M/s Navkar Corporation Ltd
Container Freight Stations & Rail Terminals

Ref No.: NCL/CS/2017-18/26 **September 07, 2017**

The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Script Code: 539332

The Manager
Listing Department
National Stock Exchange of India Limited
"Exchange Plaza", C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
Script Code: NAVKARCORP

Dear Sirs,

Sub. : Annual Report 2016-17 approved and adopted at the 9th Annual General Meeting of the Company

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report, 2016-17 of the Company approved and adopted at the Ninth Annual General Meeting (AGM) held on August 24, 2017 at 11.30 a.m. at Hotel The Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai – 400 703.

Kindly take the same on your records and acknowledge.

Yours Faithfully,
For **Navkar Corporation Limited**

Hitesh Kumar Jain
Company Secretary

NAVKAR CORPORATION LTD.

Encl. : Annual Report, 2016-17

Regd.Office: 205-206, 2nd Floor, J.K. Chambers, Sector-17, Vashi, Navi Mumbai-400 703 • CIN: L63000MH2008PLC187146
T.+91-22-2766 8223 • 2766 8233 | F.+91-22-2766 8238 • 2766 8239 • www.navkarcfs.com

Admin Office : Survey No.89/93/95/97, at Somathane Village, Kon-Savla Road, Taluka-Panvel, Dist. Raigad, Maharashtra-410206, India
T.+91-2143-662525 (100 lines) • +91-2143-262028-32 | F. +91-2143-262042 • +91-2143-262011 | E. admin@navkarcfs.com

Navkar Corporation Limited

ANNUAL REPORT 2016-17

BOARD OF DIRECTORS

Mr. Shantilal Mehta
Chairman and Managing Director

Mr. Nemichand Mehta
Whole-time Director

Capt. Dinesh Gautama
Whole-time Director & Chief Executive Officer

Ms. Sudha Gupta
Non-Executive Independent Director

Mr. Lalit Menghnani
Non-Executive Independent Director

Mr. Ashok Kumar Thakur
Non-Executive Independent Director

KEY MANAGERIAL PERSONNEL

Capt. Dinesh Gautama
Whole-time Director & Chief Executive Officer

Mr. Anish Maheshwari
Chief Financial Officer

Mr. Hitesh Kumar Jain
Company Secretary

COMMITTEES OF THE BOARD

Audit Committee

Ms. Sudha Gupta - Chairperson
Mr. Lalit Menghnani - Member
Mr. Nemichand Mehta - Member

Nomination and Remuneration Committee

Mr. Lalit Menghnani - Chairman
Ms. Sudha Gupta - Member
Mr. Ashok Kumar Thakur - Member

Corporate Social Responsibility Committee

Ms. Sudha Gupta - Chairperson
Mr. Shantilal Mehta - Member
Mr. Nemichand Mehta - Member

Stakeholders Relationship Committee

Mr. Ashok Kumar Thakur - Chairman
Mr. Lalit Menghnani- Member
Mr. Shantilal Mehta - 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

CORPORATE OFFICE

4th Floor, Goodwill Infinity,
Sector 12, Near Utsav Chowk,
Kharghar, Navi Mumbai – 410 210
website: www.navkarcfs.com

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited
C-101, 247 Park, L B S Marg,
Vikhroli West, Mumbai - 400083.
Tel: 022-49186270, Fax: 022-49186060
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

CONTENTS

	Page No.
Notice	02
Directors' Report	12
Report on Corporate Governance	32
Management Discussion and Analysis	39
Business Responsibility Report	41
Independent Auditors' Report	47
Balance Sheet	52
Statement of Profit & Loss	53
Cash Flow Statement	54

	Page No.
Notes to Financial Statements	57
Auditors' Report on Consolidated Financial Statements	111
Consolidated Balance Sheet	114
Consolidated Statement of Profit & Loss	115
Consolidated Cash Flow Statement	116
Notes to Consolidated Financial Statement	119
Attendance Slip & Proxy	175

NOTICE

Notice is hereby given that the Ninth Annual General Meeting (the Meeting) of the members of Navkar Corporation Limited (the Company) will be held on Thursday, August 24, 2017 at 11.30 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

1. To receive, consider and adopt (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2017 together with the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2017 and the report of the Auditors thereon and in this regard, pass the following resolution(s) as an **Ordinary Resolution(s):**

    a) **"RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon laid before the Meeting, be and are hereby considered and adopted."

    b) **"RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended March 31, 2017 and the report of the Auditors thereon laid before the Meeting, be and are hereby considered and adopted."

2. To appoint a Director in place of Capt. Dinesh Gautama (DIN: 02384688), who retires by rotation and being eligible has offered himself for re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution:**

    "RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 and applicable provisions of the Articles of Association of the Company, Capt. Dinesh Gautama (DIN: 02384688), who retires by rotation at the Meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed and that the terms and conditions of his appointment as Whole-time Director of the Company as approved by the members in their meeting held on January 20, 2015 and his appointment as Chief Executive Officer of the Company as approved by the Board of Directors in its meeting held on September 01, 2016 shall remain unchanged."

3. To ratify the appointment of the Auditors and fix their remuneration and in this regard, 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 the Companies (Audit and Auditors) Rules, 2014 (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), who were appointed as Statutory Auditors of the Company, at Annual General Meeting held on September 11, 2014 (hereinafter referred to as said AGM) to hold office 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 2017-18 as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

4. To consider appointment of Mr. Ashok Kumar Thakur (DIN: 07573726), as an Independent Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

    "RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors), Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Mr. Ashok Kumar Thakur (DIN: 07573726) who was appointed as an Additional Director on January 25, 2017 in accordance with the provision of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years with effect from January 25, 2017, subject to Mr. Ashok Kumar Thakur satisfying the criteria of independence in terms of the Companies Act, 2013, the Rules made thereunder and the Listing Regulations and shall not be liable to retire by rotation.

5. To consider reappointment of Mr. Shantilal Mehta (DIN: 00134162) as Chairman and Managing Director of the Company and in this regard, pass the following resolution as a **Special Resolution:**

    "RESOLVED THAT pursuant to the provisions of Sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013; the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013; and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the members be and is hereby accorded to appoint Mr. Shantilal Mehta (DIN: 00134162) as Chairman and Managing Director of the Company for a period of three years from October 01, 2017 until September 30, 2020, on the remuneration and on such terms and conditions as set out below with liberty and authority to the Board of Directors to any amendments thereto or any re-enactment thereof as may be agreed to between the Board of Directors and Mr. Shantilal Mehta:

Tenure: The appointment of Mr. Shantilal Mehta as the Chairman and Managing Director shall be for a period of 3 years from October 01, 2017.

Remuneration:

a) **Basic Salary:** The Basic Salary of Mr. Shantilal Mehta shall be ₹ 2,25,000/- per month with authority to the Board of Directors to increase the Basic Salary within the range of ₹ 2,25,000/- to ₹ 3,37,500/- per month.

b) **Perquisites & Allowances:** In addition to the Basic Salary payable, Mr. Shantilal Mehta shall be entitled to perquisites and allowances like:

   i) Company maintained accommodation or House Rent Allowance in lieu thereof subject to a maximum of 50% of Basic Salary;

   ii) Other Allowances of ₹ 1,61,250/- per month with authority to the Board of Directors to increase the Other Allowances within the range of ₹ 1,61,250/- to ₹ 2,41,875/- per month;

   iii) Personnel allowance subject to a ceiling of 20% of Basic Salary;

   iv) Medical reimbursements, Leave Travel Allowance (subject to 10% of Basic Salary in a year), club fees, personnel accident & medical insurance, use of chauffeur driven company car, telecommunication facilities at residence and such other perquisites and allowances in accordance with rules of the Company;

   v) Company's contribution to provident fund, gratuity and leave encashment as per the rules of the Company; and

   vi) Other Allowances including Annual performance bonus/incentive, if any, based on the performance criteria as laid down by or approved by the Board subject to a ceiling of 20% of Basic Salary.

   Perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such rules, perquisites shall be evaluated at actual cost.

c) **Overall Remuneration:** The aggregate of salary, perquisites and allowances in any one financial year shall not exceed the limits prescribed under Section 197 and other applicable provisions of the Companies Act, 2013, read with Schedule V to the said Act for the time being in force.

d) **Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year during the tenure of services of the Chairman and Managing Director, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto."

6. To consider further issue of Securities and in this regard, pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 42, 62(1)(c),71 and other applicable provisions, if any, of the Companies Act, 2013, as amended, and the rules made thereunder including any amendments thereto or re-enactment thereof, for the time being in force and applicable provisions, if any of the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Companies Act, 2013 together with the Companies Act, 2013, the "Companies Act"), the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the listing agreements entered into with the stock exchanges and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations"), the provisions of the issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 or the Depository Receipt Scheme, 2014, the provisions of the Foreign Exchange Management Act, 1999, ("FEMA"), the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry and rules and regulations framed thereunder as amended from time to time and subject to other applicable rules, regulations and guidelines issued by the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), the Government of India ("GoI"), the stock exchanges where the Company's equity shares are listed ("Stock Exchanges") and / or any other competent governmental or regulatory authorities from time to time to the extent applicable, and subject to such approvals, permissions, consents and sanctions as may be necessary from SEBI, Stock Exchanges, RBI, GoI and any other governmental or regulatory authorities as may be required in this regard and further subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and / or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any duly constituted Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution), consent of the members be and is hereby accorded to the Board to create, offer, issue and allot (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons as may be permitted), with or without green shoe option, such number of equity shares of the Company of face value ₹10 each ("Equity Shares"), Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), Foreign Currency Convertible Bonds ("FCCBs"), fully convertible debentures/partly convertible debentures, preference shares convertible into Equity Shares, and/or any other financial instruments convertible into Equity Shares (with/ without warrants attached to them in registered or bearer form) and/or any security convertible into Equity Shares with or without voting/special rights and/or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares (all of which are hereinafter collectively referred to as "Securities") or any combination of Securities, in one or more tranches, whether Rupee denominated or denominated in foreign currency, in one or more foreign markets and/ or domestic market, by way of one or more public and/ or private offerings, and/or on preferential allotment basis including Qualified Institutions Placement ("QIP") or any combination thereof, through issue of prospectus and/or placement document and/or other permissible/ requisite offer document to any eligible person, including Qualified Institutional Buyers ("QIBs") as defined under the SEBI ICDR Regulations in accordance with Chapter VIII of the SEBI ICDR Regulations, or otherwise, foreign/ resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign portfolio investors, systemically important non-banking financial company, Indian and/or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds and/or any other categories of investors, whether they be holders of Equity Shares or not (collectively called the "Investors") as may be decided by the Board in its discretion and permitted under applicable laws and regulations, for an aggregate amount not exceeding ₹ 500 Crores (Rupees Five Hundred Crores) or equivalent thereof, in one or more tranches, denominated in foreign currency and/or Indian rupees, inclusive of such premium as may be fixed on such Securities by offering the Securities through public offer(s) or private placement(s) or a combination thereof at such time or times, at such price or prices, at a discount or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest, etc., as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/or underwriter(s) and/or other advisor(s) appointed and/or to be appointed by the Company (the "Issue").

RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

(a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company;

(b) the Equity Shares that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects; and

(c) Equity Shares to be issued on conversion of Securities convertible into Equity Shares shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, consolidation of stock, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate re-organisation or restructuring.

RESOLVED FURTHER THAT if any issue of Equity Shares is made by way of a QIP in terms of Chapter VIII of the SEBI ICDR Regulations, the allotment of the Equity Shares shall be completed within 12 (twelve) months from the date of approval of the shareholders of the Company by way of a special resolution for approving the QIP or such other time as may be allowed under the SEBI ICDR Regulations, at a price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations, provided that the Board may, in accordance with applicable law, offer a discount of not more than 5% (five per cent.) or such percentage as permitted under applicable law, on the floor price determined in accordance with the pricing formula provided under Chapter VIII of the SEBI ICDR Regulations. The Equity Shares shall be allotted as fully paid-up and the aggregate of all QIPs made by the Company in the same financial year shall not exceed five times the net worth of the Company as per the audited balance sheet of the previous financial year.

RESOLVED FURTHER THAT the "relevant date" for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares

RESOLVED FURTHER THAT in the event the Securities are proposed to be issued as FCCBs, ADRs or GDRs, the relevant date for the purpose of pricing the Securities shall be determined in accordance with the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through the Depository Receipt Mechanism) Scheme, 1993, or the Depository Receipt Scheme, 2014, as the case may be (including any amendments thereto or re-enactment thereof, for the time being in force) or as may be permitted under applicable law.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities or equity shares on conversion of Securities, the Board be and is hereby authorised on behalf of the Company to seek listing of any or all of such Securities or equity shares as the case may be, on one or more Stock Exchanges.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint lead manager(s), underwriters, depositories, custodians, registrars, bankers, lawyers, advisors, debenture trustees and all such agencies as are or may be required to be appointed, involved or concerned in the Issue and to remunerate them by way of commission, brokerage, fees or the like and also to reimburse them out of pocket expenses incurred by them and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient for the Issue, including the finalization and approval of the draft as well as final offer document(s), determining the form and manner of the Issue, finalization of the dates and timing of the Issue, identification and class of the investors to whom the Securities are to be offered, determining the issue price, face value, premium amount on issue/ conversion of the Securities, if any, rate of interest and all other terms and conditions of the Securities, offer and allotment of Securities, execution of various transaction documents, signing of declarations, creation of mortgage/ charge, utilization of the issue proceeds, and to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and resolve and settle all questions or difficulties that may arise in regard to such Issue without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any committee of directors or any director(s) of the Company in such manner as they may deem fit in their absolute discretion with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Issue and settle any questions or difficulties that may arise in this regard to the Issue."

7. To consider increase of Authorised Share Capital of the Company and in this regard, pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 61 read with Section 13 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, the Authorised Share Capital of the Company be and is hereby increased from ₹ 160,00,00,000 (Rupees One Hundred and Sixty Crore only) comprising 15,50,00,000 Equity Shares of face value of ₹ 10 each and 50,00,000 0% Cumulative Redeemable Preference Shares of face value of ₹10 each to ₹ 170,00,00,000 (Rupees One Hundred and Seventy Crore only) comprising 16,50,00,000 Equity Shares of face value of ₹ 10 each and 50,00,000 0% Cumulative Redeemable Preference Shares of face value of ₹10 each AND THAT the existing Clause V of the Memorandum of Association of the Company be deleted and in place thereof the following new Clause be substituted -

V. The Authorised Share Capital of the Company is ₹170,00,00,000 (Rupees One Hundred and Seventy Crore only) comprising 16,50,00,000 Equity Shares of face value of ₹10 each and 50,00,000 0% Cumulative Redeemable Preference Shares of face value of ₹ 10 each."

By Order of the Board

Hitesh Kumar Jain
Company Secretary

Navi Mumbai, May 29, 2017

Registered Office:
205-206, J. K. Chambers,
Sector 17, Vashi,
Navi Mumbai – 400 703, India
CIN: L63000MH2008PLC187146
website: www.navkarcfs.com
E-mail: cs@navkarcfs.com

Notes:

1. **A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself 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 10% of the total share capital of the Company. A Member holding more than 10% 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.**

2. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto. Members, Proxies and Authorised Representatives are requested to bring to the Meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No. 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.

4. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, August 18, 2017 to Thursday, August 24, 2017 (both days inclusive).

5. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business with respect

to Item Nos. 4 to 7 of the Notice to be transacted at the Meeting is annexed hereto and forms part of the Notice.

6. 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 (i.e. except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will also be available for inspection by members at the Meeting.

7. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice.

8. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Friday, August 18, 2017 (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.

9. The e-voting period will commence at 9.00 a.m. on Monday, August 21, 2017 and will end at 5.00 p.m. on Wednesday, August 23, 2017. The Company has appointed Mr. Hemant Shetye, Partner of M/s HS Associates, Practicing Company Secretaries, Mumbai, to act as the Scrutinizer for conducting the scrutiny of the votes cast.

10. The facility for voting, either through electronic voting system or polling paper shall also be made available at the Meeting and the Members attending the Meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the Meeting.

11. The members can attend the Meeting on Thursday, August 24, 2017, at 11.30 a.m., in person or through proxy and vote on the resolutions set forth in the Notice, if they have not exercised 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 of the conclusion of the Meeting.

12. Members are requested to carefully read the following instructions relating to e-voting before casting their vote.

    The instructions for shareholders voting electronically are as under:

    (i) The voting period begins at 9.00 a.m. (IST) on Monday, August 21, 2017 and ends on Wednesday, August 23, 2017 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 i.e. Friday, August 18, 2017 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). Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on address sticker indicated in the PAN field.
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 and enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) 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 linked in the login 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.

(xxi) 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 write an email to helpdesk.evoting@cdslindia.com.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.4

Pursuant to the provisions of Section 161 of the Companies Act, 2013 and the rules made thereunder ('the Act') read with Articles of Association of the Company, Mr. Ashok Kumar Thakur (DIN: 07573726) was appointed as Additional Director in the capacity of Independent Director of the Company w.e.f. January 25, 2017. Accordingly, Mr. Ashok Kumar Thakur will hold office upto the date of ensuing Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Act from a member of the Company, alongwith required deposit proposing the candidature of Mr. Ashok Kumar Thakur for the office of Director of the Company.

Mr. Ashok Kumar Thakur has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mr. Ashok Kumar Thakur fulfils the conditions specified in the Act and the rules made thereunder and the Listing Regulations for his appointment as Independent Director of the Company and he is independent of the management. Mr. Ashok Kumar Thakur is not disqualified from being appointed as a Director in terms of Section 164 of the Act and he has given his consent to act as Director.

A brief profile of Directors to be appointed, including nature of their expertise and other disclosure as required under Regulation 36(3) of the Listing Regulations, is provided at "Annexure A" of this Notice.

Terms and conditions of appointment of Mr. Ashok Kumar Thakur as Independent Director are open for inspection without any fee by any member at the registered office of the Company as per the details mentioned in note 6.

Except Mr. Ashok Kumar Thakur, being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 04.

The Board recommends the resolution at Item No. 04 in relation to the appointment of Mr. Ashok Kumar Thakur as Independent Director for the approval by the shareholders of the Company by way of Ordinary Resolution.

Item No.5

Mr. Shantilal Mehta was appointed as Chairman and Managing Director by the Members of the Company in Extraordinary General Meeting held on September 30, 2014 for a period of three years with effect from October 1, 2014 in terms of the applicable provisions of the Companies Act, 2013. The present term of Mr. Shantilal Mehta is expiring on September 30, 2017.

The Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee, in its meeting held on May 29, 2017, subject to approval of the Members, has reappointed Mr. Shantilal Mehta as Chairman and Managing Director of the Company for a period of three years from October 1, 2017.

While recommending the re-appointment of Mr. Shantilal Mehta as Chairman and Managing Director of the Company, the Nomination and Remuneration Committee evaluated the performance of Mr. Shantilal Mehta on various parameters including his participation in the board and committee meetings, domain knowledge, business and economic acumen, accessibility to board members and employees, objectivity in his decision making, his leadership style and leading the organisation towards compliance culture and corporate governance policies/ principles. Upon satisfactory performance evaluation, the Nomination and Remuneration Committee recommended to the Board re-appointment of Mr. Shantilal Mehta as Chairman and Managing Director of the Company.

Mr. Shantilal Mehta has given a declaration to the Board that he is not disqualified from becoming a director under the Companies Act, 2013 and has also consented to the proposed appointment as Chairman and Managing Director. The Company has received a notice in writing from a Member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Shantilal Mehta for the office of Chairman and Managing Director of the Company.

A brief profile of Directors to be appointed, including nature of their expertise and other disclosure as required under Regulation 36(3) of the Listing Regulations, is provided at "Annexure A" of this Notice.

Terms & conditions of appointment of Mr. Shantilal Mehta as Chairman and Managing Director are open for inspection without any fee by any member at the registered office of the Company as per the details mentioned in note 6.

Mr. Shantilal Mehta, being appointee and Mr. Nemichand Mehta, relative of appointee, may be deemed to be concerned or interested in the aforesaid resolution to the extent of the remuneration that may be received by Mr. Shantilal Mehta. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 05.

The Board recommends the resolution at Item No. 05 in relation to the appointment of Mr. Shantilal Mehta as Chairman and Managing Director for the approval by the shareholders of the Company by way of Special Resolution.

Item No.6

The special resolution contained at Item No.6 of the Notice relates to a resolution by the Company enabling the Board to create, issue, offer and allot securities including, any or all of Equity Shares, GDRs, ADRs, Foreign Currency Convertible Bonds, Convertible or Non-convertible Debentures and such other securities as stated in the resolution (the "Securities"), including by way of a qualified institutions placement of Equity Shares in accordance with Chapter VIII of the SEBI ICDR Regulations, in one or more tranches, at such price and on such terms and conditions as may be deemed appropriate by the Board (which term shall be deemed to include any committee thereof which the Board may have constituted) at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment of Securities shall be made subject to receipt of applicable governmental/ regulatory approvals, market conditions and other factors and wherever necessary, in consultation with lead manager(s) and other agencies that may be appointed by the Board for the purpose of the Issue.

This special resolution enables the Board to issue Securities for an aggregate amount not exceeding ₹ 500 Crores or its equivalent in any foreign currency. The Board shall issue Securities pursuant to this special resolution and utilize the proceeds, at its absolute discretion, for business purposes, including but not limited to, any of meeting capital expenditure and working capital requirements of the Company, repayment of debt, exploring acquisition opportunities and general corporate purposes, or any combination thereof.

The special resolution seeks to empower the Board to issue by way of one or more public and/or private offerings, and/or on preferential allotment basis including Qualified Institutions Placement ("QIP") of Equity Shares or any combination thereof, through issue of permissible/requisite offer document to any eligible person whether they be holders of equity shares of the Company or not (collectively called the "Investors") as may be decided by the Board. The pricing of the Securities to be issued shall be determined by the Board in accordance with the applicable provisions of the SEBI ICDR Regulations. If any issue of Equity Shares is made by way of a QIP to Qualified Institutional Buyers pursuant to Chapter VIII of the SEBI ICDR Regulations, the Board may offer a discount of not more than 5% (five per cent.) or such percentage as permitted under applicable law on the floor price determined pursuant to the SEBI ICDR Regulations. The "Relevant Date" for this purpose will be the date when the Board decides to open the issue

The detailed terms and conditions for the offer will be determined by the Board in consultation with the lead manager(s) and other advisors appointed in relation to the proposed Issue and such other authorities as may be required, taking into consideration market conditions and in accordance with applicable law. The Equity Shares allotted or arising out of conversion of any Securities will be listed and traded on the stock exchanges where Equity Shares of the Company are currently listed ("Stock Exchanges"), subject to obtaining necessary approvals. The offer/ issue/ allotment/ conversion of Securities would be subject to obtaining regulatory approvals, if any by the Company. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges as may be required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any provisions of the listing agreements entered into with the Stock Exchanges.

All the documents referred in the Notice are available for inspection at the Registered Office of the Company.

The Board accordingly recommends the resolution of the accompanying Notice for your approval.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution.

Item No.7

The present Authorised Share Capital of the Company is ₹160 crore consisting of 15,50,00,000 Equity Shares of face value of ₹10 each and 50,00,000 0% Cumulative Redeemable Preference Shares of face value of ₹10 each. The present paid-up share capital is ₹144.91 crore consisting of 14,26,08,023 Equity Shares of face value of ₹10 each and 23,00,000 0% Cumulative Redeemable Preference Shares of face value of ₹10 each.

The Board of Directors of the Company is of the view that in line of the special resolution for raising funds by issue of equity shares and/or other securities convertible into equity shares submitted for approval of the shareholders at Item No. 6 of the Notice, it would be appropriate to increase the Authorised Share Capital of the Company from ₹160 crore to ₹170 crore consisting of 16,50,00,000 Equity Shares of face value of ₹10 each and 50,00,000 0% Cumulative Redeemable Preference Shares of face value of ₹10 each.

The proposed increase in the Authorised Share Capital of the Company to ₹170 crore and the corresponding changes in the Memorandum of Association, require the approval of the Members of the Company.

The Board accordingly recommends the resolution of the accompanying Notice for your approval.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the resolution at Item No.7.

By Order of the Board

Hitesh Kumar Jain
Company Secretary

Navi Mumbai, May 29, 2017

Registered Office:
205-206, J. K. Chambers,
Sector 17, Vashi,
Navi Mumbai – 400 703, India
CIN: L63000MH2008PLC187146
website: www.navkarcfs.com
E-mail: cs@navkarcfs.com

ANNEXURE - A

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING:

Name of Director	Mr. Shantilal Mehta	Capt. Dinesh Gautama	Mr. Ashok Kumar Thakur
DIN	00134162	02384688	07573726
Date of birth and age	03/09/1952; 64 years	06/05/1954; 63 years	10/08/1954; 62 years
Date of appointment on the Board	29/09/2008	08/12/2014	25/01/2017
Qualifications	Bachelor's Degree in Arts and a Bachelor's Degree in Law, both from Karnataka University.	Fellow of Shri Narottam Morarjee Institute of Shipping, the Institute of Insurance Surveyors and Adjusters and the Bombay Insurance Institute. Bachelor's Degree in Law from Siddharth College of Law, University of Mumbai, 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, Master's Degree in Arts from University of Mumbai; M. Phil in English from Alagappa University, Tamil Nadu; Diploma in Educational Management from Center for Social Welfare Development, Chennai.	Masters in Commerce from the University of Lucknow; CAIIB Part I.
Brief profile, experience and expertise	Mr. Mehta has rich experience of over a decade in the business of Container Freight Stations (CFS). He has been on the Board of the Company, since its incorporation in the year 2008. Mr. Mehta is responsible for the overall administration of the CFS operations. He has been looking after the affairs and operations of the Company under the expert supervision and control of the Board of Directors. He is involved in policy planning, vision and strategy and long term development activities of the Company.	Capt. Gautama 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.	Mr. Thakur is working as Vice President – Finance with Nirmal Lifestyle Limited. Prior to this Mr. Thakur has worked at various levels with the Union Bank of India (UBI). Some of the key positions occupied by him in Union Bank were General Manager (P and HR) with UBI, Mumbai; Field General Manager (Kolkata Zone) with UBI, Kolkata; Deputy General Manager (Regional Head) with UBI, Kolkata; Deputy General Manager (Regional Head) with UBI, Chandigarh. Mr. Thakur has also worked with Rewa Siddhi Gramin Bank as Chairman. During his career spanning forty years, he has won several accolades and awards for his valuable contribution to each of the organization in which he has worked.
Number of meetings of the Board attended during the year	5 out of 5	5 out of 5	2 out of 2

Name of Director	Mr. Shantilal Mehta	Capt. Dinesh Gautama	Mr. Ashok Kumar Thakur
List of Directorship Membership/ Chairmanship of Committees of other Board	Arihant Multisales Private Limited None	Navkar Terminals Limited Meadows Shipping Private Limited Navkar Terminals Limited: Audit Committee – Member Nomination and Remuneration Committee - Member	Navkar Terminals limited Choice International Limited Choice Equity Broking Private Limited Navkar Terminals Limited: Audit Committee – Member Nomination and Remuneration Committee – Member Choice International Limited Audit Committee - Member
Shareholding in Navkar Corporation Limited	4,50,75,000 Equity Shares 10,86,980 Preference Shares	Nil	Nil
Relationship with other directors, manager and other Key Managerial Personnel of the Company	Brother of Mr. Nemichand Mehta, Promoter and Whole-time Director of the Company.	None	None
Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	As Chairman and Managing Director for a period of three years with effect from October 01, 2017 on terms and conditions as provided in the Special Resolution proposed at Item No.5.	Capt. Dinesh Gautama retires by rotation in accordance with applicable provision of the Articles of Association of the Company in compliance with the provisions of the Companies Act, 2013 applicable to retirement of directors by rotation. He being eligible has offered himself for re-appointment. On re-appointment, Capt. Dinesh Gautama shall continue to be Whole-time Director and Chief Executive Officer of the Company and sale receive remuneration as approved by the members in their meeting held on January 20, 2015 for his balance tenure.	As an Independent Director for a period of five years with effect from January 25, 2017. He is entitled to receive Sitting Fee for attending meetings of the Board and Board Committees.
Justification for choosing the appointees for appointment as Independent Directors	N.A.	N.A.	Over 40 years of experience in banking and financial services with expertise in human resources management, financial and general corporate matters.

DIRECTORS' REPORT

Dear Members,

The Directors of the Company are pleased to present the Ninth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended March 31, 2017.

FINANCIAL HIGHLIGHTS

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	2016-17	**2015-16**	**2016-17**	**2015-16**
Revenue from Operations	35,516.08	34,725.73	37,090.53	34,725.73
Other Income	2,363.49	3,233.62	1,312.84	2,318.46
Total Revenue	37,879.57	37,959.35	38,403.37	37,044.19
Less: Expenses	26,945.30	26,698.24	28,482.22	26,728.86
Profit Before Tax	10,934.27	11,261.11	9,921.15	10,315.33
Less: Tax Expenses	1,313.58	1,770.97	1,361.14	1,762.73
Profit for the Year	9,620.69	9,490.14	8,560.01	8,552.60
Other Comprehensive Income for the year (net of taxes)	(33.19)	(8.57)	(32.98)	(8.57)
Total Comprehensive Income for the year	9,587.50	9,481.57	8,527.03	8,544.03

As mandated by the Ministry of Corporate Affairs, the Company has adopted the Ind-AS for the Financial Year commencing from April 1, 2016. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2017.

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the financial year 2016-17, the overall performance of the Company was satisfactory. At Standalone level, the Company's Total Revenue stood at ₹37,879.57 lakh as against ₹37,959.35 lakh in the previous fiscal, Revenue from Operations stood at ₹35,516.08 lakh as against ₹34,725.73 lakh during the previous fiscal and Profit After Tax stood at ₹9,620.69 lakh as against ₹ 9,490.14 lakh in previous year.

At Consolidated level, the Company's Total Revenue stood at ₹38,403.37 lakh as against ₹37,044.19 lakh in the previous fiscal, Revenue from Operations stood at ₹37,090.53 lakh as against ₹34,725.73 lakh during the previous fiscal and Profit After Tax stood at ₹8,560.01 lakh as against ₹8,552.60 lakh in previous year.

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

AWARDS AND RECOGNITIONS

The Company has received the following awards and recognitions:

- ➢ Container Freight Station Operator of the Year award by India Maritime Award in June 2016.
- ➢ Container Freight Station Operator of the Year (Specific) award at the 7th Maritime And Logistics Awards (MALA) in September 2016.
- ➢ Container Freight Station of the Year award at Samudra Manthan Awards in December 2016.
- ➢ ICC Supply Chain & Logistics Excellence Award 2016 in the category of Container Freight Services in February 2017.

Capt. Dinesh Gautama, Whole-time Director and Chief Executive Officer of the Company, has received Mentor of the Year (Shipping) 2016 award at Samudra Manthan Awards in December 2016.

DIVIDEND AND RESERVES

In order to conserve the resources for the ongoing projects of the Company as well as the Wholly Owned Subsidiary of the Company, the Board of Directors do not recommend any dividend on the Equity Shares of the Company for the financial year ended March 31, 2017.

As per the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated Dividend Distribution Policy taking into account the parameters prescribed in the said Regulations. The decision of the Board of Directors on dividend for the financial year 2016-17 is in accordance with the Company's policy of meeting long-term growth objectives of the Company by internal cash accruals.

The details of reserves and surplus are provided in note no.22 of the notes to the financial statement.

SHARE CAPITAL

During the financial year 2016-17, there is no change in the Share Capital of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the financial year 2016-17, as stipulated under Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE REPORT

The Company is strictly complying with the Corporate Governance practices as envisaged in the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on corporate governance together with requisite certificate from M/s. HS Associates, Practicing Company Secretaries, Mumbai confirming compliance with the conditions of corporate governance forms part of the Annual Report.

BUSINESS RESPONSIBILITY REPORT

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, stipulates for the Business Responsibility Report describing the initiatives taken by the companies from an environmental, social and governance perspective. The provisions have been made applicable to Top 500 listed companies in terms of market capitalization as at March 31. As on March 31, 2017, the Company stands among Top 500 listed companies in terms of market capitalization. The Company has adopted the Principles to assess compliance with Environmental, Social and Governance Norms and accordingly the Business Responsibility Report for the financial year 2016-17 is presented in a separate section forming part of the Annual Report. The detailed Business Responsibility Report is available on the Company's website at the link http://www.navkarcfs.com/a/investor-relations.php.

SUBSIDIARY COMPANY

The Company has only one subsidiary, namely Navkar Terminals Limited (NTL). During the financial year 2016-17, NTL has started commercial operations. During the financial year 2016-17, NTL's Total Revenue stood at ₹1,623.15 lakh, Revenue from Operations stood at ₹1,574.45 lakh and Profit After Tax stood at ₹38.67 lakh.

The Board of Directors of the Company in its meeting held on March 30, 2017, has approved amalgamation of NTL into the Company. The Company has made applications to BSE Limited and National Stock Exchange of India Limited for obtaining Observation Letters from the Exchanges and the same are awaited.

A Statement containing the salient features of the financial statement including the performance and financial position of the Subsidiaries/Joint Ventures/Associates pursuant to the provisions of the Companies Act, 2013, is given in the prescribed Form AOC -1 as Annexure – 1 which forms part of this Report.

CONSOLIDATED FINANCIAL STATEMENT

Pursuant to Section 129(3) of the Companies Act, 2013, the audited consolidated financial statement is provided in the Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Capt. Dinesh Gautama, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. On re-appointment, Capt. Dinesh Gautama shall continue as Whole-time Director and Chief Executive Officer of the Company on terms and conditions of his appointment as approved by the members and the Board of Directors.

Mr. R. C. Purohit, an Independent Director of the Company, passed away on November 30, 2016. Mr. Ashok Kumar Thakur was appointed as an Additional Director (Non-executive, Independent) of the Company by the Board of Directors of the Company with effect from January 25, 2017 and he shall hold office upto the date of ensuing Annual General Meeting. In compliance of Section 149, read with Schedule IV of the Companies Act, 2013, the appointment of Mr. Ashok Kumar Thakur as Independent Director is being placed before the members in the Annual General Meeting for approval of the Members.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances which may affect his status as Independent Director.

The present term of Mr. Shantilal Mehta, Chairman and Managing Director of the Company is expiring on September 30, 2017. The Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee, in its meeting held on May 29, 2017, subject to approval of the Members, has reappointed Mr. Shantilal Mehta as Chairman and Managing Director of the Company for a period of three years with effect from October 1, 2017. Accordingly the reappointment of Mr. Shantilal Mehta, as Chairman and Managing Director is being placed before the members in the Annual General Meeting for approval of the members.

As on March 31, 2017, the Key Managerial Personnel of the Company under Section 203 of the Companies Act, 2013 are Mr. Shantilal Mehta, Chairman and Managing Director, Mr. Nemichand Mehta, Whole-time Director, Capt. Dinesh Gautama, Whole-time Director and Chief Executive Officer, Mr. Anish Maheshwari, Chief Financial Officer and Mr. Hitesh Kumar Jain, Company Secretary and Compliance Officer. Ms. Ekta Chuglani ceased to be Company Secretary of the Company with effect from November 25, 2016.

BOARD EVALUATION

The Company has devised a Policy for performance evaluation of the Board of Directors, Board Committees and Directors including Chairman, Executive Directors, Non-executive Directors and Independent Directors. The evaluation process inter-alia considers availability and attendance, experience, effective participation, domain knowledge, compliance with code of conduct, integrity, diligence and participation, leadership, etc.

Pursuant to the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance including the procedure prescribed under SEBI Circular dated January 05, 2017 on Guidance Note on Board Evaluation.

The Board of Directors 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 Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee.

The performance evaluation of the Chairman and Non-Independent Directors was carried out by Independent Directors. The reports on performance evaluation of the Individual Directors were reviewed by the Nomination and Remuneration Committee and the Chairman of the Board held discussions with each Board member and provided feedback to them on the evaluation outcome. The Board of Directors expressed their satisfaction with the evaluation process.

NUMBER OF MEETINGS OF THE BOARD

Five meetings of the Board of Directors were held during the financial year 2016-17. The details of the number of meetings held and attended by each Director are provided in the Corporate Governance Report, which forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company, to the best of their knowledge and ability, confirm that:

(a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards have been followed and there are no material departures from the same;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;

(c) the Directors have 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;

(d) the Directors have prepared the annual accounts on a going concern basis;

(e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and external consultants, including audit of internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by management and the relevant committees of the Board, including the Audit Committee, the Board of Directors of the Company is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17.

RISK MANAGEMENT POLICY

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

Under the guidance of the Board of Directors of the Company, Key Managerial Personnel and senior employees 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. The Audit Committee has additional oversight in the area of financial risks and controls. All risks are systematically addressed through mitigating actions on a continuing basis.

AUDIT COMMITTEE RECOMMENDATIONS

During the financial year 2016-17, there were no instances of non-acceptance of any recommendation of the Audit Committee by the Board of Directors.

ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY

As per the provisions of Section 177 of the Companies Act, 2013, the 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.

During the financial year 2016-17, the Company has not received any complaint through Vigil Mechanism. The Whistle Blower Policy is available on the Company's website at the link http://www.navkarcfs.com/a/investor-relations.php.

NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee formulated Nomination and Remuneration Policy for determining the criteria for determining qualifications, positive attributes and independence of a director and also criteria for determining the remuneration of directors, key managerial personnel and other employees. The policy is available on the Company's website at the link http://www.navkarcfs.com/a/investor-relations.php.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) activities of the Company are guided by its CSR Policy, which is framed in accordance of applicable provisions of the Companies Act, 2013 by the Board of Directors of the Company.

The Company undertakes its CSR activities through Navkar Charitable Trust which is currently executing various projects on eradication of hunger, maintenance of homes for aged and orphans, promoting healthcare, education and animal welfare. These projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy.

The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure – 2 and forms an integral part of this Report. Policy on Corporate Social Responsibility is available on the Company's website at the link http://www.navkarcfs.com/a/investor-relations.php.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to Financial Statements.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In line with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has approved a policy on related party transactions. The policy on related party transactions has been placed on the Company's website at the link http://www.navkarcfs.com/a/investor-relations.php.

All Related Party Transactions are placed on a quarterly basis before the Audit Committee and also before the Board of Directors for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) and applicable rules of the Companies Act, 2013 is provided in the prescribed form AOC-2 as Annexure – 3 which forms part of this Report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

The Statutory Auditors, M/s S. K. Patodia & Associates, Chartered Accountants (Firm Registration No.: 112723W), Mumbai, were appointed in the Sixth Annual General Meeting held on 11th September, 2014 to hold office from the conclusion of the Sixth Annual General Meeting till the conclusion of Eleventh Annual General Meeting to be held in the year 2019. The Company has received letter from the Statutory Auditors to the effect that the ratification of appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Notes on financial statement referred to in the Auditors' Report are self explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Auditor

The Board has appointed M/s. HS Associates, Practicing Company Secretaries, Mumbai, to conduct Secretarial Audit for the financial year 2016 -17. The Secretarial Audit Report is annexed as Annexure – 4 with this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

EXTRACT OF ANNUAL RETURN

Extract of the Annual Return in form MGT 9, as provided under Section 92 of the Companies Act, 2013, is annexed as Annexure – 5 and forms an integral part of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy:

The Company continuously strives to conserve and optimise energy, adopt environment friendly practices and employ technology for more efficient operations. Adequate measures have been implemented to conserve energy with the focus on uses of the conventional and exploring other sources of energy.

