

October 1, 2016

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

The Manger
Listing Department
National Stock Exchange of India Limited
“Exchange Plaza”, C-1, Block G,
Bandra Kurla Complex,
Bandra (E),
Mumbai – 400 051

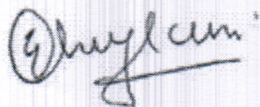
Dear Sirs,

Sub. : Annual Report 2015-16 approved and adopted at the 8th 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, 2015-16 of the Company approved and adopted at the Eighth Annual General Meeting (AGM) held on September 27, 2016 at 03.30 p.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



Ekta Chuglani
Company Secretary

Encl. : Annual Report, 2015-16



Always on the
MOVE



Navkar Corporation Ltd
Container Freight Stations & Rail Terminals

Disclaimer

This document contains statements about expected future events and financial and operating results of Navkar Corporation Ltd, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Navkar Corporation Ltd Annual Report 2015-16.

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What is better than being the best?

Being better than what you were yesterday.



So far our business ensured mobility of your cargo. But we realised the need to provide our customers with seamless and unbounded mobility - a kind that ensures mobility beyond regions. This was important because it is crucial to be there where our customers are. Thus, we decided to expand, and, expanded in the right direction.

Today, we are amongst India's leading Container Freight Stations (CFSs) operator with a capacity of 3,10,000 TEUs (Twenty-foot Equivalent Unit) per annum spread across three facilities Ajivali CFS I, Ajivali CFS II and Somathane CFS.

We are proficient to handle cargos ranging from bulk to liquid in tanks and all other container cargos. We provide cold storage facilities at our CFS and important custom clearance services, handling and the temporary storage of import or export laden and empty containers. We provide all the ancillary support and value-added services like packing, labelling/bar-coding, palletising, fumigation and other related activities at the warehouses. We are certified to handle hazardous cargo at the Ajivali CFS II and Somathane CFS.

We own private freight terminal (PFT) at the Somathane CFS that allows loading and unloading of cargo from container trains and transports domestic cargo to and from inland destinations on the Indian Rail Network. Our seamless road and rail connectivity, combined with our locational advantage ensures easy and efficient mobility.



And no, **we don't just stop at this.**



We are further creating sustainable business opportunities by way of strategic expansions of our business. We plan to leverage our cargo handling strengths and locational advantage to capture a larger market share and make further inroads into the country by setting up ICDs (inland container depots). These initiatives will further strengthen our profitability, maintain our growth momentum and keep us moving!

573 Trailers

For transporting cargo between our CFSs and JNPT

92 Reefer plug points

For storing cargo at controlled temperatures with an approximate capacity of 500m³

5,00,000 Sq Ft

Aggregate area of our warehouse which includes 60,782 sq ft of bonded warehouse and 1,18,000 sq ft for the consolidation of less than container load ("LCL") containers

Chairman's Message

Dear Shareholders,

It gives me an immense pleasure to present you our 2015-16 annual report. Through this communication, I want to take the opportunity to drive you through the industry prospects, our positioning in the space and our growth vision.

Expansion and growth come with the simple ability to look beyond what already is and picturing what can be. As a CFS and ICD operator, our growth is largely dependent on container traffic.

Over the past few years, container traffic witnessed a CAGR of 3%. However, during 2015-16, there was a 5% increase in container traffic on a year-on-year basis. The 12 major ports reported an annual growth of 3% in container traffic, while the non-major ports reported 12% annual growth. With improving global scenarios and EXIM trade, combined with planned expansions at major ports like JNPT, India's containerisation volume is expected to double up by 2020. This will be further in sync with the nominal GDP growth and it will be largely driven by the following factors:

1. Setting up port-based export-oriented manufacturing clusters for industries like electronics, apparel, food products, pharmaceuticals, footwear, automotive & auto components and other break-bulk commodities like steel, cement, sugar and rice
2. Availability of rail transit capacity and expansion in the container handling capacity at ports and CFCs and inland waterways
3. Development of multi-modal logistics park
4. Impact of 'Make in India' initiatives
5. Implementation of GST



Growth and expansion are two crucial parts of success that only happen when you put the right force in the right direction.

The ladder of success is best climbed by stepping onto the rocks of opportunity. At Navkar, our success has always been measured by our proactive approach to the underlying opportunities. We sensed opportunity in capturing an incremental container traffic post JNPT's expansion. We sensed opportunity in reaching out to customers in the hinterlands through our efficient road and rail connectivity. We sensed opportunity in proving substantial amount of savings to our customers through our CFSs and ICDs.

As a response, we are tripling our capacities from 3,10,000 TEUs to approximately 10,52,000 TEUs over the next couple of years through the following initiatives:

1. Increasing capacities at Somathane CFS: This will allow us to address the incremental container traffic resulting from JNPT's expansion.
2. Setting up an ICD and logistic part at Vapi: The initiative gives us proximity to address a potential market of ~1.2 mn TEUs (20-25% of JNPTs volumes) destined/originating from the industrial clusters in South Gujarat. Being the only ICD in this region offering rail and road connectivity, we will offer cost competitive advantage to our customers.

3. Leasing arrangement with Kribhco Infrastructure Ltd (KRIL): In order to leverage the rapid growth in container traffic at the non-major ports like Mundra and Hazira, we have taken 40,000 TEU ICD of KRIL on lease to serve North and Middle Gujarat market

Our continued expansion process and proximity to key inland hubs combined with our PFT will help us capture a larger market share. With most part of our expansions nearing completion, the following year will further improve our visibility, revenues as well as profitability.

I would like to acknowledge all our stakeholders, shareholders, investors, bankers, board members, senior executives and our employees for their continued faith and support. We hope our association in the coming years will only get better. Together we all must dream to take our Company to the next level of growth.

Best Wishes,
Shantilal J Mehta

CFSs and ICDs are set up with the purpose of in-transit container handling, stuffing, de-stuffing, including temporary storage and the examination and assessment of export and import cargo. These are also an integral part of the logistics chain in relation to the transportation of containerised cargo. A CFS is an off-dock facility located near gateway ports. They help in decongesting the port by shifting cargo and customs related activities outside port areas. An ICD, on the other hand, is located in the hinterland - away from gateway ports - acting as a hub for container cargo from different ports. These are used for the same functional purposes as a CFS.







Vision

To create an operating environment of excellence in all that we do, pushing the boundaries of possibilities of imaginative innovation and in the process becoming an acknowledged global leader in container freight station services.



Mission

Be the first choice for customers through solutions that address their needs in an ethical, transparent and efficient manner. Enabling globally benchmarked practices and services at our container freight stations to facilitate seamless trading for optimal outcomes that benefit all stakeholders.

Commitment

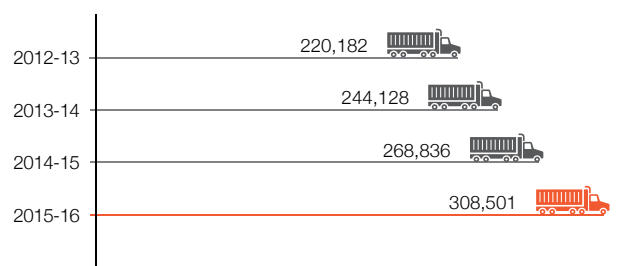
We will achieve our vision and take action our mission every day across our enterprise through:

- Strategic location in close proximity to JN Port
- Dedicated Infrastructure
- Warehousing Capabilities
- Well established relationships with shipping lines
- Experienced senior management

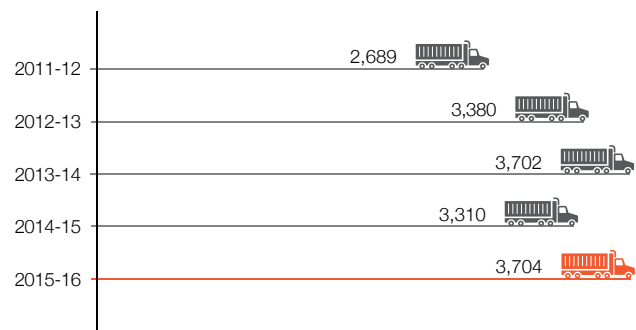
Numbers that keep us moving

A good business performance reflects a balance of both quality and quantity.

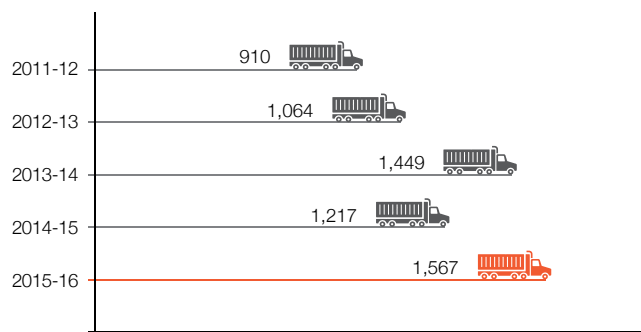
CARGO HANDLING VOLUMES (TEU's)



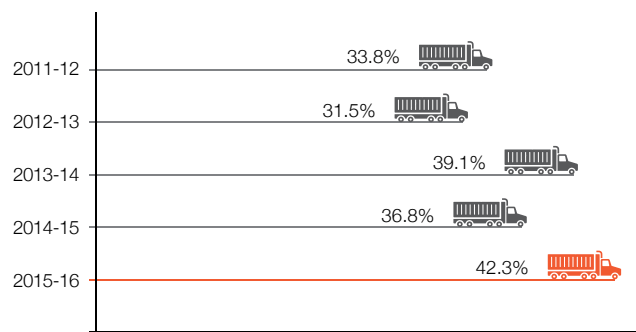
Total Revenue (In mn)



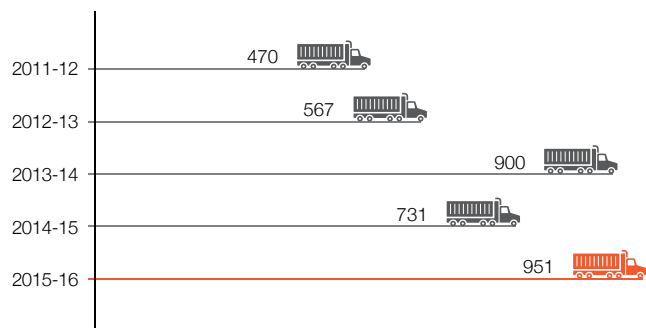
EBIDTA (In mn)



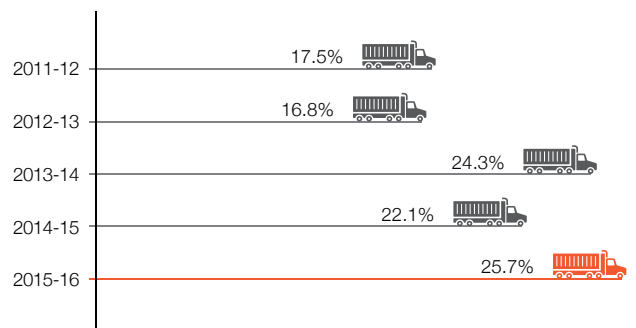
EBIDTA margin (%)



PAT (In mn)



PAT margin (%)



Strengthening market share at JNPT

Over the past five years, the volumes at JNPT have grown at a mere CAGR of 1.70%. However, our volume share from JNPT has witnessed a CAGR of 11.90%!

