Nemichand J Mehta | 250,497,497 | 32,114,482 |
| Mrs. Shailaja N Mehta | 194,025 | 19,998,500 |
| Mr. Jayesh N Mehta | 64,036,022 | 1,710,750 |
| Mrs. Kamalbai S Mehta | 337,000 | - |
| | 541,742,216 | 92,132,881 |
| Loan Taken Repaid | | |
| Mr. Shantilal J Mehta | 4,777,566 | 171,563,971 |
| Mr. Nemichand J Mehta | 211,532,000 | 180,950,856 |
| Mrs. Shailaja N Mehta | 61,497,771 | 422,181 |
| Mr. Jayesh N Mehta | 5,510,830 | - |
| Mrs. Kamalbai S Mehta | 337,000 | - |
| | 283,655,167 | 352,937,008 |
| Allotment of Preference Shares by subsidiary Company | | |
| Mr. Jayesh N Mehta | 1,056,100 | - |
| Mrs. Kamalbai S Mehta | 1,056,100 | - |
| Mr. Kunthukumar S Mehta | 1,056,100 | - |
| Mr. Nemichand J Mehta | 2,586,300 | - |
| Mr. Shantilal J Mehta | 1,056,100 | - |
| Mrs. Pratiksha J Mehta | 1,056,100 | - |
| Mrs. Seema K Mehta | 1,056,100 | - |
| Mrs. Shailaja N Mehta | 1,056,100 | - |
| | 9,979,000 | - |

iii) Balance with Related Parties :

(in ₹)

| Particulars | Balances as at March 31, 2015 | Balances as at March 31, 2014 |
|----------------------------------|----------------------------------|----------------------------------|
| Loans and Advances Given | | |
| Harvard Global Logistics Limited | - | 11,507,433 |
| | - | 11,507,433 |
| Loans Payable | | |
| Mr. Shantilal J Mehta | 505,233,092 | 283,332,986 |
| Mr. Nemichand J Mehta | 378,486,360 | 292,829,246 |
| Mrs. Shailaja N Mehta | 184,520,960 | 245,824,706 |
| Mr. Jayesh N Mehta | 193,069,872 | 134,412,606 |
| | 1,261,310,284 | 956,399,544 |



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

(in ₹)

| Particulars | Balances as at March 31, 2015 | Balances as at March 31, 2014 |
|--|-------------------------------|-------------------------------|
| Remuneration Payable | | |
| Ms. Ekta Chuglani (Company Secretary w.e.f. 12-09-2014) | 35,500 | - |
| Mr. Dinesh Gautama | 350,172 | - |
| Mr. Anish Maheshwari (Chief Financial Officer w.e.f. 06-02-2015) | 133,383 | - |
| | 519,055 | - |
| Corporate Guarantees Given | | |
| Sidhartha Corporation Private Limited | 1,700,000,000 | 1,500,000,000 |
| M/s. Arihant Industries | - | 150,000,000 |
| | 1,700,000,000 | 1,650,000,000 |

NOTE 38 : DERIVATIVE INSTRUMENTS

The Company is exposed to foreign currency fluctuations on foreign currency assets/ liabilities, payables denominated in foreign currency. In line with the Company's risk management policies and procedures, the Company enters into foreign currency option contracts and swap contracts to manage its exposure.

The following are outstanding Foreign currency options contracts against the future repayment of borrowings :

| Non- Designated Cash flow Hedges | Currency Pair | Notional Amount (Foreign Currency) | Fair Value Gain / (Loss) ₹ |
|----------------------------------|---------------|------------------------------------|----------------------------|
| Options - USD/INR Call | USD/INR | 29,130,100 (25,874,000) | 26,779,425 (93,797,704) |

NOTE 39 : INITIAL PUBLIC OFFERING

The Company has filed Draft Red Herring Prospectus ('DRHP') as on March 31, 2015 for the proposed Initial Public Offering ('IPO') with the Securities Exchange Board of India ('SEBI') for shares to be listed at Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE'). During the year, the Company has incurred ₹ 49,264,372 towards proposed IPO which are classified as 'Proposed Public Issue Expenses' and grouped under 'Other Current Assets' in the financial statements. These expenses would be adjusted against the securities premium account on completion of the public issue.