Technology Absorption:

The Company sincerely believes in utilizing technology to improve productivity, efficiency and quality of its business operations and working environment. The Company is incurring major capital expenditure for installing Rubber Tyred Gantry (RTG) Cranes, development of software's and networking setup for CFS Operations.

Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings :	Nil
Foreign Exchange Outgo :	₹ 62.84 lakh

PARTICULARS OF EMPLOYEES

The statements containing particulars of employees as required pursuant to Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure – 6 and forms part of this Report.

ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a policy on prevention of sexual harassment at the workplace with a mechanism of lodging complaints. During the year under review, no complaints were reported to the Board.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company takes pride in the commitment, competence and dedication of its employees in all areas of its business. The Company has a structured induction process at all locations and development programs to upgrade skills of managers.

The Company is committed to nurturing, enhancing and retaining its top talent through superior learning and organizational development. This is a critical pillar to support the organization's growth and its sustainability in the long run.

OTHER DISCLOSURES

The Board of Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year 2016-17:

- Deposits covered under Chapter V of the Companies Act, 2013.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- The Company does not have any Employees' Stock Option Scheme.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from its Subsidiary Company.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.

ACKNOWLEDGEMENT

The Board of Directors of the Company expresses its sincere appreciation for the continuous assistance and co-operation received from the Banks, Government Authorities, Customers and Shareholders. The Directors also wish to place on record their appreciation for the committed services by the Company's employees at all levels.

On behalf of the Board of Directors

Shantilal Mehta
Chairman and Managing Director
DIN: 00134162

Navi Mumbai, May 29, 2017

Annexure - 1

Form AOC – 1

(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

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

(₹ in Lakh)

S. No.	Particulars	Details
1.	Name of the subsidiary	Navkar Terminals Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	N.A.
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4.	Share capital	5.00
5.	Reserves & surplus	23,799.92
6.	Total assets	59,132.47
7.	Total liabilities	35,327.55
8.	Investments	Nil
9.	Turnover	1,574.45
10.	Profit before taxation	86.23
11.	Provision for taxation	47.56
12.	Profit after taxation	38.67
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

Notes:

1 Names of subsidiaries which are yet to commence operations: - Nil

2 Names of subsidiaries which have been liquidated or sold during the year: Nil

3 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

Shantilal Mehta
Managing Director

Nemichand Mehta
Whole-time Director

Navi Mumbai, May 29, 2017

Annexure - 2

Corporate Social Responsibility (CSR) Report

[Pursuant to Clause (o) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline of the Company's Corporate Social Responsibility (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.

A detailed CSR Policy of the Company can be accessed at www.navkarcfs.com

2. Composition of CSR Committee

The Corporate Social Responsibility Committee ("CSR Committee") of the Board is responsible for monitoring and overseeing the execution of the Company's CSR Policy. It comprises of the following members of the Board of Directors of the Company:

Ms. Sudha Gupta – Chairperson

Mr. Shantilal Mehta – Executive Member

Mr. Nemichand 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 ₹ 10,269.00 Lakh.

4. Prescribed CSR Expenditure

The amount year marked for the purpose of CSR activities is ₹ 205.38 Lakh 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 Lakh)

Activities	FY 2016-2017
Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects	216.45
Total	**216.45**

b) Amount Unspent, if any:

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

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

(₹ In Lakh)

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	Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects	Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects	Local area and in the state of Rajasthan	216.45	216.45	216.45	Through implementing agency Navkar Charitable Trust
Total				**216.45**	**216.45**	**216.45**	

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

We hereby affirm that the CSR Policy, as approved by the Board of Directors of the Company has been implemented and the CSR Committee oversees and monitors the implementation of the projects and activities in compliance with the CSR objectives of the Company.

Shantilal Mehta	**Sudha Gupta**
Managing Director	Chairperson – CSR Committee

Navi Mumbai, May 29, 2017

Annexure - 3

Form No. AOC-2

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 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.

1. 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	

2. 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 (₹ In Lakh)
1.	Sidhhartha Corporation Pvt. Ltd. (Enterprise in which key management personnel or their relative have significant influence)	Sale of Service	One year	At market price	27.05.2017	17.46
2.	Shantilal Mehta	Rent paid	One year	At market price	27.05.2017	1.20

For and on Behalf of the Board of Directors

Shantilal Mehta	**Nemichand Mehta**
Managing Director	Whole-time Director
DIN: 00134162	DIN: 01131811

Navi Mumbai, May 29, 2017

Annexure - 4

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR FINANCIAL YEAR ENDED ON 31ST MARCH, 2017.

[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 referred to as "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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period ended on March 31, 2017, 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 and minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017, to the extent applicable provisions of:

I. The Companies Act, 2013 ("The Act") and the Rules made thereunder;

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. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company:-

  a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto May 14, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from May 15, 2015)

  c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

  e. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited and National Stock Exchange of India Limited

VI. The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company.

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

i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (with effect from December 1, 2015);

ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards as mentioned above.

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

I. Customs Act, 1962 (with regard to Container Freight Station);

II. Warehousing (Development and Regulation) Rules, 2010;

III. Carriage by Road Act, 2007 and Carriage by Road Rules, 2011;

IV. Central Motor Vehicles Act, 1988 and Central Motor Vehicles Rules, 1989;

V. Multimodal Transportation of Goods Act, 1993;

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.

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:

1. Obtained approval of shareholders by special resolution for the appointment of Mr. Nemichand Mehta as a Whole-time Director of the Company w.e.f. September 01, 2016.
2. Approved the appointment of Mr. Hitesh Kumar Jain as a Company Secretary of the Company w.e.f. November 25, 2016 in place of Mrs. Ekta Chuglani.
3. As disclosed by the Company in Note Nos. 5 and 6 in the Notes to Financial Statements certain assets are yet to be registered in the name of the Company.
4. Approved the appointment of Mr. Ashok Kumar Thakur as Additional Independent Non-executive Director of the Company w.e.f. January 25, 2017.
5. Sought the approval of shareholders by special resolution for variation of terms of the Objects of the Issue as stated in the Prospectus of the Company dated August 29, 2015, through Postal Ballots notice dated March 30, 2017, pursuant to Section 110 of the Companies Act, 2013 read with Rules made thereunder. The result of postal ballot was declared on May 05, 2017 in terms of the Scrutinizer's Report.
6. The Board of Directors of the Company in its meeting held on March 30, 2017 approved the Scheme of Amalgamation of wholly owned subsidiary company, Navkar Terminals Limited with Navkar Corporation Limited. The Company has submitted application with the concerned stock exchanges for obtaining observation letters.

For **HS Associates**
Company Secretaries

Hemant S. Shetye
Partner
FCS No.: 2827
CP No.: 1483

Date: May 29, 2017
Place: Mumbai

Annexure - 5

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2017
[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	L63000MH2008PLC187146
Registration Date	29/09/2008
Name of the Company	Navkar Corporation Limited
Category / Sub-Category of the Company	Public 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@navkarcfs.com Website: www.navkarcfs.com
Whether listed company	Yes a) BSE Limited b) National Stock Exchange of India Limited
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai-400083. E-mail: ncl.ipo@linkintime.co.in or rnt.helpdesk@linkintime.co.in Contact Person: Ms. Evelin Subalatha

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:-

Sr. 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	93.76%

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 on April 01, 2016)				Number of shares held at the end of the year (As on March 31, 2017)				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoter									
(1) Indian									
a. Individual/HUF	101,610,000	-	101,610,000	71.25	94,650,000	-	94,650,000	66.37	(4.88)
b. Central govt./ State govt.	-	-	-	-	-	-	-	-	-
c. Bodies corporate	2,288,347	-	2,288,347	1.60	9,248,347	-	9,248,347	6.49	4.89
d. Banks/FI	-	-	-	-	-	-	-	-	-
e. Any other….	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	1,03,898,347	-	1,03,898,347	72.86	1,03,898,347	-	1,03,898,347	72.86	-

Category of shareholders	Number of shares held at the beginning of the year (As on April 01, 2016)				Number of shares held at the end of the year (As on March 31, 2017)				% 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)	1,03,898,347	-	1,03,898,347	72.86	1,03,898,347	-	1,03,898,347	72.86	-
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	23,292,942	-	23,292,942	16.33	21,992,400	-	21,992,400	15.42	(0.91)
b. Banks/FI	422,634	-	422,634	0.30	96,428	-	96,428	0.07	(0.23)
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FIIs/FPO	9,218,945	-	9,218,945	6.46	10,431,571	-	10,431,571	7.31	0.85
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	32,934,521	-	32,934,521	23.09	32,520,399	-	32,520,399	22.80	(0.29)
2. Non-institutions									
a. Bodies Corporate	-	-	-	-	-	-	-	-	-
i. Indian									
ii.Overseas	-	-	-	-	-	-	-	-	-
b. Individuals	-	-	-	-	-	-	-	-	-
i. Individual Shareholders holding nominal share capital upto ₹ 1 lakh	2,531,425	4	2,531,429	1.78	3,015,284	2	3,015,286	2.11	0.33
ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	451,977	-	451,977	0.32	539,211	-	539,211	0.38	0.06
iii. Others (specify)									
Trusts	2,000	-	2,000	0.001	-	-	-	-	(0.001)
Hindu Undivided Family	219,165	-	219,165	0.15	229,611	-	229,611	0.16	0.01
Non Resident Indians (Non Repat)	15,559	-	15,559	0.01	50,602	-	50,602	0.04	0.03
Non Resident Indians (Repat)	56,555	-	56,555	0.04	113,337	-	113,337	0.08	0.04
Clearing Member	310,856	-	310,856	0.22	232,643	-	232,643	0.16	(0.06)
Bodies Corporate	2,187,614	-	2,187,614	1.53	2,008,587	-	2,008,587	1.41	(0.12)
Sub-total (B)(2)	5,775,155	-	5,775,155	4.05	6,189,277	2	6,189,275	4.07	0.02
Total Public Shareholding (B) = (B)(1)+(B)(2)	38,709,672	4	38,709,676	27.14	38,709,674	2	38,709,676	27.14	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**1,42,608,019**	**4**	**1,42,608,023**	**100.00**	**1,42,608,021**	**2**	**1,42,608,023**	**100.00**	

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 01, 2016)			Share holding at the end of the year (As on March 31, 2017)			% 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	Shantilal Mehta	48,300,000	33.87		45,075,000	31.61		(2.26)
2	Nemichand Mehta	30,900,000	21.67		28,900,000	20.27		(1.40)
3	Jayesh Mehta	30,000	0.02		30,000	0.02		NIL
4	Shailaja N Mehta	20,100,000	14.09		18,365,000	12.88		(1.21)
5	Kunthukumar S Mehta	2,100,000	1.47		2,100,000	1.47		NIL
6	Sairabai J Mehta	120,000	0.08		120,000	0.08		NIL
7	Kamalbai S Mehta	30,000	0.02		30,000	0.02		NIL
8	Seema K Mehta	30,000	0.02		30,000	0.02		NIL
9	Sidhhartha Corporation Private Limited	2,288,347	1.60		9,248,347	6.49		4.89
	Total	**103,898,347**	**72.86**		**103,898,347**	**72.86**		**NIL**

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

Sr. No.	Name and type of transaction	Shareholding at the beginning of the year (As on April 01, 2016)		Transactions during the year		Cumulative shareholding at the end of the year (As on March 31, 2017)	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1.	Shantilal Mehta	48,300,000	33.87				
	Sale			13.02.2017	3,225,000	45,075,000	31.61
2.	Nemichand Mehta	30,900,000	21.67				
	Sale			13.02.2017	2,000,000	28,900,000	20.27
3.	Shailaja N Mehta	20,100,000	14.09				
	Sale			13.02.2017	1,735,000	18,365,000	12.88
4.	Sidhhartha Corporation Private Limited	2,288,347	1.60				
	Purchase			13.02.2017	6,960,000	9,248,347	6.49

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

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year (As on April 01, 2016)		Transactions during the year		Cumulative Shareholding at the end of the year (As on March 31, 2017)	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1	Reliance Capital Trustee Co Ltd-A/C Reliance Mid & Small Cap Fund	1234270	0.8655			1234270	0.8655
	Transfer			26.08.2016	200000	1434270	1.0057
	Transfer			02.09.2016	500000	1934270	1.3564
	Transfer			16.09.2016	34356	1968626	1.3804
	Transfer			07.10.2016	40644	2009270	1.4089
	Transfer			14.10.2016	258692	2267962	1.5903
	Transfer			21.10.2016	1808500	4076462	2.8585
	Transfer			28.10.2016	304919	4381381	3.0723
	Transfer			04.11.2016	37216	4418597	3.0984
	Transfer			11.11.2016	45817	4464414	3.1305
	Transfer			27.01.2017	1400000	5864414	4.1123
	Transfer			03.02.2017	622000	6486414	4.5484
	Transfer			17.03.2017	192100	6678514	4.6831
	Transfer			24.03.2017	40791	6719305	4.7117
	At the end of the year					6719305	4.7117
2	SBI Magnum Balanced Fund	12378973	8.6804			12378973	8.6804
	Transfer			08.04.2016	(657684)	11721289	8.2192
	Transfer			15 .04.2016	(37530)	11683759	8.1929
	Transfer			03.06.2016	(512303)	11171456	7.8337
	Transfer			10.06.2016	(37192)	11134264	7.8076
	Transfer			17.06.2016	(1203613)	9930651	6.9636
	Transfer			24.06.2016	(43195)	9887456	6.9333
	Transfer			05 .08.2016	(350000)	9537456	6.6879
	Transfer			02.09.2016	(279946)	9257510	6.4916
	Transfer			09.09.2016	(171054)	9086456	6.3716
	Transfer			16.09.2016	(99000)	8987456	6.3022
	Transfer			02.12.2016	(500000)	8487456	5.9516
	Transfer			09.12.2016	(6132)	8481324	5.9473
	Transfer			16.12.2016	(500000)	7981324	5.5967
	Transfer			27.01.2017	(1161760)	6819564	4.7820
	Transfer			03.02.2017	(200000)	6619564	4.6418
	Transfer			17.02.2017	(458459)	6161105	4.3203
	At the end of the year					6161105	4.3203
3	DSP Blackrock Micro Cap Fund	0	0.0000			0	0.0000
	Transfer			20.05.2016	500655	500655	0.3511
	Transfer			27.05.2016	962111	1462766	1.0257

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year (As on April 01, 2016)		Transactions during the year		Cumulative Shareholding at the end of the year (As on March 31, 2017)	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
	Transfer			03.06.2016	503398	1966164	1.3787
	Transfer			17.06.2016	1850077	3816241	2.6760
	Transfer			05.08.2016	501631	4317872	3.0278
	Transfer			19.08.2016	400000	4717872	3.3083
	Transfer			14.10.2016	1165	4719037	3.3091
	Transfer			21.10.2016	200897	4919934	3.4500
	Transfer			11.11.2016	22	4919956	3.4500
	Transfer			18.11.2016	18264	4938220	3.4628
	Transfer			25.11.2016	16217	4954437	3.4742
	Transfer			02.12.2016	500000	5454437	3.8248
	Transfer			16.12.2016	500000	5954437	4.1754
	At the end of the year					5954437	4.1754
4	Goldman Sachs India Limited	3312761	2.3230			3312761	2.3230
	Transfer			21.10.2016	774799	4087560	2.8663
	Transfer			31.03.2017	3227	4090787	2.8686
	At the end of the year					4090787	2.8686
5	Abu Dhabi Investment Authority - Behave	2863144	2.0077			2863144	2.0077
	Transfer			08.04.2016	1024824	3887968	2.7263
	Transfer			18.11.2016	20124	3908092	2.7404
	At the end of the year					3908092	2.7404
6	Kotak Select Focus Fund	1417814	0.9942			1417814	0.9942
	Transfer			24.06.2016	(10000)	1407814	0.9872
	Transfer			26.08.2016	11376	1419190	0.9952
	Transfer			02.09.2016	30000	1449190	1.0162
	Transfer			09.09.2016	51024	1500214	1.0520
	Transfer			10.02.2017	73686	1573900	1.1037
	Transfer			17.02.2017	100000	1673900	1.1738
	At the end of the year					1673900	1.1738
7	Max Life Insurance Company Limited A/C - Ulif00125/06/04lifegrowth104 - Growth Fund	0	0.0000			0	0.0000
	Transfer			22.04.2016	130000	130000	0.0912
	Transfer			29.04.2016	1419982	1549982	1.0869
	Transfer			01.07.2016	(5595)	1544387	1.0830
	Transfer			05.08.2016	3250	1547637	1.0852
	Transfer			14.10.2016	(591)	1547046	1.0848
	Transfer			18.11.2016	(1250)	1545796	1.0839

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year (As on April 01, 2016)		Transactions during the year		Cumulative Shareholding at the end of the year (As on March 31, 2017)	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
	Transfer			25.11.2016	(1409)	1544387	1.0830
	At the end of the year					1544387	1.0830
8	Franklin India Smaller Companies Fund	985653	0.6912			985653	0.6912
	At the end of the year					985653	0.6912
9	Ashburton India Equity Opportunities Limited	782803	0.5489			782803	0.5489
	Transfer			08.04.2016	160000	942803	0.6611
	Transfer			30.09.2016	6570	949373	0.6657
	At the end of the year					949373	0.6657
10	Hdfc Trustee Company Limited - Hdfc Prudence Fund	1260790	0.8841			1260790	0.8841
	Transfer			22.04.2016	(700000)	560790	0.3932
	Transfer			29.04.2016	(74155)	486635	0.3412
	Transfer			10.03.2017	(442635)	44000	0.0309
	Transfer			17.03.2017	414000	458000	0.3212
	Transfer			24.03.2017	15000	473000	0.3317
	At the end of the year					473000	0.3317

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year as on 01.04.2016		Cumulative Shareholding during the year		Shareholding at the end of the year as on 31.03.2017	
		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
1.	Shantilal Mehta – Managing Director	48,300,000	33.87	-	-	45,075,000	31.61
2.	Jayesh Mehta[1]	30,000	0.02	-	-	30,000	0.02
3.	Nemichand Mehta[2]	30,900,000	21.67	-	-	28,900,000	20.27

[1] Ceased to be whole-time director of the Company w.e.f. 01.09.2016.

[2] Ceased to be CEO of the Company w.e.f. 31.08.2016 and appointed as Whole-time director of the Company w.e.f. 01.09.2016.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,065,834,421	601,240,925	-	3,667,075,346
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	11,067,550	-	-	11,067,550
Total (i+ii+iii)	3,076,901,971	601,240,925	-	3,678,142,896
Change in Indebtedness during the financial year				
· Addition	-	75,461,033	-	75,461,033
· Reduction	(841,185,767)	-	-	(841,185,767)
Net Change	(841,185,767)	75,461,033	-	(738,724,734)
Indebtedness at the end of the financial year				
i) Principal Amount	2,257,556,204	676,701,958	-	2934258162
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5,160,000	-	-	5,160,000
Total (i+ii+iii)	**2,262,716,204**	**676,701,958**	**-**	**2,939,418,162**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Amount in ₹
		Shantilal Mehta	Jayesh Mehta[1]	Nemichand Mehta[2]	Dinesh Gautama[3]	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	80,00,000	22,92,000	80,00,000	78,00,000	26,092,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	
2.	Stock Option	NIL	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify…	NIL	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (A)	**80,00,000**	**22,92,000**	**80,00,000**	**78,00,000**	**26,092,000**
	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 has not exceeded 10% of the net profit of the Company. The remuneration paid to MD and WTD is well within the said limit.				

1 Mr. Jayesh Mehta ceased to be the Whole-time director of the Company w.e.f. 01.09.2016.

2 Mr. Nemichand Mehta was appointed as Whole-time Director of the Company w.e.f. 01.09.2016. Remuneration includes remuneration received as Chief Executive Officer of the Company till August 31, 2016.

3 Capt. Dinesh Gautama was appointed as Chief Executive Officer of the Company w.e.f. 01.09.2016 and re-designated as Whole-time Director and Chief Executive Officer of the Company. He receives remuneration as Whole- time Director only as per approval of the members.

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Lalit Menghnani	Sudha Gupta	Rameshchandra Purohit	Ashok Kumar Thakur	
	1. Independent Directors					
	• Fee for attending board/ committee meetings	1,25,000	1,25,000	60,000	35,000	3,45,000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	**1,25,000**	**1,25,000**	**60,000**	**35,000**	**3,45,000**
	2. Other Non-Executive Directors					
	• Fee for attending board committee meetings	**NIL**				
	• Commission					
	• Others, please specify					
	Total (2)	**NIL**				
	Total (B)=(1+2)	**1,25,000**	**1,25,000**	**60,000**	**35,000**	**3,45,000**
	Total Managerial Remuneration	**1,25,000**	**1,25,000**	**60,000**	**35,000**	**3,45,000**
	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 has not exceeded 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 / WTD:

Sl. no.	Particulars of Remuneration	Name of Key Managerial Personnel				Total
		CEO	CFO	Company Secretary		
		Dinesh Gautama	Anish Maheshwari	Ekta Chuglani[1]	Hitesh Kumar Jain[2]	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Receives remuneration only as Whole-time Director	36,00,000	5,56,000	12,43,000	5,399,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-	-	-	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-	
2.	Stock Option	NIL	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - Others, specify	NIL	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total	**-**	**36,00,000**	**5,56,000**	**12,43,000**	**5,399,000**

1 Ms. Ekta Chuglani ceased to be Company Secretary of the Company w.e.f. 25.11.2016.

2 Mr. Hitesh Kumar Jain was appointed as Company Secretary of the Company w.e.f. 25.11.2016.

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.

Annexure - 6

STATEMENT PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. Information pursuant to Section 197 of the Companies Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2016-17:

Name of the directors	Ratio to median Remuneration of employees of the Company
***Non-executive Independent Directors**	
Ms. Sudha Gupta	0.32
Mr. Lalit Menghnani	0.32
Mr. Ashok Kumar Thakur	0.09
Mr. Rameshchandra Purohit	0.15
Executive Directors	
Mr. Shantilal Mehta	20.66
Mr. Nemichand Mehta	20.66
Mr. Jayesh Mehta	5.93
Capt. Dinesh Gautama	20.14

*Non-Executive Directors are paid remuneration only by way of sitting fees for attending Board/Committee Meetings.

The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Name of the directors	% increase in remuneration in the financial year 2016-17
***Non-executive Independent Directors**	
Ms. Sudha Gupta	-
Mr. Lalit Menghnani	-
Mr. Ashok Kumar Thakur	-
Mr. Rameshchandra Purohit	-
Executive Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary	
Mr. Shantilal Mehta	23.08
Mr. Nemichand Mehta	33.33
Capt. Dinesh Gautama	25.64
Mr. Anish Maheshwari, Chief Financial Officer	71.43
Mr. Hitesh Kumar Jain, Company Secretary	2.86

*Non-executive Directors are paid remuneration only by way of sitting fees for attending Board/Committee Meetings. Hence percentage increase is not provided for Non-executive Directors.

The percentage increase in the median remuneration of employees in the financial year: 14.55%

The number of permanent employees on the rolls of Company: 794

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During the financial year 2016-17, the average annual increase in salaries of employees other than the managerial personnel was 19.85%. During the financial year 2016-17, the average annual increase in the managerial remuneration was 28%. There are no exceptional circumstances for increase in the managerial remuneration during the financial year 2016-17.

The Company affirms that the remuneration is as per the remuneration policy of the Company.

B. Information pursuant to Section 197 of the Companies Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

None of the employees is in receipt of remuneration in excess of the amount specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. In line with the provision of Section 136 of the Companies Act, 2013, the information relating to top ten employees in terms of remuneration drawn is available for inspection by Members at the Registered Office of the Company, 21 days before and up to the date of the ensuing Annual General Meeting during the business hours on working days. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company.

NAVKAR CORPORATION LIMITED

ANNEXURE

Regd. Office: 205-206, J. K. Chambers, Sector - 17, Vashi, Navi Mumbai - 400 705

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Information relating to Top Ten Employees in terms of remuneration drawn during the Financial Year 2016-17

Sr. No.	Employee Name	Designation	Remuneration Received (Amount in Rs.)	Qualification	Experience	Age	Date of Commencement of Employment	Particulars of Last Employment		
1	2	3	4	5	6	7	8	9	10	11
								Organisation	Designation	Period for which last post held
1	CAPT. DINESH GAUTAMA	Whole Time Director & CEO	7,800,000	M.Sc, M.Phil,LLB	30	63	01-12-2014	Maritime Industry	Captain	20 Yrs
2	ANISH SEVARAM MAHESHWARI	Chief Finance Officer	3,600,000	M.Com, MBA	15	37	10-11-2008	Ramesh Kumar & Sons	Accounts Manager	6Yrs
3	HITESH KUMAR JAIN	Company Secretary & Head Legal	3,600,000	C.S,B.Sc,LLB	18	43	17-08-2015	Essar Shipping Ltd	Company Secretary	1 Yrs
4	Capt.ARUN T N SHARMA	General Manager - Sales & Marketing	3,580,641	B.B.A	20	40	09-05-2016	Sebreeze Marine	Regional Manager	10 Yrs
5	DINESH MOHANLAL JAIN	Vice President - Infrastructure	2,700,000	B.Com,PGDBM	17	42	01-01-2006	Preeti Logistics	Export Manager	8 Yrs
6	ASHOK SRINIVAS DEVADIGA	HR Manager	2,000,000	B.Tech, M.B.A, PGDBM	13	35	01-07-2014	Citec Eng Pvt Ltd	HR Specialist	5Yrs
7	MANOJ KUMAR SHARMA	MIS Manager	1,539,171	B.Com,ICWA	9	38	01-06-2016	Kores India Pvt Ltd	Commercial Manager	4.5Yrs
8	YOGESH INDERMAL JAIN	Head - Purchase	1,200,000	B.Com	10	28	01-11-2011	NA	NA	NA
9	DURAIRAJ KANNAN	Head IT & Software	1,200,000	MBA (IT),B.Com	13	44	01-02-2016	Seabirds India Pvt Ltd	IT Manager	6.5 Yrs
10	SOHANLAL MANGILAL GUNDECHA	General Manager - Operations	887,097	B.Com	25	56	01-08-2016	NA	NA	NA

Note
s:

1. Remuneration received is gross salary inclusive of all allowances paid and monetary value of perquisites as per Income Tax Rules.
2. In respect of all the above employees, the nature of employment is non-contractual, terminable by notice on either side and liable to transfer to any division/subsidiary of the Company.
3. None of the employees mentioned above is relative of any Director of the Company.
4. None of the employee owns more than 2% of the outstanding shares of the Company as on March 31, 2017.
5. Total experience shown in Column 6 includes service with previous employers.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate governance for Navkar Corporation Limited (hereinafter referred to as 'the Company') is creation, maintenance and enhancement of value for various stakeholders of the Company namely investors, customers, employees, business partners and other members of the community by following sound principles for conduct of business activities.

The Company is committed to ethical business practices, integrity and regulatory compliances. The Company continues to focus its resources, strengths and strategies towards these objectives as it believes that these are the only means of long term success and sustainability.

2. BOARD OF DIRECTORS:

The Board of Directors of the Company (hereinafter referred to as the "Board") oversees the conduct of business in co-ordination with the senior management team of the Company and serves to ensure the implementation of corporate policies in an effective and efficient manner.

The composition and strength of the Board of the Company is judicially decided for ensuring that it remains aligned with statutory as well as business requirements of the Company. The current composition of the Board of the Company is in compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Articles of Association of the Company.

As on March 31, 2017, the Board of the Company comprised of:

Categories	Name of Directors
Promoter, Chairman and Managing Director	Mr. Shantilal Mehta
Whole-time Executive Directors	Mr. Nemichand Mehta
	Capt. Dinesh Gautama
Independent Non-executive Directors	Ms. Sudha Gupta
	Mr. Lalit Menghnani
	Mr. Ashok Kumar Thakur

Size, Composition and Committee positions:

The composition of the Board and the Directorship and Committee positions of the Board Members as on March 31, 2017 is provided hereunder:

Name of Director	DIN	Number of other Directorships as on March 31, 2017	Committee positions as on March 31, 2017 (excluding the Company)	
		Board	Committee Chairmanship	Committee Membership
Mr. Shantilal Mehta	00134162	Nil	Nil	Nil
Mr. Nemichand Mehta	01131811	1	Nil	Nil
Capt. Dinesh Gautama	02384688	1	Nil	1
Ms. Sudha Gupta	01749008	2	1	1
Mr. Lalit Menghnani	06614582	1	Nil	Nil
Mr. Ashok Kumar Thakur	07573726	2	Nil	2

Notes:

1. The Committees considered are the Audit Committee and Stakeholders Relationship Committee only.
2. Mr. Shantilal Mehta and Mr. Nemichand Mehta are relatives.
3. None of the Non-executive Directors of the Company hold any shares and / or convertible instruments of the Company.
4. For updates on the composition and terms and conditions of appointment of the Directors of the Company, please refer to the link http://www.navkarcfs.com/b/investor-relations.php on the website of the Company www.navkarcfs.com.

Attendance of Directors at Board Meetings and at the last Annual General Meeting:

In financial year 2016-17, five (5) meetings of the Board were held on May 27, 2016, September 01, 2016, November 25, 2016, February 08, 2017 and March 30, 2017. The interval between two Meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and Regulation 17(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The attendance of Directors at the Board Meetings during the financial year 2016-17 and at the last Annual General Meeting of the Company was as under:

Sl. No.	Name	Number of Board Meetings Attended	Attendance at the AGM held on September 27, 2016
1	Mr. Shantilal Mehta	5 out of 5	Yes
2	Mr. Nemichand Mehta	4 out of 4	Yes
3	Capt. Dinesh Gautama	5 out of 5	Yes
4	Ms. Sudha Gupta	5 out of 5	Yes
5	Mr. Lalit Menghnani	5 out of 5	Yes
6	Mr. Ashok Kumar Thakur	2 out of 2	NA
7	Mr. Rameshchandra Purohit	2 out of 3	Yes
8	Mr. Jayesh Mehta	1 out of 1	NA

Notes:

1. Mr. Jayesh Mehta ceased to be Director of the Company with effect from September 01, 2016.
2. Mr. Nemichand Mehta was appointed as Whole-time Director of the Company with effect from September 01, 2016.
3. Mr. Rameshchandra Purohit ceased to be Director of the Company with effect from November 30, 2016.
4. Mr. Ashok Kumar Thakur was appointed as Additional Director (Independent) of the Company with effect from January 25, 2017.

Separate Meeting of Independent Directors

During the financial year 2016-17, one (1) separate meeting of the Independent Directors of the Company was held on May 27, 2016 in accordance with the provisions of the Schedule IV of the Companies Act, 2013. The Independent Directors, inter alia, discussed evaluation of the performance of Non-Independent Directors and the Board as a whole; evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the Meeting.

Familiarization Programme for Independent Directors:

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained. The Chairman and Managing Director also has a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiary's businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for Directors are available on the Company's website, viz. www.navkarcfs.com.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the performance evaluation process.

3. BOARD COMMITTEES:

As on March 31, 2017, there are four committees of the Board viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. These Committees play an important role in the overall management of day to day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting. The composition, terms of reference, functions, number of meetings during the financial year 2016-17 and attendance of the members at the meetings of these committees is provided hereinafter.

Audit Committee:

The Audit Committee of the Company is mandated to perform the functions specified under the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015 and the powers and terms of reference are in compliance with the requirements provided therein.

As on March 31, 2017, the Audit Committee of the Company comprises of the following members:

Ms. Sudha Gupta	- Chairperson
Mr. Lalit Menghnani	- Member
Mr. Nemichand Mehta	- Member

During the financial year 2016-17, the Audit Committee was re-constituted twice, first on September 01, 2016 and second on November 07, 2016. Mr. Jayesh Mehta and Mr. Rameshchandra Purohit ceased to be Members of the Audit Committee with effect from September 01, 2016 and November 07, 2016 respectively. Mr. Nemichand Mehta and Mr. Lalit Menghnani were inducted as Members of the Audit Committee with effect from September 01, 2016 and November 07, 2016 respectively.

During the financial year 2016-17, five (5) meetings of the Audit Committee were held on May 27, 2016, September 01, 2016, November 25, 2016, February 08, 2017 and March 30, 2017. During the financial year 2016-17, the attendance at the Meetings of the Audit Committee was as under:

Sl. No.	Name	Attendance at Audit Committee Meetings
1	Ms. Sudha Gupta	5 out of 5
2	Mr. Lalit Menghnani	3 out of 3
3	Mr. Nemichand Mehta	3 out of 3
4	Mr. Rameshchandra Purohit	2 out of 2
5	Mr. Jayesh Mehta	1 out of 1

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 Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015. The role of the Committee is to consider and resolve the grievances of the security holders of the Company.

As on March 31, 2017, the Stakeholders Relationship Committee of the Company comprises of the following members:

Mr. Ashok Kumar Thakur - Chairman

Mr. Lalit Menghnani - Member

Mr. Shantilal Mehta - Member

During the financial year 2016-17, the Stakeholders Relationship Committee was reconstituted on February 08, 2017. Mr. Rameshchandra Purohit ceased to be member of the Stakeholders Relationship Committee with effect from November 30, 2016. Mr. Ashok Kumar Thakur was appointed as a member of the Stakeholders Relationship Committee with effect from February 08, 2017.

During the financial year 2016-17, four (4) meetings of the Stakeholders Relationship Committee were held on May 27, 2016, September 01, 2016, November 25, 2016 and February 08, 2017. During the financial year 2016-17, the attendance at the Meetings of the Stakeholders Relationship Committee was as under:

Sl. No.	Name	Attendance at Stakeholders Relationship Committee Meetings
1	Ms. Ashok Kumar Thakur	1 out of 1
2	Mr. Lalit Menghnani	4 out of 4
3	Mr. Shantilal Mehta	4 out of 4
4	Mr. Rameshchandra Purohit	2 out of 3

Late Mr. Rameshchandra Purohit, who was Chairman of the Stakeholders Relationship Committee on the date of Annual General Meeting, was present at the Annual General Meeting of the Company held on September 27, 2016.

The Company Secretary of the Company, Mr. Hitesh Kumar Jain has been designated as the Compliance Officer of the Company.

During the financial year 2016-17, the Company received eight (8) complaints. These complaints were related to non-receipt of refund of share application money and non-receipt of Annual Report of the Company. During the year all eight (8) complaints were resolved. As at March 31, 2017 there were no complaint pending.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Board is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015. The purpose of the Committee inter-alia is to oversee the Company's nomination process for the senior management and specifically to identify, screen and review individuals qualified to serve as Executive, Non-executive and Independent Directors consistent with criteria approved by the Board and to recommend, for approval by the Board, nominees for election at the Annual General Meeting of the shareholders, and also the compensation structure for Managing Director, Whole-time Director and Key Managerial Personnel and other Senior Executives.

As on March 31, 2017, the Nomination and Remuneration Committee comprises of the following members:

Mr. Lalit Menghnani - Chairman

Ms. Sudha Gupta - Member

Mr. Ashok Kumar Thakur - Member

During the financial year 2016-17, the Nomination and Remuneration Committee was reconstituted on February 08, 2017. Mr. Rameshchandra Purohit ceased to be member of the Nomination and Remuneration Committee with effect from November 30, 2016. Mr. Ashok Kumar Thakur was appointed as a member of the Nomination and Remuneration Committee with effect from February 08, 2017.

During the financial year 2016-17, three (3) meetings of the Nomination and Remuneration Committee were held on May 27, 2016, September 01, 2016 and November 25, 2016. During the financial year 2016-17, the attendance at the Meetings of the Nomination and Remuneration Committee was as under:

Sl. No.	Name	Attendance at Nomination and Remuneration Committee Meetings
1	Mr. Lalit Menghnani	3 out of 3
2	Ms. Sudha Gupta	3 out of 3
3	Mr. Ashok Kumar Thakur	N.A.
4	Mr. Rameshchandra Purohit	2 out of 3

Remuneration Policy:

The Remuneration paid to the Directors in the financial year 2016-17 is as per the Nomination and Remuneration Policy, adopted by the Board on April 15, 2015. The same can be accessed on the website of the Company at http://www.navkarcfs.com/b/download/policies/nomination-&-remuneration-policy.pdf.

During the financial year 2016-17, the remuneration paid to the Directors is well within the limits prescribed by the Companies Act, 2013. The Company does not pay any remuneration to Non-executive Directors of the Company. Non-executive Directors receive sitting fees for attending meetings of the Board and Committees. The details of remuneration to Directors during the financial year 2016-17 is as under:-

Name of Director	Remuneration (In ₹)	Sitting Fee (In ₹)	Total (In ₹)
Mr. Shantilal Mehta	80,00,000	-	80,00,000
Capt. Dinesh Gautama	78,00,000	-	78,00,000
Mr. Nemichand Mehta	80,00,000	-	80,00,000
Mr. Jayesh Mehta	22,95,000	-	22,95,000
Ms. Sudha Gupta	-	1,25,000	1,25,000
Mr. Rameshchandra Purohit	-	60,000	60,000
Mr. Lalit Menghnani	-	1,25,000	1,25,000
Mr. Ashok Kumar Thakur	-	35,000	35,000

Note: Remuneration to Mr. Nemichand Mehta includes remuneration as Chief Executive Officer of the Company for the period April 01, 2016 to August 31, 2016.

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

Other than the above, there are no other pecuniary transactions / relationship with the Non-executive Directors of the Company for the financial year ended March 31, 2017.

Corporate Social Responsibility Committee:

A Corporate Social Responsibility Committee of the Board is constituted in accordance with the provisions of Section 135 of the Companies Act 2013, to inter-alia perform the functions of formulating the corporate social responsibility policy; recommending the activities to be undertaken by the Company, in accordance with Schedule VII of the Companies Act, 2013 and to recommend the amount of expenditure; and monitoring the corporate social responsibility policy and the expenditure of the Company.

As on March 31, 2017, the Corporate Social Responsibility Committee comprises of the following members:

Ms. Sudha Gupta - Chairperson

Mr. Shantilal Mehta - Member

Mr. Nemichand Mehta - Member

During the financial year 2016-17, the Corporate Social Responsibility Committee of the Company was reconstituted on September 01, 2016. Mr. Jayesh Mehta ceased to be member of the Committee with effect from September 01, 2016. Mr. Nemichand Mehta was appointed as a member of the Committee with effect from September 01, 2016.

During the financial year 2016-17, one (1) meeting of the Corporate Social Responsibility Committee was held on May 27, 2016. All the members attended the Meeting.