Among TOP 500

We achieved 368th positioning in terms of market capitalisation as on March 31, 2016

Awarded during the year

- 6th Maritime and Logistics Award (MALA) – Container Freight Station Operator of the Year, received on 4th September, 2015
- Samudra Manthan Award – Container Freight Station of the Year, received on 6th November, 2015
- ICC Supply Chain & Logistics Excellence Award 2016 – Container Freight Services, received March 14, 2016
- India Maritime Award – Container Freight Station Operator of the Year, received on 17th June, 2016



Strategic expansions **keep us moving**

At Navkar, more than profits, our vision is what sets us apart from the rest. But again, the best of the ideas and visions aren't those that are simply thought about. These ideas are the ones you actually do something with. Over the past few years, we have steadily expanded our business operations to capture larger market share and maintain the growth momentum.

3,10,000 TEUs to ~10,52,000 TEUs





Expansion at Somathane CFS

- Installing six rubber tyred gantry crane system (RTGC) to enhance our CFS capacities by 80% to 5,68,889 TEUs
- Increasing stacking capacities from current G+3 containers to G+6 containers
- Developing non-notified area at all the 3 CFSs to create additional parking facilities and drive-ways to facilitate efficient handling of increased container traffic

The RTGCs are being installed in a phased manner for smooth functioning of CFS operations. The installations are expected to be completed by the fourth quarter of 2016-17.

Benefits of RTGCs: Safer handling, better efficiency, faster turnaround, increased productivity, lower cost per box movement and lower maintenance cost

Development of ICD Tumb and Logistics Park at Vapi

We have developed an ICD through the subsidiary, Navkar Terminal Ltd, with the following facilities:

- Installed capacities of 474,000 TEUs
- Land area of 60 acres
- Warehouses of an aggregate area of 19,550 sq mt
- Amenities for storage and handling of hazardous cargo with 4+1 looped railway siding for transportation

We are further developing a fully integrated logistics park, adjoining the ICD, accessible by both road and rail transport. It has the following facilities:

- Land area of 30 acres
- Covered warehousing area of 1.1 mn sq ft
- Modern warehousing facility of 20,000 sq mt
- Open warehousing area of 60,000 sq mt
- Adequate storage area for bulk cargo, custom cargo and hazardous cargo among others
- Packaging, parking, mechanised handling, intermodal transfers, sorting and grading, repacking, shrink wrapping, strapping and palletisation
- Back-end infrastructure for vehicle maintenance, modern garage, tank and container clearing and repair work shop, among others

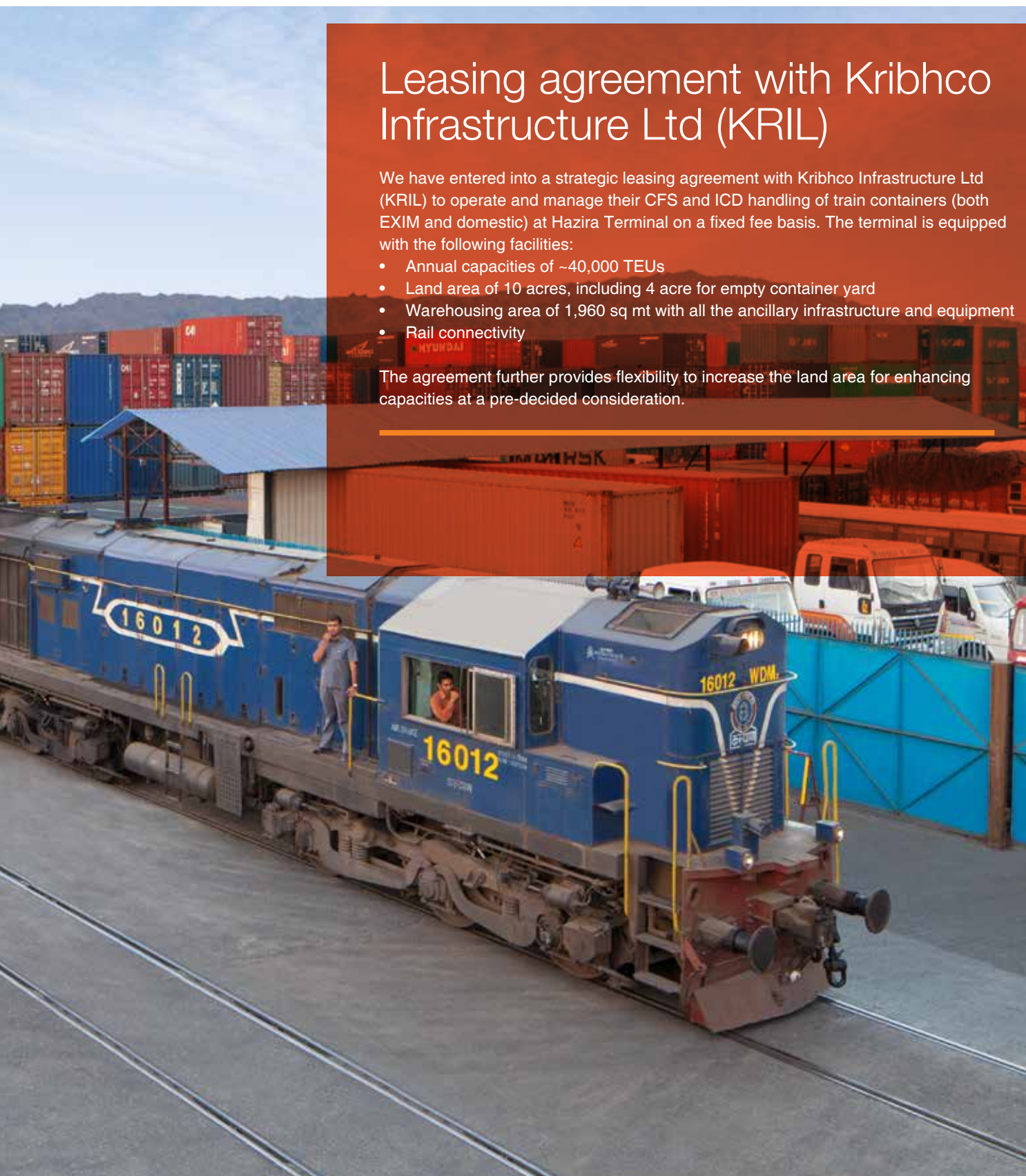
ICD commenced operations in June 2016, four months ahead of schedule. The PFT and logistics park operations are expected to be operational by early 2017.

Leasing agreement with Kribhco Infrastructure Ltd (KRIL)

We have entered into a strategic leasing agreement with Kribhco Infrastructure Ltd (KRIL) to operate and manage their CFS and ICD handling of train containers (both EXIM and domestic) at Hazira Terminal on a fixed fee basis. The terminal is equipped with the following facilities:

- Annual capacities of ~40,000 TEUs
- Land area of 10 acres, including 4 acre for empty container yard
- Warehousing area of 1,960 sq mt with all the ancillary infrastructure and equipment
- Rail connectivity

The agreement further provides flexibility to increase the land area for enhancing capacities at a pre-decided consideration.







Locational proximity keeps us moving

Growth and expansion are two crucial parts of success that only happen when you put the right force in the right direction and be present in the right place. At Navkar, we have willingly positioned ourselves to create a demand-pull, thus allowing us to leverage maximum benefits through our locational proximity.

Ajivali CFS I, Ajivali CFS II and Somathane CFS

Proximity to NH4 (Old Mumbai-Pune Highway) and NH17 (Mumbai-Pune Expressway) and JNPT Port, ensuring an efficient rail and road connectivity for to and fro movement of cargo from the port to the hinterland and vice versa.

VAPI ICD and Logistics Park

- 196 Kms from JNPT and 145 Kms from Hazira port
- Connected through Road (NH 8 & SH 5) and Rail (two stations at a distance of 4 km and 7 km, respectively)
- Proximity to industrial parks of Silvassa, Vapi, Daman, Sarigam and Achhad

KRIL CFS and ICD

- Proximity to Hazira Port and Central/ North Gujarat Markets of Surat, Navsari, Bharuch, Dahej, Baroda, Ankleshwar and Ahmedabad, among others
- 35 kms from NH 8
- 18 kms from Adani port Hazira
- 32 kms from Indian Railway main trunk route at Kosad/Gothamgaon
- 12 kms from Surat Railway Station
- 12 kms from Surat Airport

Team that keeps us moving

Together, everyone achieves more. Behind every successful reality lies a team that never stops dreaming. And these dreams are not about making things big, they are about working effortlessly and creating more value for every stepping-stone that presents itself.

At Navkar, our Board of Directors and Key Managerial Personnel play a key role in maintaining the growth momentum of the Company. We follow an organised structure to ensure clear communication flow and organisational integration.

BOARD OF DIRECTORS

Mr. Shantilal Jayavantraj Mehta
Chairman and Managing Director

Mr. Nemichand Jayavantraj Mehta
Whole-time Director
(w.e.f. September 1, 2016)

Mr. Jayesh Nemichand Mehta
Whole-time Director
(upto August 31, 2016)

Capt. Dinesh Gautama
Executive Director

Ms. Sudha Gupta
Non-Executive Independent Director

Mr. Rameshchandra Meghraj Purohit
Non-Executive Independent Director

Mr. Lalit Menghnani
Non-Executive Independent Director

KEY MANAGERIAL PERSONNEL

Mr. Nemichand Jayavantraj Mehta
Chief Executive Officer
(upto August 31, 2016)

Capt. Dinesh Gautama
Chief Executive Officer
(w.e.f. September 1, 2016)

Mr. Anish Sewaram Maheshwari
Chief Financial Officer

Ms. Ekta Chuglani
Company Secretary

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

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

NOMINATION & REMUNERATION COMMITTEE

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

AUDITORS

S. K. Patodia & Associates
Chartered Accountants

REGISTRAR & TRANSFER AGENTS

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

REGISTERED OFFICE

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

CORPORATE OFFICE

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

NOTICE

Notice is hereby given that the Eighth Annual General Meeting (the Meeting) of the members of Navkar Corporation Limited (the Company) will be held on Tuesday, September 27, 2016 at 3.30 p.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, 2016 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, 2016 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, 2016 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, 2016 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 Mr. Shantilal Jayavantraj Mehta (DIN: 00134162), 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, Mr. Shantilal Jayavantraj Mehta (DIN: 00134162), 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 Managing Director of the Company as approved by the members in their meeting held on September 30, 2014 shall remain unchanged.”

3. To ratify the appointment of the Auditors and fix their remuneration and in this regard, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with 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 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 2016-17 as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS

4. To appoint Mr. Nemichand Jayavantraj Mehta (DIN: 01131811) as Whole-time Director of the Company and in this regard, to 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. Nemichand Jayavantraj Mehta as a Whole-time Director of the Company for a period of five years from September 1, 2016 until August 31, 2021, 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. Nemichand Jayavantraj Mehta:

Tenure: The appointment of Mr. Nemichand Jayavantraj Mehta as the Whole-time Director shall be for a period of 5 years from September 1, 2016.

Remuneration:

- a) **Basic Salary:** The Basic Salary of Mr. Nemichand Jayavantraj 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. Nemichand Jayavantraj 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.

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 Whole-time 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."