NOTE 40 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

- (a) Gross amount required to be spent by the Company during the year ₹ 14,388,938
(b) Amount spent during the year on:

| Particulars | In cash ₹ | Yet to be paid in cash ₹ | Total ₹ |
|--|------------|--------------------------|------------|
| (i) Construction/ acquisition of any asset | - | - | - |
| (ii) On purposes other than (i) above | 14,500,000 | - | 14,500,000 |

NOTE 41 : LOANS AND GUARANTEE GIVEN

Disclosure for loans given to subsidiary and guarantee given on behalf of subsidiary and other group company:

| Name of entity | Loans/ Guarantee | Amount ₹ | Purpose for which the loan/ guarantee is proposed to be utilised |
|---------------------------------------|------------------|---------------|--|
| Sidhartha Corporation Private Limited | Guarantee | 1,700,000,000 | The guarantee given by the Company for working capital loans taken by Sidhartha Corporation Private Limited. |

Notes to the Consolidated Financial Statements for the year ended March 31, 2015

NOTE 42 : CURRENT ASSETS AND LOANS AND ADVANCES

In the opinion of the Board, the Current Assets and Loans and Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

Balances of the loan and advances, and balances of deposits are subject to confirmation, reconciliation and adjustments, if any. The management does not expect any material difference affecting the current year's financial statements.

NOTE 43 - ADDITIONAL INFORMATION REQUIRED UNDER SCHEDULE III OF THE COMPANIES ACT, 2013:

| Name of the Entity | Net Assets, i.e. total asset minus total liabilities as at March 31, 2015 | | Share in profit / (loss) for the year ended on March 31, 2015 | |
|---|---|---------------|---|-------------|
| | As % of consolidated net assets | Amount ₹ | As % of consolidated Profit or Loss | Amount ₹ |
| Parent Subsidiaries Indian: | | | | |
| Navkar Terminals Limited (formerly known as Harvard Credit Rating Agency Limited) | 32.11 | 2,388,831,366 | (0.17) | (1,171,624) |

NOTE 44: The Scheme of Amalgamation (the "Scheme") between erstwhile Navkar Terminals Limited (the "Transferor Company") with the subsidiary Company (the "Transferee Company") and their respective shareholders and creditors under Section 391 to 394 of the Companies Act, 1956, was approved by the High Court of Bombay by its order dated January 30, 2015. The Order has been filed with the Registrar of Companies (RoC) on March 12, 2015. The Transferor Company is in the business of providing container freight station (CFS) and inland container depot (ICD) services.

Pursuant to the Scheme, all assets and liabilities of the Transferor Company has been transferred to and vested in the Transferee Company on the appointed date (i.e. November 1, 2014) at their book values. The Transferee Company shall issue one fully paid up 6% Cumulative Redeemable Preference Shares of ₹ 100 each for every 240 Equity Shares of ₹ 10 each held in the Transferor Company pursuant to the Scheme. As per the High Court order, this amalgamation is in nature of merger and the accounting treatment is to be given using the 'Pooling of Interest Method of Accounting'. The details of assets and liabilities transferred by the Transferor Company as a result of amalgamation are as under :

| Particulars | in ₹ | in ₹ |
|---|---------------|----------------------|
| Assets | | |
| Fixed Assets | 2,478,696,593 | |
| Long-Term Loans and Advances | 10,458,290 | |
| Current Assets | 4,679,615 | |
| | | 2,493,834,498 |
| Less: Liabilities | | |
| Non - Current Liabilities | 49,424,216 | |
| Current Liabilities | 54,641,917 | |
| | | 104,066,133 |
| | | 2,389,768,365 |
| Represented by in the books of Transferee Company | | |
| Preference Share Capital issued by the Transferee Company | | 9,979,000 |
| Securities Premium Account | | 2,155,500,000 |
| Capital Reserve | | 229,521,000 |
| Surplus/ (Deficit) in the Statement of Profit and Loss | | (5,231,635) |
| | | 2,389,768,365 |



Notes to the Consolidated Financial Statements for the year ended March 31, 2015

As per the Accounting Standard - 14 'Accounting for Amalgamations' in case of amalgamation in the nature of merger using 'Pooling of Interest Method of Accounting', the equity shareholders of the Transferor Company should receive the consideration in the form of equity shares of the Transferee Company and the shareholders holding not less than 90% of the face value of the equity shares of the Transferor Company become equity shareholders of the Transferee Company by virtue of the amalgamation. However, as per the approved scheme, the said conditions are not fulfilled as the equity shareholders of the Transferor Company have received the preference share capital of the Transferee Company in consideration. Due to this deviation Securities Premium Account and Surplus/ (Deficit) in the Statement of Profit and Loss of the Transferor Company became the Securities Premium Account and Surplus/ (Deficit) in the Statement of Profit and Loss instead of Capital Reserve.

NOTE 45 : PRE-OPERATIVE EXPENSES

Following expenses capitalised as a part of capital work in progress.