4. GENERAL BODY MEETINGS:

Annual General Meetings:

The Annual General Meetings of the Company are generally held within six months of the close of the financial year.

a) Location and other details of the last three Annual General Meetings of the Company:

Year	Day, Date and Time	Location	Whether special resolution(s) passed
2015-16	Tuesday, September 27, 2016 at 03:30 p.m.	Hotel The Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai – 400 703	Yes (One)
2014-15	Saturday, December 12, 2015 at 11:00 a.m.	Hotel The Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai – 400 703	No
2013-14	Thursday, September 11, 2014 at 9:30 a.m.	205-206, J. K. Chambers, Sector 17, Vashi, Navi Mumbai – 400703	Yes (Five)

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:
September 27, 2016	1. Approval for appointment of Mr. Nemichand Mehta (DIN: 01131811) as Whole-time Director of the Company.
September 11, 2014	1. 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. 2. Approval to increase the borrowing limit of the Company from financial institutions upto ₹ 2000 crore. 3. Approval to give loan/guarantee or provide security in connection with loan to any other body corporate or person upto ₹ 2000 crore. 4. Approval for adoption of new set of Articles of Association of the Company in place of its existing Articles of Association. 5. Approval for adoption of new set of Memorandum of Association of the Company in place of its existing Memorandum of Association.

c) Resolution(s) passed through Postal Ballot during the financial year 2016-17:

During the financial year 2016-17, no resolutions have been passed through postal ballot.

d) Whether any special resolution is proposed to be conducted through postal ballot:

During the financial year 2017-18, till the date of this Report, the Company had taken members' approval on one (1) special resolution for 'Variation in terms of Objects of the Issue' through postal ballot.

There is no immediate proposal for passing any other resolution by way of postal ballot this year. The Company will comply with the requirements of postal ballot as and when such matter arise, requiring approval of the Members by such process as per Section 110 and other applicable provisions of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, as amended from time to time.

e) Extraordinary General Meetings:

During the financial year 2016-17, no Extraordinary General Meeting(s) were conducted by the Company.

5. MEANS OF COMMUNICATION:

a) Quarterly results:

The unaudited quarterly financial results of the Company, as approved and authenticated by the Board of Directors of the Company, within forty five days from the end of each quarter and the audited financial results of the last quarter, approved and authenticated by the Board of Directors of the Company, within sixty days from the end of the last quarter are communicated to exchanges within 30 minutes of the end of the relevant Board Meeting and are uploaded on the websites of the Exchanges through their electronic filing facility NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (the "Listing Centre").

b) Newspapers wherein results normally published:

As per the requirements of the SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015, the financial results of the Company are published in English daily, Free Press Journal, which has nationwide circulation and Marathi daily, Navashakti, which has wide circulation in the State in which the registered office of the Company is situated.

c) Any website, where displayed:

All important communication, including the audited and unaudited financial results of the Company is displayed on the official website of the Company www.navkarcfs.com.

No presentations were made to institutional investors or the analysts during the financial year 2016-17.

6. GENERAL SHAREHOLDER INFORMATION:

a) Annual general meeting - date, time and venue:

The Ninth Annual General Meeting of the Company will be held on Thursday, August 24, 2017 at 11:30 a.m., at Hotel The Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai – 400 703.

b) Financial year:

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

c) Dividend payment date:

No dividend has been declared by the Company; as such the same is not applicable.

d) Listing on Stock Exchanges:

The shares of the Company are listed on National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") from September 09, 2015. The listing fee to both Exchanges, for the financial year 2017 – 18 has been paid by the Company. The Directors would also like to confirm that the securities of the Company have never been suspended from trading from the date of listing of the Company i.e. September 09, 2015.

e) Stock code:

ISIN: INE278M01019

NSE: NAVKARCORP

BSE: 539332

f) Market price data:

The Monthly high and low prices of your Company's share at BSE and NSE during the financial year 2016-17:

Month	BSE		NSE	
	High	Low	High	Low
April '16	198.20	173.40	198.90	173.10
May '16	202.00	174.00	203.50	173.75
June '16	223.65	191.05	224.50	190.00
July '16	223.50	203.00	225.00	204.40
August '16	218.30	187.65	218.00	186.05
September '16	205.50	179.00	204.90	176.30
October '16	209.00	185.00	208.60	185.00
November '16	206.65	163.15	206.50	162.00
December '16	198.00	155.00	182.20	154.75
January '17	180.10	165.00	181.55	160.50
February '17	198.90	155.05	198.80	155.50
March '17	179.00	159.00	179.00	159.20

g) Registrar to the issue and Share Transfer Agents:

Link Intime India Pvt. Limited
C-101, 247 Park, L B S Marg,
Vikhroli West, Mumbai - 400083.
Maharashtra, India
Tel: 022-49186270
Fax: 022-49186060
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

h) Share Transfer System:

All queries and requests relating to share 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.

i) Distribution of Shareholding as on March 31, 2017:

Category of Shareholders	No. of Shares	%age
Promoters	103,898,347	72.859
Public	3,554,497	2.493
Bodies Corporate	2,008,587	1.409
Non-Resident Indians	113,337	0.080
Non-Resident (Non Repatriable)	50,602	0.036
Non Nationalized Banks	82,399	0.058
Mutual Fund	21,992,400	15.422
Hindu Undivided Family	229,611	0.161
Foreign Portfolio Investor (Corporate)	10,103,185	7.085
Foreign Institutional Investors	328,386	0.230
Financial Institutions	14,029	0.010
Clearing Member	232,643	0.163
Total	**142,608,023**	**100.00**

j) Dematerialization of Shares:

As on March 31, 2017, except two (2) equity shares, the balance equity shares of the Company have been dematerialized. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either of the Depositories.

k) Plant location(s):

1. Ajivali CFS I: Survey No. 137/1A/1 at Ajivali Village, Old Mumbai Pune NH – 4, Panvel, Maharashtra – 410206.
2. Ajivali CFS II: Survey No. 137/1A/1 at Ajivali Village, Old Mumbai Pune NH – 4, Panvel, Maharashtra – 410206.
3. Somathane CFS: Survey No. 89/93/95/97, Somathane Village, Kon-Savla Road, Taluka Panvel, Maharashtra - 410206.
4. Logistics Park: Survey No.44, Village Tumb, Umbergaon Road, District – Valsad, Gujarat - 396150.

l) Address for correspondence and Investor Contact:

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

Corporate Office: 4th Floor, Goodwill Infinity,
Plot No. E/3A, Sector – 12,
Kharghar, Navi Mumbai - 410210

Contact Person: Mr. Hitesh Kumar Jain
Company Secretary
e-mail: cs@navkarcfs.com

7. OTHER DISCLOSURES:

a) Related Party Transactions:

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015, during the year were on an arm's length basis and in the ordinary course of business. These have been entered after obtaining approvals of the Audit Committee and the Board. The Board have approved and adopted a policy on Related Party Transactions and the same has been uploaded on the website of the Company and can be accessed at: http://www.navkarcfs.com/a/download/policies/RPT-Policy.pdf.

b) Details of Non-Compliance:

The Company has complied with statutory requirements of Stock Exchanges, SEBI and other statutory authorities and 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.

c) Vigil Mechanism or Whistle Blower Policy:

The Company has formulated a Vigil Mechanism or 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.

d) **Compliance with Mandatory Requirements:**

The Company has complied with all mandatory requirements specified in regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) **Adoption of the non-mandatory requirements:**

The Company has fairly complied with the non-mandatory requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company is in the regime of unqualified financial statements.

There are separate posts for Chairman and CFO. Mr. Shantilal Mehta is the Chairman and Mr. Anish Maheshwari is the CFO of the Company.

The Internal Auditor reports directly to the Audit Committee.

f) **Policy for Determining Material Subsidiaries:**

As per the requirements of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements Regulations) 2015, the Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website. The Policy can be accessed at: http://www.navkarcfs.com/a/download/policies/material-subsidiary-policy.pdf.

g) **Disclosure of Commodity Price Risks and Commodity Hedging Activities:**

Not Applicable.

h) **Accounting Standards:**

As mandated by the Ministry of Corporate Affairs, the Company has adopted the Ind-AS for the financial year commencing from April 1, 2016.

i) **Insider Trading:**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has prescribed a code of conduct for Prevention of Insider Trading applicable to its Promoters, Directors, Senior Management Personnel and all other Connected Persons who may have access to Unpublished Price Sensitive Information. The same can be accessed at the website of the Company at: http://www.navkarcfs.com/a/download/policies/insider-trading-policy.pdf.

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Navkar Corporation Limited,

We have reviewed the implementation of conditions of Corporate Governance by Navkar Corporation Limited ("the Company") for the year ended March 31, 2017, as stipulated in the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to our view of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated above.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of 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
CP No.: 1483

Place: Mumbai
Date: May 29, 2017

DECLARATION

This is to certify that the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management for the year ended March 31, 2017.

For **Navkar Corporation Limited**

Dinesh Gautama
Chief Executive Office

Place: Navi Mumbai
Date: May 29, 2017

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 realized. 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.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian Container Industry

India has about 200 ports including 12 major ports. These ports handle almost 95% of trade volumes in India. There are 233 CFS/ICDs in India, out of which Gujarat, Maharashtra, Tamil Nadu and Uttar Pradesh account for about 65% share. Jawaharlal Nehru Port Trust (JNPT), with 34 CFSs and capacity of 3.0-3.5 million twenty feet equivalents (TEUs), is the largest CFS cluster in the country.

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. Growth of Indian container traffic has led to the demand for transit facilities such as CFS and ICD, which offer services for containerization of break bulk cargo and also handles custom activities. CFS and ICD facilities are an integral component of the logistics sector infrastructure and it is a facilitator of import-export (Exim) trade of the country.

During recent period developing transportation infrastructure has been the key focus area of the Central Government. Major ports are expected to increase their capacity, improve maritime infrastructure and streamline rail and road connectivity. This will augment infrastructure facilities in major ports for container handling, which in turn would generate a demand for CFS/ICD.

Growth of the CFS and ICD industry primarily depends on container traffic. Growth of the container traffic movement in India largely depends on global economic conditions and rising containerization. Growth in containerized cargo traffic has facilitated the development of CFS and ICD, which have emerged as an important component of the Exim value chain.

OPPORTUNITIES

The revival of India's international trade volume brings many opportunities for CFS/ICD businesses. The Government of India has also launched a national maritime development programme for the modernization of ports. This will augment infrastructure facilities in major ports for container handling, which in turn would generate a demand for CFS/ICD. Highways Development Projects, development of Dedicated Freight Corridor of Indian Railways, port sector initiatives and shift to GST regime are providing the necessary impetus to the overall logistics industry.

With the push towards manufacturing under the 'Make in India' campaign, CFSs/ICDs are predicted to witness a renewed growth across its spectrum of services. On time processing, cargo visibility as well as value-added services of CFS/ICD will mark the next growth of the industry.

Large import houses are showing keen interest to have direct negotiation with CFSs by removing dependence on mediators which is likely to be a good opportunity for CFSs.

THREATS AND CHALLENGES

High capital investment, low technology penetration, lack of supporting infrastructure and fragmented market are collectively impeding the growth of the Indian Container industry and restricts the scope of increasing efficiency and productivity.

Higher logistics cost is another factor affecting growth of Indian Container Industry. The higher logistics cost represents higher products/services cost in the international market. Reduction of logistics costs for customers is a challenge faced by the industry.

PERFORMANCE

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 over 500,000 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 can handle cargo at controlled temperatures at its temperature controlled chamber and through its Reefer plug points at its CFSs.

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 Company offers a variety of warehousing and value added services at logistics park and ICD at Umergaon, Valsad district (near Vapi), Gujarat, as a one-stop solution for importers and exporters.

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, 2017.

During the financial year 2016-17, the overall performance of the Company was satisfactory. At Standalone level, the Company's Total Revenue stood at ₹37,879.57 lakh as against ₹37,959.35 lakh in the previous year, Revenue from Operations stood at ₹35,516.08 lakh as against ₹34,725.73 lakh during the previous year and Profit After Tax stood at ₹9,620.69 lakh as against ₹ 9,490.14 lakh in previous year.

The Company has one subsidiary, namely Navkar Terminals Limited (NTL). During the financial year 2016-17, NTL has commenced commercial operations at its ICD at Umergaon, Valsad district (near Vapi), Gujarat.

OUTLOOK

The Company's all three CFSs and a Private Railway Freight Terminal (PFT) at Panvel are located in close proximity to NH4 (Old Mumbai-Pune Highway) and NH17 (Mumbai-Pune Expressway) and JNPT Port. This provides good connectivity between JNPT - CFS and between CFS and hinterland through road and rail.

Growth in container traffic will drive the CFS/ICD industry over 2017-18 to 2019-20. An improvement in non-oil trade is expected to increase container traffic over the next three years as India has a higher proportion of auto parts, capital and engineering goods and textiles in non-oil containerised trade.

With India poised for a faster economic growth in coming years, the logistics industry is expected to perform better in future. Operators having strategic locations and facilities of rail evacuation have operational advantage over competitors. The Company is also well placed for more robust and positive growth in coming years.

RISKS AND CONCERNS

A part of business is substantially dependent on the prevailing global economic conditions. As witnessed in previous years, global trade directly impacts business. Factors that may adversely affect the global economy and in turn India's economic growth, that could affect the CFS/ ICD businesses. A slowdown in the rate of infrastructure development, inflation, adverse changes in tax, trade, fiscal and monetary policies, scarcity of credit etc. could affect the CFS/ ICD businesses.

Like in other industries, opportunity brings with itself competition. Though, the Company has built a strong relationship with most of the leading carriers/liners and as a result it is able to obtain competitive commercial terms and operational advantages, it may face different levels of competition. The Company counters this risk with the quality of the infrastructure, customer centric approach and its ability to innovate customer specific solutions, focusing on pricing, aggressive marketing strategy, disciplined project execution coupled with prudent financial and human resources management and better control over costs.

Any damage to cargo, equipment, life and third parties may adversely affect the Company. The Company attempts to mitigate this risk through contractual obligations and insurance policies.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an effective Internal Control System including defined processes to prevent fraud and misuse of Company's resources. The Company has established and maintained internal financial controls and compliance systems. The accounts, financial statements and secretarial records are audited by Internal, Statutory and Secretarial Auditors. The audit of internal financial controls over financial reporting is carried out by the Statutory Auditors. As per reviews performed by management and the relevant committees of the Board, the Company's internal control system was adequate and effective during the financial year 2016-17.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the financial year 2016-17, the Company's revenue from Cargo Handling Services was ₹25,302.07 lakh as against ₹26,279.87 lakh during the financial year 2015-16. During the financial year 2016-17, the Company's revenue from Cargo Storage Services was ₹9,073.35 lakh as against ₹7,544.81 lakh during the financial year 2015-16. During the financial year 2016-17, the Company's revenue from Maintenance and Repairs of Containers was ₹654.29 lakh as against ₹520.68 lakh during the financial year 2015-16. During the financial year 2016-17, the Company's revenue from Auction Sale was ₹433.14 lakh as against ₹322.70 lakh for the financial year 2015-16. During the financial year 2016-17, the Company's revenue from EDI Income was ₹53.23 lakh as against ₹57.66 lakh for the financial year 2015-16. During the Financial Year 2016-17, the operational and financial performance of the Company was satisfactory.

HUMAN RESOURCES DEVELOPMENT / INDUSTRIAL RELATIONS

Cordial industrial relations prevailed in all divisions throughout the year. Human Resources are considered the backbone of the Company. With the focus on development of skills, the Company has evolved best practices in evaluating the performance of the employees at all levels and provides growth opportunities in their career. Employees were sponsored for various seminars, symposiums and workshops organized by external agencies to enrich their knowledge and implement the best practices in their work place wherever feasible.

BUSINESS RESPONSIBILITY REPORT

[As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company : L63000MH2008PLC187146
2. Name of the Company : NAVKAR CORPORATION LIMITED
3. Registered address : 205-206, J. K. CHAMBERS, SECTOR 17, VASHI, NAVI MUMBAI – 400703
4. Website : www.navkarcfs.com
5. E-mail id : cs@navkarcfs.com
6. Financial Year reported : 2016-17
7. Sector(s) that the Company is engaged in (industrial activity code-wise) :

Main Activity group	Description of Business Activity	Business Activity Code (based upon NIC-2008 codes)
Transport and storage	Services incidental to land, water & air transportation	H5
Transport and storage	Warehousing and storage	H6

8. List three key products/services that the Company manufactures/provides (as in balance sheet):

   Cargo Handling

   Cargo Storage

   Maintenance and Repairs of Containers

9. Total number of locations where business activity is undertaken by the Company
   (a) Number of International Locations (Provide details of major 5)

   NIL

   (b) Number of National Locations: 4
10. Markets served by the Company – Local, Maharashtra and Gujarat

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital : ₹ 14,490.80 lakh (Inclusive of Preference Share Capital)
2. Total Turnover : ₹ 35,516.08 lakh
3. Total profit after taxes : ₹ 9,620.69 lakh
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):

   The Company has spent ₹ 216.45 lakh which is 2.10% of average net profit for previous three years computed as prescribed under the Companies Act, 2013.
5. List of activities in which expenditure in 4 above has been incurred:-

   Eradication of hunger and malnutrition
   Promoting Education
   Health Care
   Animal Welfare
   Welfare of aged and orphans
   Promoting art and culture

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

   Yes
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

   Yes, One Subsidiary of the Company participates in BR activities.
3. A. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? B. If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

   The Company does not mandate customers etc. of the Company to participate in the BR initiatives of the Company however they are encouraged to adopt such practices and follow the concept of being a responsible business. Not Applicable

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

The Executive Directors of the Company under the supervision of the Board of Directors are responsible for implementation of BR Policies/ Activities. As on March 31, 2017, Mr. Shantilal Mehta; Mr. Nemichand Mehta and Capt. Dinesh Gautama are Executive Directors of the Company.

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00134162
2	Name	Mr. Shantilal Mehta
3	Designation	Chairman and Managing Director
4	Telephone number	02143662525
5	e-mail id	cs@navkarcfs.com

2. **Principle-wise (as per NVGs) BR Policy/policies**

(a) Details of compliance (Reply in Y/N)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words) [These policies have been framed keeping in view the goals of the organisation and the economic environment of the operations of the Company]	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified Committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Does it indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

(b) If answer to the question at serial number 1 against any principle, is 'No', please

explain why: (Tick up to 2 options) : Not Applicable.

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. **Governance related to BR**

   (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year: Annually

   (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

   Yes, the Company publishes its Business Responsibility Statement annually. It is available on the website of the Company http://www.navkarcfs.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?

   No, it extends to the Group and Subsidiary Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   The Company received total eight (8) complaints during the year 2016-17, relating to non allotment of shares/non receipt of refund of share application money paid in the Initial Public Offering of equity shares of the Company offered in the month of August, 2015 and non-receipt of Annual Reports. All the investor complaints/grievances were resolved.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.

   The Company's emphasis on Railway for Transportation offers lower Carbon emissions.

   The Company's fully-integrated rail-linked container terminal and logistic park at Vapi, Gujarat, will enable to offer end-to-end logistics solutions to both importers as well as exporters at potentially 30-40% lower cost making exports competitive.

   The Company is incurring major capital expenditure for installing Rubber Tyred Gantry (RTG) Cranes. Handling of containers with RTG Cranes is safer and more efficient.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? : Not Applicable

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year? Not Applicable

3. Does the company have procedures in place for sustainable sourcing (including transportation)? Not Applicable as the Company itself is a Service Provider.

   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so. Not Applicable as the Company itself is a Service Provider.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? Yes

   (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   The Company has a policy to give preference to local and small vendors.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   Yes, the Company has mechanism to identify scrap and waste. The scrap and waste are sold for recycling.

Principle 3

1. Please indicate the Total number of employees. 794

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. 185

3. Please indicate the Number of permanent women employees. 32

4. Please indicate the Number of permanent employees with disabilities. 6

5. Do you have an employee association that is recognized by management. Yes

6. What percentage of your permanent employees is members of this recognized employee association? 30%

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?
   (a) Permanent Employees – 100%
   (b) Permanent Women Employees – 100%
   (c) Casual/Temporary/Contractual Employees – 95%
   (d) Employees with Disabilities – 100%

Principle 4

1. Has the company mapped its internal and external stakeholders? Yes/No

   Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

   Yes

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

   The Company is committed to conducting business in an ethical and transparent manner so as that the trust of various stakeholders namely investors, customers, employees, business partners and other members of the community including disadvantaged, vulnerable and marginalized stakeholders is maintained and long term strategic goals and sustainability is achieved.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

   Policy of the Company on human rights extends to the Group and Subsidiary Company.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   Please refer to performance on Principle 1 para 2.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the

   Group/JointVentures/Suppliers/Contractors/NGOs/others.

   Policy of the Company related to Principle 6 extends to the Group and Subsidiary Company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   The Company on continuous basis conducts its operation on most environment friendly and compliant manners. The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

3. Does the company identify and assess potential environmental risks?

   Yes

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   No

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   As a policy the Company gives preference to clean technology, energy efficiency, renewable energy, etc.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   Yes

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   Nil

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with: CFS Association of India

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   No

Principle 8

1. Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Yes, the Company undertakes activities to support inclusive growth and equitable development with the objects of eradication of hunger, maintenance of homes for aged and orphans, promoting healthcare, education and animal welfare.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

   The programmes/projects undertaken through Navkar Charitable Trust

3. Have you done any impact assessment of your initiative?

   Yes

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The Company has spent ₹ 216.45 lakh during the financial year 2016-17 on CSR activities comprising of Eradication of hunger and malnutrition, Promoting Education Health Care, Animal Welfare, Welfare of aged and orphans, Promoting art and culture. The activities and its impact are properly monitored for successfully adoption by the community.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   The activities and its impact are properly monitored for successfully adoption by the community.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   Nil

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Not applicable

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   No

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Yes

ANNEXURE II

PRINCIPLES TO ASSESS COMPLIANCE WITH ENVIRONMENTAL, SOCIAL AND GOVERNANCE NORMS

[See Regulation 34(2)(f)]

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Businesses should develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of this principle across its value chain. Businesses should communicate transparently and assure access to information about their decisions that impact relevant stakeholders.
2. Businesses should not engage in practices that are abusive, corrupt, or anti- competition.
3. Businesses should truthfully discharge their responsibility on financial and other mandatory disclosures.
4. Businesses should report on the status of their adoption of these Guidelines as suggested in the reporting framework in this document.
5. Businesses should avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. Businesses should assure safety and optimal resource use over the life-cycle of the product – from design to disposal – and ensure that everyone connected with it-designers, producers, value chain members, customers and recyclers are aware of their responsibilities.
2. Businesses should raise the consumer's awareness of their rights through education, product labelling, appropriate and helpful marketing communication, full details of contents and composition and promotion of safe usage and disposal of their products and services.
3. In designing the product, businesses should ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
4. Businesses should regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.
5. Businesses should recognize and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property.
6. Businesses should recognize that over-consumption results in unsustainable exploitation of our planet's resources, and should therefore promote sustainable consumption, including recycling of resources.

Principle 3: Businesses should promote the wellbeing of all employees

1. Businesses should respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance Redressal mechanisms.
2. Businesses should provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.
3. Businesses should not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
4. Businesses should take cognizance of the work-life balance of its employees, especially that of women.
5. Businesses should provide facilities for the wellbeing of its employees including those with special needs. They should ensure timely payment of fair living wages to meet basic needs and economic security of the employees.
6. Businesses should provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees. Business should communicate this provision to their employees and train them on a regular basis.
7. Businesses should ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. They should promote employee morale and career development through enlightened human resource interventions.
8. Businesses should create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Businesses should systematically identify their stakeholders, understand their concerns, define purpose and scope of engagement, and commit to engaging with them.
2. Businesses should acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.
3. Businesses should give special attention to stakeholders in areas that are underdeveloped.
4. Businesses should resolve differences with stakeholders in a just, fair and equitable manner

Principle 5: Businesses should respect and promote human rights

1. Businesses should understand the human rights content of the Constitution of India, national laws and policies and the content of International Bill of Human Rights. Businesses should appreciate that human rights are inherent, universal, indivisible and interdependent in nature.
2. Businesses should integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations, and ensuring all individuals impacted by the business have access to grievance mechanisms.
3. Businesses should recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
4. Businesses should, within their sphere of influence, promote the awareness and realization of human rights across their value chain.
5. Businesses should not be complicit with human rights abuses by a third party.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Businesses should utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.
2. Businesses should take measures to check and prevent pollution. They should assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
3. Businesses should ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
4. Businesses should continuously seek to improve their environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.
5. Businesses should develop Environment Management Systems (EMS) and contingency plans and processes that help them in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to their operations or that of a member of its value chain.
6. Businesses should report their environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner.
7. Businesses should proactively persuade and support its value chain to adopt this principle.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Businesses, while pursuing policy advocacy, must ensure that their advocacy positions are consistent with the Principles and Core Elements contained in these Guidelines.
2. To the extent possible, businesses should utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.

Principle 8: Businesses should support inclusive growth and equitable development

1. Businesses should understand their impact on social and economic development, and respond through appropriate action to minimise the negative impacts.
2. Businesses should innovate and invest in products, technologies and processes that promote the wellbeing of society.
3. Businesses should make efforts to complement and support the development priorities at local and national levels, and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.
4. Businesses operating in regions that are underdeveloped should be especially sensitive to local concerns.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. Businesses, while serving the needs of their customers, should take into account the overall well-being of the customers and that of society.
2. Businesses should ensure that they do not restrict the freedom of choice and free competition in any manner while designing, promoting and selling their products.
3. Businesses should disclose all information truthfully and factually, through labelling and other means, including the risks to the individual, to society and to the planet from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner. Where required, businesses should also educate their customers on the safe and responsible usage of their products and services.
4. Businesses should promote and advertise their products in ways that do not mislead or confuse the consumers or violate any of the principles in these Guidelines.
5. Businesses should exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.
6. Businesses should provide adequate grievance handling mechanisms to address customer concerns and feedback.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NAVKAR CORPORATION LIMITED,

Report on the Standalone Ind-AS Financial Statements

1. We have audited the accompanying standalone Ind-AS financial statements of Navkar Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind-AS 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 Ind-AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind-AS 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 Ind-AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting 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

5. We conducted our audit of the standalone Ind-AS financial statements 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 standalone Ind-AS 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 standalone Ind-AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind-AS 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 standalone Ind-AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind-AS 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 Ind-AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind-AS 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, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind-AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 27, 2016 and June 17, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind-AS have been audited by us.

   Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016', 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. 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 (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone Ind-AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

    e) On the basis of the written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure A**; and

    g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

        (i) The Company has disclosed the impact of pending litigations as at March 31, 2017 on its financial position in its standalone Ind-AS financial statements Refer Note 46;

        (ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2017;

        (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, 2017; and

        (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 58.

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

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 29, 2017

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Navkar Corporation Limited on the standalone financial statements for the year ended March 31, 2017.

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

1. We have audited the internal financial controls over financial reporting of Navkar Corporation Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 29, 2017

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Navkar Corporation Limited on the Standalone financial statements as of and for the year ended March 31, 2017.

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 3 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.

(c) The title deeds of immovable properties, as disclosed in Note 5 and 6 on Property, Plant and Equipment and Investment Property to the financial statements, are held in the name of the Company, except for certain freehold lands having gross block value of ₹ 1,940.07 lakhs situated at different locations, which are in the name of the promoters of the Company and are yet to be transferred in the name of the Company as follows:

Sr. No.	Nature of Immovable Property	Total number of cases	Whether leasehold/ freehold	Gross block (₹ In lakhs)	Net block (₹ In lakhs)
1.	Land	17	Freehold	1,940.07	1,940.07

ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.

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 terms and conditions under which such loans were granted are not prejudicial to the Company's interest.

(b) In respect of the aforesaid loan, the schedule of repayment of principal and payment of interest has been stipulated, and the party is repaying the principal amounts, as stipulated, and is also regular in payment of interest as applicable.

(c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income-tax and service-tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales-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, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute. The particulars of dues of service tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994	Service Tax	203.73	October 2011 to March 2012	The Commissioner, Central Excise, Customs and Service Tax
The Finance Act, 1994	Service Tax	22.26	FY 2009-2010	The Commissioner, Central Excise, Customs and Service Tax

viii. 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 loans or borrowings to any financial institution or bank as at the balance sheet date. The Company does not have any loans or borrowings from Government. Further, the Company has not issued any debentures.

ix. In our opinion, and according to the information and explanations given to us, the money raised by way of initial public offer and term loans were applied for the purposes for which these are raised except un-utilized balance in respect of net proceeds from Initial Public Offering (IPO) as at balance sheet date ₹ 11,636.43 lakhs. Out of the above un-utilized balance, ₹ 11,608.88 lakhs and ₹ 27.55 lakhs are kept in fixed deposit and monitoring current account respectively for future utilisation (also refer note 52 to the financial statements).

x. 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 by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under the Indian Accounting Standard (Ind-AS) 24, “Related Party Disclosures” specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

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

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 29, 2017

STANDALONE BALANCE SHEET as at March 31, 2017

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
I ASSETS				
1. Non Current Assets				
(a) Property, Plant and Equipment	5	88,280.67	85,876.25	78,184.04
(b) Capital Work-In-Progress	5	28,909.55	11,439.32	-
(c) Investment Property	6	4,554.92	4,554.92	602.64
(d) Intangible Assets	7	24.72	38.43	-
(e) Intangible Assets Under Development	7	128.96	-	-
(f) Financial Assets				
(i) Investments	8	1,422.31	1,422.31	1,422.31
(ii) Loans	9	9,896.08	9,140.30	6,129.23
(iii) Others	10	557.91	190.18	695.24
(g) Income Tax Assets (Net)	11	16.13	30.84	37.07
(h) Other Non Current Assets	12	9,894.08	11,276.77	8,187.94
		143,685.33	**123,969.32**	**95,258.47**
2. Current Assets				
(a) Inventories	13	555.81	398.18	161.56
(b) Financial Assets				
(i) Investments	14	-	-	501.83
(ii) Trade Receivables	15	3,864.61	4,791.59	7,735.74
(iii) Cash and Cash Equivalents	16	3,232.07	418.54	74.76
(iv) Other Bank Balances other than (iii) above	17	8,945.73	28,544.97	6.78
(iv) Loans	18	43.40	355.59	51.05
(v) Others	19	254.32	18.25	19.13
(c) Other Current Assets	20	2,426.94	2,375.11	4,677.74
		19,322.88	**36,902.23**	**13,228.59**
Total Assets		**163,008.21**	**160,871.55**	**108,487.06**
II EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	21	14,260.80	14,260.80	10,970.48
(b) Other Equity	22	108,955.46	99,367.96	45,014.16
		123,216.26	**113,628.76**	**55,984.64**
LIABILITIES				
1. Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	23	15,891.97	23,632.43	32,915.62
(b) Provisions	24	389.29	325.45	256.48
(c) Deferred Tax Liabilities (Net)	25	4,199.90	3,916.73	3,229.96
		20,481.16	**27,874.61**	**36,402.06**
2. Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	26	3,588.27	3,335.27	2,803.76
(ii) Trade Payable	27	2,538.78	3,608.46	1,128.87
(iii) Other Financial Liabilities	28	12,200.97	11,368.26	11,311.06
(b) Other Current Liabilities	29	783.46	453.52	443.24
(c) Provisions	30	71.02	15.28	12.07
(d) Current Tax Liabilities (Net)	31	128.29	587.39	401.36
		19,310.79	**19,368.18**	**16,100.36**
Total Equity and Liabilities		**163,008.21**	**160,871.55**	**108,487.06**
Summary of Significant Accounting Policies	2-4			

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

Shantilal Mehta
Chairman and Managing Director
DIN No.: 00134162

Nemichand Mehta
Whole-time Director
DIN No.: 01131811

Arun Poddar
Partner
Membership Number: 134572

Anish Maheshwari
Chief Financial Officer

Hitesh Kumar Jain
Company Secretary

Dinesh Gautama
Chief Executive Officer

Place : Mumbai
Date : May 29, 2017

Place : Mumbai
Date : May 29, 2017

STANDALONE STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2017

(₹ in lakhs)

	Particulars	Note No.	For the Year ended March 31, 2017	For the year ended March 31, 2016
I	**Revenue**			
	Revenue from Operations			
	Other Income	32	35,516.08	34,725.73
	Total Income	33	2,363.49	3,233.62
			37,879.57	**37,959.35**
II	**Expenses**			
	Cost of Services	34	15,502.27	14,373.36
	Employee Benefits Expenses	35	2,991.69	2,461.97
	Finance Costs	36	3,104.23	3,431.55
	Depreciation and Amortization Expenses	37	1,885.83	1,932.47
	Other Expenses	38	3,461.28	4,498.89
	Total Expenses		**26,945.30**	**26,698.24**
III	**Profit before tax (I- II)**		**10,934.27**	**11,261.11**
IV	**Less: Tax Expense:**	31		
	Current Tax		2,369.84	2,600.05
	MAT Credit Entitlement		(1,357.00)	(1,520.38)
	Deferred Tax		300.74	691.30
	Total Tax Expense		**1,313.58**	**1,770.97**
V	**Profit for the Year (III-IV)**		**9,620.69**	**9,490.14**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Re-measurement gains / (losses) on defined benefit obligations		(50.76)	(13.10)
	Tax Effect on above		17.57	4.53
	Other Comprehensive Income for the year, net of tax		(33.19)	(8.57)
VII	**Total Comprehensive Income for the year (V+VI) (Comprising Profit and Other Comprehensive Income for the year)**		**9,587.50**	**9,481.57**
VIII	**Earnings Per Equity Share (Face Value ₹ 10 Per Share):**	39		
	Basic and Diluted (₹)		6.75	7.38
	Summary of Significant Accounting Policies	2-4		

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
Chairman and Managing Director
DIN No.: 00134162

Nemichand Mehta
Whole-time Director
DIN No.: 01131811

Arun Poddar
Partner
Membership Number: 134572

Anish Maheshwari
Chief Financial Officer

Hitesh Kumar Jain
Company Secretary

Dinesh Gautama
Chief Executive Officer

Place : Mumbai
Date : May 29, 2017

Place : Mumbai
Date : May 29, 2017

CASH FLOW STATEMENT for the year ended March 31, 2017

(₹ in lakhs)

Particulars		For the Year ended March 31, 2017	For the year ended March 31, 2016
A.	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	**10,934.27**	**11,261.11**
	Adjustments:		
	Depreciation and Amortization of Property, Plant and Equipment	1,872.12	1,929.76
	Amortisation and Impairment of Intangible Assets	13.71	2.71
	Loss on Sale of property, plant and equipment (net)	181.26	7.28
	Loss / (Profit) on Sale of Current Investments (net)	-	(187.26)
	Reversal of Provision for Diminution in Value of Current Investments	-	(408.75)
	Exchange Fluctuation (Gain) / Loss on Loan	(83.84)	1,043.06
	Finance Income (including Fair Value Change in Financial Instruments)	(2,143.66)	(2,460.79)
	Provision / (Reversal of Provision) for Loss Allowance on Trade Receivables	5.37	(1.37)
	Dividend Income	-	(3.37)
	Fees on Guarantee given on behalf of the Subsidiary Company	(107.43)	(95.92)
	Finance Costs (Including Fair Value Change in Financial Instruments)	3,104.23	3,431.55
	Operating cash flows before working capital changes	**13,776.03**	**14,518.01**
	Adjustments for Changes in Working Capital		
	Decrease / (Increase) in Inventories	(157.63)	(236.62)
	Decrease / (Increase) in Trade receivables	921.61	2,945.52
	Decrease / (Increase) in Current Loans	312.19	(304.54)
	Decrease / (Increase) in Non-Current Loans	(755.78)	(3,011.07)
	Decrease / (Increase) in Non-Current Financial Assets - Others	(3.77)	(16.59)
	Decrease / (Increase) in Financial Assets - Other	(236.07)	0.88
	Decrease / (Increase) in Other Current Assets	(51.83)	2,302.63
	Increase / (Decrease) in Trade Payables	(1,069.68)	2,479.59
	Increase / (Decrease) in Current Financial Liabilities - Other	171.86	(128.07)
	Increase / (Decrease) in Other Current Liabilities	329.94	10.28
	Increase / (Decrease) in Non-Current Provisions	13.08	55.87
	Increase / (Decrease) in Current Provisions	55.74	3.21
	Cash generated from operations	13,305.69	18,619.10
	Income taxes paid	(2,814.23)	(2,407.79)
	Net cash flow from operating activities (A)	**10,491.46**	**16,211.31**
B.	**Cash Flow from Investing Activities**		
	Purchase or construction of property, plant and equipment (including capital work-in-progress and capital advances)	(18,937.26)	(22,480.82)
	Proceeds from / (Investment in) fixed deposits (net)	19,233.21	(28,012.56)
	Proceeds from / (Investment in) Other Bank Balances	2.07	(3.98)
	Proceeds from sale of property, plant and equipment	288.02	7.97
	Purchase or construction of Investment Properties	-	(3,952.28)
	Proceeds from Sale of Investments	-	1,097.84
	Interest Received	2,143.66	2,460.79
	Dividend Received	-	3.37
	Net cash flow from/ (used in) investing activities (B)	**2,729.70**	**(50,879.67)**

CASH FLOW STATEMENT for the year ended March 31, 2017

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the year ended March 31, 2016
C. Cash Flow from Financing Activities		
Proceeds from public issue of shares	-	3,290.32
Proceeds from securities premium (net of IPO expenses)	-	44,872.23
Proceeds from/ (Repayment of) Non-Current Borrowings (net)	(7,497.32)	(10,271.83)
Increase / (Decrease) in Current Borrowings	253.00	531.51
Finance Costs	(3,163.31)	(3,410.09)
Net cash flow from financing activities (C)	**(10,407.63)**	**35,012.14**
Net cash Increase / (decrease) in cash and cash equivalents (A+B+C)	**2,813.53**	**343.78**
Cash and cash equivalents at the beginning of the year (Refer Note 16)	418.54	74.76
Cash and cash equivalents at the end of the year (Refer Note 16)	3,232.07	418.54
Net cash Increase / (decrease) in cash and cash equivalent	**2,813.53**	**343.78**

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

This is the Cash Flow Statement 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 : May 29, 2017

For and on behalf of the Board of Directors

Shantilal Mehta
Chairman and Managing Director
DIN No.: 00134162

Nemichand Mehta
Whole-time Director
DIN No.: 01131811

Anish Maheshwari
Chief Financial Officer

Hitesh Kumar Jain
Company Secretary

Dinesh Gautama
Chief Executive Officer

Place : Mumbai
Date : May 29, 2017

STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2017

A : Equity Share Capital (Equity shares of ₹ 10 each issued, subscribed and fully paid)

Particulars	Note No.	Numbers in lakhs	Amount in lakhs
Balance as at the April 1, 2015		**1,097.05**	**10,970.50**
Changes in equity share capital during the year 2015-2016		329.03	3,290.30
Balance as at March 31, 2016	**21**	**1,426.08**	**14,260.80**
Changes in equity share capital during the year 2016-2017		-	-
Balance at the March 31, 2017	**21**	**1,426.08**	**14,260.80**

B : Other Equity

(₹ in lakhs)

Particulars	Note No.	Reserve and Surplus					Total Other Equity
		Capital Reserve on Amalgamation	Securities Premium Reserve	Capital Redemption Reserve	Capital Contribution by Shareholders	Retained Earnings	
Balance at the April 1, 2015		**2,601.29**	**11,698.79**	**455.21**	**8,216.74**	**22,042.13**	**45,014.16**
Total Comprehensive income for the year							
Profit for the year		-	-	-		9,490.14	9,490.14
Other Comprehensive Income		-	-	-		(8.57)	(8.57)
Issue of share capital	22	-	47,709.68	-	-	-	47,709.68
Share Issue Expenses	22	-	(2,837.45)	-	-	-	(2,837.45)
Transfer to Capital Redemption Reserve	22	-	-	191.67	-	(191.67)	-
Balance as at March 31, 2016	**22**	**2,601.29**	**56,571.02**	**646.88**	**8,216.74**	**31,332.03**	**99,367.96**
Total Comprehensive income for the year							
Profit for the year		-	-	-	-	9,620.69	9,620.69
Other Comprehensive Income		-	-	-	-	(33.19)	(33.19)
Transfer to Capital Redemption Reserve	22	-	-	191.67	-	(191.67)	-
Balance as at March 31, 2017	**22**	**2,601.29**	**56,571.02**	**838.55**	**8,216.74**	**40,727.86**	**108,955.46**

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

For and on behalf of the Board of Directors

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

Shantilal Mehta
Chairman and Managing Director
DIN No.: 00134162

Nemichand Mehta
Whole-time Director
DIN No.: 01131811

Arun Poddar
Partner
Membership Number: 134572

Anish Maheshwari
Chief Financial Officer

Hitesh Kumar Jain
Company Secretary

Dinesh Gautama
Chief Executive Officer

Place : Mumbai
Date : May 29, 2017

Place : Mumbai
Date : May 29, 2017

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Note 1 : Company Overview

Navkar Corporation Limited ("the Company") is a public limited Company domiciled in India having its registered office at 205-206, J. K. Chambers, Sector-17, Vashi, Navi Mumbai, - 400 705. The Company was 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. The equity shares of the Company were listed on The National Stock Exchange of India Limited and BSE Limited on September 9, 2015.