By Order of the Board

Mumbai
September 01, 2016

Ekta Chuglani
Company Secretary

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 Saturday, September 24, 2016 to Tuesday, September 27, 2016 (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 No. 4 of the Notice to be transacted at the Meeting is annexed hereto and forms part of the Notice.
6. In terms of Section 152 of the Companies Act, 2013, read with the applicable provisions of the Articles of Association of the Company, Mr. Shantilal Jayavantraj Mehta retires by rotation at the Meeting and being eligible, has offered himself for re-appointment. The Board of Directors of the Company commends his re-appointment.
7. In terms 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, as set out at Item No.4, approval of the Members is sought for appointment of Mr. Nemichand Jayavantraj Mehta as Whole-time Director of the Company for a period of five years with effect from September 01, 2016 till August 31, 2021. The Board of Directors of the Company commends his appointment.
8. Details of Directors seeking appointment/re-appointment, as required to be provided pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS – 2), issued by the Institute of Company Secretaries of India and approved by the Central Government are provided in Corporate Governance section of the Annual Report.
9. Mr. Shantilal Jayavantraj Mehta and Mr. Nemichand Jayavantraj Mehta are interested in the Resolutions set out at Item Nos. 2 and 4, respectively, of the Notice. The relatives of Mr. Shantilal Jayavantraj Mehta and Mr. Nemichand Jayavantraj Mehta may be deemed to be interested in the said Resolutions to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions set out under Item Nos. 1 to 4 of the Notice.
10. 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.
11. 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.

12. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, September 20, 2016 (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.
13. The e-voting period will commence at 9.00 a.m. on Friday, September 23, 2016 and will end at 5.00 p.m. on Monday, September 26, 2016. 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.
14. 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.
15. The members can attend the Meeting on Tuesday, September 27, 2016, at 3:30 p.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.
16. 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 Friday, September 23, 2016 and ends on Monday, September 26, 2016 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. Tuesday, September 20, 2016 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	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <p>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.</p>
Dividend Bank Details or Date of Birth (DOB)	<p>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.</p> <p>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).</p>

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

Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Navkar Corporation Limited.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote,

click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- (xviii) If a Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) 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 contact Mr. Rakesh Dalvi, Deputy Manager, CDSL at 16th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001, Email id: helpdesk.evoting@cdslindia.com and Phone number: 18002005533.

By Order of the Board
Ekta Chuglani
Company Secretary

Mumbai
September 01, 2016

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

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

Mr. Nemichand Jayavantraj Mehta was appointed as a Whole-time Director by the Board of Directors of the Company for a period of five years from September 1, 2016 to August 31, 2021 in terms of the provisions of the Companies Act, 2013 and his period of office is liable to retirement by rotation.

Mr. Nemichand Jayavantraj 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 a Whole-time 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. Nemichand Jayavantraj Mehta for the office of Whole-time Director of the Company.

A brief profile of Mr. Nemichand Jayavantraj Mehta is given below:

Mr. Nemichand Jayavantraj Mehta is aged 53 years and is the former Chief Executive Officer of the Company. Prior to his appointment as Whole-time Director of the Company with effect from September 1, 2016, he was Chief Executive Officer of the Company from September 4, 2014 till August 31, 2016. He continues to be the Promoter of the Company. He holds a bachelor's degree in commerce from Swaran Mukth Shiksha Peeth, Punjab. He has experience of over a decade in the business of Container Freight Station (CFS). He was on the Board since the incorporation of the Company until September 4, 2014. He is Director of Navkar Terminals Limited. He is responsible for the marketing and public relations activities of the CFS operations of the Company.

The Board is of the opinion that the appointment of Mr. Nemichand Jayavantraj Mehta as Whole-time Director of the Company would be in the best interest of the Company. The Board accordingly recommends the resolution at Item No. 4 of the accompanying Notice for approval of the Members.

Mr. Nemichand Jayavantraj Mehta is interested in the Special Resolution set out at Item No. 4 of the Notice. Mr. Shantilal Jayavantraj Mehta, relative of Mr. Nemichand Jayavantraj Mehta may be deemed to be interested in the said Resolution. Relatives of Mr. Nemichand Jayavantraj Mehta may be deemed to be interested in the said Resolution to the extent of their shareholding interest. Save and except as stated, none of the other Directors / Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 4 of the Notice.

By Order of the Board

Mumbai
September 01, 2016

Ekta Chuglani
Company Secretary

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

DIRECTORS' REPORT

Dear Members,

The Directors of the Company are pleased to present the Eighth Annual Report of the Company together with the audited financial statements for the financial year ended March 31, 2016.

FINANCIAL HIGHLIGHTS

The Company's financial performance, for the year ended March 31, 2016 is summarized below:

(₹ in Crore)

Particulars	2015-16	2014-15
Revenue from Operations	347.26	328.75
Other Income	31.36	3.26
Total Revenue	378.62	332.01
Less: Expenses	255.94	250.64
Profit Before Tax	122.68	81.37
Less: Tax Expenses	19.19	11.70
Profit After Tax	103.49	69.67

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the financial year 2015-16, the Company's total revenues increased by 14.04% to ₹ 378.62 Crore, as against ₹ 332.01 Crore in the previous fiscal, primarily due to increase in revenue from operations and other income. During the financial year 2015-16, the Company's Profit After Tax increased by 48.54% to ₹ 103.49 Crore, as against ₹ 69.67 Crore in previous year, primarily due to operational efficiency and increase in other income.

During the financial year 2015-16, revenue from operations increased by 5.63% to ₹ 347.26 Crore, as against ₹ 328.75 Crore for the financial year 2014-15, primarily on account of increase of 10.89% in revenues from Cargo Handling Services which constituted 75.68% of total revenue from operations for the financial year 2015-16.

During the financial year 2015-16, Other Income was ₹ 31.36 Crore, as against ₹ 3.26 Crore for the financial year 2014-15. The increase in Other Income is primarily on account of increase in Interest Income, Profit on sales of Current Investments and Reversal of provision for diminution in value of Investment.

No material changes and commitments have occurred after the close of the financial year 2015-16 till the date of this Report, which affect the financial position of the Company.

PERFORMANCE DURING THE FIRST QUARTER ENDED JUNE 30, 2016

The Board of Directors approved the Company's Unaudited Financial Results (Standalone and Consolidated), based on the Indian Accounting Standards (Ind-AS), for the quarter ended June 30, 2016 which are as under:

(₹ in Crore)

Particulars	Standalone	Consolidated
Revenue from operations	89.60	90.21
PBT from ordinary activities	29.40	26.24
Other Comprehensive Income (net of Income tax)	0.06	0.06
Net Profit	26.31	23.56

The Unaudited Financial Results for the first quarter are available on the Company's website at the link: <http://www.navkarcfs.com/a/investor-relations.php>.

AWARDS AND RECOGNITIONS

The Company has received the following awards and recognitions:

Container Freight Station Operator of the Year award at the 6th Maritime And Logistics Award (MALA) in September, 2015.

Container Freight Station of the Year award at the Samudra Manthan Award in November, 2015.

ICC Supply Chain & Logistics Excellence Award 2016 in the category of Container Freight Services in March, 2016.

Container Freight Station Operator of the Year award by India Maritime Award in June, 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 and the capital requirement for ongoing business expansion, the Board of Directors do not recommend any dividend on the Equity Shares of the Company for the financial year ended March 31, 2016.

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 2015-16 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.4 of the notes to the financial statement.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the financial year 2015-16, 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.

SHARE CAPITAL

During the financial year 2015-16, the Company completed its Initial Public Offering 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 BSE Limited and The National Stock Exchange of India Limited on September 9, 2015.

STATEMENT OF UTILISATION OF FUND RECEIVED FROM INITIAL PUBLIC OFFERING (IPO)

As on March 31 2016, utilisation of funds raised through IPO of

equity shares is as follows:

Particulars	Amount
Issue Proceeds from fresh issue of 3,29,03,225 equity shares	₹ In Crore 510.00
Less: Issue expenses (including service tax)	31.86
Net Proceeds from IPO	478.14
Less: Utilisation of IPO proceeds upto March 31, 2016	197.76
Funds to be Utilised (remain invested in bank current account and deposits)	280.38

Objectwise details of utilisation are as under:

Particulars	Proposed amount as per prospectus	Revised proposed amount	Amount utilised upto March 31, 2016	Amount unutilised as on March 31, 2016
Capacity enhancement of the Somathane CFS	114.53	79.89	36.21	43.68
Development of the non-notified areas of CFSS	54.25	46.93	19.20	27.73
Establishment of a logistics park at Valsad (near Vapi)	314.56	269.26	67.83	201.43
Repayment of loan	-	87.27	74.53	12.74
Total	483.34	483.35	197.77	285.58

The amount pending utilization is kept in Fixed Deposits with Banks and Monitoring Current Account with HDFC Bank Limited as under:

Particulars	Amount
Investments in Fixed Deposits with Banks	₹ In Crore 279.53
In Monitoring Current Account with HDFC Bank Limited	0.85
Total	280.38

SUBSIDIARY COMPANY

The Company has only one subsidiary, namely Navkar Terminals Limited (NTL).

During the financial year 2015-16, NTL has made significant progress in its project of developing an Inland Container Depot (ICD) adjacent to the proposed logistics park of the Company at Umergaon, Valsad district (near Vapi), Gujarat.

The Customs Authorities vide Public Notice No. 03/2016, dated March 14, 2016 have notified the ICD and allocated Location Code IN SAJ6 to the ICD. The Customs Authorities have notified March 15, 2016 as the date of commencement of operation of the ICD.

NTL vide an agreement entered with Kribhco Infrastructure Limited (KRIL), has received contract for operation and management of part of the KRIL's Container Freight Station (CFS)/ICD and for handling of Container Trains at Hazira Terminal, Gujarat.

A Statement containing the salient features of the financial statements 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 of the Companies Act, 2013 and Accounting Standard (AS) - 21, the audited consolidated financial statements is provided in the Annual 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:

- in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards have been followed and there are no material departures from the same;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- 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;
- the Directors have prepared the annual accounts on a going concern basis;
- 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
- 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 2015-16.

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. During the financial year 2015-16, the Company completed its Initial Public Offering. The equity shares of the Company were listed on BSE Limited and The National Stock Exchange of India Limited on September 9, 2015. As on March 31, 2016, 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 year 2015-16 is attached as part of Annual Report and is also available on the Company's website at the link <http://www.navkarcs.com/a/investor-relations.php>.

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.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Shantilal Jayavantraj Mehta retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The Board of Directors of the Company commends his re-appointment.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, Mrs. Sudha Gupta, Mr. Lalit Menghnani and Mr. Rameshchandra Purohit were appointed as Independent Directors at the General Meeting of the Company held on September 30, 2014. 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 their status as Independent Director.

Mr. Jayesh Nemichand Mehta has ceased to be Whole-time Director of the Company with effect from September 1, 2016.

As on March 31, 2016, the Key Managerial Personnel of the Company under Section 203 of the Companies Act, 2013 are

Mr. Nemichand Jayavantraj Mehta, Chief Executive Officer, Mr. Anish Maheshwari, Chief Financial Officer and Ms. Ekta Chuglani, Company Secretary. There has been no change in the Key Managerial Personnel during the financial year 2015-16. Mr. Nemichand Jayavantraj Mehta ceased to be Chief Executive Officer with effect from September 1, 2016. The Board of Directors has appointed Capt. Dinesh Gautama, Whole-time Director as Chief Executive Officer of the Company with effect from September 1, 2016 and designated him as Whole-time Director and Chief Executive Officer.

The Company has devised a Policy for performance evaluation of the Board of Directors, Committees and other individual Directors (including Independent Directors) which includes criteria for performance evaluation of the Non-executive Directors and Executive Directors. The evaluation process inter-alia considers attendance of Directors at Board of Directors and Committee meetings, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers, etc.