(in ₹)

| Particulars | As at March 31, 2015 | As at March 31, 2014 |
|--|-------------------------|-------------------------|
| Interest Cost | 4,732,920 | - |
| Bank Charges and Loan Processing Charges | 36,523,279 | - |
| Employee Benefit Expenses | 1,011,507 | - |
| Depreciation | 465,084 | - |
| Rent Expenses | 167,005 | - |
| Rates and taxes | 434,627 | - |
| Legal and Professional Fee | 4,361,837 | - |
| Power and Fuel Expenses | 654,387 | - |
| Insurance Expenses | 15,150 | - |
| Labour Charges | 87,595 | - |
| Postage and Telephone Expenses | 30,328 | - |
| Repairs and Maintenance-Others | 927,996 | - |
| Printing and Stationery | 56,690 | - |
| Travelling and Conveyance Expenses | 85,754 | - |
| Other Expenses | 617,885 | - |
| Total | 50,172,044 | - |

NOTE 46 : PREVIOUS YEAR'S FIGURES

Previous year's figures related to balance sheet and notes related to the balance sheet have also been reclassified to conform to current year's classification wherever applicable.

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

For and on behalf of the Board of Directors

For **S. K. PATODIA & ASSOCIATES**
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : June 17, 2015

Shantilal Mehta
Managing Director
DIN : 00134162

Anish Maheshwari
Chief Financial Officer

Jayesh Mehta
Whole-time Director
DIN : 00510313

Place : Mumbai
Date : June 17, 2015



FORM AOC-I

(Pursuant to first proviso to sub-Section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries/Associate Companies /Joint Ventures for the year ended March 31, 2015
PART "A" : SUBSIDIARIES

(in ₹)

| Sr. No. | Name of Subsidiary | Reporting period for the subsidiary concerned, if different from the holding Company's reporting period | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Share capital | Reserves & Surplus | Total assets | Total Liabilities | Investments | Turnover/ Operational Income | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | % of shareholding |
|---------|--------------------------|---|---|---------------|--------------------|---------------|-------------------|-------------|------------------------------|------------------------|------------------------|-----------------------|-------------------|-------------------|
| 1 | Navkar Terminals Limited | NA | NA | 10,479,000 | 2,378,352,366 | 3,426,156,479 | 1,037,325,113 | NA | NIL | -1,673,256 | -501,632 | -1,171,624 | NIL | 100% |

Notes:

- Names of subsidiaries which are yet to commence operations : Navkar Terminals Limited
- Names of subsidiaries which have been liquidated or sold during the year : NIL
- During the year Company has no associate or Joint venture therefore "Part B" is not applicable

For and on behalf of the Board of Directors

For S. K. PATODIA & ASSOCIATES
Chartered Accountants
Firm Registration Number: 112723W

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : June 17, 2015

Shantilal Mehta
Managing Director
DIN : 00134162

Anish Maheshwari
Chief Financial Officer

Place : Mumbai
Date : June 17, 2015

Jayesh Mehta
Whole-time Director
DIN : 00510313

Ekta Chuglani
Company Secretary



Navkar Corporation Ltd
Container Freight Stations & Rail Terminals

Registered Office: 205-206, J. K. Chambers, Sector 17, Vashi, Navi Mumbai – 400 703, India
CIN: U63000MH2008PLC187146, E-mail: cs@navkarcfs.com

ATTENDANCE SLIP

(To be presented at the entrance)

7TH ANNUAL GENERAL MEETING ON SATURDAY, DECEMBER 12, 2015 AT 11 A.M.
at Hotel The Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai – 400 703

| | | | |
|-------------------------|--|---------------|--|
| DP ID No | | Folio No. | |
| Client ID No | | No. of Shares | |
| Name of the Member | | Signature | |
| Name of the Proxyholder | | Signature | |

1. Only Member/Proxyholder can attend the Meeting. 2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.



Navkar Corporation Ltd
Container Freight Stations & Rail Terminals

Registered Office: 205-206, J. K. Chambers, Sector 17, Vashi, Navi Mumbai – 400 703, India
CIN: U63000MH2008PLC187146, E-mail: cs@navkarcfs.com

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

I/We, _____,

being the member(s) holding _____ Shares of **Navkar Corporation Limited**, under DP ID No. / Client ID No./ Folio No. _____, hereby appoint:

- Name : E-mail ID :
Address :
or failing him
- Name : E-mail ID :
Address :
or failing him
- Name : E-mail ID :
Address :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7th Annual General Meeting of the Company, to be held on Saturday, December 12, 2015 at 11 a.m. at Hotel The Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai – 400 703, and at any adjournment thereof in respect of such resolutions as are indicated below:

| | Ordinary Business | FOR | AGAINST |
|----|--|------------|----------------|
| 1. | Adoption of Audited Financial Statements for the year ended March 31, 2015. | | |
| 2. | Re-appointment of Director retiring by rotation. | | |
| 3. | Ratification of Appointment of Auditors. | | |
| | Special Business | | |
| 4. | Appointment of Capt. Dinesh Gautama (DIN 02384688) as a Director of the Company. | | |

Signed this day of 2015

Signature of shareholder.....