Note 2 : Summary of Significant Accounting Policies

A. Basis of preparation of financial statements

(i) Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind-AS") under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind-AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements up to year ended March 31, 2016 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind-AS. The Company has adopted all the Ind-AS standards and the adoption was carried out in accordance with Ind-AS 101 "First time adoption of Indian Accounting Standards". The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition have been summarized in note 4.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Basis of measurement

The financial statements have been prepared on historical cost basis except the following:

- certain financial assets and liabilities (including derivative instruments) are measured at fair value;
- assets held for sale- measured at fair value less cost to sell;
- defined benefit plans- plan assets measured at fair value; and

(iii) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period and cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(iv) The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs, except when otherwise stated.

B. Use of estimates

The preparation of the financial statements in conformity with Ind-AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note C below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

C. Critical accounting estimates

(i) Income taxes

The Company's major tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. Also refer to Note 11 and Note 31.

(ii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(iii) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 50.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 41-43 for further disclosures.

D. Property, Plant and Equipment

Land (including Land Developments) is carried at historical cost. All other items of property, plant and equipment are stated in the balance sheet at cost historical less accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. All other repair and maintenance costs are recognised in profit or loss as incurred.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and land developments) less their residual values over the useful lives, using the straight- line method ("SLM"). Management, based on a technical evaluation, believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Estimated useful lives
Buildings	60 years
Computers and Printers, including Computer Peripherals (including server and networking)	3-6 years
Office Equipments	5 years
Furniture and Fixtures	10 years
Motor Vehicles (including busses, trucks and trailors)	8-20 years
Plant and Machinery	20 years
Railway Sidings	20 years

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.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

Transition to Ind-AS

On transition to Ind-AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP as the deemed cost of the property, plant and equipment.

E. Investment properties

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transition to Ind-AS

The Company has elected to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1 April 2015.

F. Intangible Assets

Intangible asset including intangible assets under development are stated at cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets acquired separately are measured on initial recognition at cost.

Intangible assets in case of computer software are amortised on straight-line basis over a period of 3 years, based on management estimate. The amortization period and the amortisation method are reviewed at the end of each financial year.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with infinite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

G. Impairment of Non-Financial 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. An impairment loss is recognized in the profit or loss. 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. A reversal of an impairment loss is recognised immediately in profit or loss.

H. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial Instruments are further divided in two parts viz. Financial Assets and Financial Liabilities.

Part I - Financial Assets

a) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

Financial Asset at amortised cost:

A Financial Asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial Asset at FVTOCI (Fair Value through Other Comprehensive Income)

A Financial Asset is classified as at the FVTOCI if following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows (i.e. SPPI) and selling the financial assets

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Assets at FVTPL (Fair Value through Profit or Loss)

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any financial instrument as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Investment in subsidiaries is carried at cost in the financial statements.

c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

d) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance;
- Financial assets that are debt instruments and are measured as at FVTOCI

- Lease receivables under Ind-AS 17
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 18 (referred to as 'contractual revenue receivables' in these financial statements)
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company etermines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company uses the remaining contractual term of the financial instrument; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date:

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is grouped under the head 'other expenses'. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Part II - Financial Liabilities

a) Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss is designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains / loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities under borrowings. The dividends on these preference shares, if any are recognised in the profit or loss as finance cost.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

c) De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

I. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement:

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind-AS 109 are recognised in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

J. Inventories

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

K. Recognition of Revenue

Revenue from services is recognised 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 and cargo storage charges is accounted to the extent of recoverability of maximum days and import/ export container handling and delivery charges is accounted on accrual basis.

Revenue is measured at the fair value of the consideration received or receivable. The amount recognised as revenue is exclusive of Service Tax, Sales Tax and Value Added Taxes (VAT), and is net of discounts.

Revenue and expenses for sale of abandoned cargo are recognised when auctioned after necessary approvals from appropriate authorities are obtained.

L. Other Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

M. Provisions and Contingent Liabilities

General

Provisions are recognised when the Company has a present obligation (legal or constructive) 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 a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

N. Accounting for Taxation of Income

(i) Current taxes

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively. Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

(ii) Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

O. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

P. Foreign Currency-Transactions and Balances

The Company's functional currency is ₹ and accordingly, the financial statements are presented in ₹.

Transactions in foreign currencies are initially recorded by the company in their functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting period. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Q. 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.

R. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Finance Lease as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating Lease as a lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred

S. Employee Benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Re-measurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

The obligations are presented as current in the balance sheet, if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c) Post- employment obligations

The Company operates the following post-employment schemes:

(i) Defined benefit plans such as gratuity

(ii) Defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations

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 liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have a terms approximating to the terms of the obligation

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

T. Earnings Per Share

Basic Earnings Per Share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

U. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

V. 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.

W. Segment Reporting

The Company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

X. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 3 : First Time Adoption of Ind-AS

For all periods up to March 31, 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) Indian GAAP ("IGAAP"). These standalone financial statements of Navkar Corporation Limited for the year ended March 31, 2017 have been prepared in accordance with Ind-AS. This is the first set of Financial Statements in accordance with Ind-AS. For the purpose of transition from the IGAAP to Ind-AS, the Company has followed guidance provided in Ind-AS 101 - First Time Adoption of Indian Accounting Standards, w.e.f. April 01, 2015 as the transition date.

The transition to Ind-AS has resulted in changes in the presentation of the financial statements, disclosures in the notes, accounting policies and principles. The accounting policies set out in Note 2 have been applied in preparing the standalone financial statements for the year ended on March 31, 2017 as well as for March 31, 2016 for comparative information. In preparing these financial statements, opening balance sheet was prepared as at 1 April 2015. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended March 31, 2016.

Exemptions on first time adoption of Ind-AS availed in accordance with Ind-AS 101, have been described below:

Exemptions availed on first time adoption of Ind-AS 101

Ind-AS 101 allows certain optional exemptions and mandatory exemptions on first time adoption of Ind-AS from the retrospective application of certain provisions of Ind-AS. The Company has accordingly applied the following exemptions:

Ind-AS optional exemptions:

(i) Property, Plant and Equipment and Intangible Assets

Ind-AS 101 permits, a first time adopter to elect to continue with the carrying values for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind-AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind-AS 38 Intangible Assets and Investment properties covered by Ind-AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, Investment properties and intangible assets at their previous GAAP carrying value.

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

(ii) Measurement of Investment in subsidiaries, associates and joint ventures

Ind-AS allows entity that subsequently measures an investment in a subsidiary, joint ventures or associate at cost, may measure such investment at cost (determined in accordance with Ind-AS 27) or deemed cost (fair value or previous GAAP carrying amount) in its separate opening Ind-AS balance sheet.

For investments in equity instruments of subsidiary, the Company has elected to apply separate exemption available under Ind-AS 101 by measuring at their previous GAAP carrying amount, which is the deemed cost at the date of transition to Ind-AS.

Ind-AS mandatory exceptions:

(i) Estimates

An entity's estimates in accordance with Ind-AS at the date of transition to Ind-AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind-AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind-AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

(ii) Classification and measurement of financial assets

Ind-AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind-AS.

Accordingly, the Company has determined the classification of financial assets based on the facts and circumstances that exist on the date of transition.

Note 4 : Reconciliations Between Previous GAAP and Ind-AS

The following reconciliations provides the effect of transition to Ind-AS from IGAAP in accordance with Ind-AS 101:

A. Equity as at beginning of April 1, 2015

B. Equity as at March 31, 2016

C. Net profit for the year ended March 31, 2016

D. Cash flows for the year ended March 31, 2016

A. Reconciliation of equity as at beginning of April 1, 2015 (date of transition to Ind-AS) (₹ in lakhs)

Particulars	Note No.	Indian GAAP *	Effects of transition to Ind-AS	Ind-AS
I ASSETS				
1. Non Current Assets				
(a) Property, Plant and Equipment	2	78,370.91	(186.87)	78,184.04
(b) Investment Property		602.64	-	602.64
(c) Financial assets				
(i) Investments	5	5.00	1,417.31	1,422.31
(ii) Loans		6,129.23	-	6,129.23
(iii) Others		695.24	-	695.24
(d) Income tax assets (net)		37.07	-	37.07
(e) Other non current assets		8,187.94	-	8,187.94
		94,028.03	**1,230.44**	**95,258.47**
2. Current Assets				
(a) Inventories		161.56	-	161.56
(b) Financial Assets				
(i) Investment		501.83	-	501.83
(ii) Trade receivables	4	7,747.45	(11.71)	7,735.74
(iii) Cash and cash equivalents		74.76	-	74.76
(iv) Other bank balances		6.78	-	6.78
(v) Loans		51.05	-	51.05
(vi) Others		19.13	-	19.13
(c) Other current assets		4,677.74	-	4,677.74
		13,240.30	**(11.71)**	13,228.59
Total Assets		**107,268.33**	**1,218.73**	108,487.06
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital		10,970.48	-	10,970.48
(b) Other Equity	1, 2, 3 & 4	39,755.18	5,258.98	45,014.16
		50,725.66	**5,258.98**	**55,984.64**

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Particulars	Note No.	Indian GAAP *	Effects of transition to Ind-AS	Ind-AS
LIABILITIES				
1. Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	1, 2 & 3	38,404.42	(5,488.80)	32,915.62
(b) Provisions		256.48	-	256.48
(c) Deffered tax liabilities (Net)	2 & 4	3,198.72	31.24	3,229.96
		41,859.62	**(5,457.56)**	**36,402.06**
2. Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		2,803.76	-	2,803.76
(ii) Trade Payable		1,128.87	-	1,128.87
(iii) Other financial liabilities	5	9,893.75	1,417.31	11,311.06
(b) Other current liabilities		443.24	-	443.24
(c) Provisions		12.07	-	12.07
(d) Current Tax Liabilities (Net)		401.36	-	401.36
		14,683.05	**1,417.31**	**16,100.36**
Total Equity and Liabilities		**107,268.33**	**1,218.73**	**108,487.06**

* The Indian GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.

Notes :

1. Preference Share

The Company has issues 0% Cumulative Redeemable Preference Shares for 12 years. Under Indian GAAP, the preference shares were classified as share capital/ equity. Under Ind-AS, preference shares are classified as borrowings based on the nature and terms of the contract. Interest on liability is recognised using the effective interest method. Thus the preference share capital is reduced by ₹ 2,300 lakhs including securities premium with a corresponding increase in borrowings as liability. Accordingly, borrowings have been net increased by ₹ 736.97 lakhs with a corresponding net decrease in other equity as at April 1, 2015.

2. Secured Loan

Under Indian GAAP, transaction costs incurred in connection with borrowings are charged to profit or loss/ capitalised as and when incurred. Under Ind-AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss/ capitalised using the effective interest method. Accordingly, borrowings have been reduced by ₹ 294.88 lakhs with a corresponding increase in retained earnings of ₹ 72.97 lakhs, deferred tax liability of ₹ 35.04 lakhs and decrease in property, plant and equipments of ₹ 186.87 lakhs as at April 1, 2015.

3. Unsecured Loan

Under Indian GAAP, Unsecured Loans are measured at loan amount. Whereas Under Ind-AS, Unsecured Loans taken by the Company are recognised in the books at fair value. Subsequently the unsecured loans are measured at amortised cost by using effective interest method. Accordingly, borrowings have been reduced by ₹ 5,930.88 lakhs with a corresponding increase in other equity as at April 1, 2015.

4. Trade Receivables

Under Indian GAAP, the Company has created provision for impairment of trade receivables consists only in respect of specific amount for incurred losses. Under Ind-AS, impairment allowance has been determined based on Expected Credit Loss model (ECL). Accordingly, trade receivables have been reduced by ₹ 11.71 lakhs with a corresponding decrease in retained earnings of ₹ 7.91 lakhs and deferred tax liability of ₹ 3.80 lakhs as at April 1, 2015.

5. Corporate Guarantee

Under Indian GAAP, corporate guarantee given by the Company on behalf of the other person/ entity is to be shown under capital and other commitment in the notes to the financial statements for disclosure purposes. Under Ind-AS, Financial guarantee contracts are recognised initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation. Accordingly, investments and other financial liabilities are increased by ₹ 1,417.31 lakhs as at April 1, 2015.

B. Reconciliation of equity as at March 31, 2016 (₹ in lakhs)

Particulars				Note No.	Indian GAAP *	Effects of transition to Ind-AS	Ind-AS
I	**ASSETS**						
	1.	**Non Current Assets**					
		(a)	Property, Plant and Equipment	2	86,063.12	(186.87)	85,876.25
		(b)	Capital Work-In-Progress		11,439.32		11,439.32
		(c)	Investment Property		4,554.92		4,554.92
		(d)	Other Intangible assets		38.43		38.43
		(f)	Financial assets				
			(i) Investments	5	5.00	1,417.31	1,422.31
			(ii) Loans		9,140.30		9,140.30
			(iii) Others		190.18		190.18
		(g)	Income tax assets (net)		30.84	-	30.84
		(h)	Other non current assets		11,276.77		11,276.77
					122,738.88	**1,230.44**	**123,969.32**
	2.	**Current Assets**					
		(a)	Inventories		398.18		398.18
		(b)	Financial Assets				
			(i) Trade receivables	4	4,801.94	(10.35)	4,791.59
			(ii) Cash and cash equivalents		418.54		418.54
			(iii) Other bank balances		28,544.97		28,544.97
			(iv) Loans		355.59		355.59
			(v) Others		18.25		18.25
		(c)	Other current assets		2,375.11		2,375.11
					36,912.58	**(10.35)**	36,902.23
	Total Assets				**159,651.46**	**1,220.09**	160,871.55
II	**EQUITY AND LIABILITIES**						
	Equity						
	(a)	Equity share capital			14,260.80		14,260.80
	(b)	Other Equity		1, 2, 3, 4 & 5	94,977.26	4,390.70	99,367.96
					109,238.06	**4,390.70**	**113,628.76**
	LIABILITIES						
	1.	**Non Current Liabilities**					
		(a)	Financial Liabilities				
			(i) Borrowings	1, 2 & 3	28,312.99	(4,680.56)	23,632.43
		(b)	Provisions		325.45		325.45
		(c)	Deffered tax liabilities (Net)	2 & 4	4,037.74	(121.01)	3,916.73
					32,676.18	**(4,801.57)**	**27,874.61**

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Particulars	Note No.	Indian GAAP *	Effects of transition to Ind-AS	Ind-AS
2. Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		3,335.27		3,335.27
(ii) Trade Payable		3,608.46		3,608.46
(iii) Other financial liabilities	2 & 5	9,737.30	1,630.96	11,368.26
(b) Other current liabilities		453.52		453.52
(c) Provisions		15.28		15.28
(d) Current Tax Liabilities (Net)		587.39		587.39
		17,737.22	**1,630.96**	**19,368.18**
Total Equity and Liabilities		**159,651.46**	**1,220.09**	**160,871.55**

* The Indian GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.

Notes :

1. Preference Share

The Company has issues 0% Cumulative Redeemable Preference Shares for 12 years. Under Indian GAAP, the preference shares were classified as share capital/ equity. Under Ind-AS, preference shares are classified as borrowings based on the nature and terms of the contract. Interest on liability is recognised using the effective interest method. Thus the preference share capital is reduced by ₹ 2,300 lakhs including securities premium with a corresponding increase in borrowings as liability. Accordingly, borrowings have been net increased by ₹ 829.46 lakhs with a corresponding net decrease in other equity as at March 31, 2016.

2. Secured Loan

Under Indian GAAP, transaction costs incurred in connection with borrowings are charged to profit or loss/ capitalised as and when incurred. Under Ind-AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss/ capitalised using the effective interest method. Accordingly, borrowings have been increased by ₹ 152.46 lakhs with a corresponding decrease in retained earnings of ₹ 221.91 lakhs, decrease in deferred tax liability of ₹ 117.43 lakhs and decrease in property, plant and equipments of ₹ 186.87 lakhs as at March 31, 2016.

3. Unsecured Loan

Under Indian GAAP, Unsecured Loans are measured at loan amount. Whereas Under Ind-AS, Unsecured Loans taken by the Company are recognised in the books at the fair value. Subsequently the unsecured loans are measured at amortised cost by using effective rate of interest. Accordingly borrowings have been reduced by ₹ 5,352.92 lakhs with a corresponding increase in other equity as at March 31, 2016.

4. Trade Receivables

Under Indian GAAP, the Company has created provision for impairment of trade receivables consists only in respect of specific amount for incurred losses. Under Ind-AS, impairment allowance has been determined based on Expected Credit Loss model (ECL). Accordingly, trade receivables have been reduced by ₹ 10.35 lakhs with a corresponding decrease in retained earnings of ₹ 7.91 lakhs and deferred tax liability of ₹ 3.58 lakhs as at March 31, 2016.

5. Corporate Guarantee

Under Indian GAAP, corporate guarantee given by the Company on behalf of the other person/ entity is to be shown under capital and other commitment in the notes to the financial statement for disclosure purposes. Under Ind-AS, Financial guarantee contracts are recognised initially as a liability at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation. Accordingly investments increased by ₹ 1,417.31 lakhs with a corresponding increase in financial liabilities of ₹ 1,321.39 lakhs and retained earnings of ₹ 95.92 lakhs as at March 31, 2016.

C. Reconciliation of Total Comprehensive Income for the year ended March 31, 2016 (₹ in lakhs)

	Particulars	Note No.	Indian GAAP *	Effects of transition to Ind-AS	Ind-AS
I	**Revenue**				
	Revenue from Operations		34,725.73	-	34,725.73
	Other Income	1 & 2	3,136.33	97.29	3,233.62
	Total Income		**37,862.06**	**97.29**	**37,959.35**
II	**Expenses**				
	Cost of Services		14,373.36	-	14,373.36
	Employee Benefits Expenses	3	2,475.07	(13.10)	2,461.97
	Finance Costs	4	2,313.74	1,117.81	3,431.55
	Depreciation and Amortization Expenses		1,932.47	-	1,932.47
	Other Expenses		4,498.89	-	4,498.89
	Total Expenses		**25,593.53**	**1,104.71**	**26,698.24**
III	**Profit/(loss) before tax (I- II)**		**12,268.53**	**(1,007.42)**	**11,261.11**
IV	**Less: Tax Expense:**				
	Current Tax		2,600.05	-	2,600.05
	MAT Credit Entitlement		(1,520.38)	-	(1,520.38)
	Deferred Tax	5	839.03	(147.73)	691.30
V	**Profit for the year (III-IV)**		**10,349.83**	**(859.69)**	**9,490.14**
VI	**Other Comprehensive Income**				
	Items that will not be reclassified to profit or loss				
	Re-measurement gains/ (losses) on defined benefit plans	3	-	(13.10)	(13.10)
	Tax effect	5	-	4.53	4.53
	Other Comprehensive Income for the year, net of tax		**-**	**(8.57)**	**(8.57)**
VII	**Total Comprehensive Income for the year (V+VI) (Comprising Profit and Other Comprehensive Income for the year), net of tax**		**10,349.83**	**(868.26)**	**9,481.57**

* The Indian GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.

Notes :

1. Guarantee Fee

As per the requirements of Ind-AS 109, guarantee fee of ₹ 95.92 lakhs recognised under “Other Income” during the fianancial year 2015-16 (also refer Note 4-B(5) above).

2. Provision for Expected Credit Loss

As per Ind-AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts is decreased by ₹ 1.37 lakhs and the same is reversed and recognised in “Other Income” during the financial year 2015-16.

3. Other comprehensive income (OCI)

Concept of other comprehensive income did not exist under Indian GAAP. Under Ind-AS, all items of income and expenses recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income or expenses that are not recognised in profit or loss but are shown in the statement of profit and loss as ‘Other comprehensive income’ includes remeasurement of defined employee benefits plans. The amount related to remeasurement of defined employee benefit plan of ₹ 13.10 lakhs and tax effect of ₹ 4.53 lakhs is presented as part of OCI during the financial year 2015-16.

4. Finance Cost

Ind-AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of interest expense by applying the effective interest method (also refer Note 4-B(1), 4-B(2) and 4-B(3) above).

5. Deferred Tax

Various Ind-AS transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in relation to the underlying transaction either in retained earnings or a separate component of equity. Effect of timing difference is considered for calculation of deferred tax for the financial year 2015-16 (also refer Note 4-B(2) and 4-B(4) above).

D. Impact of Ind-AS adoption on the statement of cash flows for the year ended March 31, 2016 (₹ in lakhs)

Particulars	Note No.	Indian GAAP *	Effects of transition to Ind-AS	Ind-AS
Net cash flow from operating activities		16,208.36	2.95	16,211.31
Net cash flow from investing activities		(50,875.71)	(3.96)	(50,879.67)
Net cash flow from financing activities		35,011.13	1.01	35,012.14
Net increase/ (decrease) in cash and cash equivalents		**343.78**	**-**	**343.78**
Cash and cash equivalents at April 1, 2015		74.76	-	74.76
Cash and cash equivalents at March 31, 2016		**418.54**	**-**	**418.54**

* The Indian GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.

There are no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind-AS.

Note 5 : Property, Plant and Equipment

(₹ in lakhs)

Particulars	Land and Land Developments	Building	Plant and Machinery	Furniture and Fixtures	Computers Equipments	Motor Vehicles	Office Equipments	Railway Sidings	Total	Capital Work-in Progress
Gross Carrying Amount as at April 1, 2015	**41,603.64**	**9,107.86**	**6,021.95**	**260.09**	**821.42**	**10,589.48**	**270.43**	**15,416.63**	**84,091.50**	**-**
Additions / Transfer	9,029.50	13.39	236.08	5.30	48.46	273.02	31.47	-	9,637.22	11,439.32
Disposals	-	-	-	-	-	(27.35)	-	-	(27.35)	-
As at March 31, 2016	**50,633.14**	**9,121.25**	**6,258.03**	**265.39**	**869.88**	**10,835.15**	**301.90**	**15,416.63**	**93,701.37**	**11,439.32**
Additions / Transfer	452.92	1,890.09	311.30	661.98	50.78	1,211.27	167.48	-	4,745.82	17,470.23
Disposals	-	-	(441.01)	-	-	(227.35)	-	-	(668.36)	-
As at March 31, 2017	**51,086.06**	**11,011.34**	**6,128.32**	**927.37**	**920.66**	**11,819.07**	**469.38**	**15,416.63**	**97,778.83**	**28,909.55**
Accumulated depreciation as at April 1, 2015	-	587.61	1,286.67	87.06	556.17	1,950.59	176.01	1,263.35	5,907.46	-
Depreciation charge during the year	-	151.35	290.82	30.06	134.32	537.91	42.68	742.62	1,929.76	-
Accumulated depreciation on deletions	-	-	-	-	-	(12.10)	-	-	(12.10)	-
As at March 31, 2016	**-**	**738.96**	**1,577.49**	**117.12**	**690.49**	**2,476.40**	**218.69**	**2,005.97**	**7,825.12**	**-**
Depreciation charge during the year	-	134.83	402.75	46.63	117.80	409.69	35.02	725.40	1,872.12	-
Accumulated depreciation on deletions	-	-	(116.86)	-	-	(82.22)	-	-	(199.08)	-
As at March 31, 2017	**-**	**873.79**	**1,863.38**	**163.75**	**808.29**	**2,803.87**	**253.71**	**2,731.37**	**9,498.16**	**-**
Net carrying amount as at March 31, 2017	**51,086.06**	**10,137.55**	**4,264.94**	**763.62**	**112.37**	**9,015.20**	**215.67**	**12,685.26**	**88,280.67**	**28,909.55**
Net carrying amount as at March 31, 2016	**50,633.14**	**8,382.29**	**4,680.54**	**148.27**	**179.39**	**8,358.75**	**83.21**	**13,410.66**	**85,876.25**	**11,439.32**
Net carrying amount as at April 1, 2015	**41,603.64**	**8,520.25**	**4,735.28**	**173.03**	**265.25**	**8,638.89**	**94.42**	**14,153.28**	**78,184.04**	**-**

1. **Capitalised Borrowing Cost**

   The amount of borrowing costs capitalised during the year ended March 31, 2017 was ₹ 164.73 lakhs (March 31, 2016: ₹ Nil lakhs) which is related to Kharghar Office. The rate used to determine the amount of borrowing costs eligible for capitalisation was 10.29% to 11.05% which is the effective interest rate of the specific borrowing.

2. **Asset under construction**

   Capital Work-in Progress as at March 31, 2017 comprises expenditure for Capacity enhancement of the Somathane CFS, Development of the non-notified areas of CFSs and Establishment of a logistics park at Valsad (near Vapi).

3. **Property, Plant and Equipments pledged/ mortgaged as security**

   All Property, Plant and Equipment are subject to a first charge/ collateral to secure the loans taken by the Company.

4. Gross carrying amount of Land and Land Development includes certain land and land development having gross block value of ₹ 1,661.59 lakhs (March 31, 2016: ₹ 1,661.59 lakhs; April 1, 2015: ₹ 1,614.84 lakhs) 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.

5. Gross carrying amount of Motor Vehicles includes certain Motor Vehicles having gross block value of ₹ 173.57 (March 31, 2016: ₹ 188.99; March 31, 2015: ₹ 194.66) which are in the name of the Directors of the Company and are yet to be transferred in the name of the Company.

6. The Gross carrying amount of any fully depreciated property, plant and equipment is ₹ 788.11 lakhs (March 31, 2016: ₹ 562.02 lakhs; March 31, 2015: ₹ 461.93 lakhs) that is still in use.

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Note 6 : Investment Property

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016
Gross Carrying Amount		
Opening gross carrying amount	**4,554.92**	**602.64**
Additions	-	3,952.28
Closing gross carrying amount	**4,554.92**	**4,554.92**
Accumulated Depreciation		
Opening accumulated depreciation	-	-
Depreciation charge for the year	-	-
Closing accumulated depreciation	**-**	**-**
Net carrying amount	**4,554.92**	**4,554.92**

Notes:

a) The Investment Property consist of Land and Land Developments.

b) Gross carrying amount of Investment Property includes certain land and development having gross block value of ₹ 278.48 lakhs (March 31, 2016: ₹ 278.48 lakhs; April 1, 2015: ₹ 85.78 lakhs) 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.

c) The Board of Directors has decided in the meeting held on November 25, 2016 for development of Residential Township on approximately 45 acres of land of the Company situated at Narpoli and Dahivali in Panvel, District Raigarh, Maharashtra, located in close proximity to the other residential projects.

d) Amounts are recognised in the statement of profit and loss for the above investment properties is ₹ Nil during the financial year ended March 31, 2017 and March 31, 2016.

e) **Disclosure for Fair Value**

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Investment Property	10,968.40	9,168.75	623.90

f) **Description of valuation techniques used and key inputs to valuation on investment properties**

As at March 31, 2017 and March 31, 2016, the fair values of the properties are ₹ 10,968.40 lakhs and ₹ 9,168.75 lakhs respectively. These valuations are based on valuations performed by Ramachandra & Associates, an accredited independent valuer. Ramachandra & Associates is a specialist in valuing these types of investment properties.

Note 7 : Intangible Assets

(₹ in lakhs)

Particulars	Software	Intangible assets under development
Gross Carrying Amount as at April 1, 2015	**-**	**-**
Additions	41.14	-
As at March 31, 2016	**41.14**	**-**
Additions	-	128.96
Disposals	-	-
As at March 31, 2017	**41.14**	**128.96**
Accumulated amortisation and impairment		
As at April 01, 2015	-	-
Amortisation charge during the year	2.71	-
Disposals	-	-
As at March 31, 2016	**2.71**	**-**
Amortisation charge during the year	13.71	-
Disposals	-	-
As at March 31, 2017	**16.42**	**-**
Net carrying amount as at March 31, 2017	**24.72**	**128.96**
Net carrying amount as at March 31, 2016	**38.43**	**-**
Net carrying amount as at April 01, 2015	**-**	**-**

Note:

Intangible assets in case of computer software are amortised on straight-line basis over a period of 3 years, based on management's estimate. The amortisation period and the amortisation method are reviewed at the end of each financial year.

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Note 8 : Non-Current Financial Assets - Investments

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Investments - Unquoted Equity Instruments			
Investment carried at cost - In Subsidiaries*			
50,000 (March 31, 2016: 50,000, April 1, 2015: 50,000) Equity Shares of Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) of ₹ 10 each fully paid up	1,422.31	1,422.31	1,422.31
Total	**1,422.31**	**1,422.31**	**1,422.31**

* Cost of investments includes ₹ 1,417.31 lakhs (March 31, 2016: ₹ 1,417.31 lakhs, April 1, 2015: ₹ 1,417.31 lakhs) fair value of financial guarantee given by the Company for loans taken by its subsidiary company as per the Ind-AS 109.

Note:

The Company has pledged 15,000 (March 31, 2016: 15000, April 1, 2015: 15,000) equity shares with the banks under a condition of agreement for loan taken by the subsidiary company.

Note 9 : Non-Current Financial Assets - Loans

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good (carried at amortised cost)			
Loans to Subsidiary (Refer Note 51)	9,896.08	9,003.35	5,463.44
Other Loans	-	136.95	665.79
Total	**9,896.08**	**9,140.30**	**6,129.23**

Note 10 : Non-Current Financial Assets - Others

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Carried at amortised cost			
Security Deposits	78.47	74.70	58.56
VAT and CST Deposit	0.70	0.70	0.25
Fixed Deposits with Banks with a maturity period more than 12 months	478.74	114.78	636.43
[under lien against bank guarantee and loans from banks]			
Total	**557.91**	**190.18**	**695.24**

Note 11 : Income Tax Assets (Net):

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Income tax assets	1,846.13	4,031.24	3,510.29
Less: Provision for Tax	(1,830.00)	(4,000.40)	(3,473.22)
Total	**16.13**	**30.84**	**37.07**

Note 12 : Other Non-Current Assets

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital Advances	55.04	2,794.73	1,226.28
MAT Credit Entitlement	9,839.04	8,482.04	6,961.66
Total	**9,894.08**	**11,276.77**	**8,187.94**

Note 13 - Inventories

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Stock of Spare Parts and Consumables	555.81	398.18	161.56
Total	**555.81**	**398.18**	**161.56**

Note 14 - Current Financial Assets - Investments

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Other Investments (Quoted Equity Instruments)			
Investments carried at fair value through profit or loss			
Nil (as at March 31, 2016: Nil, April 1, 2015: 6,74,500) Equity Shares of Garnet International Limited of ₹ 10 each fully paid up	-	-	501.83
Total	**-**	**-**	**501.83**
Aggregate amount of Quoted Investments	-	-	501.83
Market Value of Quoted Investments	-	-	501.83
Aggregate amount of impairment in value of investments	-	-	408.75

Note 15 - Current Financial Assets - Trade Receivables

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured			
Considered Good	3,864.61	4,791.59	7,735.74
Considered doubtful	15.71	10.35	11.71
	3,880.32	**4,801.94**	**7,747.45**
Less: Allowances for credit losses	15.71	10.35	11.71
Total	**3,864.61**	**4,791.59**	**7,735.74**

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Note 16 - Current Financial Assets - Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Bank Balances			
- In current accounts	54.21	389.39	53.89
- In fixed deposits with maturity of less than 3 months	3,167.64	-	-
Cash on Hand	10.22	29.15	20.87
Total	**3,232.07**	**418.54**	**74.76**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the applicable short-term deposit bank rates.

Note 17 - Current Financial Assets - Other Bank Balances

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balance in IPO Application Money Refund Account	1.91	3.98	-
Fixed Deposits with maturity period of more than 3 months but less than 12 months [includes ₹ 185.33 lakhs (March 31, 2016: ₹ 587.89 lakhs, April 1, 2015: ₹ 6.78 lakhs) under lien against bank guarantee and loan arrangements]	8,943.82	28,540.99	6.78
Total	**8,945.73**	**28,544.97**	**6.78**

Note 18 - Current Financial Assets - Loans

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good			
Advances to Employees	43.40	55.59	51.05
Deposit with BSE Limited for IPO (Refer Note Below)	-	300.00	-
Total	**43.40**	**355.59**	**51.05**

Note:

Deposit with BSE Limited for IPO is related to security deposits with the designated stock exchange in relation to Initial Public Offering (IPO). This amount was being released to issuer companies after obtaining a No Objection Certificate (NOC) from SEBI in accordance with the Circular No. OIAE/Cir-1/2009 dated November 25, 2009 as amended.

Note 19 - Current Financial Assets - Others

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good			
Security Deposits	120.60	-	-
Foreign currency forward and options contracts	-	0.50	0.23
(Financial assets carried at fair value through Profit or Loss)			
Others	133.72	17.75	18.90
Total	**254.32**	**18.25**	**19.13**

Note 20 : Other Current Assets

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Accrued Income	1,934.79	1,905.65	1,834.86
Advances other than capital advances:			
Advance payment to vendors	12.04	64.03	2,628.92
Balance with government authorities:			
- Cenvat credit receivables	238.68	238.07	57.02
Prepaid expenses	241.43	167.36	156.94
Total	**2,426.94**	**2,375.11**	**4,677.74**

Note 21 - Share Capital

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Authorised Capital			
15,50,00,000 (March 31, 2016: 15,50,00,000, April 1, 2015: 15,50,00,000) Equity Shares of ₹ 10 each	15,500.00	15,500.00	15,500.00
50,00,000 (March 31, 2016 : 50,00,000, April 1, 2015: 50,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each	500.00	500.00	500.00
	16,000.00	**16,000.00**	**16,000.00**
Issued, Subscribed and Paid up Capital			
14,26,08,023 (March 31, 2016: 14,26,08,023, April 1, 2015 : 10,97,04,798) Equity Shares of ₹ 10 each fully paid up	14,260.80	14,260.80	10,970.48
Total	**14,260.80**	**14,260.80**	**10,970.48**

(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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their share holding.

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

Equity Shares:

Particulars	Year Ended March 31, 2017		Year Ended March 31, 2016	
	Number of shares (in lakhs)	Amount (₹ in lakhs)	Number of shares (in lakhs)	Amount (₹ in lakhs)
Balance as at the Beginning of the year	1,426.08	14,260.80	1,097.05	10,970.48
Add: Shares allotted as bonus shares	-	-	-	-
Add: Shares issued in Initial Public Offer (IPO)	-	-	329.03	3,290.32
Balance as at the end of the year	**1,426.08**	**14,260.80**	**1,426.08**	**14,260.80**

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

(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, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of Shares (in lakhs)	%	Number of Shares (in lakhs)	%	Number of Shares (in lakhs)	%
Mr. Shantilal Mehta	450.75	31.61%	483.00	33.87%	483.00	44.03%
Mr. Nemichand Mehta	289.00	20.27%	309.00	21.67%	309.00	28.17%
Mrs. Shailaja Mehta	183.65	12.88%	201.00	14.09%	201.00	18.32%
Sidhhartha Corporation Private Limited	92.48	6.48%	#	#	80.95	7.38%

Less than 5%

(d) The Company completed its Initial Public Offering (IPO) pursuant to which 3,29,03,225 equity shares of the Company of ₹10 each were allotted at a price of ₹ 155 per equity share. The equity shares of the Company were listed on The National Stock Exchange of India Limited and BSE Limited on September 9, 2015.

Date of allotment	Number of equity shares (in lakhs)		Amount (₹ in lakhs)	
	IPO	Preferential Allotment	Equity Share Capital	Securities Premium
September 4, 2015	329.03	-	3,290.30	47,709.35

(e) Shares allotted as fully paid up equity shares as bonus issue (during 5 years immediately preceding March 31, 2017):

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.

Note 22 - Other Equity

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital Reserve on Amalgamation	2,601.29	2,601.29	2,601.29
Capital Redemption Reserve	838.55	646.88	455.21
Securities Premium Reserve	56,571.02	56,571.02	11,698.79
Capital Contribution by Shareholders	8,216.74	8,216.74	8,216.74
Retained Earnings	40,727.86	31,332.03	22,042.13
Total	**108,955.46**	**99,367.96**	**45,014.16**

(i) Capital Reserve on Amalgamation: **(₹ in lakhs)**

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Balance as at the beginning of the year	2,601.29	2,601.29
Add : Additions during the year	-	-
Balance as at the end of the year	**2,601.29**	**2,601.29**

Note:

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.

(ii) Capital Redemption Reserve:

(₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Balance as at the beginning of the year	646.88	455.21
Add : Additions during the year	191.67	191.67
Balance as at the end of the year	**838.55**	**646.88**

Note:

The Company has issued redeemable non-convertible Preference Share. Accordingly, the Companies (Share Capital and Debentures) Rules, 2014 (as amended), require the Company to create CRR out of profits of the Company available for payment of dividend. CRR is required to be created for an amount which is equal to 100% of the amount to be redeemed of Preference Shares issued at the time of maturity. The CRR is required to be created over the life of Preference Share, the Company has created CRR out of retained earnings for an proportionate amount (April 1, 2015: 19.79%, March 31, 2016: 28.12% and March 31, 2017: 36.46%).