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 & Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

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 summary of the Policy for selection of Directors and determining Directors independence; and Remuneration Policy for Directors and Key Managerial Personnel are provided in the Corporate Governance Section which forms part of this Report and detailed policies are available on the Company's website at the link <http://www.navkarcs.com/a/investor-relations.php>.

BOARD MEETING

Fifteen meetings of the Board of Directors were held during the financial year 2015-16. The details of the number of meeting held and attendance of each Director are provided in the Corporate Governance Report, which forms part of this Report.

AUDIT COMMITTEE

As on March 31, 2016, the Audit Committee comprises Ms. Sudha Gupta (Chairperson), Mr. Rameshchandra Meghraj Purohit (Member) and Mr. Jayesh Nemichand Mehta (Member). During the financial year 2015-16, 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 2015-16, 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.navkarcs.com/a/investor-relations.php>.

NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & 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.navkarcs.com/a/investor-relations.php>.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As on March 31, 2016, the Corporate Social Responsibility Committee comprises Ms. Sudha Gupta (Chairperson), Mr. Shantilal Jayavantraj Mehta (Member) and Mr. Jayesh Nemichand Mehta (Member).

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) activities of the Company are guided by its CSR Policy, which is framed and approved by the Board of Directors of the Company.

The Company undertakes its CSR activities through Navkar Charitable Trust. Some of the objects of the Navkar Charitable Trust include eradication of hunger, maintenance of homes for aged and orphans, promoting healthcare, education and animal welfare. The Company contributes to the corpus of Navkar Charitable Trust towards the above activities.

The statutory disclosure with respect to CSR activities forms part of this Annual Report and is annexed with this Report as Annexure - 2. Policy on Corporate Social Responsibility is available on the Company's website at the link <http://www.navkarcs.com/a/investor-relations.php>.

PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipients are provided in the standalone financial statement (Please refer to Notes 14, 15, 17, 21, 32 and 41 to the standalone financial statement).

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.navkarcs.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. As required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Notes on financial statements 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. H S Associates, Practicing Company Secretaries, Mumbai, to conduct Secretarial Audit for the financial year 2015-16. 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 is annexed as Annexure - 5 with 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	: ₹ 2,90,39,830/-

PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required pursuant to Section 197 of the Companies Act, 2013, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable since none of the employees are in receipt of remuneration in excess of the limits set out in the said rules.

Disclosures relating to remuneration and other details as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report as Annexure - 6 which forms part of this Report.

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 2015-16:

- 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.

On behalf of the Board of Directors

Date : September 1, 2016
Place : Mumbai

Shantilal J Mehta
Chairman and Managing Director

Annexure - 1

AOC – 1

(Pursuant to first proviso to sub section 129 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 ₹)

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	1,04,79,000
5.	Reserves & surplus	237,66,21,095
6.	Total assets	504,74,80,910
7.	Total liabilities	266,03,80,815
8.	Investments	N.A.
9.	Turnover	NIL
10.	Profit before taxation	-23,29,707
11.	Provision for taxation	-5,98,436
12.	Profit after taxation	-17,31,271
13.	Proposed Dividend	NIL
14.	% of shareholding	100%

Notes:

- 1 Names of subsidiaries which are yet to commence operations: Navkar Terminals Limited
- 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

On behalf of the Board of Directors

Date : September 1, 2016
Place : Mumbai

Shantilal J Mehta
Chairman and Managing Director

Annexure - 2

Corporate Social Responsibility (CSR) Report

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

1. Brief outline of the Company's 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.navkarcs.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. As on March 31, 2016, it comprises Ms. Sudha Gupta (Chairperson), Mr. Shantilal J Mehta (Member) and Mr. Jayesh N Mehta (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 ₹ 81,43,67,651/-

4. Prescribed CSR Expenditure

The amount year marked for the purpose of CSR activities is ₹ 1,62,87,353/- which represents 2% of the average net profit of the Company, for immediately preceding three financial years, in terms of the requirement of section 135 of the Companies Act, 2013.

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

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

Activities	FY 2015-2016
Health Care and Animal Welfare	1,62,87,354/-
Total	1,62,87,354/-

b) Amount Unspent, if any:

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

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

(In ₹)

Serial No.	CSR Project, Programme or Activity identified	Sector in which the Project is covered	Project or programs 1. Local area or Other 2. State & district where the project, program or activity undertaken	Amount Outlay (budget) Project, program or activity wise	Amount spent on the projects or programs sub-heads: 1. Direct expenditure on projects / programs 2. Overheads Expenditure	Cumulative expenditure upto the reporting period	Amount spent directly or through implementing agency
1	Promoting healthcare and animal welfare	healthcare and animal welfare	Local area and in state of Rajasthan	1,62,87,354	1,62,87,354	1,62,87,354	Through implementing agency Navkar Charitable Trust
Total				1,62,87,354	1,62,87,354	1,62,87,354	

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.

Date : September 1, 2016
Place : Mumbai

Shantilal J Mehta
Chairman and Managing Director

Sudha Gupta
Chairperson – CSR Committee

Annexure - 3**Form No. AOC-2**

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

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

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	Mr. Nemichand J Mehta, CEO	M/s. Arihant Industries, Sole proprietorship firm of Mr. Nemichand Mehta, CEO of the Company
2.	Nature of contracts/ arrangements/transactions	Purchase of certain parcel of non – agricultural land,	Purchase of certain parcel of non – agricultural land.
3.	Duration of the contracts / arrangements / transactions	One time	One time
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 38,75,00,000	₹ 30,35,45,000
5.	Justification for entering into such contracts or arrangements or transactions	<p>The Company had entered into a lease agreement with Mr. Nemichand Mehta the owner of one of the above mentioned parcel of land, for a term of 10 years with effect from February 15, 2015. The Company had been in possession of these parcels since February 15, 2015 and had undertaken initial development activities.</p> <p>Considering the nature of the business of the Company and the long gestation period of the activities to be carried out on the aforementioned land, it was important to ensure continuous and long-term availability of land for the Company.</p> <p>In light of the above, the Board considered it to be beneficial for the Company to purchase the land from Mr. Nemichand Mehta and the adjacent parcel of land from Arihant Industries.</p>	Same as adjacent
6.	Date(s) of approval by the Board	January 15, 2016	January 15, 2016
7.	Amount paid as advances, if any	Nil	Nil
8.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	February 20, 2016 through Postal Ballot.	February 20, 2016 through Postal Ballot.

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 (₹)
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	April 4, 2015	29,51,249

For and on Behalf of the Board of Directors

Date : September 1, 2016
Place : Mumbai

Shantilal J Mehta
Chairman and Managing Director

Annexure – 4

Secretarial Audit Report

Form No. MR-3

For the financial year ended on 31st March, 2016.

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

To,
The Members,
Navkar Corporation Limited.

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

Based on our verification of the **Navkar Corporation Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit year covering the financial year ended on 31st March, 2016, 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, 2016, to the extent applicable provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made there under, as applicable;
- II. The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. 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;
- 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 regarding and dealing with client;
- e. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited and the National Stock Exchange of India Limited;
- f. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (with effect from 1st December, 2015);

We further report that, the company has complied with Secretarial Standard-1 “Meeting of Board of Directors” and Secretarial Standard-2 “General Meetings” as applicable to companies with effect from July 15, 2015.

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. Multimodal Transportation of Goods Act, 1993;
- III. Warehousing (Development and Regulation) Rules, 2010;
- IV. Carriage by Road Act, 2007 and Carriage by Road Rules, 2011;
- V. Central Motor Vehicles Act, 1988 and Central Motor Vehicles Rules, 1989;

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. There were no changes in composition of Board of Directors of the company.

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of Board of Directors or Committee of the Board, as the case may be.

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;

- Company has issued and allotted 32,903,225 equity shares of ₹ 10/- each at premium of ₹ 155/-each share through Initial Public Offer (IPO), The equity shares of the Company were listed on BSE Limited and The National Stock Exchange of India Limited w.e.f. September 9, 2015.
- Company has entered into transactions with related parties covered under sections 188 and 189 of Act, for purchase of Land, for which shareholder's approval was obtained through postal ballot resolutions passed on February 20, 2016 pursuant to Section 110 of the Companies Act, 2013 read with the rules made thereunder.

For HS Associates
 Company Secretaries

Date: September 1, 2016
 Place: Mumbai

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

Annexure – 5

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on March 31, 2016

[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	September 29, 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 TransferAgent, if any	Link Intime India Private Limited, C 13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai-400078 E-mail: ncl.ipo@linkintime.co.in Contact Person: Mr. Sachin Achar

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Container Freight Stations	521 and 522	98.33

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				Number of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoter									
(1) Indian									
a. Individual/HUF	101,610,000	-	101,610,000	92.62	101,610,000	-	101,610,000	71.25	(21.37)
b. Central govt./ State govt.	-	-	-	-	-	-	-	-	-
c. Bodies corporate	8,094,798	-	8,094,798	7.38	2,288,347	-	2,288,347	1.60	(5.78)
d. Banks/FI	-	-	-	-	-	-	-	-	-
e. Any other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	109,704,798	-	109,704,798	100.00	1,03,898,347	-	1,03,898,347	72.86	(27.15)

Category of shareholders	Number of shares held at the beginning of the year				Number of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(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)	109,704,798	-	109,704,798	100.00	1,03,898,347	-	1,03,898,347	72.86	(27.15)
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	-	-	-	-	23,292,942	-	23,292,942	16.33	16.33
b. Banks/FI	-	-	-	-	422,634	-	422,634	0.296	0.296
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance Companies	-	-	-	-	-	-	-	-	-
g. FII/FPI	-	-	-	-	9,218,945	-	9,218,945	6.464	6.464
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	32,934,521	-	32,934,521	23.094	23.094
2. Non-institutions									
a. Bodies Corporate									
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b. Individuals									
i. Individual Shareholders holding nominal share capital upto ₹ 2 lakh	-	-	-	-	2,632,023	-	2,632,023	1.845	1.845
ii. Individual Shareholders holding nominal share capital in excess of ₹ 2 lakh	-	-	-	-	351,383	-	351,383	0.246	0.246
iii. Others (specify)									
Trusts	-	-	-	-	2,000	-	2,000	0.001	0.001
Hindu Undivided Family	-	-	-	-	219,165	-	219,165	0.153	0.153
Non Resident Indians (Non Repat)	-	-	-	-	15,559	-	15,559	0.010	0.010
Non Resident Indians (Repat)	-	-	-	-	56,555	-	56,555	0.039	0.039
Clearing Member	-	-	-	-	310,856	-	310,856	0.218	0.218
Bodies Corporate	-	-	-	-	2,187,614	-	2,187,614	1.534	1.534
Sub-total (B)(2)	-	-	-	-	5,775,155	-	5,775,155	4.049	4.049
Total Public Shareholding (B) = (B)(1)+(B)(2)	-	-	-	-	38,709,672	-	38,709,672	27.143	27.143
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	109,704,798	-	109,704,798	100.00	1,42,608,023	-	1,42,608,023	100.00	