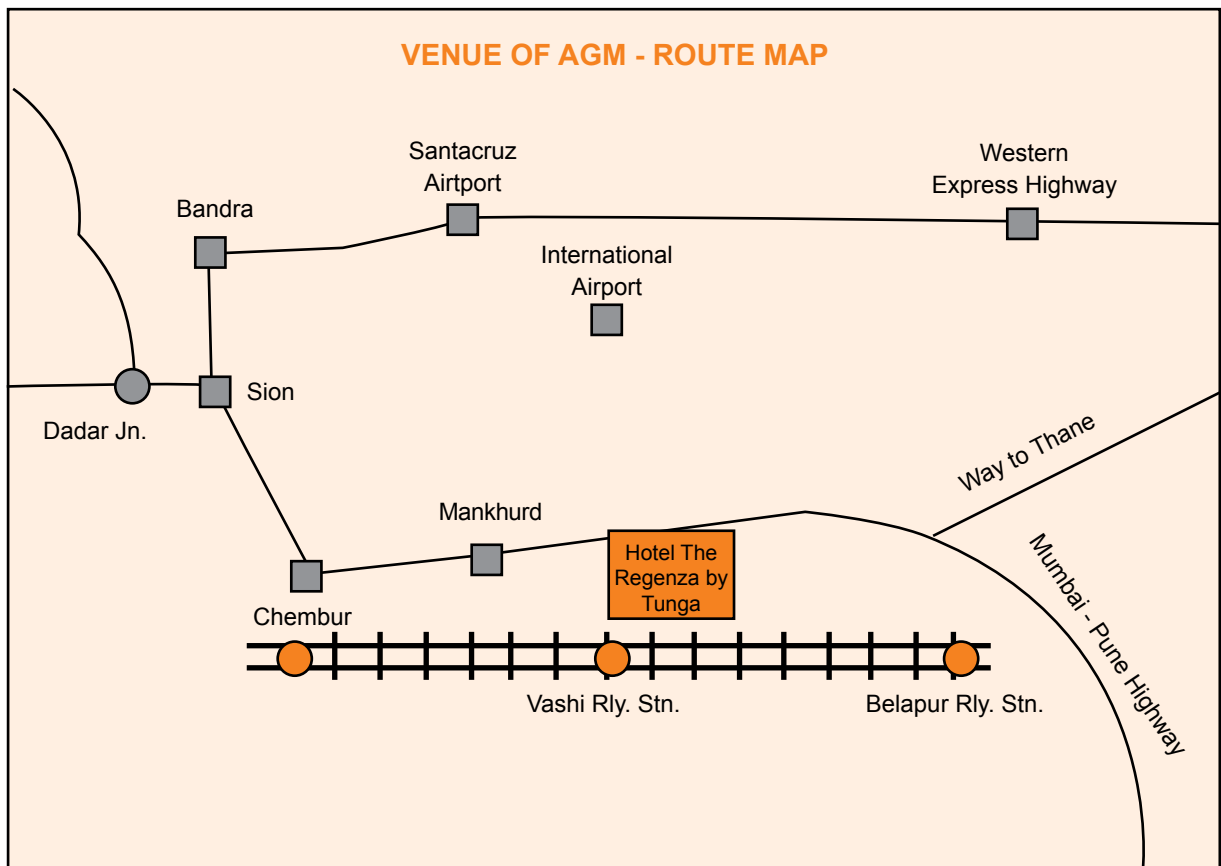
Signature of Proxyholder(s).....

Affix
Revenue
Stamp

- Notes :**
- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
 - Please complete all details including details of member(s) in above box before submission.

NAVKAR CORPORATION LIMITED

7TH ANNUAL GENERAL MEETING ON SATURDAY, DECEMBER 12, 2015 AT 11 A.M.
at Hotel The Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai – 400 703





Navkar Corporation Ltd
Container Freight Stations & Rail Terminals

Registered Office : 205-206, J. K. Chambers, Sector 17, Vashi, Navi Mumbai – 400 703, India.
Corporate Office : Survey No. 89,93,95,97, Somathane Village, Kon-Savla Road, Panvel 410 206 Dist Raigad, India.
Website : www.navkarcfs.com | CIN : U63000MH2008PLC187146