(iii) Securities Premium Reserve:

(₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Balance as at the beginning of the year	56,571.02	11,698.79
Add : Received on issue of shares in IPO during the year (Refer Note 52)	-	47,709.68
Less: Amount utilised for share issue expenses (Refer Note 52)	-	(2,837.45)
Balance as at the end of the year	**56,571.02**	**56,571.02**

Note:

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(iv) Capital Contribution by Shareholders:

(₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Balance as at the beginning of the year	8,216.74	8,216.74
Add: Contribution during the year	-	-
Balance as at the end of the year	**8,216.74**	**8,216.74**

(iv) Retained Earnings:

(₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Balance as at the beginning of the year	31,332.03	22,042.13
Add: Profit for the year	9,620.69	9,490.14
Add: Items of Other Comprehensive Income recognised directly in Retained Earnings		
Re-measurement gains/ (losses) on defined benefit obligations (net of tax)	(33.19)	(8.57)
Less: Transfer to Capital Redemption Reserve	(191.67)	(191.67)
Balance as at the end of the year	**40,727.86**	**31,332.03**

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Note 23 - Non-Current Financial Liabilities - Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured Term Loans* (Refer Note (a) below)			
Rupee Term Loans from Banks	3,911.87	4,573.28	6,698.16
Foreign Currency Term Loans from Banks	4,999.57	11,980.92	19,157.68
Rupee Term Loans from Others	213.50	1,065.81	1,717.82
Unsecured Loans (Refer Note (b) below)			
Loans from Related Parties	5,833.46	5,182.95	4,604.99
Preference Share (Unsecured) (Refer Note (c) below)			
23,00,000 (March 31, 2016: 23,00,000; April 1, 2015: 23,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up	933.57	829.47	736.97
Total Non-Current Borrowings	**15,891.97**	**23,632.43**	**32,915.62**

* Net of Current maturities of long-term debts and Interest accrued, which are included in Note 28

Note:

(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 ₹ Nil (March 31,2016: ₹ Nil; April 1, 2015: 919.56 lakhs) 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, Effective rate of interest is 14.52% p.a.
Rupee Term Loans from Axis Bank amounting to ₹ 499.46 lakhs (March 31, 2016: ₹ 791.55 lakhs; April 1, 2015: ₹ 1,077.46 lakhs) secured by the vehicles purchased from the loan proceedings. Personal Guarantee of Mr. Jayesh N Mehta, director of the Company.	Repayable in 35-60 monthly instalments, Effective Rate of interest is 9.39% - 12.50% p.a.

Rupee Term Loan from HDFC Bank amounting to ₹ 1,166.46 lakhs (March 31, 2016: ₹ 1,507.43 lakhs; April 1, 2015: ₹ 1,754.29 lakhs) secured by the vehicles/ machines 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.	Repayable in 23-60 monthly instalments, Effective Rate of interest is 8.68% - 16.52% p.a.
Rupee Term Loan from ICICI Bank amounting to ₹ 1,547.57 lakhs (March 31, 2016: ₹ 284.35 lakhs; April 1, 2015: ₹ 718.89 lakhs) and a Foreign Currency Term Loan from ICICI Bank amounting to ₹ 1,804.35 lakhs (March 31, 2016: ₹ 5,041.41 lakhs; April 1, 2015: ₹ 10,068.60 lakhs) Secured by First charge/ hypothecation on the vehicles/ Equipment and assets to be funded by the takeover of the loans. First charge hypothecation on all unencumbered vehicles Equipment/ Other Movable Assets valuing not less then ₹ 2,000 lakhs (based on the current market value of the assets valuation of the security to be done through ICICI empaneled valuer). Equitable Mortgage of the property located at address Plot No. 73, Sec. 50, Nerul, Navi Mumbai - 400 706 valuing ₹ 4,000 lakhs 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. 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: i. Mr. Nemichand. J. Mehta having networth of ₹ 3,235 lakhs as on 31.03.2013. ii. Mr. Shantilal. J. Mehta having networth of ₹ 1,635 lakhs as on 31.03.2013. iii. Mr. Kunthukumar. S. Mehta having networth of ₹ 2,827 lakhs as on 31.03.2013. iv. Mr. Jayesh. N. Mehta having networth of ₹ 158 lakhs as on 31.03.2013. v. Mrs. Shailaja N. Mehta.	Repayable in 35 - 60 monthly instalments (loans taken for purchase of commercial vehicles) & 32 quarterly instalments (other term loans), Effective Rate of interest for Rupee term loan is ranging 6.48% - 12.87% p.a., Effective Rate of interest for foreign currency term loan is ranging 6.48% - 10.40% p.a.
Rupee Term Loan from Kotak Mahindra Bank amounting to ₹ 2,203.68 lakhs (March 31, 2016: ₹ 25.20 lakhs; April 1, 2015: ₹ 1,443.90 lakhs) Secured by the vehicles purchased from the loan proceedings and Mortgage over part of land situated at Moje- Tumb, Revenue S No. 44/1, Taluka Umbergaon, Valsad Dist. 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. - Secured by the office premises 4th floor, 13th floor & 14th floor of the building known as Goodwill Infinity on the land bearing Plot No. E/3A at Sector 12, Kharghar, Navi Mumbai. -One undated cheque drawn in favour of Kotak Mahindra Bank totalling to ₹ 1,713 lakhs.	Repayable in 35 - 96 monthly instalments, Effective rate of interest 10.29% - 17.68% p.a.

Rupee Term Loan from SBI Bank amounting to ₹ 1,259.47 (March 31, 2016: ₹ 6,158.92, April 1, 2015: ₹ 1,751.14) Foreign Currency Term Loan from SBI Bank amounting to ₹ 9,327.32 lakhs (March 31, 2016: ₹ 11,902.50 lakhs; April 1, 2015: ₹ 15,814.62 lakhs) Primary & Collateral for all the loans : - 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 charge on agri-land at 90/1/2 at Somathane Village, Kon-Savla Road, Raigad - 410 206. - TDR of ₹ 13 lakhs (March 31, 2016: ₹ 13 lakhs, April 1, 2015: ₹ 13 lakhs) - Extension of charge on entire current assets (present and future) 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, and Ms. Seema K. Mehta.	Repayable in 31-84 monthly instalments, Effective rate of interest for Rupee term loan is ranging 10.75% - 13.50% p.a., Effective rate of interest for foreign currency term loan is 7.17% - 10.89% p.a.
Rupee Term Loan from Ratnakar Bank Limited amounting to ₹ Nil (March 31, 2016: ₹ Nil; April 1, 2015: ₹ 1,367.18 lakhs) 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), Personal Guarantees of : Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Jayesh N Mehta, Mr. Kunthu Kumar S Mehta, Mrs. Shailaja N Mehta.	Repayable in 12 equal quarterly instalments, Effective rate of interest is 14.20%.
Rupee Term Loan from Daimler Financial Services Pvt Ltd amounting to ₹ Nil (March 31, 2016: ₹ 29.62 lakhs; April 1, 2015: ₹ 51.58 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 60 monthly instalments, Effective Rate of interest is ranging between 11.21% to 11.33% p.a..
Rupee Term Loan from HDB Financial Services Limited amounting to ₹ Nil (March 31, 2016: ₹ 66.89 lakhs; April 1, 2015: ₹ 146.62 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 47 monthly instalments, Effective Rate of interest is 12.87% p.a..
Rupee Term Loan from Tata Capital Financial Services Limited amounting to ₹ 1,064.04 lakhs (March 31, 2016: ₹ 1,396.26 lakhs; April 1, 2015: ₹ 1,872.02 lakhs). 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 ₹ 100 lakhs.	Repayable in 35 - 59 monthly instalments & 28 quarterly instalments, Effective Rate of interest is between 11.35% - 15.69% p.a.
Rupee Term Loan from Tata Motors Finance amounting to ₹ 166.54 lakhs (March 31, 2016: 229.62 lakhs; April 1, 2015: ₹ 285.90 lakhs) 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, Effective Rate of interest is 10.52%

At March 31, 2017, the Company had available ₹ Nil lakhs (March 31, 2016: ₹ Nil lakhs, April 1, 2015: 33.21 lakhs) of undrawn committed borrowing facilities.

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

Particulars	Terms of Repayment
Loans from Related Parties amounting to ₹ 5,833.46 (March 31, 2016: ₹ 5,182.95 lakhs, April 1, 2015 : ₹ 4,604.99 lakhs)	Repayable on demand after March 31, 2017 or any such date on which condition attached with existing loans of current ratio under financing arrangement(s) under which the unsecured loans were provided by the Payees' are satisfied, whichever date shall fall later. The effective interest rate used for these loans is 12.00% p.a. however these loans are interest free.
Rupee Term Loan from Magma Fincorp Limited amounting to ₹ Nil (March 31, 2016: ₹ Nil; March 31, 2015: ₹ 6.17 lakhs).	Repayable in 36 monthly instalments, Effective rate of interest is between 8.76% - 8.86% p.a.
Rupee Term Loan from Religare Finvest Ltd amounting to ₹ Nil (March 31, 2016: ₹ Nil; March 31, 2015: ₹ 13.82 lakhs).	Repayable in 36 monthly instalments, Effective rate of interest is 18.47% p.a.

(c) Nature of security and terms of repayment for Preference Share :

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. The effective interest rate used for these shares are 12.00% p.a.

Note 24: Non-Current Provisions

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provision for Employee Benefits:			
Provision for Gratuity (refer note 50)	347.68	282.48	217.94
Provision for Leave Obligation (refer note 50)	41.61	42.97	38.54
Total	**389.29**	**325.45**	**256.48**

Note 25 - Deferred Tax Liabilities (Net)

The major components of deferred tax Liabilities/ (Assets) as recognized in the financial statements are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Tax Liabilities/ (Assets) arising on account of timing differences in:			
Property, Plant and Equipment including Intangible Assets - Depreciation	4,546.00	4,090.99	3,224.89
Gratuity	(142.36)	(102.36)	(73.69)
Leave Entitlement	(16.94)	(15.56)	(13.11)
Financial Instruments - Borrowings	(181.36)	(52.76)	95.67
Allowances for credit losses - Trade Raceivables	(5.44)	(3.58)	(3.80)
Deferred Tax Liabilities (net)	**4,199.90**	**3,916.73**	**3,229.96**

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Movement in Deferred Tax Liabilities/ (Assets)

(₹ in lakhs)

Particular	Depreciation	Gratuity	Leave Entitlement	Borrowings	Others	Total
As at April 1, 2015	3,224.89	(73.69)	(13.11)	95.67	(3.80)	3,229.96
Charged/ (Credited):						
To Profit or Loss	866.10	(24.14)	(2.45)	(148.43)	0.22	691.30
To Other Comprehensive Income	-	(4.53)	-	-	-	(4.53)
As at March 31, 2016	**4,090.99**	**(102.36)**	**(15.56)**	**(52.76)**	**(3.58)**	**3,916.73**
Charged/ (Credited):						
To Profit or Loss	455.01	(22.43)	(1.38)	(128.60)	(1.86)	300.74
To Other Comprehensive Income	-	(17.57)	-	-	-	(17.57)
As at March 31, 2017	**4,546.00**	**(142.36)**	**(16.94)**	**(181.36)**	**(5.44)**	**4,199.90**

Note 26- Current Financial Liabilities - Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured Loans (Repayable on demand)			
Working Capital Loans from Banks (Refer Note (a) below)	2,574.34	3,335.27	2,803.76
Unsecured Loans (Repayable on demand)			
Working Capital Loans from Banks (Refer Note (b) below)	1,013.93	-	-
Total	**3,588.27**	**3,335.27**	**2,803.76**

Note:

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

1. Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
2. 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 1,32,375 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 2,91,123 sq. mts., owned by the Company.
   - Extension of charge on entire property, plant and equipments 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 ₹ 518 lakhs and cash collateral of ₹ 13 lakhs.
   - DSRA equivalent to immediately ensuing quarter of debt servicing to be maintained in the form of Fixed Deposit of value of ₹ 164 lakhs.
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.

(b) Working Capital Loan from HDFC Bank amounting to ₹ 1,013.93 lakhs (March 31, 2016 and April 1, 2015 : ₹ Nil) repayable on demand.

At March 31, 2017, the Company had available ₹ 524.50 lakhs (March 31, 2016: ₹ 389.11 lakhs, April 1, 2015: 696.24 lakhs) of undrawn committed borrowing facilities.

Note 27- Current Financial Liabilities - Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Payable			
Dues to Micro and Small Enterprises	180.98	-	-
Others	2,357.80	3,608.46	1,128.87
Total	**2,538.78**	**3,608.46**	**1,128.87**

Note: Disclosure for micro and small enterprises:

	Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;			
	- Principal	179.04	-	-
	- Interest due thereon	1.94	-	-
(b)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;			
	- Principal	216.58	-	-
	- Interest	-	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	1.42	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year;	0.52	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Note: The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Note 28 - Current Financial Liabilities - Others

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current Maturities of Long-Term Debt:			
Rupee Term Loans from Banks (Refer Note 23 above)	2,748.91	4,125.26	2,305.63
Foreign Currency Term Loans from Banks (Refer Note 23 above)	6,096.37	4,912.03	6,696.09
Rupee Term Loans from Others (Refer Note 23 above)	1,017.08	665.77	646.92
Interest Accrued	51.60	110.68	89.22
Foreign Currency Forward and Interest Rate Swap Contracts	194.05	21.23	82.00
Liability for Corporate Guarantee	1,213.96	1,321.39	1,417.31
Provision for Directors Sitting Fees	0.99	1.08	5.09
Provision for IPO Expenses	-	-	61.80
Liabilities for Acquisition of Property, Plant and Equipment	873.37	205.31	-
Application Money Refundable (Refer Note Below)	1.91	3.98	-
Other Payables	2.73	1.53	7.00
Total	**12,200.97**	**11,368.26**	**11,311.06**

Note:

The Company has taken appropriate steps for refund of share application money received in Initial Public Offering in case of unallotted/ partially allotted applications. The balance is kept in a separate bank account 'Share Application Money Refund Account' and the Company can not freely use this amount.

Note 29 - Other Current Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Statutory Tax Payable (Including Provident Fund, Tax Deducted at Source and other indirect taxes)	490.83	185.45	332.24
Employee Related Liabilities	292.63	268.07	111.00
Total	**783.46**	**453.52**	**443.24**

Note 30 : Current Provisions:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provision for Wealth Tax	-	-	1.00
Provision for Employee benefits:			
Provision for Gratuity [Refer Note 50]	63.68	13.30	9.19
Provision for Leave Obligation [Refer Note 50]	7.34	1.98	1.88
Total	**71.02**	**15.28**	**12.07**

Note 31 : Current Tax Liabilities (Net):

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provision for Income Tax	4,940.00	2,590.00	1,830.00
Less: Income Tax Assets	(4,811.71)	(2,002.61)	(1,428.64)
Total	**128.29**	**587.39**	**401.36**

The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2017 and March 31, 2016 is as follows:

(₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Net current income tax asset/ (liability) at the beginning	(556.55)	(364.29)
Add : Current income tax expense	(2,369.84)	(2,600.05)
Less: Income tax paid (net of refund, if any)	2,814.23	2,407.79
Net current income tax asset/ (liability) at the end	**(112.16)**	**(556.55)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2017 and March 2016:

(₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Accounting profit before tax from continuing operations	10,934.27	11,261.11
Tax at income tax at the rate of 34.608% (March 31, 2016: 34.608%)	**3,784.13**	**3,897.24**
Adjustments of tax effect of allowable and non-allowable income and expenses:		
Difference in Depreciation and Amortisation	(517.70)	(653.63)
Corporate Guarantee Income	(37.18)	(33.67)
Corporate Social Responsibility Expenditure	77.02	56.37
Provisions for Retirement Benefits	23.81	25.33
Premium on Forward Contract	42.54	-
Loss on Sale of Property, Plant and Equipments	62.73	2.52
Gain on Sale of Investments	-	(206.27)
Additional Finance cost as calculated by using effective interest rate	347.20	386.85
Other Items	9.04	9.72
Deduction available as per section 80-IA of the Income Tax Act, 1961	(2,817.56)	(2,468.58)
Provision for Interest on Income Tax and Adjustments for Current Tax of Prior Periods	38.81	63.79
Deferred Tax Expenses for the year	300.74	691.30
	1,313.58	**1,770.97**

Note 32 : Revenue from Operations

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Sale of Products:		
Auction Sales	433.14	322.70
Services Rendered:		
Cargo Handling	25,302.07	26,279.87
Cargo Storage	9,073.35	7,544.81
Other Operating Revenue:		
EDI Income	53.23	57.66
MNR Receipts	654.29	520.68
Total	**35,516.08**	**34,725.73**

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Note 33 : Other Income

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Interest Income:		
From Fixed Deposits with Banks	1,151.74	1,641.54
From Loans to Related Party (Refer Note 51)	991.92	819.25
Foreign Exchange Gain (Net)	53.22	-
Miscellaneous Income	59.18	76.16
Profit on Sales of Current Investments	-	187.26
Reversal of Provision for Diminution in Value of Investment	-	408.75
Reversal of Provision for Loss Allowance on Trade Receivables	-	1.37
Dividend Income	-	3.37
Fees on Guarantee given on behalf of the Subsidiary Company	107.43	95.92
Total	**2,363.49**	**3,233.62**

Note 34 : Cost of Services

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Handling and Transportation Charges	10,437.13	7,262.45
Customs Cost Recovery	10.13	136.62
Custom Bottle Seals	4.55	6.31
Electricity Expenses	281.88	326.28
Freight and Cartage	481.83	615.04
Port Handling Charges	913.27	1,277.72
Diesel and Petrol Expenses	1,536.48	3,288.37
Repairs and Maintenance - Machinery	1,012.87	761.95
Other Operational Expenses	178.31	71.32
Railway Haulage and License Charges	645.82	627.30
Total	**15,502.27**	**14,373.36**

Note 35 : Employee Benefits Expenses

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Salaries, Wages and Bonus	2,523.62	2,049.88
Contributions to Provident and Other Funds (Refer Note 50)	157.79	129.84
Gratuity Expenses (Refer Note 50)	76.91	63.24
Leave Compensation Expenses	6.32	5.87
Staff Welfare Expenses	227.05	213.14
Total	**2,991.69**	**2,461.97**

Note 36 : Finance Costs

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Interest on Borrowings from Banks on Term Loans	1,672.82	2,223.50
Interest on Borrowings from Others on Term Loans	192.29	242.34
Interest on Borrowings from Banks on Short-Term Loans	335.09	222.49
Dividend on Redeemable Preference Share	104.10	92.49
Interest on Unsecured Loans	650.51	577.97
Interest on Others	19.67	60.20
Bank Charges and Commission	129.75	12.56
Total	**3,104.23**	**3,431.55**

Note 37 : Depreciation and Amortisation Expense

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Depreciation on tangible assets (Refer Note 5)	1,872.12	1,929.76
Amortisation of intangible assets (Refer Note 7)	13.71	2.71
Total	**1,885.83**	**1,932.47**

Note 38 : Other Expenses

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Advertisement Expenses	16.32	16.01
Payment to Auditors:		
As Auditors	17.59	17.50
CSR Expenses (Refer Note 53)	216.45	162.87
Donation Expenses	15.13	48.81
General and Office Expenses	36.85	54.52
Information Technology Expenses	129.53	134.09
Insurance Expenses	138.78	141.60
Foreign Exchange Loss (Net)	-	1,654.06
Legal and Professional Fees	280.10	272.13
Loss on Sale of Property, Plant and Equipment	181.26	7.28
Printing and Stationery	39.20	44.78
Rent Expenses	1.20	0.61
Rates and Taxes	543.30	413.86
Repairs and Maintenance - Others	266.23	338.67
Sales Promotion Expenses	79.05	85.30
Option/ Forward Derivatives Hedge Cost	317.07	118.33
Security Expenses	907.41	691.07
Telephone and Internet Charges	28.06	29.19
Travelling Expenses	148.39	112.61
Miscellaneous Expenses	93.99	155.60
Provision for Loss Allowance on Trade Receivables	5.37	-
Total	**3,461.28**	**4,498.89**

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Note 39 : Earnings Per Equity Share

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Net Profit attributable to Equity Shareholders (₹ in lakhs)	9,620.69	9,490.14
Weighted Average Number of Equity Shares (Nos. in lakhs)	1,426.08	1,285.84
Basic and Diluted Earnings Per Share (₹)	6.75	7.38
Face value per Share (₹)	10.00	10.00

Note 40:- Financial Assets at Amortised Cost Method

The carrying value of the following financial assets recognised at amortised cost:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-Current Financial Assets			
Loans	9,896.08	9,140.30	6,129.23
Others	557.91	190.18	695.24
Current Financial Assets			
Trade receivables	3,864.61	4,791.59	7,735.74
Cash and Cash Equivalnets	3,232.07	418.54	74.76
Other bank balances	8,945.73	28,544.97	6.78
Loans	43.40	355.59	51.05
Others	254.32	17.75	18.90
Total	**26,794.12**	**43,458.92**	**14,711.70**

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

Note 41:- Financial Liabilities at Amortised Cost Method

The carrying value of the following financial liabilities recognised at amortised cost:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-Current Financial Liabilities			
Borrowings	15,891.97	23,632.43	32,915.62
Current Financial Liabilities			
Borrowings	3,588.27	3,335.27	2,803.76
Trade Payable	2,538.78	3,608.46	1,128.87
Other Financial Liabilities	10,792.96	10,025.64	9,811.75
Total	**32,811.98**	**40,601.80**	**46,660.00**

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

Note 42:- Financial Assets at Fair Value Through Profit or Loss

The carrying value of the following financial assets recognised at fair value through profit or loss:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current Financial Assets			
Investments	-	-	501.83
Foreign currency forward and options contracts	-	0.50	0.23
Total	**-**	**0.50**	**502.06**

Note: The above investments are quoted instruments in active markets and the same is recognised at fair value. Fair value measurement is done considering the Level -1 of Fair Value Hierarchy as per the Ind-AS 113.

Note 43:- Financial Liabilities at Fair Value Through Profit or Loss

The carrying value of the following financial liabilities recognised at fair value through profit or loss:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current Financial Liabilities			
Other Financial Liabilities	1,408.01	1,342.62	1,499.31
Total	**1,408.01**	**1,342.62**	**1,499.31**

Note: The above other financial liabilities includes Foreign Currency Forward and Options Contracts and Liability for Corporate Guarantee. Only observable inputs directly and indirectly are available to recognise the same at fair value, accordingly fair value measurement is done considering the Level -2 of Fair Value Hierarchy as per the Ind-AS 113.

Note 44 : Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations directly or indirectly. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Aging analysis and Credit ratings	Diversification of bank deposits and credit limits
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk - foreign exchange	Future commercial transactions. Recognised financial liabilities not denominated in Indian Rupee (₹)	Cash flow forecasting and Sensitivity analysis	Forward foreign exchange contracts and Foreign currency options
Market Risk - interest rate	Long-Term borrowings at variable rates	Sensitivity analysis	Interest rate swaps

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. The Company is in the business of CFS activities. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 15.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience for customers.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made generally in the fixed deposits and for funding to subsidiary company. The investment limits are set to minimise the concentration of risks and therefore mitigate financial loss to make payments for vendors.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2017 and March 31, 2016 is the carrying amounts as stated in balance sheet except for balances of subsidiary company. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in the liquidity table below.

Liquidity Risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, preference shares and unsecured loans. The Company has access to a sufficient variety of sources of funding which can be rolled over with existing lenders. The Company believes that the working capital is sufficient to meet its current requirements.

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2017, March 31, 2016 and March 31, 2015:

(₹ in lakhs)

Particulars	Less than 3 Months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2017					
Secured Loans	9,754.47	2,733.83	8,163.90	961.04	21,613.24
Unsecured Loans	1,013.93	-	5,833.46	-	6,847.39
Preference Share	-	-	-	933.57	933.57
Trade Payables	2,538.78	-	-	-	2,538.78
Foreign currency forwards and interest rate swaps contracts	194.05	-	-	-	194.05
Liability for Corporate Guarantee	-	120.32	644.08	449.56	1,213.96
Liabilities for acquisition of property, plant and equipment	873.37	-	-	-	873.37
Others	2.90	2.73	-	-	5.63

Particulars	Less than 3 Months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2016					
Secured Loans	6,397.53	6,760.68	15,502.03	2,108.78	30,769.02
Unsecured Loans	-	-	-	5,182.95	5,182.95
Preference Share	-	-	-	829.47	829.47
Trade Payables	3,575.17	33.29	-	-	3,608.46
Foreign currency forwards and interest rate swaps contracts	-	21.23	-	-	21.23
Liability for Corporate Guarantee	-	107.43	575.07	638.89	1,321.39
Liabilities for acquisition of property, plant and equipment	205.31	-	-	-	205.31
Others	6.59	-	-	-	6.59
Year ended April 1, 2015					
Secured Loans	5,238.23	7,303.40	23,430.22	4,143.43	40,115.28
Unsecured Loans	-	-	-	4,604.99	4,604.99
Preference Share	-	-	-	736.97	736.97
Trade Payables	1,099.71	29.16	-	-	1,128.87
Foreign currency forwards and interest rate swaps contracts	-	82.00	-	-	82.00
Liability for Corporate Guarantee	-	95.92	513.46	807.93	1,417.31
Others	73.89	-	-	-	73.89

Market Risk

Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company's policy is to keep balance between its borrowings at fixed rates of interest. To manage this, the Company enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The exposure of the Company to interest rate changes at the end of the reporting period are as under:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Variable Rate Borrowing	17,442.61	21,396.69	20,389.49
Fixed Rate Borrowing	5,184.56	9,372.33	19,725.79
Total	**22,627.17**	**30,769.02**	**40,115.28**

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lakhs)

Particulars	Increase/ Decrease in basis points	Effect on Profit before Tax
March 31, 2017	+ 1%	(155.72)
	- 1%	155.72
March 31, 2016	+ 1%	(140.86)
	- 1%	140.86

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the borrowings converted in the foreign currency and purchase of stores and spares from out of the India. The Company manages its foreign currency risk by hedging repayment of principals that are expected to be paid within the period of loan. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. The Company hedges its exposure to fluctuations on the translation into ₹ of its foreign payables in foreign currencies and by using foreign currency option and forward contracts.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in lakhs)

Particulars	Change in Foreign Exchange Rate	Effect on Profit before Tax
March 31, 2017	+ 5%	(1.92)
	- 5%	1.92
March 31, 2016	+ 5%	(247.74)
	- 5%	247.74

Equity price risk

The Company's unlisted equity securities are of subsidiary and deemed cost of the same are taken as previous GAAP carrying value (i.e. cost of acquisition). The value of the financial instruments is not material and accordingly any change in the value of these investments will not affect materially the profit or loss of the Company.

Note 45 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(₹ in lakhs)

Particulars		March 31, 2017	March 31, 2016	April 1, 2015
A)	**Net Debt**			
	Borrowings (Current and Non-Current)	29,394.20	36,781.44	45,457.24
	Cash and cash equivalents	(3,232.07)	(418.54)	(74.76)
	Net Debt (A)	**26,162.13**	**36,362.90**	**45,382.48**
B)	**Equity**			
	Equity share capital	14,260.80	14,260.80	10,970.48
	Other Equity	108,955.46	99,367.96	45,014.16
	Total Equity (B)	**123,216.26**	**113,628.76**	**55,984.64**
Gearing Ratio (Net Debt / Capital) i.e. (A / B)		**21.23%**	**32.00%**	**81.06%**

Note 46 : Contingent Liabilities not Provided for:

(a) (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Disputed Liabilities in respect of Service Tax	225.98	203.73	203.73
Claims against the Company not acknowledged as debts in respect of Railway land license fee	-	742.55	742.55
Claims against the Company not acknowledged as debts in respect of Labour laws	1.62	54.01	55.92
Total	**227.60**	**1,000.29**	**1,002.20**

(b) State Bank of India has given guarantee amounting to ₹ 2,260.03 (March 31, 2016: ₹ 2,921.70 lakhs; April 1, 2015: ₹ 2,633.63 lakhs) on behalf of the Company as required by the Custom Authority in favour of the President of India.

Note 47 : Capital and Other Commitments:

(a) Capital Commitments (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Estimated value of Contracts in respect of Property, Plants and Equipments remaining to be Executed (Net of Capital Advances)	17.26	3,704.83	1,580.09
Total	**17.26**	**3,704.83**	**1,580.09**

(b) Other Commitments (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Co-Borrower for Commercial Vehicle Loans taken by a Related Party [Refer Note below]	53.13	53.13	53.13
Total	**53.13**	**53.13**	**53.13**

Note:

The Company is a Co-Borrower for Commercial Vehicle Loans taken by Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) aggregating to ₹ 53.13 lakhs as at year end (March 31, 2016: ₹ 53.13 lakhs; April 1, 2015: ₹ 53.13 lakhs). Liabilities outstanding for which the Company is a co-applicant aggregates to ₹ 18.52 lakhs as at year end (March 31, 2016: ₹ 32.43 lakhs; April 1, 2015: ₹ 44.71 lakhs).

Note 48 : 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, 2017.

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, 2017.

Note 49 : Merger of Subsidiary Company:

Board of Directors in their meeting held on March 30, 2017 approved the Scheme of Amalgamation of Navkar Terminals Limited ('NTL') with the Company ('the Scheme'). The Company holds 50,000 equity shares fully paid up in NTL, representing 100% of the total paid up equity share capital of NTL, which shall stand extinguished upon the Scheme becoming effective. The Scheme is subject to approval of shareholders of both the companies and other regulatory authorities as prescribed in the law. Hence, no effect of the same is given in the financial statements.

Note 50 : Employee Benefits:

The Company 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 Company has incurred and recognised the following amounts in the Statement of Profit and Loss:

(₹ in lakhs)

Particulars	Year ended March 31, 2017 (₹ in lakhs)	Year ended March 31, 2016 (₹ in lakhs)
Employers' Contribution to Provident Fund and Employee's Pension Scheme	125.54	99.45
Employers' Contribution to Employee's State Insurance	32.25	30.39
Total Expenses recognised in the Statement of Profit and Loss (Refer Note 35)	**157.79**	**129.84**

II. Defined Benefit Plan

Gratuity Fund

a. Major Assumptions

	(% p.a.)	(% p.a.)
Discount Rate	6.69%	7.46%
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	**11.19%**	**2.88%**

b. Change in Present Value of Obligation

	(₹ in lakhs)	(₹ in lakhs)
Present Value of Obligation as at the beginning of the year	295.78	227.13
Current Service Cost	55.30	45.90
Interest Cost	21.61	17.35
Benefit paid	(12.09)	(7.70)
Remeasurements - Actuarial (Gain)/ Loss on Obligations	50.76	13.10
Present Value of Obligation as at the end of the year	**411.36**	**295.78**

c. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

	(₹ in lakhs)	(₹ in lakhs)
Present Value of Obligation	411.36	295.78
Fair Value of Plan Assets	-	-
Funded Status	(411.36)	(295.78)
Present Value of Unfunded Obligation	411.36	295.78
Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions and Short Term Provisions (Refer Note 24 and 30)	411.36	295.78

d. Expenses Recognised in the Statement of Profit and Loss

	(₹ in lakhs)	(₹ in lakhs)
Current Service Cost	55.30	45.90
Interest Cost	21.61	17.35
Total expenses recognised in the Statement of Profit and Loss	**76.91**	**63.25**

e. Expense Recognised in the Statement of Other Comprehensive Income

	(₹ in lakhs)	(₹ in lakhs)
Remeasurements of the net defined benefit liability	50.76	13.10
Actuarial (gains) / losses obligation	**50.76**	**13.10**

Actuarial (gains) / losses on Obligation		
Due to Demographic Assumption*	(43.48)	-
Due to Financial Assumption	21.20	12.46
Due to Experience	73.04	0.64
Total Actuarial (Gain)/Loss	**50.76**	**13.10**

*This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience

f. Amounts recognised in the Balance Sheet

	(₹ in lakhs)	(₹ in lakhs)
Present Value of Obligation as at year end	(411.36)	(295.78)
Fair Value of Plan Assets as at year end	-	-
Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions and Short Term Provisions (Refer Note 24 and 30)	411.36	295.78

III. Other Employee Benefit

The liability for leave entitlement as at March 31, 2017 is ₹ 48.95 lakhs (March 31, 2016: ₹ 44.95 lakhs; April 1, 2015: ₹ 40.42 lakhs) disclosed under Long Term Provisions (Refer Note 24) and Short Term Provision (Refer Note 30).

IV. Sensitivity Analysis

The below sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

a. Gratuity

A quantitative sensitivity analysis for significant assumption as at March 31, 2017 and March 31, 2016 are as shown below:

Particulars	Change in Discount Rate	Increase/ (Decrease) in Present Value of Obligations	Change in Salary Escalation Rate	Increase/ (Decrease) in Present Value of Obligations
		(₹ in lakhs)		(₹ in lakhs)
March 31, 2017	+ 1%	(27.14)	+ 1%	27.91
	- 1%	30.94	- 1%	(25.06)
March 31, 2016	+ 1%	(36.95)	+ 1%	42.31
	- 1%	44.98	- 1%	(35.79)

b. Leave Compensation

A quantitative sensitivity analysis for significant assumption as at March 31, 2017 and March 31, 2016 are as shown below:

Particulars	Change in Discount Rate	Increase/ (Decrease) in Present Value of Obligations	Change in Salary Escalation Rate	Increase/ (Decrease) in Present Value of Obligations
		(₹ in lakhs)		(₹ in lakhs)
March 31, 2017	+ 1%	(3.24)	+ 1%	3.41
	- 1%	3.69	- 1%	(3.05)
March 31, 2016	+ 1%	(5.67)	+ 1%	6.71
	- 1%	6.92	- 1%	(5.61)

V. Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed:

Interest risk	A decrease in the market yields in the government bond will increase the plan liability.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note 51 : 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 (upto September 1, 2016)
	Mr. Dinesh Gautama
	Mrs. Sudha Gupta
	Mr. Lalit Menghnani
	Mr. Ashok Kumar Thakur (w.e.f. January 25, 2017)
	Mr. Rameshchandra M Purohit (upto November 30, 2016)
	Mr. Anish Maheshwari (Chief Financial Officer)
	Mr. Hitesh Kumar Jain (Company Secretary w.e.f. November 25, 2016)
	Mrs. Ekta Chuglani (Company Secretary upto November 25, 2016)
Relative of key management personnel with whom the Company has entered into transactions	Mrs. Shailaja N Mehta
	Mr. Kunthu Kumar Mehta
	Mrs. Kamalbai S Mehta
	Mrs. Sairabai J Mehta
	Mrs. Seema K Mehta
	Mr. Jayesh N Mehta (w.e.f. September 1, 2016)
Subsidiary Company (Holding - 100%)	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	Sidhhartha Corporation Private Limited
	M/s. Arihant Industries (Proprietorship of Mr. Nemichand J Mehta)
	Navkar Charitable Trust

Notes:

1) The list of related parties above has been limited to entities with which transactions have taken place.

2) Related party transactions have been disclosed till the time the relationship existed.

ii) **Transaction with Related Parties during the year**

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Directors Remuneration and Salary		
Mr. Shantilal J Mehta	80.00	65.00
Mr. Nemichand J Mehta	80.00	60.00
Mr. Jayesh N Mehta (upto September 1, 2016)	22.92	55.00
Mr. Dinesh Gautama	78.00	60.00
Mr. Anish Maheshwari (Chief Financial Officer)	36.00	21.00
Mr. Hitesh Kumar Jain (Company Secretary w.e.f. November 25, 2016)	12.43	-
Mrs. Ekta Chuglani (Company Secretary upto November 25, 2016)	5.56	7.27
	314.91	**268.27**
Sitting Fees and Reimbursement of Conveyance		
Mrs. Sudha Gupta	1.25	2.75
Mr. Lalit Menghnani	1.25	2.20
Mr. Ashok Kumar Thakur (w.e.f. January 25, 2017)	0.35	-
Mr. Rameshchandra M Purohit (upto November 30, 2016)	0.60	2.70
	3.45	**7.65**
Sale of Service		
Sidhhartha Corporation Private Limited	17.46	29.51
	17.46	**29.51**
Interest Income on Loan given		
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	991.92	819.25
	991.92	**819.25**
Fees on Guarantee given		
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	107.43	95.92
	107.43	**95.92**
Initial Public Offer (IPO) Expenses Recoverable		
Sidhhartha Corporation Private Limited	-	500.73
	-	**500.73**
Donations and CSR Expenses		
Navkar Charitable Trust	212.25	207.88
	212.25	**207.88**
Rent Expenses		
Mr. Shantilal J Mehta	1.20	0.12
Mr. Nemichand J Mehta	-	0.49
	1.20	**0.61**
Purchase of Land		
Mr. Nemichand J Mehta	-	3,875.00
M/s. Arihant Industries (Proprietorship of Mr. Nemichand J Mehta)	-	3,035.45
	-	**6,910.45**

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Loans and Advances Given		
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	991.92	8,056.85
	991.92	**8,056.85**
Advance Given Received Back		
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	99.19	4,516.94
	99.19	**4,516.94**
Interest Expenses on Unsecured Loan		
Mr. Shantilal J Mehta	311.94	277.16
Mr. Nemichand J Mehta	105.51	93.75
Mrs. Shailaja N Mehta	113.93	101.22
Mr. Jayesh N Mehta	119.12	105.84
	650.50	**577.97**
Dividend on Redeemable Preference Share		
Mr. Shantilal J Mehta	49.20	43.70
Mr. Nemichand J Mehta	25.95	23.06
Mrs. Shailaja N Mehta	25.95	23.06
Mr. Jayesh N Mehta	0.04	0.04
Mrs. Kamalbai S Mehta	0.04	0.04
Mr. Kunthukumar S Mehta	2.72	2.41
Mrs.Sairabai J Mehta	0.16	0.14
Mrs.Seema K Mehta	0.04	0.04
	104.10	**92.49**

iii) Balance with Related Parties :

(₹ in lakhs)

Particulars	Balances as at March 31, 2017	Balances as at March 31, 2016	Balances as at April 1, 2015
Loans and Advances Given			
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) (Refer Note b below)	9,896.08	9,003.35	5,463.44
	9,896.08	**9,003.35**	**5,463.44**
Loans Payable			
Mr. Shantilal J Mehta	2,797.36	2,485.41	2,208.26
Mr. Nemichand J Mehta	946.20	840.69	746.94
Mrs. Shailaja N Mehta	1,021.65	907.72	806.50
Mr. Jayesh N Mehta	1,068.25	949.13	843.29
	5,833.46	**5,182.95**	**4,604.99**
Borrowings - Preference Share			
Mr. Shantilal J Mehta	441.21	392.01	348.31

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

(₹ in lakhs)

Particulars	Balances as at March 31, 2017	Balances as at March 31, 2016	Balances as at April 1, 2015
Mr. Nemichand J Mehta	232.74	206.79	183.73
Mrs. Shailaja N Mehta	232.74	206.79	183.73
Mr. Jayesh N Mehta	0.37	0.33	0.29
Mrs. Kamalbai S Mehta	0.37	0.33	0.29
Mr. Kunthukumar S Mehta	24.36	21.64	19.23
Mrs.Sairabai J Mehta	1.41	1.25	1.10
Mrs.Seema K Mehta	0.37	0.33	0.29
	933.57	**829.47**	**736.97**
Remuneration Payable			
Mr. Shantilal J Mehta	83.50	46.78	-
Mr. Nemichand J Mehta	16.40	40.93	-
Mr. Jayesh N Mehta	30.26	38.48	-
Mrs. Ekta Chuglani (Company Secretary upto November 25, 2016)	-	0.52	0.36
Mr. Dinesh Gautama	4.59	3.78	3.50
Mr. Anish Maheshwari (Chief Financial Officer)	2.57	1.64	1.33
Mr. Hitesh Kumar Jain (Company Secretary w.e.f. November 25, 2016)	2.74	-	-
	140.06	**132.13**	**5.19**
Sitting Fees Payable			
Mrs. Sudha Gupta	0.41	0.36	2.03
Mr. Lalit Menghnani	0.45	0.32	0.72
Mr. Ashok Kumar Thakur (w.e.f. January 25, 2017)	0.14	-	-
Mr. Rameshchandra M Purohit (upto November 30, 2016)	-	0.41	2.34
	1.00	**1.09**	**5.09**
Corporate Guarantees Given			
Sidhhartha Corporation Private Limited	-	-	17,000.00
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	26,718.18	26,718.18	26,689.24
	26,718.18	**26,718.18**	**43,689.24**

Note 52 : Initial Public Offering:

During the financial year 2015-16, the Company has made an Initial Public Offering (IPO) for 3,87,09,676 equity shares of ₹10 each, comprising of 3,29,03,225 fresh issue of equity shares by the Company and 58,06,451 equity shares offered for sale by Sidhhartha Corporation Private Limited (SCPL), a promoter group company. The equity shares were issued at a price of ₹ 155 per equity share (including premium of ₹ 145 per share). Out of the total proceeds from the IPO of ₹ 60,000 lakhs, the Company's share is ₹ 51,000 lakhs from the fresh issue of 3,29,03,225 equity shares. The total expenses in connection with the IPO are shared between the Company and SCPL in the proportion of the amount received from the IPO proceeds. Share issue expenses is adjusted against the securities premium account.