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year as at 01.04.2015			Share holding at the end of the year as at 31.03.2016			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Shantilal J Mehta	48,300,000	44.02	NIL	48,300,000	33.87	NIL	NIL
2	Mr. Nemichand J Mehta	30,900,000	28.17	NIL	30,900,000	21.67	NIL	NIL
3	Mr. Jayesh N Mehta	30,000	0.03	NIL	30,000	0.02	NIL	NIL
4	Mrs. Shailaja N Mehta	20,100,000	18.32	NIL	20,100,000	14.09	NIL	NIL
5	Mr. Kunthukumar S Mehta	2,100,000	1.91	NIL	2,100,000	1.47	NIL	NIL
6	Mrs. Sairabai J Mehta	120,000	0.11	NIL	120,000	0.08	NIL	NIL
7	Mrs. Kamalbai S Mehta	30,000	0.03	NIL	30,000	0.02	NIL	NIL
8	Mrs. Seema K Mehta	30,000	0.03	NIL	30,000	0.02	NIL	NIL
9	Sidhhartha Corporation Private Limited	8,094,798	7.38	NIL	2,288,347	1.60	NIL	NIL
	Total	109,704,798	100	NIL	103,898,347	72.84	NIL	NIL

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

Sl. No.		Shareholding at the beginning of the year as at 01.04.2015		Cumulative Shareholding during the year as at 31.03.2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	There is no change in the number of shares held by promoters as mentioned in table Sr. No. ii). Above. However, there is change in the percentage with respect to the total number of shares of the Company, by virtue of the Initial Public Offering and consequent Listing of the Company on September 9, 2015.			
	Date wise increase/decrease in Promoters shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer/ bonus/ sweat equity etc.				
	At the end of the year				

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

Sr No.	Name & Type of Transaction	Shareholding at the beginning		Transactions during the year		Cumulative Shareholding at the end of the year	
		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	IDFC PREMIER EQUITY FUND	2025805	1.4205			2025805	1.4205
	Transfer			16 Oct 2015	-152375	1873430	1.3137
	Purchase			23 Oct 2015	136464	2009894	1.4094
	Purchase			30 Oct 2015	106719	2116613	1.4842
	Purchase			06 Nov 2015	62817	2179430	1.5283
	Transfer			18 Dec 2015	-77748	2101682	1.4737
	Transfer			25 Dec 2015	-308252	1793430	1.2576
	Transfer			01 Jan 2016	-9105	1784325	1.2512
	Transfer			22 Jan 2016	-248362	1535963	1.0771
	Purchase			29 Jan 2016	155	1536118	1.0772
	Transfer			05 Feb 2016	-50000	1486118	1.0421
	Transfer			12 Feb 2016	-29774	1456344	1.0212

Sr No.	Name & Type of Transaction	Shareholding at the beginning		Transactions during the year		Cumulative Shareholding at the end of the year	
		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			19 Feb 2016	-91502	1364842	0.9571
	Transfer			26 Feb 2016	-94561	1270281	0.8908
	Transfer			04 Mar 2016	-838878	431403	0.3025
	Transfer			11 Mar 2016	-88800	342603	0.2402
	Transfer			18 Mar 2016	-20141	322462	0.2261
	Transfer			25 Mar 2016	-22073	300389	0.2106
	Transfer			31 Mar 2016	-281389	19000	0.0133
2	SUBHKAM VENTURES I PVT LTD	1340290	0.9398			1340290	0.9398
	Purchase			25 Sep 2015	9710	1350000	0.9467
	Purchase			09 Oct 2015	50000	1400000	0.9817
	Purchase			16 Oct 2015	84462	1484462	1.0409
	Transfer			23 Oct 2015	-159462	1325000	0.9291
	Purchase			30 Oct 2015	25000	1350000	0.9467
	Transfer			06 Nov 2015	-300094	1049906	0.7362
	Purchase			13 Nov 2015	92946	1142852	0.8014
	Transfer			20 Nov 2015	-571045	571807	0.4010
	Transfer			27 Nov 2015	-25000	546807	0.3834
	Purchase			04 Dec 2015	3099	549906	0.3856
	Purchase			25 Dec 2015	125000	674906	0.4733
	Transfer			01 Jan 2016	-14984	659922	0.4628
	Transfer			04 Mar 2016	-10000	649922	0.4557
	Transfer			18 Mar 2016	-90000	559922	0.3926
	Transfer			25 Mar 2016	-254922	305000	0.2139
	Purchase			31 Mar 2016	200000	505000	0.3541
3	SBI EMERGING BUSINESSES FUND	11968230	8.3924			11968230	8.3924
	Purchase			9 Oct 2015	195210	12163440	8.5293
	Purchase			16 Oct 2015	77303	12240743	8.5835
	Purchase			6 Nov 2015	66061	12306804	8.6298
	Purchase			15 Jan 2016	53169	12359973	8.6671
	Purchase			18 Mar 2016	4727	12364700	8.6704
	Purchase			25 Mar 2016	14273	12378973	8.6804
4	L AND T MUTUAL FUND TRUSTEE LTD-L AND T INDIA PRUDENCE FUND	1517639	1.0642			1517639	1.0642
	Purchase			30 Sep 2015	3162525	1644886	1.1534
	Purchase			9 Oct 2015	120483	1765369	1.2379
	Purchase			16 Oct 2015	70722	1836091	1.2875
	Purchase			23 Oct 2015	25095	1861186	1.3051
	Purchase			6 Nov 2015	723716	2584902	1.8126
	Purchase			13 Nov 2015	310588	2895490	2.0304
	Purchase			20 Nov 2015	157692	3053182	2.1410
	Purchase			27 Nov 2015	93304	3146486	2.2064
	Purchase			04 Dec 2015	110000	3256486	2.2835
	Purchase			18 Dec 2015	14227	3270713	2.2935
	Purchase			25 Dec 2015	5000	3275713	2.2970
	Transfer			31 Dec 2015	-4927	3270786	2.2935
	Purchase			01 Jan 2016	3952	3274738	2.2935
	Transfer			08 Jan 2016	-83999	3186787	2.2346
	Purchase			15 Jan 2016	22002	3208789	2.2501
	Purchase			22 Jan 2016	25000	3233789	2.2676
	Purchase			29 Jan 2016	30000	3263789	2.2886
	Purchase			05 Feb 2016	30000	3293789	2.3097
	Purchase			12 Feb 2016	35000	3328789	2.3342

Sr No.	Name & Type of Transaction	Shareholding at the beginning		Transactions during the year		Cumulative Shareholding at the end of the year	
		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
	Purchase			19 Feb 2016	2500	3331289	2.3360
	Purchase			26 Feb 2016	25000	3356289	2.3535
	Purchase			04 Mar 2016	25000	3381289	2.3710
	Purchase			11 Mar 2016	350000	3731289	2.6165
5	GOLDMAN SACHS INDIA FUND LIMITED	3312761	2.3230			3312761	2.3230
6	ABU DHABI INVESTMENT AUTHORITY - BEHAVE	1374155	0.9636			1374155	0.9636
	Purchase			18 Sep 2015	512581	1886736	1.3230
	Purchase			30 Oct 2015	17755	1904491	1.3355
	Purchase			06 Nov 2015	45032	1949523	1.3671
	Purchase			13 Nov 2015	48276	1997799	1.4009
	Purchase			20 Nov 2015	53531	2051330	1.4384
	Purchase			31 Dec 2015	185500	2236830	1.5685
	Purchase			22 Jan 2016	150000	2386830	1.6737
	Purchase			29 Jan 2016	176170	2563000	1.7972
	Purchase			04 Mar 2016	219500	2782500	1.9512
	Purchase			18 Mar 2016	11468	2793968	1.9592
	Purchase			31 Mar 2016	69176	2863144	2.0077
7	SUNDARAM MUTUAL FUND A/C SUNDARAM INFRASTRUCTURE ADVANTAGE FUND	1032270	0.7239			1032270	0.7239
	Purchase			13 Nov 2015	2642	1034912	0.7257
	Purchase			20 Nov 2015	34833	1069745	0.7501
	Purchase			27 Nov 2015	15500	1085245	0.7610
	Purchase			11 Dec 2015	58250	1143495	0.8018
	Purchase			18 Dec 2015	340000	1483495	1.0403
	Purchase			31 Dec 2015	167708	1651203	1.1579
	Purchase			08 Jan 2016	115490	1766693	1.2388
	Purchase			15 Jan 2016	24430	1791123	1.2560
	Purchase			22 Jan 2016	10948	1802071	1.2637
8	KOTAK SELECT FOCUS FUND	1237167	0.8675			1237167	0.8675
	Transfer			25 Sep 2015	-14404	1222763	0.8574
	Transfer			09 Oct 2015	-22260	1200503	0.8418
	Transfer			16 Oct 2015	-9865	1190638	0.8349
	Transfer			23 Oct 2015	-17200	1173438	0.8228
	Purchase			30 Oct 2015	500	1173938	0.8232
	Transfer			06 Nov 2015	-26243	1147695	0.8048
	Purchase			13 Nov 2015	292652	1440347	1.0100
	Transfer			18 Dec 2015	-8685	1431662	1.0039
	Purchase			08 Jan 2016	15489	1447151	1.0148
	Transfer			05 Feb 2016	-251	1446900	1.0146
	Transfer			12 Feb 2016	-14749	1432151	1.0043
	Transfer			18 Mar 2016	-2000	1430151	1.0029
	Transfer			25 Mar 2016	-12337	1417814	0.9942

Sr No.	Name & Type of Transaction	Shareholding at the beginning		Transactions during the year		Cumulative Shareholding at the end of the year	
		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
9	HDFC TRUSTEE COMPANY LIMITED - HDFC INFRASTRUCTURE FUND	1757622	1.2325			1757622	1.2325
	Transfer			11 Dec 2015	-100000	1657622	1.1624
	Transfer			18 Dec 2015	-226985	1430637	1.0032
	Transfer			25 Dec 2015	-141847	1288790	0.9037
	Transfer			31 Dec 2015	-28000	1260790	0.8841
10	RELIANCE CAPITAL TRUSTEE CO LTD-A/C RELIANCE MID & SMALL CAP FUND	1032270	0.7239			1032270	0.7239
	Purchase			31 Mar 2016	202000	1234270	0.8655
11	FRANKLIN INDIA SMALLER COMPANIES FUND	1032270	0.7239			1032270	0.7239
	Transfer			22 Jan 2016	-2758	1029512	0.7219
	Transfer			29 Jan 2016	-1127	1028385	0.7211
	Transfer			05 Feb 2016	-42732	985653	0.6912
12	FIRSTRAND BANK LIMITED A/C ASHBURTON INDIA EQUITY OPPORTUNITIES LIMITED	580587	0.4071			580587	0.4071
	Purchase			30 Sep 2015	15216	595803	0.4178
	Purchase			09 Oct 2016	51000	646803	0.4536
	Purchase			20 Nov 2016	136000	782803	0.5489

- Note:** 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 142608023 Shares.
 2. The details of holding has been clubbed based on PAN.
 3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

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 at 01.04.2015		Cumulative Shareholding during the year		Shareholding at the end of the year as at 31.03.2016	
		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.	Mr. Shantilal J Mehta – Managing Director	48,300,000	44.02	-	-	48,300,000	33.87
2.	Mr. Jayesh Mehta – Whole-time Director	30,000	0.03	-	-	30,000	0.02
3.	Mr. Nemichand J Mehta - CEO	30,900,000	28.17	-	-	30,900,000	21.67

V. INDEBTEDNESS

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

(in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	403,20,95,870	105,35,86,593	-	508,56,82,463
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	89,21,595	-	-	89,21,595
Total (i+ii+iii)	404,10,17,465	105,35,86,593	-	509,46,04,058
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	(100,17,99,718)	-	-	(100,17,99,718)
Net Change	(100,17,99,718)	-	-	(100,17,99,718)
Indebtedness at the end of the financial year				
i) Principal Amount	302,81,50,197	105,35,86,593	-	408,17,36,790
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,10,67,550	-	-	1,10,67,550
Total (i+ii+iii)	303,92,17,747	105,35,86,593	-	409,28,04,340