Fresh equity shares were allotted by the Company on September 4, 2015 and these shares rank pari-passu with the existing shares. The equity shares of the Company were listed on The National Stock Exchange of India Limited and BSE Limited on September 9, 2015.

Utilisation of funds raised through Initial Public Offering (IPO) of equity shares as on March 31, 2017 as follows:

(₹ In lakhs)

Particulars	Amount
Issue Proceeds from fresh issue of 3,29,03,225 equity shares	51,000.00
Less: Issue expenses (including service tax)	3,185.78
Net Proceeds from IPO	47,814.22
Less: Utilisation of IPO proceeds upto March 31, 2017	36,177.79
Funds to be Utilised (remain invested in bank current account and deposits)	**11,636.43**

Objectwise details of utilisation are as under:

(₹ in lakhs)

Particulars	Proposed amount as per prospectus	Revised proposed amount (Refer Note 1 below)	Amount utilised upto March 31, 2017	Amount unutilised as on March 31, 2017
	(1)	(2)	(3)	(4) = (2) - (3)
Capacity enhancement of the Somathane CFS	11,452.80	7,989.30	7,418.95	570.35
Development of the non-notified areas of CFSs	5,425.10	4,692.70	2,976.70	1,716.00
Establishment of a logistics park at Valsad (near Vapi)	31,456.50	26,925.60	17,066.30	9,859.30
Repayment of loan	-	8,726.80	8,715.84	10.96
Total	**48,334.40**	**48,334.40**	**36,177.79**	**12,156.61**

The amount pending utilization is kept in Fixed Deposits and Monitoring Current Account with Bank as under:

(₹ In lakhs)

Particulars	Amount
Details of Unutilised Funds as on March 31, 2017:	
Investments in Fixed Deposits with Banks	11,608.88
In Monitoring Current Account with HDFC Bank Limited	27.55
Total	**11,636.43**

Notes:

1) Certain reductions to the estimated deployment of funds towards the objects of the IPO, in light of movement in prices of machinery and raw materials, as reviewed by the Audit Committee of the Board, were approved by the Board of Directors of the Company at their meeting held on November 2, 2015 and accordingly, the Company estimates savings to the tune of ₹ 8726.80 lakhs, subject to any further revisions in prices in the future. The Company utilised/ intends to utilise 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. In accordance with the disclosures made in the Prospectus, that the actual utilisation towards the objects is lower than the proposed deployment due to revision in the estimated costs, the Company intends to utilise such costs saved for further investment in business growth and expansion opportunities.

2) Pursuant to the approval accorded from the Shareholders of the Company through Postal Ballots process completed on May 05, 2017 for variation in terms of Objects of the IPO, accordingly subsequent to the year end, the Company has made repayment of secured borrowings of ₹ 6,586.70 lakhs upto May 29, 2017.

NOTES TO THE FINANCIAL STATEMENT for the year ended March 31, 2017

Note 53 : Expenditure on Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The Company is spending amount for these activities, which are specified in Schedule VII of the Companies Act, 2013.

(a) Gross amount required to be spent by the Company during the year ₹ 205.38 lakhs (previous year ₹ 162.87 lakhs)

(b) Amount spent during the year on:

(₹ In lakhs)

Particulars	In cash/ bank	Yet to be paid in cash/ bank	Total
(i) Construction/ acquisition of any asset	-	-	-
	(-)	(-)	(-)
(ii) On purposes other than (i) above	216.45	-	216.45
	(162.87)	(-)	(162.87)

(Figures in brackets represent amount for previous year)

Note 54 : Details of Loan Given, Investment Made and Guarantee Given Covered U/S 186(4) of the Companies Act, 2013:

Investments made are given under respective heads and disclosure for loans given and guarantee given are as under:

Name of entity	Loans/ Guarantee	Amount (₹ in lakhs)	Purpose for which the loan/ guarantee is proposed to be utilised
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	Loans	9,896.08	Loans given for establishment of Inland Container Depot ('ICD').
		(9,003.35)	
	Guarantee	26,600.00	The guarantee given by the Company for Term Loans taken for establishment of Inland Container Depot ('ICD').
		(26,600.00)	
	Guarantee	118.18	The guarantee given by the Company for Commercial Vehicle Loans taken.
		(118.18)	

(Figures in brackets represent amount as at March 31, 2016)

Note 55 : Disclosure under regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:

Amount of Loans and advances in nature of loans outstanding from subsidiary as at March 31, 2017:

(₹ in lakhs)

Particulars	Outstanding as at March 31, 2017	Maximum amount outstanding during the year
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	9,896.08	9,896.08
	(9,003.35)	(9,003.35)

(Figures in brackets represent amount as at March 31, 2016)

Note 56 : CIF Value of Imports:

(₹ In lakhs)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Spare Parts (Grouped in Repairs and Maintenance)	62.84	71.72

Note 57 : Expenditure in Foreign Currency:

(₹ In lakhs)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Professional and Consultancy Fee (IPO related expenses)	-	104.34
Miscellaneous Expenses	-	14.75

Note 58 : Disclosure On Specified Bank Notes (SBNs):

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	1,001,000	344,306	1,345,306
(+) Permitted receipts	-	10,596,067	10,596,067
(-) Permitted payments	(1,001,000)	(10,524,822)	(11,525,822)
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on December 30, 2016	**-**	**415,551**	**415,551**

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 8, 2016.

Note 59 : Previous Years' Figures:

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and polices to the extent applicable. The Company has adopted Ind-AS on April 1, 2016 with the transition date as April 1, 2015, and adoption was carried out in accordance with Ind-AS 101 - First Time Adoption of Indian Accounting Standards. The previous period's figures have been regrouped or rearranged wherever necessary.

The accompanying notes are an integral part of these financial statements

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

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Shantilal Mehta
Chairman and Managing Director
DIN No.: 00134162

Nemichand Mehta
Whole-time Director
DIN No.: 01131811

Anish Maheshwari
Chief Financial Officer

Hitesh Kumar Jain
Company Secretary

Dinesh Gautama
Chief Executive Officer

Place : Mumbai
Date : May 29, 2017

INDEPENDENT AUDITORS' REPORT

To the Members of Navkar Corporation Limited,

Report on the Consolidated Ind-AS Financial Statements

1. We have audited the accompanying consolidated Ind-AS financial statements of Navkar Corporation Limited ("the Company"/ "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information ('the Consolidated Ind-AS financial statements').

Management's Responsibility for the Consolidated Ind-AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind-AS 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 (including Other Comprehensive Income), consolidated cash flows and consolidated changes in equity of the Group in accordance with accounting principles generally accepted in India including the Indian Accounting Standards (Ind-AS) specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Ind-AS Financial Statements. 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 judgements 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 has been used for the purpose of preparation of the consolidated Ind-AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind-AS financial statements based on our audit.

4. In conducting our audit, we have taken into account the provisions of the Act and the Rules made thereunder including 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.

5. We conducted our audit of the consolidated Ind-AS financial statements 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 consolidated Ind-AS 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 consolidated Ind-AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated Ind-AS 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 Ind-AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind-AS 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 consolidated Ind-AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind-AS 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, 2017, and their consolidated profit (including other comprehensive income), their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Other Matter

9. The comparative financial information of the Group for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these consolidated Ind-AS financial statements, are based on

the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 27, 2016 and June 17, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind-AS have been audited by us.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated Ind-AS financial statements;

b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiary included in the Group incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind-AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and its subsidiary;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiary included in the Group incorporated in India including relevant records relating to the preparation of the consolidated Ind-AS financial statements;

d) In our opinion, the aforesaid consolidated Ind-AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary as on March 31, 2017 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, 2017 from being appointed as a director in terms of Section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A; and

g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

(i) The consolidated Ind-AS financial statements disclose the impact of pending litigations as at March 31, 2017 on the consolidated financial position of the Group. Refer Note 45;

(ii) The Group did not have any long-term contracts including derivative contracts as at March 31, 2017;

(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 during the year ended March 31, 2017; and

(iv) The Group has provided requisite disclosures in the consolidated Ind-AS financial statements as regards the holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O.3407(E) dated November 8, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016 of the Group entities as applicable. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with the relevant books of account maintained by those entities for the purpose of preparation of the consolidated Ind-AS financial statements and as produced to us by the Management of the respective Group entities. Refer Note 55.

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

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 29, 2017

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Navkar Corporation Limited on the consolidated financial statements for the year ended March 31, 2017

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

1. In conjunction with our audit of the consolidated Ind-AS financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Navkar Corporation Limited (hereinafter referred to as "the Holding Company"/ "the Company") and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company and its subsidiary incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 29, 2017

CONSOLIDATED BALANCE SHEET as at March 31, 2017

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
I ASSETS				
1. Non Current Assets				
(a) Property, Plant and Equipment	5	119,359.30	117,032.67	106,555.93
(b) Capital Work-In-Progress	5	51,608.71	27,483.51	2,363.26
(c) Investment Property	6	4,554.92	4,554.92	602.64
(d) Intangible Assets	7	24.72	38.43	-
(e) Intangible Assets Under Development	7	128.96	-	-
(f) Goodwill on Consolidation		0.58	0.58	0.58
(g) Financial Assets				
(i) Loans	8	-	136.95	665.79
(ii) Others	9	1,406.63	1,118.40	799.87
(h) Income Tax Assets (Net)	10	20.56	31.98	37.07
(i) Other Non Current Assets	11	10,477.57	11,759.15	11,082.43
		187,581.95	**162,156.59**	**122,107.57**
2. Current Assets				
(a) Inventories	12	568.57	398.18	161.56
(b) Financial Assets				
(i) Investments	13	-	-	501.83
(ii) Trade Receivables	14	4,505.14	4,791.59	7,735.74
(iii) Cash and Cash Equivalents	15	3,839.52	487.95	98.59
(iv) Other Bank Balances	16	9,100.09	28,544.97	6.78
(v) Loans	17	44.19	363.14	61.14
(vi) Others	18	254.32	18.25	19.13
(c) Other Current Assets	19	3,006.88	2,839.39	4,681.64
		21,318.71	**37,443.47**	**13,266.41**
Total Assets		**208,900.66**	**199,600.06**	**135,373.98**
II EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	20	14,260.80	14,260.80	10,970.48
(b) Other Equity	21	130,630.40	122,103.37	68,687.11
		144,891.20	**136,364.17**	**79,657.59**
LIABILITIES				
1. Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	22	33,934.24	36,371.52	35,202.14
(b) Provisions	23	391.81	325.45	256.48
(c) Deferred Tax Liabilities (Net)	24	4,217.73	3,903.41	3,224.88
		38,543.78	**40,600.38**	**38,683.50**
2. Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	25	3,588.27	3,335.27	2,803.76
(ii) Trade Payable	26	6,060.67	7,169.35	1,162.83
(iii) Other Financial Liabilities	27	14,741.43	11,047.69	12,022.93
(b) Other Current Liabilities	28	875.14	480.53	629.94
(c) Provisions	29	71.88	15.28	12.07
(d) Current Tax Liabilities (Net)	30	128.29	587.39	401.36
		25,465.68	**22,635.51**	**17,032.89**
Total Equity and Liabilities		**208,900.66**	**199,600.06**	**135,373.98**
Summary of Significant Accounting Policies	2-4			

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

Shantilal Mehta
Chairman and Managing Director
DIN No.: 00134162

Nemichand Mehta
Whole-time Director
DIN No.: 01131811

Arun Poddar
Partner
Membership Number: 134572

Anish Maheshwari
Chief Financial Officer

Hitesh Kumar Jain
Company Secretary

Dinesh Gautama
Chief Executive Officer

Place : Mumbai
Date : May 29, 2017

Place : Mumbai
Date : May 29, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2017

(₹ in lakhs)

	Particulars	Note No.	For the Year ended March 31, 2017	For the year ended March 31, 2016
I	**Revenue**			
	Revenue from Operations	31	37,090.53	34,725.73
	Other Income	32	1,312.84	2,318.46
	Total Income		**38,403.37**	**37,044.19**
II	**Expenses**			
	Cost of Services	33	16,347.30	14,373.36
	Employee Benefits Expenses	34	3,174.18	2,461.97
	Finance Costs	35	3,128.21	3,438.85
	Depreciation and Amortization Expenses	36	2,007.91	1,932.47
	Other Expenses	37	3,824.62	4,522.21
	Total Expenses		**28,482.22**	**26,728.86**
III	**Profit before tax (I- II)**		**9,921.15**	**10,315.33**
IV	**Less: Tax Expense:**	30		
	Current Tax		2,386.34	2,600.05
	MAT Credit Entitlement		(1,357.00)	(1,520.38)
	Deferred Tax		331.80	683.06
			1,361.14	**1,762.73**
V	**Profit for the Year (III-IV)**		**8,560.01**	**8,552.60**
VI	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss			
	Re-measurement gains/ (losses) on defined benefit obligations		(50.46)	(13.10)
	Tax Effect on		17.48	4.53
	Other Comprehensive Income for the year, net of tax		(32.98)	(8.57)
VII	**Total Comprehensive Income for the year (V+VI) (Comprising Profit and Other Comprehensive Income for the year)**		**8,527.03**	**8,544.03**
VIII	**Earnings Per Equity Share (Face Value ₹ 10 Per Share):**	38		
	Basic and Diluted (₹)		6.00	6.65
	Summary of Significant Accounting Policies	2-4		

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
Chairman and Managing Director
DIN No.: 00134162

Nemichand Mehta
Whole-time Director
DIN No.: 01131811

Arun Poddar
Partner
Membership Number: 134572

Anish Maheshwari
Chief Financial Officer

Hitesh Kumar Jain
Company Secretary

Dinesh Gautama
Chief Executive Officer

Place : Mumbai
Date : May 29, 2017

Place : Mumbai
Date : May 29, 2017

CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2017

(₹ in lakhs)

	Particulars	For the Year ended March 31, 2017	For the year ended March 31, 2016
A.	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	9,921.15	10,315.33
	Adjustments:		
	Depreciation and Amortization of Property, Plant and Equipment	1,994.20	1,929.76
	Amortisation and Impairment of Intangible Assets	13.71	2.71
	Loss on Sale of property, plant and equipment (net)	186.37	7.28
	Loss/ (Profit) on Sale of Current Investments (net)	-	(187.26)
	Reversal of Provision for Diminution in Value of Current Investments	-	(408.75)
	Exchange Fluctuation (Gain)/ Loss on Loan	(83.84)	1,043.06
	Finance Income (including Fair Value Change in Financial Instruments)	(1,200.19)	(1,641.54)
	Provision/ (Reversal of Provision) for Loss Allowance on Trade Receivables	10.12	(1.37)
	Dividend Income	-	(3.37)
	Finance Costs (Including Fair Value Change in Financial Instruments)	3,128.21	3,438.85
	Operating cash flows before working capital changes	**13,969.73**	**14,494.70**
	Adjustments for Changes in Working Capital		
	Decrease / (Increase) in Inventories	(170.39)	(236.62)
	Decrease / (Increase) in Trade receivables	276.33	2,945.52
	Decrease / (Increase) in Current Loans	318.95	(302.00)
	Decrease / (Increase) in Non-Current Loans	136.95	528.84
	Decrease / (Increase) in Non-Current Financial Assets - Others	(8.57)	(216.93)
	Decrease / (Increase) in Financial Assets - Other	(236.07)	0.88
	Decrease / (Increase) in Other Current Assets	(167.49)	1,842.25
	Increase / (Decrease) in Trade Payables	(1,108.68)	6,006.52
	Increase / (Decrease) in Current Financial Liabilities - Other	191.86	(128.08)
	Increase / (Decrease) in Other Current Liabilities	394.61	(149.41)
	Increase / (Decrease) in Non-Current Provisions	15.90	55.87
	Increase / (Decrease) in Current Provisions	56.60	3.21
	Cash generated from operations	**13,669.73**	**24,844.75**
	Income taxes paid	(2,834.02)	(2,408.93)
	Net cash flow from operating activities (A)	**10,835.71**	**22,435.82**
B.	**Cash Flow from Investing Activities**		
	Purchase or construction of property, plant and equipment (including capital work-in-progress and capital advances)	(25,380.87)	(36,534.16)
	Proceeds from/ (Investment in) fixed deposits (net)	19,163.15	(28,635.81)
	Proceeds from/ (Investment in) Other Bank Balances	2.07	(3.98)
	Proceeds from sale of property, plant and equipment	293.29	7.97
	Purchase or construction of Investment Properties	-	(3,952.28)
	Proceeds from Sale of Investments	-	1,097.84
	Interest Received	1,200.19	1,641.54
	Dividend Received	-	3.37
	Net cash flow from/ (used in) investing activities (B)	**(4,722.17)**	**(66,375.51)**

CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2017

(₹ in lakhs)

Particulars		For the Year ended March 31, 2017	For the year ended March 31, 2016
C.	**Cash Flow from Financing Activities**		
	Proceeds from public issue of shares	-	3,290.32
	Proceeds from securities premium (net of IPO expenses)	-	44,872.23
	Proceeds from / (Repayment of) Non-Current Borrowings (net)	108.67	(1,066.24)
	Increase / (Decrease) in Current Borrowings	253.00	531.51
	Finance Costs	(3,123.64)	(3,298.77)
	Net cash flow from financing activities (C)	**(2,761.97)**	**44,329.05**
	Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)	**3,351.57**	**389.36**
	Cash and cash equivalents at the beginning of the year (Refer Note 16)	487.95	98.59
	Cash and cash equivalents at the end of the year (Refer Note 16)	3,839.52	487.95
	Net cash Increase / (decrease) in cash and cash equivalent	**3,351.57**	**389.36**

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

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
Chairman and Managing Director
DIN No.: 00134162

Nemichand Mehta
Whole-time Director
DIN No.: 01131811

Arun Poddar
Partner
Membership Number: 134572

Anish Maheshwari
Chief Financial Officer

Hitesh Kumar Jain
Company Secretary

Dinesh Gautama
Chief Executive Officer

Place : Mumbai
Date : May 29, 2017

Place : Mumbai
Date : May 29, 2017

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2017

A : Equity Share Capital (Equity shares of ₹ 10 each issued, subscribed and fully paid)

	Note No.	Numbers in lakhs	Amount in lakhs
Balance as at the April 1, 2015		**1,097.05**	**10,970.50**
Changes in equity share capital during the year 2015-2016		329.03	3,290.30
Balance as at March 31, 2016	**20**	**1,426.08**	**14,260.80**
Changes in equity share capital during the year 2016-2017		-	-
Balance at the March 31, 2017	**20**	**1,426.08**	**14,260.80**

B : Other Equity

(₹ in lakhs)

Particulars	Note No.	Reserve and Surplus					Total Other Equity
		Capital Reserve on Amalgamation	Securities Premium Reserve	Capital Redemption Reserve	Capital Contribution by Shareholders	Retained Earnings	
Balance at the April 1, 2015		**4,896.50**	**33,253.79**	**455.21**	**8,216.74**	**21,864.87**	**68,687.11**
Total Comprehensive income for the year							
Profit for the year		-	-	-		8,552.60	8,552.60
Other Comprehensive Income		-	-	-		(8.57)	(8.57)
Issue of share capital	21	-	47,709.68	-	-	-	47,709.68
Share Issue Expenses	21	-	(2,837.45)	-	-	-	(2,837.45)
Transfer to Capital Redemption Reserve	21	-	-	191.67	-	(191.67)	-
Balance as at March 31, 2016	**21**	**4,896.50**	**78,126.02**	**646.88**	**8,216.74**	**30,217.23**	**122,103.37**
Total Comprehensive income for the year							
Profit for the year		-	-	-	-	8,560.01	8,560.01
Other Comprehensive Income		-	-	-	-	(32.98)	(32.98)
Transfer to Capital Redemption Reserve	21	-	-	191.67	-	(191.67)	-
Balance as at March 31, 2017	**21**	**4,896.50**	**78,126.02**	**838.55**	**8,216.74**	**38,552.59**	**130,630.40**

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

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

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Shantilal Mehta
Chairman and Managing Director
DIN No.: 00134162

Nemichand Mehta
Whole-time Director
DIN No.: 01131811

Anish Maheshwari
Chief Financial Officer

Hitesh Kumar Jain
Company Secretary

Dinesh Gautama
Chief Executive Officer

Place : Mumbai
Date : May 29, 2017

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2017

Note 1 : Company Overview

Navkar Corporation Limited ("the Company") is a public limited Company domiciled in India having its registered office at 205-206, J. K. Chambers, Sector-17, Vashi, Navi Mumbai, - 400 705. The Company was 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. The CFS is largely dependent on EXIM container traffic in and out of Indian port – JNPT. The equity shares of the Company were listed on The National Stock Exchange of India Limited and BSE Limited on September 9, 2015.

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.

Navkar Corporation Limited together with its subsidiary is herein after referred to as the "Group".

Note 2 : Summary of Significant Accounting Policies

A. Basis of preparation of consolidated financial statements

(i) Statement of compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind-AS") under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind-AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The consolidated financial statements up to year ended March 31, 2016 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These consolidated financial statements are the first financial statements of the Group under Ind-AS. The Group has adopted all the Ind-AS standards and the adoption was carried out in accordance with Ind-AS 101 "First time adoption of Indian Accounting Standards". The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition have been summarized in note 4.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Basis of Consolidation

The Company consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the Company and its subsidiary Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited). Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The Subsidiary Company is consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/ loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company, are excluded.

Changes in the Company's interest in subsidiaries that do not result in a loss of controls are accounted for as equity transactions. The Carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

(iii) Basis of measurement

The financial statements have been prepared on historical cost basis except the following:

- certain financial assets and liabilities (including derivative instruments) are measured at fair value;
- assets held for sale- measured at fair value less cost to sell;
- defined benefit plans- plan assets measured at fair value; and

(iv) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period and cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period and there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(v) The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs, except when otherwise stated.

B. Use of estimates

The preparation of the consolidated financial statements in conformity with Ind-AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these consolidated financial statements have been disclosed in note C below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

C. Critical accounting estimates

(i) Income taxes

The Group's major tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions. Also refer to Note 10 and Note 30.

(ii) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(iii) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 48.

(iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 41-43 for further disclosures.

D. Property, Plant and Equipment

Land (including Land Developments) is carried at historical cost. All other items of property, plant and equipment are stated in the consolidated balance sheet at cost historical less accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. All other repair and maintenance costs are recognised in profit or loss as incurred.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement cost only if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and land developments) less their residual values over the useful lives, using the straight- line method ("SLM"). Management, based on a technical evaluation, believes that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	**Estimated useful lives**
Buildings	60 years
Computers and Printers, including Computer Peripherals (including server and networking)	3-6 years
Office Equipments	5 years
Furniture and Fixtures	10 years
Motor Vehicles (including busses, trucks and trailors)	8-20 years
Plant and Machinery	15-20 years
Railway Sidings	20 years
Electrical Installations	10 years

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.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

Transition to Ind-AS

On transition to Ind-AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP as the deemed cost of the property, plant and equipment.

E. Investment properties

Investment properties are properties that is held for long-term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Group, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated impairment loss, if any.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transition to Ind-AS

The Group has elected to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1 April 2015.

F. Goodwill and Intangible Assets

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired exceeds the cost of business acquisition, a gain is recognized immediately in net profit in the statement of profit and loss. Goodwill is tested for impairment annually or when event of circumstances indicate that the implied fair value of goodwill is less than its carrying value.

Intangible asset including intangible assets under development are stated at cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets acquired separately are measured on initial recognition at cost.

Intangible assets in case of computer software are amortised on straight-line basis over a period of 3 years, based on management estimate. The amortization period and the amortisation method are reviewed at the end of each financial year.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with infinite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

G. Impairment of Non-Financial 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. An impairment loss is recognized in the profit or loss. 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. A reversal of an impairment loss is recognised immediately in profit or loss.

H. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial Instruments are further divided in two parts viz. Financial Assets and Financial Liabilities.

Part I - Financial Assets

a) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

Financial Assets at amortised cost:

A Financial Assets is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial Assets at FVTOCI (Fair Value through Other Comprehensive Income)

A Financial Assets is classified as at the FVTOCI if following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows (i.e. SPPI) and selling the financial assets

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Assets at FVTPL (Fair Value through Profit or Loss)

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any financial instrument as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind-AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. Investment in subsidiaries is carried at cost in the financial statements.

c) De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

d) Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance;
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind-AS 17
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind-AS 18 (referred to as 'contractual revenue receivables' in these financial statements)
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Group considers:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Group uses the remaining contractual term of the financial instrument; and
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Group estimates the following provision matrix at the reporting date:

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is grouped under the head ‘other expenses’. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as ‘accumulated impairment amount’ in the OCI.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Part II - Financial Liabilities

a) Initial recognition and measurement

The Group’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss is designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities under borrowings. The dividends on these preference shares, if any are recognised in the profit or loss as finance cost.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

c) De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

I. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement:

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind-AS 109 are recognised in the statement of profit and loss. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

J. Inventories

Inventories are valued at lower of cost on First-In-First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

K. Recognition of Revenue

Revenue from services is recognised 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 and cargo storage charges is accounted to the extent of recoverability of maximum days and import/ export container handling, delivery charges and transportation are accounted on accrual basis.

Revenue is measured at the fair value of the consideration received or receivable. The amount recognised as revenue is exclusive of Service Tax, Sales Tax and Value Added Taxes (VAT), and is net of discounts.

Revenue and expenses for sale of abandoned cargo are recognised when auctioned after necessary approvals from appropriate authorities are obtained.

L. Other Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

M. Provisions and Contingent Liabilities

General

Provisions are recognised when the Group has a present obligation (legal or constructive) 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 a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Group does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

N. Accounting for Taxation of Income

(i) Current taxes

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively. Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Group offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

(ii) Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

O. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

P. Foreign Currency-Transactions and Balances

The Group's functional currency is ₹ and accordingly, the financial statements are presented in ₹.

Transactions in foreign currencies are initially recorded by the Group in their functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting period. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Q. 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.

R. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Finance Lease as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating Lease as a lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

S. Employee Benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Re-measurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

The obligations are presented as current in the balance sheet, if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c) Post- employment obligations

The Group operates the following post-employment schemes:

(i) Defined benefit plans such as gratuity

(ii) Defined contribution plans such as provident fund.

Defined benefit plan - Gratuity Obligations

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 liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have a terms approximating to the terms of the obligation.

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plan

The Group pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Group has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

T. Earnings Per Share

Basic Earnings Per Share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

U. Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

V. 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.

W. Segment Reporting

The Group identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

X. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 3 : First Time Adoption of Ind-AS

For all periods up to March 31, 2016, the Group prepared its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) Indian GAAP ("IGAAP"). These consolidated financial statements of Navkar Corporation Limited for the year ended March 31, 2017 have been prepared in accordance with Ind-AS. This is the first set of Consolidated Financial Statements in accordance with Ind-AS. For the purpose of transition from the IGAAP to Ind-AS, the Group has followed guidance provided in Ind-AS 101 - First Time Adoption of Indian Accounting Standards, w.e.f. April 01, 2015 as the transition date.

The transition to Ind-AS has resulted in changes in the presentation of the consolidated financial statements, disclosures in the notes, accounting policies and principles. The accounting policies set out in Note 2 have been applied in preparing the consolidated financial statements for the year ended on March 31, 2017 as well as for March 31, 2016 for comparative information. In preparing these consolidated financial statements, opening balance sheet was prepared as at 1 April 2015. This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements, including the consolidated balance sheet as at 1 April 2015 and the consolidated financial statements as at and for the year ended March 31, 2016.

Exemptions on first time adoption of Ind-AS availed in accordance with Ind-AS 101, have been described below:

Exemptions availed on first time adoption of Ind-AS 101

Ind-AS 101 allows certain optional exemptions and mandatory exemptions on first time adoption of Ind-AS from the retrospective application of certain provisions of Ind-AS. The Group has accordingly applied the following exemptions:

Ind-AS optional exemptions:

(i) Property, Plant and Equipment and Intangible Assets

Ind-AS 101 permits, a first time adopter to elect to continue with the carrying values for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind-AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind-AS 38 Intangible Assets and Investment properties covered by Ind-AS 40 Investment Properties.

Accordingly, the Group has elected to measure all of its property, plant and equipment, Investment properties and intangible assets at their previous GAAP carrying value.

(ii) Measurement of Investment in subsidiaries, associates and joint ventures

Ind-AS allows entity that subsequently measures an investment in a subsidiary, joint ventures or associate at cost, may measure such investment at cost (determined in accordance with Ind-AS 27) or deemed cost (fair value or previous GAAP carrying amount) in its separate opening Ind-AS balance sheet.

For investments in equity instruments of subsidiary, the Group has elected to apply separate exemption available under Ind-AS 101 by measuring at their previous GAAP carrying amount, which is the deemed cost at the date of transition to Ind-AS.

(iii) Business Combinations

Ind-AS 101 provides the option to apply Ind-AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Group elected to apply Ind-AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

Ind-AS mandatory exceptions:

(i) Estimates

An entity's estimates in accordance with Ind-AS at the date of transition to Ind-AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind-AS estimates as at April 1, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for following items in accordance with Ind-AS at the date of transition as these were not required under previous GAAP:

- Impairment of financial assets based on expected credit loss model.

(ii) Classification and measurement of financial assets

Ind-AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind-AS.

Accordingly, the Group has determined the classification of financial assets based on the facts and circumstances that exist on the date of transition.

Note 4 : Reconciliations Between Previous GAAP and Ind-AS

The following reconciliations provides the effect of transition to Ind-AS from IGAAP in accordance with Ind-AS 101:

A. Equity as at beginning of April 1, 2015

B. Equity as at March 31, 2016

C. Net profit for the year ended March 31, 2016

D. Cash flows for the year ended March 31, 2016

A. Reconciliation of equity as at beginning of April 1, 2015 (date of transition to Ind-AS) (₹ in lakhs)

Particulars	Note No.	Indian GAAP *	Effects of transition to Ind-AS	Ind-AS
I ASSETS				
1. Non Current Assets				
(a) Property, Plant and Equipment	2	106,742.80	(186.87)	106,555.93
(b) Capital Work-In-Progress	2	2,736.66	(373.40)	2,363.26
(c) Investment Property		602.64	-	602.64
(d) Goodwill on Consolidation		0.58	-	0.58
(e) Financial assets				
(i) Loans		665.79	-	665.79
(ii) Others		799.87	-	799.87
(f) Income tax assets (net)		37.07	-	37.07
(g) Other non current assets		11,082.43	-	11,082.43
		122,667.84	**(560.27)**	**122,107.57**
2. Current Assets				
(a) Inventories		161.56	-	161.56
(b) Financial Assets				
(i) Investment		501.83	-	501.83
(ii) Trade receivables	4	7,747.45	(11.71)	7,735.74
(iii) Cash and cash equivalents		98.59	-	98.59
(iv) Other bank balances		6.78	-	6.78
(v) Loans		61.14	-	61.14
(vi) Others		19.13	-	19.13
(c) Other current assets		4,681.64	-	4,681.64
		13,278.12	**(11.71)**	13,266.41
Total Assets		**135,945.96**	**(571.98)**	135,373.98
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital		10,970.48	-	10,970.48
(b) Other Equity	1, 2, 3 & 4	63,528.03	5,159.08	68,687.11
		74,498.51	**5,159.08**	**79,657.59**

Particulars			Note No.	Indian GAAP *	Effects of transition to Ind-AS	Ind-AS
LIABILITIES						
1.	**Non Current Liabilities**					
	(a)	Financial Liabilities				
		(i) Borrowings	1, 2 & 3	40,964.38	(5,762.24)	35,202.14
	(b)	Provisions		256.48	-	256.48
	(c)	Deffered tax liabilities (Net)	1, 2 & 4	3,193.70	31.18	3,224.88
				44,414.56	**(5,731.06)**	**38,683.50**
2.	**Current Liabilities**					
	(a)	Financial Liabilities				
		(i) Borrowings		2,803.76	-	2,803.76
		(ii) Trade Payable		1,162.83	-	1,162.83
		(iii) Other financial liabilities		12,022.93	-	12,022.93
	(b)	Other current liabilities		629.94	-	629.94
	(c)	Provisions		12.07	-	12.07
	(d)	Current Tax Liabilities (Net)		401.36	-	401.36
				17,032.89	**-**	**17,032.89**
Total Equity and Liabilities				**135,945.96**	**(571.98)**	**135,373.98**

Notes :

1. Preference Share

The Group has issues 0% Cumulative Redeemable Preference Shares and 6% Cumulative Redeemable Preference Shares for 12 years and 10 years respectively. Under Indian GAAP, the preference shares were classified as share capital/ equity. Under Ind-AS, preference shares are classified as borrowings based on the nature and terms of the contract. Interest on liability is recognised using the effective interest method. Thus the preference share capital is reduced by ₹ 2,399.79 lakhs including securities premium with a corresponding increase in borrowings as liability. Accordingly, borrowings have been net increased by ₹ 836.93 lakhs and, deferred tax liability and other equity net decreased by ₹ 0.06 lakhs and ₹ 836.87 lakhs respectively as at April 1, 2015.

2. Secured Loan

Under Indian GAAP, transaction costs incurred in connection with borrowings are charged to profit or loss/ capitalised as and when incurred. Under Ind-AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss/ capitalised using the effective interest method. Accordingly, borrowings have been reduced by ₹ 668.28 lakhs with a corresponding increase in retained earnings of ₹ 72.97 lakhs, deferred tax liability of ₹ 35.04 lakhs and decrease in property, plant and equipments (including capital work in progress) of ₹ 560.27 lakhs as at April 1, 2015.

3. Unsecured Loan

Under Indian GAAP, Unsecured Loans are measured at loan amount. Whereas Under Ind-AS, Unsecured Loans taken by the Group are recognised in the books at fair value. Subsequently the unsecured loans are measured at amortised cost by using effective interest method. Accordingly, borrowings have been reduced by ₹ 5,930.88 lakhs with a corresponding increase in other equity as at April 1, 2015.

4. Trade Receivables

Under Indian GAAP, the Group has created provision for impairment of trade receivables consists only in respect of specific amount for incurred losses. Under Ind-AS, impairment allowance has been determined based on Expected Credit Loss model (ECL). Accordingly, trade receivables have been reduced by ₹ 11.71 lakhs with a corresponding decrease in retained earnings of ₹ 7.91 lakhs and deferred tax liability of ₹ 3.80 lakhs as at April 1, 2015.

B. Reconciliation of equity as at March 31, 2016

(₹ in lakhs)

Particulars	Note No.	Indian GAAP *	Effects of transition to Ind-AS	Ind-AS
I ASSETS				
1. Non Current Assets				
(a) Property, Plant and Equipment	2	117,219.54	(186.87)	117,032.67
(b) Capital Work-In-Progress	2	27,863.44	(379.93)	27,483.51
(c) Investment Property		4,554.92	-	4,554.92
(d) Other Intangible assets		38.43	-	38.43
(f) Financial assets		0.58	-	0.58
(i) Loans		136.95	-	136.95
(ii) Others		1,118.40	-	1,118.40
(g) Income tax assets (net)		31.98	-	31.98
(h) Other non current assets		11,759.15	-	11,759.15
		162,723.39	**(566.80)**	**162,156.59**
2. Current Assets				
(a) Inventories		398.18	-	398.18
(b) Financial Assets				
(i) Trade receivables	4	4,801.94	(10.35)	4,791.59
(ii) Cash and cash equivalents		487.95	-	487.95
(iii) Other bank balances		28,544.97	-	28,544.97
(iv) Loans		363.14	-	363.14
(v) Others		18.25	-	18.25
(c) Other current assets		2,839.39	-	2,839.39
		37,453.82	**(10.35)**	37,443.47
Total Assets		**200,177.21**	**(577.15)**	199,600.06
II EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital		14,260.80		14,260.80
(b) Other Equity	1, 2, 3 & 4	117,913.55	4,189.82	122,103.37
		132,174.35	**4,189.82**	**136,364.17**
LIABILITIES				
1. Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	1, 2 & 3	41,837.73	(5,466.21)	36,371.52
(b) Provisions		325.45		325.45
(c) Deffered tax liabilities (Net)	1, 2 & 4	4,026.74	(123.33)	3,903.41

Particulars			Note No.	Indian GAAP *	Effects of transition to Ind-AS	Ind-AS
				46,189.92	**(5,589.54)**	**40,600.38**
2.	**Current Liabilities**					
	(a)	Financial Liabilities				
		(i) Borrowings		3,335.27		3,335.27
		(ii) Trade Payable		7,169.35		7,169.35
		(iii) Other financial liabilities	2	10,225.12	822.57	11,047.69
	(b)	Other current liabilities		480.53		480.53
	(c)	Provisions		15.28		15.28
	(d)	Current Tax Liabilities (Net)		587.39		587.39
				21,812.94	**822.57**	**22,635.51**
Total Equity and Liabilities				**200,177.21**	**(577.15)**	**199,600.06**

* The Indian GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.

Notes :

1. Preference Share

The Group has issues 0% Cumulative Redeemable Preference Shares and 6% Cumulative Redeemable Preference Shares for 12 years and 10 years respectively. Under Indian GAAP, the preference shares were classified as share capital/ equity. Under Ind-AS, preference shares are classified as borrowings based on the nature and terms of the contract. Interest on liability is recognised using the effective interest method. Thus the preference share capital is reduced by ₹ 2,399.79 lakhs including securities premium with a corresponding increase in borrowings as liability. Accordingly, borrowings have been net increased by ₹ 936.74 lakhs and deferred tax liability and other equity net decreased by ₹ 2.32 lakhs and ₹ 934.42 lakhs as at March 31, 2016.

2. Secured Loan

Under Indian GAAP, transaction costs incurred in connection with borrowings are charged to profit or loss/ capitalised as and when incurred. Under Ind-AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss/ capitalised using the effective interest method. Accordingly, borrowings have been reduced by ₹ 227.47 lakhs with a corresponding decrease in retained earnings of ₹ 221.91 lakhs, decrease in deferred tax liability of ₹ 117.43 lakhs and decrease in property, plant and equipments of ₹ 566.80 lakhs as at March 31, 2016.

3. Unsecured Loan

Under Indian GAAP, Unsecured Loans are measured at loan amount. Whereas Under Ind-AS, Unsecured Loans taken by the Group are recognised in the books at fair value. Subsequently the unsecured loans are measured at amortised cost by using effective interest method. Accordingly, borrowings have been reduced by ₹ 5352.92 lakhs with a corresponding increase in other equity as at March 31, 2016.

4. Trade Receivables

Under Indian GAAP, the Group has created provision for impairment of trade receivables consists only in respect of specific amount for incurred losses. Under Ind-AS, impairment allowance has been determined based on Expected Credit Loss model (ECL). Accordingly, trade receivables have been reduced by ₹ 10.35 lakhs with a corresponding decrease in retained earnings of ₹ 6.77 lakhs and deferred tax liability of ₹ 3.58 lakhs as at March 31, 2016.

C. Reconciliation of Total Comprehensive Income for the year ended March 31, 2016 (₹ in lakhs)

	Particulars	Note No.	Indian GAAP *	Effects of transition to Ind-AS	Ind-AS
I	**Revenue**				
	Revenue from Operations		34,725.73	-	34,725.73
	Other Income	1 & 2	2,317.09	1.37	2,318.46
	Total Income		**37,042.82**	**1.37**	**37,044.19**
II	**Expenses**				
	Cost of Services		14,373.36	-	14,373.36
	Employee Benefits Expenses	3	2,475.07	(13.10)	2,461.97
	Finance Costs	4	2,313.74	1,125.11	3,438.85
	Depreciation and Amortization Expenses		1,932.47	-	1,932.47
	Other Expenses		4,522.21	-	4,522.21
	Total Expenses		**25,616.85**	**1,112.01**	**26,728.86**
III	**Profit/(loss) before tax (I- II)**		**11,425.97**	**(1,110.64)**	**10,315.33**
IV	**Less: Tax Expense:**				
	Current Tax		2,600.05	-	2,600.05
	MAT Credit Entitlement		(1,520.38)	-	(1,520.38)
	Deferred Tax	5	833.05	(149.99)	683.06
V	**Profit for the year (III-IV)**		**9,513.25**	**(960.65)**	**8,552.60**
VI	**Other Comprehensive Income**				
	Items that will not be reclassified to profit or loss				
	Re-measurement gains/ (losses) on defined benefit plans	3	-	(13.10)	(13.10)
	Tax effect	5	-	4.53	4.53
	Other Comprehensive Income for the year, net of tax		**-**	**(8.57)**	**(8.57)**
VII	**Total Comprehensive Income for the year (V+VI) (Comprising Profit and Other Comprehensive Income for the year), net of tax**		**9,513.25**	**(969.22)**	**8,544.03**

* The Indian GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.

Notes :

1. Provision for Expected Credit Loss

As per Ind-AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts is decreased by ₹ 1.37 lakhs and the same is reversed and recognised in "Other Income" during the financial year 2015-16.

2. Other comprehensive income (OCI)

Concept of other comprehensive income did not exist under Indian GAAP. Under Ind-AS, all items of income and expenses recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income or expenses that are not recognised in profit or loss but are shown in the statement of profit and loss as 'Other comprehensive income' includes remeasurement of defined employee benefits plans. The amount related to remeasurement of defined employee benefit plan of ₹ 13.10 lakhs and tax effect of ₹ 4.53 lakhs is presented as part of OCI during the financial year 2015-16.

3. **Finance Cost**

Ind-AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of interest expense by applying the effective interest method (also refer Note 4-B(1), 4-B(2) and 4-B(3) above).

4. **Deferred Tax**

Various Ind-AS transitional adjustments lead to temporary differences. According to the accounting policies, the Group has to account for such differences. Deferred tax adjustments are recognised in relation to the underlying transaction either in retained earnings or a separate component of equity. Effect of timing difference is considered for calculation of deferred tax for the financial year 2015-16 (also refer Note 4-B(1), 4-B(2) and 4-B(4) above).

D. Impact of Ind-AS adoption on the statement of cash flows for the year ended March 31, 2016 (₹ in lakhs)

	Note No.	Indian GAAP *	Effects of transition to Ind-AS	Ind-AS
Net cash flow from operating activities		22,432.88	2.94	22,435.82
Net cash flow from investing activities		(66,378.07)	2.56	(66,375.51)
Net cash flow from financing activities		44,334.55	(5.50)	44,329.05
Net increase/ (decrease) in cash and cash equivalents		**389.36**	**-**	**389.36**
Cash and cash equivalents at April 1, 2015		98.59	-	98.59
Cash and cash equivalents at March 31, 2016		**487.95**	**-**	**487.95**

* The Indian GAAP figures have been reclassified to conform to Ind-AS presentation requirements for the purpose of this note.

There are no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind-AS.

Note 5 : Property, Plant and Equipment

(₹ in lakhs)

Particulars	Land and Land Developments	Building	Plant and Machinery	Furniture and Fixtures	Computers Equipments	Motor Vehicles	Office Equipments	Electrical Installation	Railway Sidings	Total	Capital Work-in Progress
Gross Carrying Amount as at April 1, 2015	**69,729.79**	**9,107.86**	**6,195.05**	**260.36**	**821.72**	**10,649.17**	**287.46**	**-**	**15,416.63**	**112,468.04**	**2,363.26**
Additions	11,076.47	13.39	341.32	11.06	69.02	862.41	108.80	-	-	12,482.47	25,120.25
Disposals	-	-	-	-	-	(27.35)	-	-	-	(27.35)	-
As at March 31, 2016	**80,806.26**	**9,121.25**	**6,536.37**	**271.42**	**890.74**	**11,484.23**	**396.26**	**-**	**15,416.63**	**124,923.16**	**27,483.51**
Additions	452.92	1,890.09	318.88	661.98	51.45	1,228.35	190.13	6.69	-	4,800.49	24,125.20
Disposals	-	-	(453.53)	-	-	(227.35)	-	-	-	(680.88)	-
As at March 31, 2017	**81,259.18**	**11,011.34**	**6,401.72**	**933.40**	**942.19**	**12,485.23**	**586.39**	**6.69**	**15,416.63**	**129,042.77**	**51,608.71**
Accumulated depreciation as at April 1, 2015	-	587.61	1,290.54	87.11	556.17	1,950.86	176.47	-	1,263.35	5,912.11	-
Depreciation charge during the year	-	151.35	305.14	30.28	136.82	572.98	51.30	-	742.61	1,990.48	-
Accumulated depreciation on deletions	-	-	-	-	-	(12.10)	-	-	-	(12.10)	-
As at March 31, 2016	**-**	**738.96**	**1,595.68**	**117.39**	**692.99**	**2,511.74**	**227.77**	**-**	**2,005.96**	**7,890.49**	**-**
Depreciation charge during the year	-	134.83	420.68	47.20	124.44	487.22	54.36	0.07	725.40	1,994.20	-
Accumulated depreciation on deletions	-	-	(119.00)	-	-	(82.22)	-		-	(201.22)	-
As at March 31, 2017	**-**	**873.79**	**1,897.36**	**164.59**	**817.43**	**2,916.74**	**282.13**	**0.07**	**2,731.36**	**9,683.47**	**-**
Net carrying amount as at March 31, 2017	**81,259.18**	**10,137.55**	**4,504.36**	**768.81**	**124.76**	**9,568.49**	**304.26**	**6.62**	**12,685.27**	**119,359.30**	**51,608.71**
Net carrying amount as at March 31, 2016	**80,806.26**	**8,382.29**	**4,940.69**	**154.03**	**197.75**	**8,972.49**	**168.49**	**-**	**13,410.67**	**117,032.67**	**27,483.51**
Net carrying amount as at April 01, 2015	**69,729.79**	**8,520.25**	**4,904.51**	**173.25**	**265.55**	**8,698.31**	**110.99**	**-**	**14,153.28**	**106,555.93**	**2,363.26**

1. Capitalised Borrowing Cost

The amount of borrowing costs capitalised during the year ended March 31, 2107 was ₹ 2,316.07 lakhs (March 31, 2106: ₹ 1,265.98 lakhs). The rate used to determine the amount of borrowing costs eligible for capitalisation was 10.29% to 12.64% which is the effective interest rate of the specific borrowing.

2. Asset under construction

Capital Work-in Progress as at March 31, 2017 comprises expenditure for Capacity enhancement of the Somathane CFS, Development of the non-notified areas of CFSs, Establishment of a logistics park at Valsad (near Vapi), development of ICDs, warehouses and railway sidings.

3. Property, Plant and Equipments pledged/ mortgaged as security

All Property, Plant and Equipment are subject to a first charge/ collateral to secure the loans taken by the Company.

4. Gross carrying amount of Land and Land Development includes certain land and land development having gross block value of ₹ 1,661.59 lakhs (March 31, 2016: ₹ 1,661.59 lakhs; April 1, 2015: ₹ 1,614.84 lakhs) 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.

5. Gross carrying amount of Motor Vehicles includes certain Motor Vehicles having gross block value of ₹ 173.57 (March 31, 2016: ₹ 188.99; March 31, 2015: ₹ 194.66) which are in the name of the Directors of the Company and are yet to be transferred in the name of the Company.

6. The Gross carrying amount of any fully depreciated property, plant and equipment is ₹ 788.50 lakhs (March 31, 2016: ₹ 562.41 lakhs; March 31, 2015: ₹ 462.10 lakhs) that is still in use.

Note 6 : Investment Property

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016
Gross Carrying Amount		
Opening gross carrying amount	**4,554.92**	**602.64**
Additions	-	3,952.28
Closing gross carrying amount	**4,554.92**	**4,554.92**
Accumulated Depreciation	-	-
Opening accumulated depreciation	-	-
Depreciation charge for the year	-	-
Closing accumulated depreciation	**-**	**-**
Net carrying amount	**4,554.92**	**4,554.92**

Notes:

a) The Investment Property consist of Land and Land Developments.

b) Gross carrying amount of Investment Property includes certain land and land development having gross block value of ₹ 278.48 lakhs (March 31, 2016: ₹ 278.48 lakhs; April 1, 2015: ₹ 85.78 lakhs) situated at different locations, which are in the name of the Directors of the Holding Company and are yet to be transferred in the name of the Holding Company.

c) The Board of Directors has decided in the meeting held on November 25, 2016 for development of Residential Township on approximately 45 acres of land of the Company situated at Narpoli and Dahivali in Panvel, District Raigarh, Maharashtra, located in close proximity to the other residential projects.

d) Amounts are recognised in the statement of profit and loss for the above investment properties is ₹ Nil during the financial year ended March 31, 2017 and March 31, 2016.

e) Disclosure for Fair Value

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Investment Property	10,968.40	9,168.75	623.90

f) Description of valuation techniques used and key inputs to valuation on investment properties

As at March 31, 2017 and March 31, 2016, the fair values of the properties are ₹ 10,968.40 lakhs and ₹ 9,168.75 lakhs respectively. These valuations are based on valuations performed by Ramachandra & Associates, an accredited independent valuer. Ramachandra & Associates is a specialist in valuing these types of investment properties.

Note 7 : Intangible Assets

(₹ in lakhs)

Particulars	Software	Intangible assets under development
Gross Carrying Amount as at April 1, 2015	**-**	**-**
Additions	41.14	-
As at March 31, 2016	**41.14**	**-**
Additions	-	128.96
Disposals	-	-
As at March 31, 2017	**41.14**	**128.96**
Accumulated amortisation and impairment		
As at April 01, 2015	-	-
Amortisation charge during the year	2.71	-
Disposals	-	-
As at March 31, 2016	**2.71**	**-**
Amortisation charge during the year	13.71	-
Disposals	-	-
As at March 31, 2017	**16.42**	**-**
Net carrying amount as at March 31, 2017	**24.72**	**128.96**
Net carrying amount as at March 31, 2016	**38.43**	**-**
Net carrying amount as at April 01, 2015	**-**	**-**

Note:

Intangible assets in case of computer software are amortised on straight-line basis over a period of 3 years, based on management's estimate. The amortisation period and the amortisation method are reviewed at the end of each financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2017

Note 8 : Non-Current Financial Assets - Investments

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good (carried at amortised cost)			
Loans	-	136.95	665.79
Total	**-**	**136.95**	**665.79**

Note 9 : Non-Current Financial Assets - Others

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Carried at amortised cost			
Security Deposits	387.79	379.22	162.74
VAT and CST Deposit	1.15	1.15	0.70
Fixed Deposits with Banks with a maturity period more than 12 months [under lien against bank guarantee and loans from banks]	1,017.69	738.03	636.43
Total	**1,406.63**	**1,118.40**	**799.87**

Note 10 : Income Tax Assets (Net):

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Income tax assets	1,867.06	4,032.38	3,510.29
Less: Provision for Tax	(1,846.50)	(4,000.40)	(3,473.22)
Total	**20.56**	**31.98**	**37.07**

Note 11 : Other Non-Current Assets

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital Advances	638.53	3,277.11	4,120.77
MAT Credit Entitlement	9,839.04	8,482.04	6,961.66
Total	**10,477.57**	**11,759.15**	**11,082.43**

Note 12 - Inventories

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Stock of Spare Parts and Consumables	568.57	398.18	161.56
Total	**568.57**	**398.18**	**161.56**

Note 13 - Current Financial Assets - Investments

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Other Investments (Quoted Equity Instruments)			
Investments carried at fair value through profit or loss			
Nil (as at March 31, 2016: Nil, April 1, 2015: 6,74,500) Equity Shares of Garnet International Limited of ₹ 10 each fully paid up	-	-	501.83
Total	**-**	**-**	**501.83**
Aggregate amount of Quoted Investments	-	-	501.83
Market Value of Quoted Investments	-	-	501.83
Aggregate amount of impairment in value of investments	-	-	408.75

Note 14 - Current Financial Assets - Trade Receivables

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured			
Considered Good	4,505.14	4,791.59	7,735.74
Considered doubtful	20.46	10.35	11.71
	4,525.60	**4,801.94**	**7,747.45**
Less: Allowances for credit losses	20.46	10.35	11.71
Total	**4,505.14**	**4,791.59**	**7,735.74**

Note 15 - Current Financial Assets - Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Bank Balances			
- In current accounts	655.84	434.92	59.72
- In fixed deposits with maturity period upto 3 months	3,167.64	-	-
Cash on Hand	16.04	53.03	38.87
Total	**3,839.52**	**487.95**	**98.59**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the applicable short-term deposit bank rates.

Note 16 - Current Financial Assets - Other Bank Balances

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balance in IPO Application Money Refund Account	1.91	3.98	-
Fixed Deposits with maturity period of more than 3 months but less than 12 months [includes ₹ 339.69 lakhs (March 31, 2016: ₹ 587.89 lakhs, April 1, 2015: ₹ 6.78 lakhs) under lien against bank guarantee]	9,098.18	28,540.99	6.78
Total	**9,100.09**	**28,544.97**	**6.78**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2017

Note 17 - Current Financial Assets - Loans

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good			
Advances to Employees	43.40	59.84	51.05
Deposit with BSE Limited for IPO (Refer Note Below)	-	300.00	-
Other Loans and Advances	0.79	3.30	10.09
Total	**44.19**	**363.14**	**61.14**

Note:

Deposit with BSE Limited for IPO is related to security deposits with the designated stock exchange in relation to Initial Public Offering (IPO). This amount was being released to issuer companies after obtaining a No Objection Certificate (NOC) from SEBI in accordance with the Circular No. OIAE/Cir-1/2009 dated November 25, 2009 as amended.

Note 18 - Current Financial Assets - Others

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Unsecured, considered good			
Security Deposits	120.60	-	-
Foreign currency forward and options contracts	-	0.50	0.23
(Financial assets carried at fair value through Profit or Loss)			
Others	133.72	17.75	18.90
Total	**254.32**	**18.25**	**19.13**

Note 19 : Other Current Assets

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Accrued Income	2,024.71	1,905.65	1,834.86
Advances other than capital advances:			
Payment to vendors for expenses	12.04	64.03	2,628.92
Balance with government authorities:			
- Cenvat credit receivables	617.42	696.98	60.92
Prepaid expenses	352.71	172.73	156.94
Total	**3,006.88**	**2,839.39**	**4,681.64**

Note 20 - Share Capital

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Authorised Capital			
15,50,00,000 (March 31, 2016: 15,50,00,000, April 1, 2015: 15,50,00,000) Equity Shares of ₹ 10 each	15,500.00	15,500.00	15,500.00
50,00,000 (March 31, 2016 : 50,00,000, April 1, 2015: 50,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each	500.00	500.00	500.00
	16,000.00	**16,000.00**	**16,000.00**
Issued, Subscribed and Paid up Capital			
14,26,08,023 (March 31, 2016: 14,26,08,023, April 1, 2015 : 10,97,04,798) Equity Shares of ₹ 10 each fully paid up	14,260.80	14,260.80	10,970.48
Total	**14,260.80**	**14,260.80**	**10,970.48**

(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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their share holding.

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

Equity Shares:

Particulars	Year Ended March 31, 2017		Year Ended March 31, 2016	
	Number of shares (in lakhs)	Amount (₹ in lakhs)	Number of shares (in lakhs)	Amount (₹ in lakhs)
Balance as at the Beginning of the year	1,426.08	14,260.80	1,097.05	10,970.48
Add: Shares allotted as bonus shares	-	-	-	-
Add: Shares issued in Initial Public Offer (IPO)	-	-	329.03	3,290.32
Balance as at the end of the year	**1,426.08**	**14,260.80**	**1,426.08**	**14,260.80**

(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, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of Shares (in lakhs)	%	Number of Shares (in lakhs)	%	Number of Shares (in lakhs)	%
Mr. Shantilal Mehta	450.75	31.61%	483.00	33.87%	483.00	44.03%
Mr. Nemichand Mehta	289.00	20.27%	309.00	21.67%	309.00	28.17%
Mrs. Shailaja Mehta	183.65	12.88%	201.00	14.09%	201.00	18.32%
Sidhhartha Corporation Private Limited	92.48	6.48%	#	#	80.95	7.38%

Less than 5%

(d) The Company completed its Initial Public Offering (IPO) pursuant to which 3,29,03,225 equity shares of the Company of ₹10 each were allotted at a price of ₹ 155 per equity share. The equity shares of the Company were listed on The National Stock Exchange of India Limited and BSE Limited on September 9, 2015.

Date of allotment	Number of equity shares (in lakhs)		Amount (₹ in lakhs)	
	IPO	Preferential Allotment	Equity Share Capital	Securities Premium
September 4, 2015	329.03	-	3,290.30	47,709.35

(e) Shares allotted as fully paid up equity shares as bonus issue (during 5 years immediately preceding March 31, 2017):

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.

Note 21 - Other Equity

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Capital Reserve on Amalgamation	4,896.50	4,896.50	4,896.50
Capital Redemption Reserve	838.55	646.88	455.21
Securities Premium Reserve	78,126.02	78,126.02	33,253.79
Capital Contribution by Shareholders	8,216.74	8,216.74	8,216.74
Retained Earnings	38,552.59	30,217.23	21,864.87
Total	**130,630.40**	**122,103.37**	**68,687.11**

(i) Capital Reserve on Amalgamation: **(₹ in lakhs)**

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Balance as at the beginning of the year (refer note below)	4,896.50	4,896.50
Add : Additions during the year	-	-
Balance as at the end of the year	**4,896.50**	**4,896.50**

Note:

Capital Reserve of ₹ 2,601.29 lakhs on Amalgamation is created as per the Scheme of Amalgamation between erstwhile Preeti Logistics Limited with the Holding Company approved by the Hon'ble High Court Judicature at Bombay on February 11, 2010.

Capital Reserve of ₹ 2,295.21 lakhs on Amalgamation is created as per the Scheme of Amalgamation between erstwhile Navkar Terminals Limited, the Subsidiary Company and their respective shareholders approved by the Hon'ble High Court Judicature at Bombay on January 30, 2015.

(ii) Capital Redemption Reserve: (₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Balance as at the beginning of the year	646.88	455.21
Add : Additions during the year	191.67	191.67
Balance as at the end of the year	**838.55**	**646.88**

Note:

The Holding Company has issued redeemable non-convertible Preference Share. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Holding Company to create CRR out of profits of the Group available for payment of dividend. CRR is required to be created for an amount which is equal to 100% of the amount to be redeemed of Preference Shares issued at the time of maturity. The CRR is required to be created over the life of Preference Share, the Holding Company has created CRR out of retained earnings for an proportionate amount (April 1, 2015: 19.79%, March 31, 2016: 28.12% and March 31, 2017: 36.46%).

(iii) Securities Premium Reserve: (₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Balance as at the beginning of the year	78,126.02	33,253.79
Add : Received on issue of shares in IPO during the year (Refer note 50)	-	47,709.68
Less: Amount utilised for share issue expenses (Refer note 50)	-	(2,837.45)
Balance as at the end of the year	**78,126.02**	**78,126.02**

Note:

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(iv) Capital Contribution by Shareholders: (₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Balance as at the beginning of the year	8,216.74	8,216.74
Add: Contribution during the year	-	
Balance as at the end of the year	**8,216.74**	**8,216.74**

(v) Retained Earnings: (₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Balance as at the beginning of the year	30,217.23	21,864.87
Add: Profit for the year	8,560.01	8,552.60
Add: Items of Other Comprehensive Income recognised directly in Retained Earnings		
Re-measurement gains/ (losses) on defined benefit obligations (net of tax)	(32.98)	(8.57)
Less: Transfer to Capital Redemption Reserve	(191.67)	(191.67)
Balance as at the end of the year	**38,552.59**	**30,217.23**

Note 22 - Non-Current Financial Liabilities - Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured Term Loans* (Refer Note (a) below)			
Rupee Term Loans from Banks	21,836.24	17,186.90	8,852.29
Foreign Currency Term Loans from Banks	4,999.57	11,980.92	19,157.68
Rupee Term Loans from Others	216.31	1,084.01	1,750.24
Unsecured Loans (Refer Note (b) below)			
Loans from Related Parties (Interest Free)	5,833.46	5,182.95	4,604.99

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Preference Share (Unsecured) (Refer Note (c) below)			
23,00,000 (March 31, 2016: 23,00,000, April 1, 2015: 23,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up	933.57	829.47	736.97
99,790 (March 31, 2016: 99,790) 6% Cumulative Redeemable Preference shares of ₹ 100 each fully paid up	115.09	107.27	99.97
Total Non-Current Borrowings	**33,934.24**	**36,371.52**	**35,202.14**

* Net of Current maturities of long-term debts and Interest accrued, which are included in Note 27.

(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 ₹ Nil (March 31,2016: ₹ Nil; April 1, 2015: 919.56 lakhs) 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, Effective rate of interest is 14.52% p.a.
Rupee Term Loans from Axis Bank amounting to ₹ 499.46 lakhs (March 31, 2016: ₹ 791.55 lakhs; April 1, 2015: ₹ 1,077.46 lakhs) secured by the vehicles purchased from the loan proceedings. Personal Guarantee of Mr. Jayesh N Mehta, director of the Company.	Repayable in 35-60 monthly instalments, Effective Rate of interest is 9.39% - 12.50% p.a.

Rupee Term Loan from HDFC Bank amounting to ₹ 1,166.46 lakhs (March 31, 2016: ₹ 1,507.43 lakhs; April 1, 2015: ₹ 1,754.29 lakhs) secured by the vehicles/ machines 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.	Repayable in 23-60 monthly instalments, Effective Rate of interest is 8.68% - 16.52% p.a.
Rupee Term Loan from ICICI Bank amounting to ₹ 1,547.57 lakhs (March 31, 2016: ₹ 284.35 lakhs; April 1, 2015: ₹ 718.89 lakhs) and a Foreign Currency Term Loan from ICICI Bank amounting to ₹ 1,804.35 lakhs (March 31, 2016: ₹ 5,041.41 lakhs; April 1, 2015: ₹ 10,068.60 lakhs) Secured by First charge/ hypothecation on the vehicles/ Equipment and assets to be funded by the takeover of the loans. First charge hypothecation on all unencumbered vehicles Equipment/ Other Movable Assets valuing not less then ₹ 2,000 lakhs (based on the current market value of the assets valuation of the security to be done through ICICI empaneled valuer). Equitable Mortgage of the property located at address Plot No. 73, Sec. 50, Nerul, Navi Mumbai - 400 706 valuing ₹ 4,000 lakhs 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. 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: i. Mr. Nemichand. J. Mehta having net worth of ₹ 3,235 lakhs as on 31.03.2013. ii. Mr. Shantilal. J. Mehta having net worth of ₹ 1,635 lakhs as on 31.03.2013. iii. Mr. Kunthukumar. S. Mehta having net worth of ₹ 2,827 lakhs as on 31.03.2013. iv. Mr. Jayesh. N. Mehta having net worth of ₹ 158 lakhs as on 31.03.2013. v. Mrs. Shailaja N. Mehta.	Repayable in 35 - 60 monthly instalments (loans taken for purchase of commercial vehicles) & 32 quarterly instalments (other term loans), Effective Rate of interest for Rupee term loan is ranging 6.48% - 12.87% p.a., Effective Rate of interest for foreign currency term loan is ranging 6.48% - 10.40% p.a.
Rupee Term Loan from Kotak Mahindra Bank amounting to ₹ 2,203.68 lakhs (March 31, 2016: ₹ 25.20 lakhs; April 1, 2015: ₹ 1,443.90 lakhs) Secured by the vehicles purchased from the loan proceedings and Mortgage over part of land situated at Moje- Tumb, Revenue S No. 44/1, Taluka Umbergaon, Valsad Dist. 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. - Secured by the office premises 4th floor, 13th floor & 14th floor of the building known as Goodwill Infinity on the land bearing Plot No. E/3A at Sector 12, Kharghar, Navi Mumbai. -One undated cheque drawn in favour of Kotak Mahindra Bank totaling to ₹ 1,713 lakhs.	Repayable in 35 - 96 monthly instalments, Effective rate of interest 10.29% - 17.68% p.a.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2017

Rupee Term Loan from SBI Bank amounting to ₹ 1,259.47 (March 31, 2016: ₹ 6,158.92, April 1, 2015: ₹ 1,751.14) Foreign Currency Term Loan from SBI Bank amounting to ₹ 9,327.32 lakhs (March 31, 2016: ₹ 11,902.50 lakhs; April 1, 2015: ₹ 15,814.62 lakhs) Primary & Collateral for all the loans : - 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 charge on agri-land at 90/1/2 at Somathane Village, Kon-Savla Road, Raigad - 410 206. - TDR of ₹ 13 lakhs (March 31, 2016: ₹ 13 lakhs, April 1, 2015: ₹ 13 lakhs) - Extension of charge on entire current assets (present and future) 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, and Ms. Seema K. Mehta.	Repayable in 31-84 monthly instalments, Effective rate of interest for Rupee term loan is ranging 10.75% - 13.50% p.a., Effective rate of interest for foreign currency term loan is 7.17% - 10.89% p.a.
Rupee Term Loan from Ratnakar Bank Limited amounting to ₹ Nil (March 31, 2016: ₹ Nil; April 1, 2015: ₹ 1,367.18 lakhs) 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), Personal Guarantees of : Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Jayesh N Mehta, Mr. Kunthu Kumar S Mehta, Mrs. Shailaja N Mehta.	Repayable in 12 equal quarterly instalments, Effective rate of interest is 14.20%.
Rupee Term Loan from Daimler Financial Services Pvt Ltd amounting to ₹ Nil (March 31, 2016: ₹ 29.62 lakhs; April 1, 2015: ₹ 51.58 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 60 monthly instalments, Effective Rate of interest is ranging between 11.21% to 11.33% p.a..
Rupee Term Loan from HDB Financial Services Limited amounting to ₹ Nil (March 31, 2016: ₹ 66.89 lakhs; April 1, 2015: ₹ 146.62 lakhs) secured by the vehicles purchased from the loan proceedings.	Repayable in 47 monthly instalments, Effective Rate of interest is 12.87% p.a.
Rupee Term Loan from Tata Capital Financial Services Limited amounting to ₹ 1,064.04 lakhs (March 31, 2016: ₹ 1,396.26 lakhs; April 1, 2015: ₹ 1,872.02 lakhs). 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 ₹ 100 lakhs.	Repayable in 35 - 59 monthly instalments & 28 quarterly instalments, Effective Rate of interest is between 11.35% - 15.69% p.a.

Rupee Term Loan from Tata Motors Finance amounting to ₹ 166.54 lakhs (March 31, 2016: 229.62 lakhs; April 1, 2015: ₹ 285.90 lakhs) 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, Effective Rate of interest is 10.52%
Rupee Term Loans (Consortium Loan Facility) from: Axis Bank Limited - ₹ 3,509.14 lakhs (March 31, 2016: ₹ 2,151.83 lakhs; April 1, 2015: ₹ 353.48 lakhs) Export Import Bank of India - ₹ 3,190.01 lakhs (March 31, 2016: ₹ 1,953.60 lakhs; April 1, 2015: ₹ 320.93 lakhs) IDBI Bank Limited - ₹ 3,474.31 lakhs (March 31, 2016: ₹ 2,153.87 lakhs; April 1, 2015: ₹ 355.15 lakhs) State Bank of India - ₹ 4,176.98 lakhs (March 31, 2016: ₹ 2,932.65 lakhs; April 1, 2015: ₹ 369.45 lakhs) State Bank of Travancore - ₹ 3,338.62 lakhs (March 31, 2016: ₹ 2,152.76 lakhs; April 1, 2015: ₹ 355.96 lakhs) Union Bank of India - ₹ 3,509.29 lakhs (March 31, 2016: ₹ 2,156.61 lakhs; April 1, 2015: ₹ 350.65 lakhs) Secured by: -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 J 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. - 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. Kamal Bai Shantilal Mehta, Mrs. Seema Kunthukumar Mehta and Mrs. Pratiksha J Mehta.	Repayable in 84 monthly installments, Effective Rate of Interest is between 11.71% - 12.64% p.a.

-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).	
Rupee Term Loans from Axis Bank Limited, amounting to ₹ 25.84 lakhs (March 31, 2016: ₹ 33.07 lakhs; April 1, 2015: ₹ 39.60 lakhs) Secured by the vehicles purchased from the loan proceedings and Corporate Guarantee of Navkar Corporation Limited, Parent Company.	Repayable in 59 monthly installments, Effective Rate of Interest is between 10.46% p.a.
Rupee Term Loans from HDFC Bank Limited, amounting to ₹ 51.75 lakhs (March 31, 2016: ₹ 65.80 lakhs; April 1, 2015: ₹ 48.56 lakhs) Secured by the equipment purchased from the loan proceedings and Corporate Guarantee of Navkar Corporation Limited, Parent Company.	Repayable in 59 monthly installments, Effective Rate of Interest is between 10.02% - 10.95% p.a
Rupee Term Loans from Tata Capital Financial Services Limited, amounting to ₹ 18.52 lakhs (March 31, 2016: ₹ 32.43 lakhs; April 1, 2015: ₹ 44.71 lakhs) 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	Repayable in 47 monthly installments, Effective Rate of Interest is between 12.17% - 12.41% p.a.

'At March 31, 2017, the Company had available ₹ 4,239.42 lakhs (March 31, 2016: ₹ 12,823.00 lakhs, April 1, 2015: 24,179.21 lakhs) of undrawn committed borrowing facilities.

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

Particulars	Terms of Repayment
Loans from Related Parties amounting to ₹ 5,833.46 (March 31, 2016: ₹ 5,182.95 lakhs, April 1, 2015 : ₹ 4,604.99 lakhs)	Repayable on demand after March 31, 2017 or any such date on which condition attached with existing loans of current ratio under financing arrangement(s) under which the unsecured loans were provided by the Payees' are satisfied, whichever date shall fall later. The effective interest rate used for these loans is 12.00% p.a. however these loans are interest free.
Rupee Term Loan from Magma Fincorp Limited amounting to ₹ Nil (March 31, 2016: ₹ Nil; March 31, 2015: ₹ 6.17 lakhs).	Repayable in 36 monthly instalments, Effective rate of interest is between 8.76% - 8.86% p.a.
Rupee Term Loan from Religare Finvest Ltd amounting to ₹ Nil (March 31, 2016: ₹ Nil; March 31, 2015: ₹ 13.82 lakhs).	Repayable in 36 monthly instalments, Effective rate of interest is 18.47% p.a.
Loans from Mr. Nemichand J Mehta amounting to ₹ Nil lakhs (March 31, 2016: ₹ Nil lakhs; April 1, 2015: ₹ 2,075.92 lakhs)	Repayable on demand after March 31, 2015. The loan is interest-free.
Loans from Mr. Jayesh N Mehta amounting to ₹ Nil lakhs (March 31, 2016: ₹ Nil lakhs; April 1, 2015: ₹ 1.32 lakhs)	Repayable on demand after March 31, 2015. The loan is interest-free.

(c) Nature of security and terms of repayment for Preference Share :

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. The effective interest rate used for these shares are 12.00% p.a.

6% Cumulative Redeemable Preference Shares

The Company has one class of preference shares having a par value of ₹100 per share and the same would be redeemed at the end of 10 years from the date of allotment. In the event of liquidation, the preference shareholders are eligible to receive repayment of the capital along with the dividend. They do not have any rights to participate in the profits or assets of the Company. Also the Company has call option to redeem the preference shares at any time after the end of one year from the date of allotment. The effective interest rate used for these shares are 12.00% p.a.

Shares allotted as fully paid up 6% Cumulative Redeemable Preference shares pursuant to the 'Scheme of Amalgamation (during 5 years immediately preceding June 30, 2016):

99,790 6% Cumulative Redeemable Preference shares of ₹ 100 each fully paid up were issued to the erstwhile shareholders of Navkar Terminals Limited pursuant to the 'Scheme of Amalgamation' between the Company, Navkar Terminals Limited and their respective shareholders without payment being received in cash.

Note 23: Non-Current Provisions

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provision for Employee Benefits:			
Provision for Gratuity (refer note 48)	348.44	282.48	217.94
Provision for Leave Obligation (refer note 48)	43.37	42.97	38.54
Total	**391.81**	**325.45**	**256.48**

Note 24 - Deferred Tax Liabilities (Net)

The major components of deferred tax Liabilities/ (Assets) as recognized in the financial statements are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Tax Liabilities/ (Assets) arising on account of timing differences in:			
Property, Plant and Equipment including Intangible Assets - Depreciation	4,573.74	4,090.99	3,224.89
Gratuity	(142.59)	(102.36)	(73.69)
Leave Entitlement	(17.75)	(15.56)	(13.11)
Financial Instruments - Borrowings	(186.09)	(55.08)	95.61
Allowances for credit losses - Trade Receivables	(6.91)	(3.58)	(3.80)
Expenses allowable u/s 35 DD	(2.67)	(3.88)	(3.90)
Business Losses	-	(7.12)	(1.12)
Deferred Tax Liabilities (net)	**4,217.73**	**3,903.41**	**3,224.88**

Movement in Deferred Tax Liabilities/ (Assets) (₹ in lakhs)

Particular	Depreciation	Gratuity	Leave Encashment	Borrowings	Others	Total
As at April 1, 2015	3,224.89	(73.69)	(13.11)	95.61	(8.82)	3,224.88
Charged/ (Credited):						
To Profit or Loss	866.10	(33.20)	(2.45)	(150.69)	(5.76)	674.00
To Other Comprehensive Income	-	4.53	-	-	-	4.53
As at March 31, 2016	**4,090.99**	**(102.36)**	**(15.56)**	**(55.08)**	**(14.58)**	**3,903.41**
Charged/ (Credited):						
To Profit or Loss	482.75	(57.71)	(2.19)	(131.01)	5.00	296.84
To Other Comprehensive Income	-	17.48	-	-	-	17.48
As at March 31, 2017	**4,573.74**	**(142.59)**	**(17.75)**	**(186.09)**	**(9.58)**	**4,217.73**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2017

Note 25- Current Financial Liabilities - Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Secured Loans (Repayable on demand)			
Working Capital Loans from Banks (Refer Note (a) below)	2,574.34	3,335.27	2,803.76
Unsecured Loans (Repayable on demand)			
Working Capital Loans from Banks (Refer Note (b) below)	1,013.93	-	-
Total	**3,588.27**	**3,335.27**	**2,803.76**

Note:

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

1. Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
2. 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 1,32,375 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 2,91,123 sq. mts., owned by the Company.
   - Extension of charge on entire property, plant and equipments 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 ₹ 518 lakhs and cash collateral of ₹ 13 lakhs.
   - DSRA equivalent to immediately ensuing quarter of debt servicing to be maintained in the form of Fixed Deposit of value of ₹ 164 lakhs.
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.

(b) Working Capital Loan from HDFC Bank amounting to ₹ 1,013.93 lakhs (March 31, 2016 and April 1, 2015 : ₹ Nil) repayable on demand.

At March 31, 2017, the Group had available ₹ 524.50 lakhs (March 31, 2016: ₹ 389.11 lakhs, April 1, 2015: 696.24 lakhs) of undrawn committed borrowing facilities.

Note 26- Current Financial Liabilities - Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade Payable			
Micro, Small and Medium Enterprises	180.98	-	-
Others	5,879.69	7,169.35	1,162.83
Total	**6,060.67**	**7,169.35**	**1,162.83**

Note: Disclosure for micro and small enterprises: (₹ in lakhs)

Particulars		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
(a)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;			
	- Principal	179.04	-	-
	- Interest due thereon	1.94	-	-
(b)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;			
	- Principal	216.58	-	-
	- Interest	-	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	1.42	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year;	0.52	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Note: The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 27 - Current Financial Liabilities - Others

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current Maturities of Long-Term Debt:			
Rupee Term Loans from Banks (Refer Note 22 above)	5,893.19	4,968.54	2,320.26
Foreign Currency Term Loans from Banks (Refer Note 22 above)	6,096.37	4,912.03	6,696.09
Rupee Term Loans from Others (Refer Note 22 above)	1,032.79	679.67	2,736.45
Interest Accrued	258.89	254.32	114.24
Foreign Currency Forward and Interest Rate Swap Contracts	194.05	21.23	82.00
Provision for Directors Sitting Fees	0.99	1.08	5.09
Provision for IPO Expenses	-	-	61.80
Liabilities for Acquisition of Property, Plant and Equipment	1,240.51	205.31	-
Application Money Refundable (Refer Note Below)	1.91	3.98	-
Other Payables	22.73	1.53	7.00
Total	**14,741.43**	**11,047.69**	**12,022.93**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2017

Note:

The Company has taken appropriate steps for refund of share application money received in Initial Public Offering in case of unallotted/ partially allotted applications. The balance is kept in a separate bank account 'Share Application Money Refund Account' and the Company can not freely use this amount.