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Shantilal J Mehta	Jayesh N Mehta	Dinesh Gautama	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	65,00,000	55,00,000	60,00,000	1,80,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission				
	- as % of profit	NIL	NIL	NIL	NIL
	- others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	65,00,000	55,00,000	60,00,000	1,80,00,000
	Ceiling as per the Act	₹ 12,72,40,395 (being 10% of the net profit of the Company calculated as per section 198 of the Companies Act, 2013)			

B. Remuneration to other Directors:

(in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Lalit Menghnani	Ms. Sudha Gupta	Mr. Rameshchandra Purohit	
1.	Independent Directors				
	• Fee for attending board/ committee meetings	2,20,000	2,75,000	2,70,000	7,65,000
	• Commission	NIL	NIL	NIL	
	• Others, please specify	NIL	NIL	NIL	
	Total (1)	2,20,000	2,75,000	2,70,000	7,65,000
2.	Other Non-Executive Directors				
	• Fee for attending board committee meetings	NIL			
	• Commission				
	• Others, please specify				
	Total (2)	NIL			
	Total (B)=(1+2)	2,20,000	2,75,000	2,70,000	7,65,000
	Total Managerial Remuneration	2,20,000	2,75,000	2,70,000	7,65,000
	Overall Ceiling as per the Act	₹ 1,27,24,039 (being 1% of the net profit of the Company calculated as per section 198 of the Companies Act, 2013)			

C. Remuneration To Key Managerial Personnel Other Than Manager / WTD:

(in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	Company Secretary	Total
		Mr. Nemichand J Mehta	Mr. Anish Maheshwari	Ms. Ekta Chuglani	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,00,000	21,00,000	7,27,270	88,27,270
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission				
	- as % of profit	NIL	NIL	NIL	NIL
	- Others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	60,00,000	21,00,000	7,27,270	88,27,270

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 UNDER SECTION 197 OF THE 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 2015-16:

Name of the directors	Ratio to median Remuneration of employees of the Company
*Non-Executive Independent Directors	
Ms. Sudha Gupta	0.75
Mr. Rameshchandra Meghraj Purohit	0.74
Mr. Lalit Menghnani	0.60
Executive directors	
Mr. Shantilal Jayavantraj Mehta	17.86
Mr. Jayesh Nemichand Mehta	15.11
Mr. Dinesh Gautama	16.48

*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 2015-16
*Non-executive Independent Directors	
Ms. Sudha Gupta	-
Mr. Rameshchandra Meghraj Purohit	-
Mr. Lalit Menghnani	-
Executive Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary	

Name of the directors	% increase in remuneration in the financial year 2015-16
Mr. Shantilal jayavantraj Mehta	0.00
Mr. Jayesh nemichand Mehta	0.00
Mr. Dinesh Gautama	0.00
Mr. Nemichand Jayavantraj Mehta, Chief Executive Officer	0.00
Mr. Anish Sewaram Maheshwari, Chief Financial Officer	16.66
Ms. Ekta Chuglani, Company Secretary	50.72

*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: 21.33

The number of permanent employees on the rolls of Company:878

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 2015-16, the average annual increase in salaries of employees other than the managerial personnel was 14.76%. During the financial year 2015-16, the average annual increase in the managerial remuneration was 3%. There are no exceptional circumstances for increase in the managerial remuneration during the financial year 2015-16.

It is affirmed that the remuneration is as per the remuneration policy of the Company.

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on code of governance:

Corporate governance for Navkar Corporation Limited 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 conducting business in an ethical and transparent manner so as that the truth of various stakeholders is maintained and long term strategic goals and sustainability is achieved.

2. Board of Directors:

The Board of Directors of the Company (hereinafter referred to as the "Board") oversees the conduct of business activities by management and serves to ensure the implementation of management policies in an effective and efficient manner.

The Board of Navkar Corporation Limited is constituted as per the requirements of the Company's Act 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the provisions of the Articles of Association of the Company.

As on March 31, 2016, the Board of the Company is as follows:

Category	Name of Directors
Promoter, Chairman and Managing Director	Mr. Shantilal J Mehta
Whole-time Executive Directors	Mr. Jayesh N Mehta Mr. Dinesh Gautama
Non-executive Independent Directors	Ms. Sudha Gupta Mr. Rameshchandra Meghraj Purohit Mr. Lalit Menghnani

Size, Composition and Committee positions:

The composition of the Board and the Directorship and Committee positions of the members of the Board as on March 31, 2016 comprised of:

Name of Director	DIN	Number of other Directorships as on March 31, 2016	Committee positions as on *March 31, 2016		
			Board	Committee Chairmanship	Committee Membership
Mr. Shantilal J Mehta	00134162	1	Nil	2	
Mr. Jayesh N Mehta	00510313	3	Nil	2	
Mr. Dinesh Gautama	02384688	2	Nil	Nil	
Ms. Sudha Gupta	01749008	5	2	3	
Mr. Rameshchandra Meghraj Purohit	02422493	3	1	3	
Mr. Lalit Menghnani	06614582	1	1	2	

*The Committees considered are the Audit Committee, Stakeholders' Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

**Mr. Shantilal J Mehta and Mr. Jayesh N Mehta are related to each other. Other than that, none of the above directors are related.

***None of the Non-executive directors of the Company hold any shares and / or convertible instruments in the Company.

****The Composition and terms and conditions of appointment of the Board of Directors are available at the website of the Company at <http://www.navkarcfs.com/b/download/independent-directors-terms-and-conditions-of-appointment.pdf>.

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

During the year ended on March 31, 2016, fifteen (15) meetings of the Board were held on 04/04/2015, 15/04/2015, 15/05/2015, 17/06/2015, 18/06/2015, 04/07/2015, 17/07/2015, 10/08/2015, 13/08/2015, 19/08/2015, 31/08/2015, 04/09/2015, 02/11/2015, 15/01/2016 and 10/02/2016. The gap between no two consecutive Board meetings exceeded one hundred and twenty days. The last Annual General Meeting (AGM) of the Company was held on December 2, 2015. The attendance of Directors at the Board meetings and the last AGM is as follow:

Sl. No.	Name	Attendance Particulars	
		Board Meetings	Last AGM
1	Mr. Shantilal J Mehta	15	Yes
2	Mr. Jayesh N Mehta	15	Yes
3	Mr. Dinesh Gautama	15	Yes
4	Ms. Sudha Gupta	15	Yes
5	Mr. Rameshchandra Meghraj Purohit	15	Yes
6	Mr. Lalit Menghnani	14	No

Separate Meeting of Independent Directors

As per the requirements of the provisions of the Companies Act 2013, a separate meeting of the Independent Directors of the Company was held on April 25, 2015 inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors 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:

The details on the Company's Familiarization Programme for Independent Directors can be accessed at: <http://www.navkarcs.com>

Board Evaluation:

A policy for evaluation of the Board, as approved by the Nomination and Remuneration Committee, lays down the criteria for evaluation of the performance of executive, non-executive and independent directors.

The entire process is carried out through a well structured questionnaire wherein the Directors are required to evaluate their peers on various parameters as well as the entire Board on the effectiveness of Board dynamics, flow of information, decision making capabilities of Directors, relationship with various intermediaries, Company strategy and relationship and effectiveness of various committees of the Board.

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

Brief Profile of Directors seeking appointment/re-appointment

Mr. Shantilal Jayavantraj Mehta

Mr. Shantilal Jayavantraj Mehta, aged 63 years, is the Chairman and Managing Director and a Promoter of the Company. He holds a bachelor's degree in arts and a bachelor's degree in law, both from Karnatak University. He has experience of over a decade in the business of Container Freight Stations. He has been on the Board of the Company since the incorporation of our Company. He is responsible for the overall administration of the CFS operations.

Mr. Shantilal Jayavantraj Mehta was appointed as Chairman and Managing Director of the Company by the Board of Directors in its meeting held on September 12, 2014. The members of the Company accorded their approval for his appointment for a period of three years from October 01, 2014, in their meeting held on September 30, 2014 on the remuneration not exceeding Rs.80,00,000/- per annum. For the financial year 2015-16, the remuneration paid to Mr. Shantilal Jayavantraj Mehta was Rs.65,00,000/-. Pursuant to the provisions of Section 152 of the Companies Act, 2013 and applicable provisions of the Articles of Association of the Company, Mr. Shantilal Jayavantraj Mehta retires by rotation at the Eighth Annual General Meeting and being eligible has offered himself for re-appointment. On his re-appointment, the terms and conditions of his appointment as Managing Director of the Company as approved by the members in their meeting held on September 30, 2014 shall remain unchanged. He is not on the board of any public limited company.

Mr. Nemichand Jayavantraj Mehta

Mr. Nemichand Jayavantraj Mehta, aged 53 years, was the Chief Executive Officer of the Company from September 04, 2014 till August 31, 2016. Mr. Nemichand Jayavantraj

Mehta is a Promoter of the Company. He holds a bachelor's degree in commerce from Swaran Mukth Shiksha Peeth, Punjab. He has experience of over a decade in the business of Container Freight Stations. He has been associated with the Company since incorporation. He is currently responsible for carrying out marketing and public relations activities of the Company. He is Director of Navkar Terminals Limited.

Mr. Nemichand Jayavantraj Mehta was appointed as Chief Executive Officer of the Company by the Board of Directors in its meeting held on September 4, 2014. For the financial year 2015-16, the remuneration paid to Mr. Nemichand Jayavantraj Mehta was Rs.60,00,000/-.

Mr. Nemichand Jayavantraj Mehta was appointed as a Whole-time Director by the Board of Directors of the Company for a period of five years from September 1, 2016 to August 31, 2021 in terms of the provisions of the Companies Act, 2013 and his period of office is liable to retirement by rotation.

3. Board Committees:

As on March 31, 2016, there were four committees of the Board of Directors namely Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee.

Meetings of Board Committees held during the year 2015-16 and Members' Attendance:

Members	Audit Committee	Stakeholder Relationship Committee	Nomination & Remuneration Committee	Corporate Social Responsibility Committee
Meetings held	6	2	1	1
Directors' Attendance:				
Mr. Shantilal J Mehta	-	2	-	1
Mr. Jayesh N Mehta	6	-	-	1
Ms. Sudha Gupta	6	-	1	1
Mr. Rameshchandra Meghraj Purohit	6	2	1	-
Mr. Lalit Menghnani	-	1	1	-

Terms of Reference and other details of Board Committee:

Audit Committee:

The Audit Committee of the Company is mandated to perform the functions specified under the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (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, 2016, the Audit Committee comprises of the following members:

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

During the period under review, six meetings of the Audit Committee were held on 17/06/2015, 18/06/2015, 04/09/2015, 02/11/2015/, 15/01/2016 and 10/02/2016.

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 the Securities and Exchange Board of India (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, including complaints relating to transfer and transmission of securities, non-receipt of dividends, and such other grievances as may be raised by the security holders from time to time.

As on March 31, 2016, the Stakeholders' Relationship Committee comprises of the following members:

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

During the period under review, two meetings of the Committee were held on 02/11/2015 and 10/02/2016.

Mr. Rameshchandra Purohit, Non-executive Independent Director and Chairman of the Stakeholders' Relationship Committee was present at the AGM of the Company held on December 12, 2015.

The Company Secretary of the Company, Ms. Ekta Chuglani has been designated as the Compliance Officer of the Company.