Note 28 - Other Current Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Statutory Tax Payable (Including Provident Fund, Tax Deducted at Source and other indirect taxes)	551.51	206.03	518.94
Employee Related Liabilities	323.63	274.50	111.00
Total	**875.14**	**480.53**	**629.94**

Note 29 : Provisions:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provision for Wealth Tax	-	-	1.00
Provision for Employee benefits:			
Provision for Gratuity [Refer Note 48]	63.68	13.30	9.19
Provision for Leave Obligation [Refer Note 48]	8.20	1.98	1.88
Total	**71.88**	**15.28**	**12.07**

Note 30 : Current Tax Liabilities (Net):

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current Income Tax Liabilities	4,940.00	2,590.00	1,830.00
Less: Income Tax Assets	(4,811.71)	(2,002.61)	(1,428.64)
Total	**128.29**	**587.39**	**401.36**

The gross movement in the current income tax asset/ (liability) for the year ended March 31, 2017 and March 31, 2016 is as follows:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016
Net current income tax asset/ (liability) at the beginning	(555.41)	(364.29)
Add : Current income tax expense	(2,386.34)	(2,600.05)
Less: Income tax paid (net of refund, if any)	2834.02	2,408.93
Net current income tax asset/ (liability) at the end	**(107.73)**	**(555.41)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2017 and March 2016:

(₹ in lakhs)

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Accounting profit before tax from continuing operations	9,921.15	10,315.33
Tax at income tax at the rate of 34.608% (March 31, 2016: 34.608%)	**3,433.51**	**3,569.93**
Adjustments of tax effect of allowable and non-allowable income and expenses:		
Difference in Depreciation and Amortisation	(524.95)	(653.63)
Corporate Guarantee Income	(37.18)	(33.67)
Corporate Social Responsibility Expenditure	77.02	56.37
Provisions for Retirement Benefits	24.95	25.33
Premium on Forward Contract	42.54	-
Loss on Sale of Property, Plant and Equipments	64.31	2.52
Gain on Sale of Investments	-	(206.27)
Additional Finance cost as calculated by using effective interest rate	349.61	386.85
Other Items	7.12	11.00
Deduction available as per section 80-IA of the Income Tax Act, 1961	(2,817.56)	(2,468.58)
Adjustments of brought forwarded losses as per the Income Tax Act, 1961	(9.31)	9.31
Adjustments of elimination due to Consolidation	380.46	316.72
Provision for Interest on Income Tax and Adjustments for Current Tax of Prior Periods	38.81	63.79
Deferred Tax Expenses for the year	331.80	683.06
Net current income tax asset/ (liability) at the end	**1,361.13**	**1,762.73**

Note 31 : Revenue from Operations

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Sale of Products:		
Auction Sales	433.14	322.70
Services Rendered:		
Cargo Handling	26,557.79	26,279.87
Cargo Storage	9,153.71	7,544.81
Transportation	237.53	-
Other Operating Revenue:		
EDI Income	54.07	57.66
MNR Receipts	654.29	520.68
Total	**37,090.53**	**34,725.73**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2017

Note 32 : Other Income

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Interest Income:		
From Fixed Deposits with Banks	1,200.19	1,641.54
Foreign Exchange Gain (Net)	53.22	-
Miscellaneous Income	59.43	76.17
Profit on Sales of Current Investments	-	187.26
Reversal of Provision for Diminution in Value of Investment	-	408.75
Reversal of Provision for ECL	-	1.37
Dividend Income	-	3.37
Total	**1,312.84**	**2,318.46**

Note 33 : Cost of Services

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Handling and Transportation Charges	10,817.47	7,262.45
Customs Cost Recovery	41.69	136.62
Custom Bottle Seals	4.55	6.31
Electricity Expenses	305.53	326.28
Freight and Cartage	486.37	615.04
Port Handling Charges	915.49	1,277.72
Diesel and Petrol Expenses	1,711.05	3,288.37
Repairs and Maintenance	1,042.36	761.95
Other Operational Expenses	372.69	71.32
Railway Haulage and License Charges	650.10	627.30
Total	**16,347.30**	**14,373.36**

Note 34 : Employee Benefits Expenses

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Salaries, Wages and Bonus	2,672.70	2,049.88
Contributions to Provident and Other Funds (Refer Note 48)	161.09	129.84
Gratuity Expenses (Refer Note 48)	77.98	63.24
Leave Encashment Expenses	8.94	5.87
Staff Welfare Expenses	253.47	213.14
Total	**3,174.18**	**2,461.97**

Note 35 : Finance Costs

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Interest on Borrowings from Banks on Term Loans	1,712.87	2,223.50
Interest on Borrowings from Others on Term Loans	195.52	242.34
Interest on Borrowings from Banks on Short-Term Loans	304.37	222.49
Interest on Others	20.92	60.20
Bank Charges and Commission	132.10	12.56
Interest on Unsecured Loans	658.33	577.97
Dividend on Redeemable Preference Share	104.10	99.79
Total	**3,128.21**	**3,438.85**

Note 36 : Depreciation and Amortisation Expense

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Depreciation on tangible assets	1,994.20	1,929.76
Amortisation of intangible assets	13.71	2.71
Total	**2,007.91**	**1,932.47**

Note 37 : Other Expenses

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Advertisement Expenses	16.32	16.01
Payment to Auditors:		
As Auditors	20.10	20.00
CSR Expenses (Refer Note 51)	216.45	162.87
Donation Expenses	15.13	48.81
General and Office Expenses	36.85	54.52
Information Technology Expenses	141.43	134.09
Insurance Expenses	149.93	141.60
Foreign Exchange Loss (Net)	-	1,654.06
Legal and Professional Fees	303.60	272.13
Loss on Sale of Fixed Assets	186.37	7.28
Printing and Stationery	41.87	44.78
Rent Expenses	1.20	0.61
Rates and Taxes	619.70	413.86
Repairs and Maintenance - Others	278.45	338.67
Sales Promotion Expenses	84.41	85.30
Option Derivatives Hedge Cost	317.07	118.33
Security Expenses	1,057.47	691.07
Telephone and Internet Charges	32.36	29.19
Travelling Expenses	158.33	112.61
Miscellaneous Expenses	105.05	155.61
Provision for Loss Allowance on Trade Receivables	10.12	-
Expenses Incurred on Merger	-	3.90
Cost Recovery Charges	32.41	16.91
Total	**3,824.62**	**4,522.21**

Note 38 : Earnings Per Equity Share

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Net Profit attributable to Equity Shareholders (₹ in lakhs)	8,560.01	8,552.60
Weighted Average Number of Equity Shares (Nos. in lakhs)	1,426.08	1,285.84
Basic and Diluted Earnings Per Share (₹)	6.00	6.65
Face value per Share (₹)	10.00	10.00

Note 39:- Financial Assets at Amortised Cost Method

The carrying value of the following financial assets recognised at amortised cost:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-Current Financial Assets			
Loans	-	136.95	665.79
Others	1,406.63	1,118.40	799.87
Current Financial Assets			
Trade receivables	4,505.14	4,791.59	7,735.74
Cash and Cash Equivalents	3,839.52	487.95	98.59
Other bank balances	9,100.09	28,544.97	6.78
Loans	44.19	363.14	61.14
Others	254.32	17.75	18.90
Total	**19,149.89**	**35,460.75**	**9,386.81**

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

Note 40:- Financial Liabilities at Amortised Cost Method

The carrying value of the following financial liabilities recognised at amortised cost:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-Current Financial Liabilities			
Borrowings	33,934.24	36,371.52	35,202.14
Current Financial Liabilities			
Borrowings	3,588.27	3,335.27	2,803.76
Trade Payable	6,060.67	7,169.35	1,162.83
Other Financial Liabilities	14,547.38	11,026.46	11,940.93
Total	**58,130.56**	**57,902.60**	**51,109.66**

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

Note 41:- Financial Assets at Fair Value Through Profit or Loss

The carrying value of the following financial assets recognised at fair value through profit or loss:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current Financial Assets			
Investments	-	-	501.83
Foreign currency forward and options contracts	-	0.50	0.23
Total	**-**	**0.50**	**502.06**

Note: The above investments are quoted instruments in active markets and the same is recognised at fair value. Fair value measurement is done considering the Level -1 of Fair Value Hierarchy as per the Ind-AS 113.

Note 42:- Financial Liabilities at Fair Value Through Profit or Loss

The carrying value of the following financial liabilities recognised at fair value through profit or loss:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current Financial Liabilities			
Other Financial Liabilities	194.05	21.23	82.00
Total	**194.05**	**21.23**	**82.00**

Note: The above other financial liabilities includes Foreign Currency Forward and Options Contracts . Only observable inputs directly and indirectly are available to recognise the same at fair value, accordingly fair value measurement is done considering the Level -2 of Fair Value Hierarchy as per the Ind-AS 113.

Note 43 : Financial Risk Management Objectives and Policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations directly or indirectly. The Group's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Aging analysis and Credit ratings	Diversification of bank deposits and credit limits
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk - foreign exchange	Future commercial transactions. Recognised financial liabilities not denominated in Indian Rupee (₹)	Cash flow forecasting and Sensitivity analysis	Forward foreign exchange contracts and Foreign currency options
Market Risk - interest rate	Long-Term borrowings at variable	Sensitivity analysis	Interest rate swaps

Credit Risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. The Group is in the business of CFS activities. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 14.

On account of adoption of Ind-AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Group's historical experience for customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2017

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's finance department in accordance with the Group's policy. Investments of surplus funds are made generally in the fixed deposits and for funding to subsidiary company. The investment limits are set to minimise the concentration of risks and therefore mitigate financial loss to make payments for vendors.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2017 and March 31, 2016 is the carrying amounts as stated in balance sheet except for balances of subsidiary company. The Group's maximum exposure relating to financial guarantees and financial derivative instruments is noted in the liquidity table below.

Liquidity Risk

The Group monitors its risk of a shortage of funds using a liquidity planning tool.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, preference shares and unsecured loans. The Group has access to a sufficient variety of sources of funding which can be rolled over with existing lenders. The Group believes that the working capital is sufficient to meet its current requirements.

The table below provides details regarding the maturities of significant financial liabilities as of March 31, 2017, March 31, 2016 and March 31, 2015:

(₹ in lakhs)

Particulars	Less than 3 Months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2017					
Secured Loans	10,752.94	5,102.64	20,832.08	6,220.04	42,907.70
Unsecured Loans	1,013.93	-	5,833.46	-	6,847.39
Preference Share	-	-	-	1,048.66	1,048.66
Trade Payables	5,178.07	882.60	-	-	6,060.67
Foreign currency forwards and interest rate swaps contracts	194.05	-	-	-	194.05
Liabilities for acquisition of property, plant and equipment	1,240.51	-	-	-	1,240.51
Others	22.90	2.73	-	-	25.63
Year ended March 31, 2016					
Secured Loans	6,552.68	7,606.35	27,754.65	2,487.98	44,401.66
Unsecured Loans	-	-	-	5,182.95	5,182.95
Preference Share	-	-	-	936.74	936.74
Trade Payables	7,125.42	43.93	-	-	7,169.35
Foreign currency forwards and interest rate swaps contracts	-	21.23	-	-	21.23
Liabilities for acquisition of property, plant and equipment	205.31	-	-	-	205.31
Others	6.59	-	-	-	6.59

Particulars	Less than 3 Months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended April 1, 2015					
Secured Loans	5,269.64	7,323.93	25,616.77	4,143.43	42,353.77
Unsecured Loans	-	2,077.24	-	4,604.99	6,682.23
Preference Share	-	-	-	836.94	836.94
Trade Payables	1,132.24	30.59	-	-	1,162.83
Foreign currency forwards and interest rate swaps contracts	-	82.00	-	-	82.00
Others	73.89	-	-	-	73.89

Market Risk

Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group's policy is to keep balance between its borrowings at fixed rates of interest. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The exposure of the Group to interest rate changes at the end of the reporting period are as under: (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Variable Rate Borrowing	38,641.18	34,898.03	22,495.10
Fixed Rate Borrowing	4,266.52	9,503.63	19,858.67
Total	**42,907.70**	**44,401.66**	**42,353.77**

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lakhs)

Particulars	Increase/ Decrease in basis points	Effect on Profit before Tax
March 31, 2017	+ 1%	(155.72)
	- 1%	155.72
March 31, 2016	+ 1%	(140.86)
	- 1%	140.86

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the borrowings converted in the foreign currency and purchase of stores and spares from out of the India. The Group manages its foreign currency risk by hedging repayment of principals that are expected to be paid within the period of loan. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. The Group hedges its exposure to fluctuations on the translation into ₹ of its foreign payables in foreign currencies and by using foreign currency option and forward contracts.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in lakhs)

Particulars	Change in Foreign Exchange Rate	Effect on Profit before Tax
March 31, 2017	+ 5%	(1.92)
	- 5%	1.92
March 31, 2016	+ 5%	(247.74)
	- 5%	247.74

Equity price risk

The Group's unlisted equity securities are of subsidiary and deemed cost of the same are taken as previous GAAP carrying value (i.e. cost of acquisition). The value of the financial instruments is not material and accordingly any change in the value of these investments will not affect materially the profit or loss of the Company.

Note 44 : Capital Management

For the purpose of the Group's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group can adjust the dividend payment to shareholders, issue new shares, etc. The Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(₹ in lakhs)

Particulars		March 31, 2017	March 31, 2016	April 1, 2015
A)	**Net Debt**			
	Borrowings (Current and Non-Current)	50,803.75	50,521.35	49,872.94
	Cash and cash equivalents	(3,839.52)	(487.95)	(98.59)
	Net Debt (A)	**46,964.23**	**50,033.40**	**49,774.35**
B)	**Equity**			
	Equity share capital	14,260.80	14,260.80	10,970.48
	Other Equity	130,630.40	122,103.37	68,687.11
	Total Equity (B)	**144,891.20**	**136,364.17**	**79,657.59**
Gearing Ratio (Net Debt / Capital) i.e. (A / B)		**32.41%**	**36.69%**	**62.49%**

Note 45 : Contingent Liabilities not Provided for:

(a) (₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Disputed Liabilities in respect of Service Tax	225.98	203.73	203.73
Claims against the Group not acknowledged as debts in respect of Railway land license fee	-	742.55	742.55
Claims against the Group not acknowledged as debts in respect of Labour laws	1.62	54.01	55.92
Total	**227.60**	**1,000.29**	**1,002.20**

(b) State Bank of India has given guarantee amounting to ₹ 2,260.03 (March 31, 2016: ₹ 2,921.70 lakhs; April 1, 2015: ₹ 2,633.63 lakhs) on behalf of the Company as required by the Custom Authority in favour of the President of India.

Note 46 : Capital Commitments:

(₹ in lakhs)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Estimated value of Contracts in respect of Property, Plants and Equipments remaining to be Executed (Net of Capital Advances)	427.76	3,704.83	1,580.09
Total	**427.76**	**3,704.83**	**1,580.09**

Note 47 : 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 Group is engaged in CFS and ICD Operations and related activities during the year, consequently the Group does not have separate reportable business segment for the year ended March 31, 2017.

Information about Secondary Geographical Segment

The Group is engaged in providing services to customers located in India, consequently the Group does not have separate reportable geographical segment for the year ended March 31, 2017.

Note 48 : 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:

(₹ in lakhs)

Particulars	Year ended March 31, 2017 (₹ in lakhs)	Year ended March 31, 2016 (₹ in lakhs)
Employers' Contribution to Provident Fund and Employee's Pension Scheme	128.84	99.45
Employers' Contribution to Employee's State Insurance	32.25	30.39
Total Expenses recognised in the Statement of Profit and Loss (Refer Note 35)	**161.09**	**129.84**

II. Defined Benefit Plan

Gratuity Fund

a. Major Assumptions

	(% p.a.)	(% p.a.)
Discount Rate	6.69%	7.46%
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	**11.19% to 25.00%**	**2.88%**

b. Change in Present Value of Obligation

	(₹ in lakhs)	(₹ in lakhs)
Present Value of Obligation as at the beginning of the year	295.78	227.13
Current Service Cost	56.36	45.90
Interest Cost	21.61	17.35
Benefit paid	(12.09)	(7.70)
Remeasurements - Actuarial (Gain)/ Loss on Obligations	50.46	13.10
Present Value of Obligation as at the end of the year	**412.12**	**295.78**

c. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets

	(₹ in lakhs)	(₹ in lakhs)
Present Value of Obligation	412.12	295.78
Fair Value of Plan Assets	-	-
Funded Status	(412.12)	(295.78)
Present Value of Unfunded Obligation	412.12	295.78
Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions and Short Term Provisions (Refer Note 24 and 30)	412.12	295.78

d. Expenses Recognised in the Statement of Profit and Loss

	(₹ in lakhs)	(₹ in lakhs)
Current Service Cost	56.36	45.90
Interest Cost	21.61	17.35
Total expenses recognised in the Statement of Profit and Loss	**77.97**	**63.25**

e. Expense Recognised in the Statement of Other Comprehensive Income

	(₹ in lakhs)	(₹ in lakhs)
Remeasurements of the net defined benefit liability	50.46	13.10
Actuarial (gains) / losses obligation	**50.46**	**13.10**

Actuarial (gains) / losses on Obligation		
Due to Demographic Assumption*	(43.48)	-
Due to Financial Assumption	21.20	12.46
Due to Experience	72.74	0.64
Total Actuarial (Gain)/Loss	**50.46**	**13.10**

*This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience

f. **Amounts recognised in the Balance Sheet**

	(₹ in lakhs)	(₹ in lakhs)
Present Value of Obligation as at year end	(412.12)	(295.78)
Fair Value of Plan Assets as at year end	-	-
Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions and Short Term Provisions (Refer Note 24 and 30)	412.12	295.78

III. Other Employee Benefit

The liability for leave entitlement as at March 31, 2017 is ₹ 51.57 lakhs (March 31, 2016: ₹ 44.95 lakhs; April 1, 2015: ₹ 40.42 lakhs) disclosed under Long Term Provisions (Refer Note 24) and Short Term Provision (Refer Note 30).

IV. Sensitivity Analysis

The below sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

a. **Gratuity**

A quantitative sensitivity analysis for significant assumption as at March 31, 2017 and March 31, 2016 are as shown below:

Particulars	Change in Discount Rate	Increase/ (Decrease) in Present Value of Obligations	Change in Salary Escalation Rate	Increase/ (Decrease) in Present Value of Obligations
		(₹ in lakhs)		(₹ in lakhs)
March 31, 2017	+ 1%	(27.19)	+ 1%	27.96
	- 1%	31.00	- 1%	(25.11)
March 31, 2016	+ 1%	(36.95)	+ 1%	42.31
	- 1%	44.98	- 1%	(35.79)

b. **Leave Compensation**

A quantitative sensitivity analysis for significant assumption as at March 31, 2017 and March 31, 2016 are as shown below:

Particulars	Change in Discount Rate	Increase/ (Decrease) in Present Value of Obligations	Change in Salary Escalation Rate	Increase/ (Decrease) in Present Value of Obligations
		(₹ in lakhs)		(₹ in lakhs)
March 31, 2017	+ 1%	(3.32)	+ 1%	3.49
	- 1%	3.78	- 1%	(3.13)
March 31, 2016	+ 1%	(5.67)	+ 1%	6.71
	- 1%	6.92	- 1%	(5.61)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2017

V. Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed:

Interest risk	A decrease in the market yields in the government bond will increase the plan liability.
Longevity risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Note 49 : Related Party Disclosure:

i) Relationship

Description of relationship	Names of Related Parties
Key Management Personnel and their Relative with whom the Group has entered into transactions	Mr. Shantilal J Mehta
	Mr. Nemichand J Mehta
	Mr. Jayesh N Mehta
	Mr. Dinesh Gautama
	Mrs. Sudha Gupta
	Mr. Lalit Menghnani
	Mr. Ashok Kumar Thakur (w.e.f. January 25, 2017)
	Mr. Rameshchandra M Purohit (upto November 30, 2016)
	Mr. Anish Maheshwari (Chief Financial Officer)
	Mr. Hitesh Kumar Jain (Company Secretary w.e.f. November 25, 2016)
	Mrs. Ekta Chuglani (Company Secretary upto November 25, 2016)
	Mrs. Shailaja N Mehta
	Mr. Kunthu Kumar Mehta
	Mrs. Kamalbai S Mehta
	Mrs. Sairabai J Mehta
	Mrs. Seema K Mehta
Enterprises in which Key Management personnel and relatives of Key Management personnel have significant influence	Sidhhartha Corporation Private Limited
	M/s. Arihant Industries (Proprietorship of Mr. Nemichand J Mehta)
	Navkar Charitable Trust

Notes:

1) The list of related parties above has been limited to entities with which transactions have taken place.

2) Related party transactions have been disclosed till the time the relationship existed.

ii) Transaction with Related Parties during the year

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Directors Remuneration and Salary		
Mr. Shantilal J Mehta	80.00	65.00
Mr. Nemichand J Mehta	80.00	60.00
Mr. Jayesh N Mehta	55.00	55.00
Mr. Dinesh Gautama	78.00	60.00
Mr. Anish Maheshwari (Chief Financial Officer)	36.00	21.00
Mr. Hitesh Kumar Jain (Company Secretary w.e.f. November 25, 2016)	12.43	-
Mrs. Ekta Chuglani (Company Secretary upto November 25, 2016)	5.56	7.27
	346.99	**268.27**
Sitting Fees and Reimbursement of Conveyance		
Mrs. Sudha Gupta	1.25	2.75
Mr. Lalit Menghnani	1.25	2.20
Mr. Ashok Kumar Thakur (w.e.f. January 25, 2017)	0.35	-
Mr. Rameshchandra M Purohit (upto November 30, 2016)	0.60	2.70
	3.45	**7.65**
Loan Taken		
Mr. Nemichand J Mehta	-	1,051.04
Mr. Shantilal J Mehta	-	1,051.04
	-	**2,102.08**
Loan Taken Repaid		
Mr. Nemichand J Mehta	-	3,126.96
Mr. Shantilal J Mehta	-	1,051.04
Mr. Jayesh N Mehta	-	1.32
	-	**4,179.32**
Sale of Service		
Sidhhartha Corporation Private Limited	17.46	29.51
	17.46	**29.51**
Initial Public Offer (IPO) Expenses Recoverable		
Sidhhartha Corporation Private Limited	-	500.73
	-	**500.73**
Donations and CSR Expenses		
Navkar Charitable Trust	212.25	207.88
	212.25	**207.88**
Rent Expenses		
Mr. Shantilal J Mehta	1.80	0.12
Mr. Nemichand J Mehta	-	0.49
	1.80	**0.61**
Purchase of Land		
Mr. Nemichand J Mehta	-	5,741.80
M/s. Arihant Industries (Proprietorship of Mr. Nemichand J Mehta)	-	3,035.45
	-	**8,777.25**
Interest Expenses on Unsecured Loan		
Mr. Shantilal J Mehta	311.94	277.16
Mr. Nemichand J Mehta	105.51	93.75
Mrs. Shailaja N Mehta	113.93	101.22
Mr. Jayesh N Mehta	119.12	105.84
	650.50	**577.97**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT for the year ended March 31, 2017

(₹ in lakhs)

Particulars	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Dividend on Redeemable Preference Share		
Mr. Shantilal J Mehta	50.03	44.47
Mr. Nemichand J Mehta	27.96	24.97
Mrs. Shailaja N Mehta	26.78	23.83
Mr. Jayesh N Mehta	0.87	0.81
Mrs. Kamalbai S Mehta	0.87	0.81
Mr. Kunthukumar S Mehta	3.55	3.18
Mrs. Sairabai J Mehta	0.16	0.14
Mrs. Seema K Mehta	0.87	0.81
Mrs. Pratiksha J Mehta	0.83	0.77
	111.92	**99.79**

iii) **Balance with Related Parties :**

(₹ in lakhs)

Particulars	Balances as at March 31, 2017	Balances as at March 31, 2016	Balances as at April 1, 2015
Loans Payable			
Mr. Shantilal J Mehta	2,797.36	2,485.41	2,208.26
Mr. Nemichand J Mehta	946.20	840.69	2,822.86
Mrs. Shailaja N Mehta	1,021.65	907.72	806.50
Mr. Jayesh N Mehta	1,068.25	949.13	844.61
	5,833.46	**5,182.95**	**6,682.23**
Borrowings - Preference Share			
Mr. Shantilal J Mehta	453.39	403.36	358.89
Mr. Nemichand J Mehta	262.57	234.61	209.64
Mrs. Shailaja N Mehta	244.92	218.14	194.31
Mr. Jayesh N Mehta	12.55	11.68	10.87
Mrs. Kamalbai S Mehta	12.55	11.68	10.87
Mr. Kunthukumar S Mehta	36.54	32.99	29.81
Mrs. Sairabai J Mehta	1.41	1.25	1.10
Mrs. Seema K Mehta	12.55	11.68	10.87
Mrs. Pratiksha J Mehta	12.18	11.35	10.58
	1,048.66	**936.74**	**836.94**
Remuneration Payable			
Mr. Shantilal J Mehta	83.50	46.78	-
Mr. Nemichand J Mehta	16.40	40.93	-
Mr. Jayesh N Mehta	52.43	38.48	-
Mrs. Ekta Chuglani (Company Secretary upto November 25, 2016)	-	0.52	0.36
Mr. Dinesh Gautama	4.59	3.78	3.50
Mr. Anish Maheshwari (Chief Financial Officer)	2.57	1.64	1.33
Mr. Hitesh Kumar Jain (Company Secretary w.e.f. November 25, 2016)	2.74	-	-
	162.23	**132.13**	**5.19**

(₹ in lakhs)

Particulars	Balances as at March 31, 2017	Balances as at March 31, 2016	Balances as at April 1, 2015
Sitting Fees Payable			
Mrs. Sudha Gupta	0.41	0.36	2.03
Mr. Lalit Menghnani	0.45	0.32	0.72
Mr. Ashok Kumar Thakur (w.e.f. January 25, 2017)	0.14	-	-
Mr. Rameshchandra M Purohit (upto November 30, 2016)	-	0.41	2.34
	1.00	**1.09**	**5.09**
Corporate Guarantees Given			
Sidhhartha Corporation Private Limited	-	-	17,000.00
	-	**-**	**17,000.00**

Note 50 : Initial Public Offering:

During the financial year 2015-16, the Company has made an Initial Public Offering (IPO) for 3,87,09,676 equity shares of ₹10 each, comprising of 3,29,03,225 fresh issue of equity shares by the Company and 58,06,451 equity shares offered for sale by Sidhhartha Corporation Private Limited (SCPL), a promoter group company. The equity shares were issued at a price of ₹ 155 per equity share (including premium of ₹ 145 per share). Out of the total proceeds from the IPO of ₹ 60,000 lakhs, the Company's share is ₹ 51,000 lakhs from the fresh issue of 3,29,03,225 equity shares. The total expenses in connection with the IPO are shared between the Company and SCPL in the proportion of the amount received from the IPO proceeds. Share issue expenses is adjusted against the securities premium account.

Fresh equity shares were allotted by the Company on September 4, 2015 and these shares rank pari-passu with the existing shares. The equity shares of the Company were listed on The National Stock Exchange of India Limited and BSE Limited on September 9, 2015.

Utilisation of funds raised through Initial Public Offering (IPO) of equity shares as on March 31, 2017 as follows:

(₹ In lakhs)

Particulars	Amount
Issue Proceeds from fresh issue of 3,29,03,225 equity shares	51,000.00
Less: Issue expenses (including service tax)	3,185.78
Net Proceeds from IPO	47,814.22
Less: Utilisation of IPO proceeds upto March 31, 2017	36,177.79
Funds to be Utilised (remain invested in bank current account and deposits)	**11,636.43**

Objectwise details of utilisation are as under:

(₹ in lakhs)

Particulars	Proposed amount as per prospectus	Revised proposed amount (Refer Note 1 below)	Amount utilised upto March 31, 2017	Amount unutilised as on March 31, 2017
	(1)	(2)	(3)	(4) = (2) - (3)
Capacity enhancement of the Somathane CFS	11,452.80	7,989.30	7,418.95	570.35
Development of the non-notified areas of CFSs	5,425.10	4,692.70	2,976.70	1,716.00
Establishment of a logistics park at Valsad (near Vapi)	31,456.50	26,925.60	17,066.30	9,859.30
Repayment of loan	-	8,726.80	8,715.84	10.96
Total	**48,334.40**	**48,334.40**	**36,177.79**	**12,156.61**

The amount pending utilization is kept in Fixed Deposits and Monitoring Current Account with Bank as under:

(₹ In lakhs)

Particulars	Amount
Details of Unutilised Funds as on March 31, 2017:	
Investments in Fixed Deposits with Banks	11,608.88
In Monitoring Current Account with HDFC Bank Limited	27.55
Total	**11,636.43**

Notes:

1) Certain reductions to the estimated deployment of funds towards the objects of the IPO, in light of movement in prices of machinery and raw materials, as reviewed by the Audit Committee of the Board, were approved by the Board of Directors of the Company at their meeting held on November 2, 2015 and accordingly, the Company estimates savings to the tune of ₹ 8726.80 lakhs, subject to any further revisions in prices in the future. The Company utilised/ intends to utilise 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. In accordance with the disclosures made in the Prospectus, that the actual utilisation towards the objects is lower than the proposed deployment due to revision in the estimated costs, the Company intends to utilise such costs saved for further investment in business growth and expansion opportunities.

2) Pursuant to the approval accorded from the Shareholders of the Company through Postal Ballots process completed on May 05, 2017 for variation in terms of Objects of the IPO, accordingly subsequent to the year end, the Company has made repayment of secured borrowings of ₹ 6,586.70 lakhs upto May 29, 2017.

Note 51 : Expenditure on Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The Group is spending amount for these activities, which are specified in Schedule VII of the Companies Act, 2013.

(a) Gross amount required to be spent by the Group during the year ₹ 205.38 lakhs (previous year ₹ 162.87 lakhs)

(b) Amount spent during the year on: (₹ In lakhs)

Particulars	In cash/ bank	Yet to be paid in cash/ bank	Total
(i) Construction/ acquisition of any asset	-	-	-
	(-)	(-)	(-)
(ii) On purposes other than (i) above	216.45	-	216.45
	(162.87)	(-)	(162.87)

(Figures in brackets represent amount for previous year)

Note 52 : CIF Value of Imports:

(₹ In lakhs)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Spare Parts (Grouped in Repairs and Maintenance)	62.84	71.72

Note 53 : Expenditure in Foreign Currency:

(₹ In lakhs)

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Professional and Consultancy Fee (IPO related expenses)	-	104.34
Miscellaneous Expenses	-	14.75

Note 54 : Merger of Subsidiary Company:

Board of Directors in their meeting held on March 30, 2017 approved the Scheme of Amalgamation of Navkar Terminals Limited ('NTL') with the Company ('the Scheme'). The Company holds 50,000 equity shares fully paid up in NTL, representing 100% of the total paid up equity share capital of NTL, which shall stand extinguished upon the Scheme becoming effective. The Scheme is subject to approval of shareholders of both the companies and other regulatory authorities as prescribed in the law. Hence, no effect of the same is given in the financial statements.

Note 55 : Disclosure On Specified Bank Notes (SBNs):

During the year, the Group had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	1,138,500	686,640	1,825,140
(+) Permitted receipts	-	11,395,987	11,395,987
(-) Permitted payments	(1,138,500)	(11,404,246)	(12,542,746)
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on December 30, 2016	**-**	**678,381**	**678,381**

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the November 8, 2016.

NOTE 56 : Additional Information Required under Schedule III of the Companies Act, 2013:

Name of the Entity - Parent Subsidiaries Indian:		
Navkar Terminals Limited (formerly known as Harvard Credit Rating Agency Limited)		
Net Assets, i.e. total asset minus total liabilities as at March 31, 2017	As % of consolidated net assets	16.43
	Amount (₹ in lakhs)	23,804.92
Share in profit / (loss) for the year ended on March 31, 2017	As % of consolidated Profit or Loss	0.45
	Amount (₹ in lakhs)	38.67
Share in other comprehensive income for the year ended on March 31, 2017	As % of consolidated other comprehensive income	(0.64)
	Amount (₹ in lakhs)	0.21
Share in total comprehensive income for the year ended on March 31, 2017	As % of consolidated other comprehensive income	0.46
	Amount (₹ in lakhs)	38.88

Note 57 : Previous Years' Figures:

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and polices to the extent applicable. The Group has adopted Ind-AS on April 1, 2016 with the transition date as April 1, 2015, and adoption was carried out in accordance with Ind-AS 101 - First Time Adoption of Indian Accounting Standards. The previous period's figures have been regrouped or rearranged wherever necessary.

The accompanying notes are an integral part of these financial statements

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

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Shantilal Mehta
Chairman and Managing Director
DIN No.: 00134162

Nemichand Mehta
Whole-time Director
DIN No.: 01131811

Anish Maheshwari
Chief Financial Officer

Hitesh Kumar Jain
Company Secretary

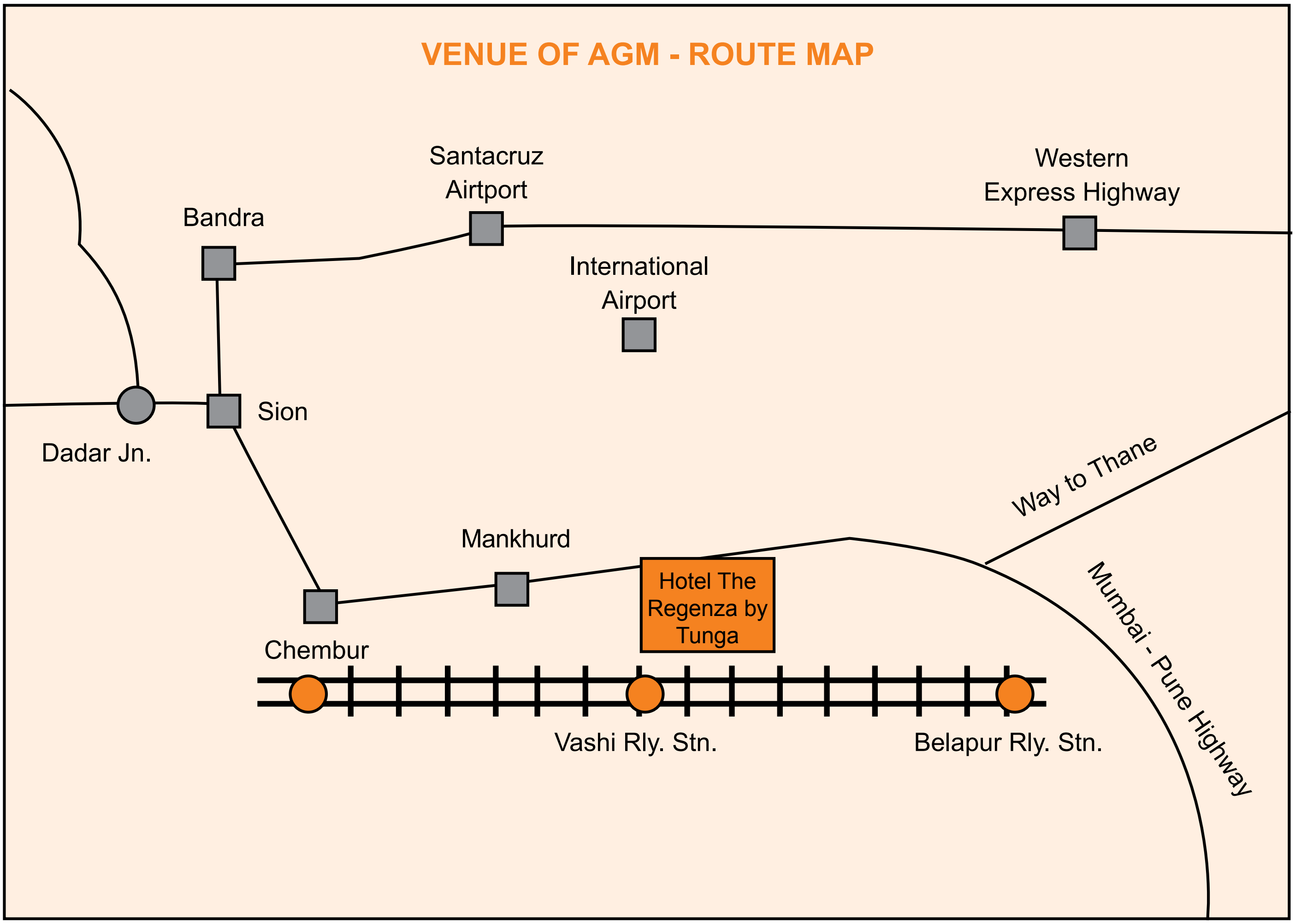
Dinesh Gautama
Chief Executive Officer

Place : Mumbai
Date : May 29, 2017

NAVKAR CORPORATION LIMITED

9TH ANNUAL GENERAL MEETING ON THURSDAY, AUGUST 24, 2017, AT 11.30 A.M.

At Hotel The Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai - 400703



Navkar Corporation Ltd
Container Freight Stations & Rail Terminals

Registered Office: 205 – 206, J.K. Chambers, Sector 17, Vashi, Navi Mumbai – 400703
CIN: L63000MH2008PLC187146, Phone: +91-22-22-3800 6500
E-mail: cs@navkarcfs.com website:www.navkarcfs.com

ATTENDANCE SLIP

(To be presented at the entrance)

9TH ANNUAL GENERAL MEETING ON THURSDAY, AUGUST 24, 2017, AT 11.30 A.M.
At Hotel The Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai - 400703

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 – 400703
CIN: L63000MH2008PLC187146, Phone: +91-22-3800 6500
E-mail: cs@navkarcfs.com website:www.navkarcfs.com

PROXY FORM

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

Name of the Member (s):			
Registered Address:			
Email-Id:			
Folio No./Client ID:		DP ID:	

I/We, being the member (s) holding ______________________________ shares of the Navkar Corporation Limited, hereby appoint:

1. Name: ....
   Address: ....
   E-mail Id: ....
   Signature: ...., or failing him
2. Name:..
   Address: ....
   E-mail Id: ....
   Signature: .... or failing him
3. Name: ....
   Address: ....
   E-mail Id: ....
   Signature: ....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 9th Annual General Meeting of Navkar Corporation Limited, to be held on Thursday, the 24th day of August, 2017 at 11.30 a.m. at "Hotel The Regenza By Tunga, Plot no. 37, Sector 30-A, Vashi, Navi Mumbai – 400703 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	**Resolution**
Ordinary Business	
1 (a)	Adoption of Audited Standalone Financial Statements for the Financial Year ended March 31, 2017 and the Reports of the Board of Directors and Auditors thereon.
1(b)	Adoption of Audited Consolidated Financial Statements for the Financial Year ended March 31, 2017 and the Report of the Auditors thereon.
2	Re-appointment of Capt. Dinesh Gautama who retires by rotation.
3	Ratification of appointment of Auditors and fixing their remuneration.
Special Business	
4	Appointment of Mr. Ashok Kumar Thakur as an Independent Director.
5	Appointment of Mr. Shantilal Mehta as Chairman and Managing Director.
6	Approval of Further Issue of securities.
7	Approval for Increase of Authorised Share Capital.

Signed this .... day of .... 2017.

Affix Revenue Stamp

Signature of shareholder.. Signature of Proxyholder(s)..

Notes : 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Please complete all details including details of member(s) in above box before submission.

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 : 4th Floor, Goodwill Infinity, Sector 12, Near Utsav Chowk, Kharghar, Navi Mumbai – 410 210
Website : www.navkarcfs.com | CIN : L63000MH2008PLC187146