The details of complaints received and resolved during the Financial Year ended March 31, 2016 are given in the table below. The complaints relate to non-allotment of shares, non-receipt of refund and annual report, etc.

Opening as on March 31, 2015	Nil
Received during the year	317
Resolved during the year	317
Closing as on March 31, 2016	Nil

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 the Securities and Exchange Board of India (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 EDs, NEDs and IDs consistent with criteria approved by the Board and to recommend, for approval by the Board, nominees for election at the AGM 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, 2016, the Nomination and Remuneration Committee comprises of the following members of the Board:

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

During the period under review, one meeting of the Committee was held on 13/04/2015.

Remuneration Policy:

The Remuneration paid to the Directors in the financial year 2015-16 is as per the Nomination and Remuneration Policy, adopted by the Board of Directors of the Company 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>.

The remuneration paid to the Directors is well within the limits prescribed by the Companies Act, 2013.

The Company pays no remuneration to Non-executive Directors except payment of Sitting Fees to Independent Directors for attending meetings of the Board and Committees.

Details of Remuneration to Directors: (in ₹)

Name of Director	Remuneration	Sitting Fee	Total
Mr. Shantilal J Mehta	65,00,000	-	65,00,000
Mr. Jayesh N Mehta	55,00,000	-	55,00,000
Mr. Dinesh Gautama	60,00,000	-	60,00,000
Ms. Sudha Gupta	-	2,75,000	2,75,000
Mr. Rameshchandra Meghraj Purohit	-	2,70,000	2,70,000
Mr. Lalit Menghnani	-	2,20,000	2,20,000

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, 2016.

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 following functions:

Formulating the corporate social responsibility policy;

Recommending the activities to be undertaken by our Company, in accordance with Schedule VII of the Companies Act and to recommend the amount of expenditure;

Monitoring the corporate social responsibility policy and the expenditure of our Company; and

Take steps for formation of any Trust/Society/Company for charitable purpose and get the same registered for the purpose of complying with CSR provisions.

As on March 31, 2016, the Corporate Social Responsibility Committee comprises of the following members:

Ms. Sudha Gupta - Chairperson

Mr. Shantilal J Mehta - Member

Mr. Jayesh N Mehta - Member

During the period under review, one meeting of the Committee was held on 13/04/2015.

The Company Secretary of the Company, Ms. Ekta Chuglani is the Secretary to all the Committees of the Board.

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 Corporate 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
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
2012-13	Monday, September 30, 2013 at 11:30 a.m.	205-206, J.K. Chambers, Sector 17, Vashi, Navi Mumbai - 400703	No

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

Meeting held on	Special Resolutions passed in respect of the following matters:
September 11, 2014	<ol style="list-style-type: none"> Approval for authority to create security on the whole or substantially the whole of the undertaking of the Company and assets of the Company upto ₹ 2000 crore. Approval to increase the borrowing limit of the Company from financial institutions upto ₹ 2000 crore.

Meeting held on	Special Resolutions passed in respect of the following matters:
	<ol style="list-style-type: none"> Approval to give loan/guarantee or provide security in connection with loan to any other body corporate or person upto ₹ 2000 crore. Approval for adoption of new set of Articles of Association of the Company in place of its existing Articles of Association. Approval for adoption of new set of Memorandum of Association of the Company in place of its existing Memorandum of Association.

c). Ordinary resolution passed through Postal Ballot during the Financial Year 2015-16:

Date of passing of the resolution	Details of the resolution	Voting pattern
Saturday, February 20, 2016	Approval of transaction for purchase of property from Mr. Nemichand J Mehta, CEO of the Company.	Promoters: Did not participate in voting. Public: 82.50% (in favor) Passed with requisite majority.
	Approval of transaction for purchase of property from M/s Arihant Industries, a sole proprietorship firm of Mr. Nemichand J Mehta.	Promoters: Did not participate in voting. Public: 82.50% (in favor) Passed with requisite majority.

d). Person who conducted the postal ballot exercise:

Mr. Hemant Shetye, Partner of M/s. HS Associates, Practicing Company Secretaries, Mumbai was appointed as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

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

As and when the need arises, the Company shall seek the approval of the shareholders' of the Company, through Postal Ballot exercise.

f). Procedure for postal ballot:

The Postal Ballot exercise was conducted in accordance with the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, provisions of Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the Companies (Management

and Administration) Rules, 2014. The Company offered e-voting facility as an option to all the Members of the Company to exercise their right to vote. The Company had entered into an agreement with Central Depository Services (India) Limited for facilitating e-voting to enable the Members to cast their votes electronically.

The Notice of postal ballot was served on the Members through electronic transmission. Members who had registered their e-mail IDs with depositories or with the Company were sent Notice along with Postal Ballot Form by e-mail and Members who had not registered their e-mail IDs received the Notice along with Postal Ballot Form through registered post / speed post / courier service. The Notice was sent to all the members, whose names appeared in the Register of Members / Record of Depositories as on Friday, January 15, 2016.

The Notice along with Postal Ballot Form was also available on the Company's website viz. www.navkarcfs.com and on the agency's website i.e. Central Depository Services (India) Limited viz. www.cdslindia.com.

The voting was reckoned in proportion to the value of shares registered in the Member's name to the total paid up share capital of the Company as on Friday, January 15, 2016.

The entire exercise was overseen by Mr. Hemant Shetye, Practicing Company Secretary and partner of M/s. HS Associates, Practicing Company Secretaries, Mumbai, who was appointed as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

The results of Postal Ballot were declared on February 20, 2016 at 5.00 p.m. at the Registered Office of the Company and were displayed at the Registered Office of the Company, intimated to BSE Limited and National Stock Exchange of India Limited where the Company's equity shares are listed and displayed along with the Scrutinizer's report on the Company's website viz. www.navkarcfs.com, on the agency's website i.e. Central Depository Services (India) Limited viz. www.cdslindia.com.

g). Extraordinary General Meetings:

During the year, 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations) 2015, the financial results of the Company are published in English daily, Business Standard, 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 are 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 ended March 31, 2016.

6). General shareholder information:

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

The Eighth Annual General Meeting of the Company will be held on Tuesday, September 27, 2016, at 3:30 p.m., at Hotel The Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai – 400 703.

None of the businesses proposed to be transacted at the ensuing AGM require passing a Special Resolution through Postal Ballot.

b). Financial year:

The financial year of the company is from 1st April of each year 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 the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") since September 9, 2015.

The listing fee to both the Exchanges, for the financial year 2016 – 17 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 since the date of listing of the Company i.e. September 9, 2015.

e). Stock code:

ISIN: INE278M01019

NSE: NAVKARCORP

BSE: 539332

f). Market price data:

The monthly high and low prices of the Company's equity shares at BSE and NSE for the year ended March 31, 2016 are as under:

Month	NSE		BSE	
	High	Low	High	Low
September '15	171.80	152.00	171.00	152.00
October '15	167.40	151.05	167.00	151.20
November '15	202.00	159.55	201.90	159.10
December '15	221.00	187.00	221.00	186.80
January '16	215.00	180.25	214.70	181.00
February '16	201.75	150.05	200.30	151.00
March '16	184.50	148.80	184.00	151.00

g). Performance in comparison to broad-based indices such as BSE Sensex, Nifty 50 since listing till 31-03-2016:

Value as of (in ₹)	Navkar Corp	BSE Sensex	Nifty
September 9, 2015	166.4	25,719.5	7818.6
March 31, 2016	180.4	25,341.8	7738.4
Change (%)	8.4%	-1.5%	-1.0%

h). Registrar and Share Transfer Agents:

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

i). Share Transfer System:

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

j). Distribution of Shareholding:

Distribution of shareholding on the basis of ownership as on March 31, 2016

Category of Shareholders	No. of Equity Shares	Percentage %
Promoters	103,898,347	72.855
Public	2,983,406	2.0920
Trusts	2,000	0.0014
Bodies Corporate	2,187,614	0.0014
Non-Resident Indians	56,555	0.0397
Non - Resident (Non Repatriable)	15,559	0.0109
Non Nationalized Banks	150,671	0.1057
Mutual Fund	23,292,942	16.3335
Hindu Undivided Family	219,165	0.1537
Foreign Portfolio Investor (Corporate)	4,076,619	2.8586
Foreign Institutional Investors	5,142,326	3.6059
Financial Institutions	271,963	0.1907
Clearing Member	310,856	0.2180
Total	142,608,023	100.00

k). Dematerialization of Shares:

As on March 31, 2016, except 4 equity shares the balance entire paid up equity share capital of the Company is held in dematerialized form.

m). Address for correspondence and Investor Contact:

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

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

Contact Person : Ms. Ekta Chuglani
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 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations) 2015, during the year were on an arm's length basis and in the ordinary course of business, other than the transaction for which approval through postal ballot was taken. These have been approved by the Audit Committee. The Board of Directors 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, the Securities and Exchange Board of India and other statutory authorities and no penalties or strictures have been imposed on the Company by any Stock Exchange or

the Securities and Exchange Board of India 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 the Securities and Exchange Board of India (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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company is in the regime of unqualified financial statements.

There are separate posts for Chairman and CEO.

The Internal Auditor reports directly to the Audit Committee.

e). Policy for Determining Material Subsidiaries:

As per the requirements of Regulation 46 of the Securities and Exchange Board of India (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-subsiary-policy.pdf>.

f). Disclosure of Commodity Price Risks and Commodity Hedging Activities:

Not Applicable.

g). Accounting Standards:

The Company's preparation of its financial statements is in line with the Accounting Standards issued by the Institute of Chartered Accountants of India.

h). Insider Trading:

Pursuant to the Securities and Exchange Board of India (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 Shareholders,
Navkar Corporation Limited

We have examined the compliance of conditions of Corporate Governance by **Navkar Corporation Limited** ("the Company"), for the year ended 31st March, 2016 as stipulated in Clause 49 of the Listing Agreement ("Listing Agreement") of the Company with Stock Exchanges for the period 1st April, 2015 to 30th November, 2015 and as per relevant provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, ("Listing Regulations") as referred to in regulation 15 (2) of the Listing Regulations for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an Audit nor an expression of opinion on the financial statements of the Company.

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 Agreement / Listing Regulations, as applicable.

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

For **HS Associates**
Company Secretaries
Hemant Shetye
FCS – 2827
COP – 1483

Date: September 1, 2016
Place: Mumbai

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, 2016.

For Navkar Corporation Limited

Place: September 1, 2016
Date: Mumbai

Capt. Dinesh Gautama
Chief Executive Officer

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. During financial year 2016 these ports handled over 1000 million metric tons of cargo.

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 EXIM for the country.

During last two years developing transportation infrastructure has been the key focus area of the Central Government. While the thrust was on railways and roads in the first two years, the Central Government rolled out a grand plan to improve inland waterways and coastal shipping. The proposal to develop 101 inland waterways and coastal shipping is likely to result in large-scale investments in the shipping, port operation, logistics and construction sectors. 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. The developments envisaged by the Central Government are expected to benefit integrated players, who operate and provide service using a combination of rail, road and sea transportation, CFS and 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. Over the

last two years, container traffic growth has been modest. Growth in the market size of the CFS and ICD industry has been slow for the same period. Of the total container traffic, approximately 75% is handled by CFSs and ICDs and the rest directly at ports.

During 2015-16, container handling at top 12 Ports in India grew by 3 % which is lower than the last year's growth of 8 %. The total container throughput in India during 2015-16 was around 11.58 million TEUs while it was 10.83 million TEUs in 2014-15. As per various reports available, over the medium term, the CFS and ICD industry is expected to grow at a CAGR between 9 to 11%. In long term, the CFS and ICD industry is expected to grow at a CAGR of over 12%.

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.

Increasing volume of reefer containers and increased scope of handling project cargo would be of great help for performance improvement in near future. 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 CFS operators.

Factors such as growth in external trade, growth across major industry segments and the emergence of organised retail have had favourable implications on the industry.

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.

Shipping lines/ CHAs and Forwarders continue to exert pressure for payment of increased incentives for moving their boxes to a particular CFS coupled with demand for more storage free days. In view of the stiff competition, CFSs are not able to pass on the increase in costs to the trade and this affects earning per TEU for most of the CFS operators.

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 310,000 TEUs per annum. The

Company has a private railway freight terminal ("PFT") which allows the Company to load and unload cargo from container trains operating between Somathane CFS and the JN Port and to transport domestic cargo to and from inland destinations on the Indian rail network. The company own and operate trailers for the transportation of cargo between its CFSs and the JN Port by road.

The Company can handle cargo at controlled temperatures at its temperature controlled chamber and through its Reefer plug points at its CFSs. The Company is also certified to handle

hazardous cargo at its Ajivali CFS II and its Somathane CFS. The Company provides cargo storage facilities at its CFSs which include a buffer yard and warehouses for the storage of cargo.

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

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

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. The Company was 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, 2016.

During the financial year 2015-16, the Company's total revenues increased by 14.04% to ₹ 378.62 Crore, as against ₹ 332.01 Crore in the previous fiscal, primarily due to increase in revenue from operations and other income. During the financial year 2015-16, the Company's Profit After Tax increased by 48.54% to ₹ 103.49 Crore, as against ₹ 69.67 Crore in previous year, primarily due to operational efficiency and increase in other income.

During the financial year 2015-16, the Company's revenue from operations increased by 5.63% to ₹ 347.26 Crore, as against ₹ 328.75 Crore for the financial year 2014-15, primarily on account of increase of 10.89% in revenues from Cargo Handling Services which constituted 75.68% of total revenue from operations for the financial year 2015-16.

During the financial year 2015-16, the Company's other income was ₹ 31.36 Crore, as against ₹ 3.26 Crore for the financial year 2014-15. The increase in Other Income is primarily on account of increase in Interest Income, Profit on sales of Current Investments and Reversal of provision for diminution in value of Investment.

The Company has one subsidiary, namely Navkar Terminals Limited ("NTL"). During the financial year 2015-16, NTL has made significant progress in its project of developing an ICD adjacent to the proposed logistics park of the Company at Umergaon, Valsad district (near Vapi), Gujarat. The Customs Authorities vide Public Notice No. 03/2016, dated March 14, 2016 have notified the ICD and allocated Location Code IN SAJ6 to the ICD. The Customs Authorities have notified March 15, 2016 as the date of commencement of operation of the ICD.

NTL vide an agreement entered with Kribhco Infrastructure Limited ("KRIL"), has received contract for operation and management of part of the KRIL's Container Freight Station (CFS)/ICD and for handling of Container Trains at Hazira Terminal, 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.

The Company is among the few certified players at JNPT to handle hazardous cargo (chemicals, liquids, etc.) at two of its CFSs and is one of the biggest exporters of agri commodities at JNPT. Given the rail connectivity at both the ICD and logistics park, lower pricing and close proximity to one of the largest industrial clusters in India, healthy demand is expected and the increase in warehousing utilization and scale up in other ancillary services will aid to the EIBDTA margin.

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

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 faces 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.

With expected EXIM trade increase along with the growth in containerization, CFS business is expected to be good in coming years. The Company's business can be affected by the rise and fall in the levels of imports and exports in the country.

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 2015-16.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the financial year 2015-16, the Company's total revenues increased by 14.04% to ₹ 378.62 Crore, as against ₹ 332.01 Crore in the previous fiscal, primarily due to increase in revenue from operations and other income. During the financial year 2015-16, the Company's Profit After Tax increased by 48.54% to ₹ 103.49 Crore, as against ₹ 69.67 Crore in previous year, primarily due to operational efficiency and increase in other income.

During the financial year 2015-16, revenue from operations increased by 5.63% to ₹ 347.26 Crore, as against ₹ 328.75 Crore for the financial year 2014-15, primarily on account of increase of 10.89% in revenues from Cargo Handling Services

which constituted 75.68% of total revenue from operations for the financial year 2015-16.

During the financial year 2015-16, Other Income was ₹ 31.36 Crore, as against ₹ 3.26 Crore for the financial year 2014-15. The increase in Other Income is primarily on account of increase in Interest Income, Profit on sales of Current Investments and Reversal of provision for diminution in value of Investment.

During the financial year 2015-16, revenue from Cargo Handling Services was ₹ 262.80 Crore as against ₹ 236.99 Crore for the financial year 2014-15. During the financial year 2015-16, revenue from Cargo Storage Services was ₹ 75.45 Crore as against ₹ 86.00 Crore for the financial year 2014-15. During the financial year 2015-16, revenue from Maintenance and Repairs of Containers was ₹ 5.21 Crore as against ₹ 2.44 Crore for the financial year 2014-15. During the financial year 2015-16, revenue from Auction Sale was ₹ 3.23 Crore as against ₹ 2.69 Crore for the financial year 2014-15. During the financial year 2015-16, revenue from EDI Income was ₹ 0.58 Crore as against ₹ 0.63 Crore for the financial year 2014-15.

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. As on March 31, 2016, the Company has 878 permanent employees.

BUSINESS RESPONSIBILITY REPORT FOR THE YEAR 2015-16

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

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company : L63000MH2008PLC187146
- Name of the Company : Navkar Corporation Limited
- Registered address : 205-206 J. K. Chambers, Sector 17, Vashi, Navi Mumbai - 400703
- Website : www.navkarcfs.com
- E-mail id : cs@navkarcfs.com
- Financial Year reported : 2015-16
- 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

- List three key products/services that the Company manufactures/provides (as in balance sheet):
Cargo Handling
Cargo Storage
Maintenance and Repairs of Containers
- Total number of locations where business activity is undertaken by the Company
 - Number of International Locations (Provide details of major 5): Nil
 - Number of National Locations: 3
- Markets served by the Company – Local, Maharashtra and Gujarat

SECTION B: FINANCIAL DETAILS OF THE COMPANY

- Paid up Capital : ₹ 144,90,80,230
- Total Turnover : ₹ 378,62,06,927
- Total profit after taxes : ₹ 103,49,84,916
- Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):
The Company has spent ₹ 1,62,87,354 which is 2% of average net profit for previous three years computed as prescribed under the Companies Act, 2013.
- List of activities in which expenditure in 4 above has been incurred:-

Animal Welfare
Education
Health Care
Welfare of aged and orphans

SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/Companies?
Yes, the Company has one Subsidiary
- 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, the Subsidiary of the Company participates in BR activities.
- 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

- Details of the Director/Director responsible for implementation of the BR policy/policies

The Corporate Social Responsibility (CSR) Committee of the Board of Directors is responsible for implementation of BR Policies/ Activities. As on March 31, 2016, the CSR Committee comprises Ms. Sudha Gupta (Chairperson), Mr. Shantilal Jayavantraj Mehta (Member) and Mr. Jayesh Nemichand Mehta (Member).

- Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	NA
2	Name	Ms. Ekta Chuglani
3	Designation	Company Secretary
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 317 complaints during the year 2015-16. These complains were relating to non allotment of shares/stocks/ non receipt of refund in the Initial Public Offering of equity shares of the Company offered in the month of August, 2015. All the investor complaints/grievances were resolved during the year.

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. 878

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. 373
3. Please indicate the Number of permanent women employees. 34
4. Please indicate the Number of permanent employees with disabilities. 7
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? 27%
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/Joint Ventures/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 conduct its operation on most environment friendly and compliant manners.

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

6. 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 are undertaken through Navkar Charitable Trust.

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

Yes

3. 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 ₹ 1,62,87,354 during the financial year 2015-16 on CSR activities comprising of Animal Welfare, Education, Health Care and Welfare of aged and orphans. The activities and its impact are properly monitored for successfully adoption by the community.

4. 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 Company has spent ₹ 1,62,87,354 during the financial year 2015-16 on CSR activities comprising of Animal Welfare, Education, Health Care and Welfare of aged and orphans. 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 Financial Statements

1. We have audited the accompanying standalone financial statements of Navkar Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 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.
10. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting

standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014;

- e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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, 2016 on

its financial position in its standalone financial statements Refer Note 31 and 33;

- (ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2016; and
- (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, 2016.

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

Place: Mumbai
Date: May 27, 2016

Arun Poddar
Partner
Membership Number: 134572

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 standalone financial statements for the year ended March 31, 2016

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, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Mumbai
 Date: May 27, 2016

Arun Poddar
 Partner
 Membership Number: 134572

Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Navkar Corporation Limited on the Standalone financial statements as of and for the year ended March 31, 2016.

- 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 13 on fixed assets to the financial statements, are held in the name of the Company, except for certain freehold lands having gross block value of ₹ 19,40,06,776 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 ₹	Net block ₹
1.	Land	17	Freehold	19,40,06,776	19,40,06,776

- 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, 2016 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994	Service Tax	20,372,506	October 2011 to March 2012	The Commissioner, Central Excise, Customs and Service Tax

- 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 ₹ 2,803.79 Million. Out of the above un-utilized balance, ₹ 2,795.31 Million and ₹ 8.48 Million are kept in fixed deposit and monitoring current

account respectively for future utilisation (also refer note 39 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 Accounting Standard (AS) 18, "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

Place: Mumbai
 Date: May 27, 2016

Arun Poddar
 Partner
 Membership Number: 134572

Balance Sheet as at March 31, 2016

		(Amount in ₹)	
Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
I EQUITY AND LIABILITIES			
1. Shareholders' funds			
Share Capital	3	1,449,080,230	1,120,047,980
Reserves and Surplus	4	9,474,726,000	3,952,518,381
		10,923,806,230	5,072,566,361
2. Non - Current Liabilities			
Long-Term Borrowings	5	2,831,298,754	3,840,442,023
Deferred Tax Liabilities (Net)	6	403,774,461	319,871,435
Other Long-Term Liabilities	7	150,000	250,000
Long-Term Provisions	8	32,545,112	25,647,752
		3,267,768,327	4,186,211,210
3. Current Liabilities			
Short-Term Borrowings	9	333,526,718	280,376,033
Trade Payables	10	360,846,047	112,887,439
Other Current Liabilities	11	1,016,700,651	1,018,558,442
Short-Term Provisions	12	59,414,006	52,524,997
		1,770,487,422	1,464,346,911
TOTAL		15,962,061,979	10,723,124,482
II ASSETS			
1. Non - Current Assets			
Fixed Assets	13		
Tangible Assets		9,061,803,513	7,897,354,279
Intangible Assets		3,843,072	-
Capital Work-In-Progress		1,143,932,011	-
Non-Current Investments	14	500,000	500,000
Long-Term Loans and Advances	15	2,049,247,137	1,437,598,048
Other Non-Current Assets	16	11,478,156	63,643,267
		12,270,803,889	9,399,095,594
2. Current Assets			
Current Investments	17	-	50,182,800
Spare Parts and Consumables	18	39,818,051	16,155,872
Trade Receivables	19	480,193,965	774,744,939
Cash and Bank Balances	20	2,896,350,719	8,153,793
Short-Term Loans and Advances	21	84,280,323	242,018,481
Other Current Assets	22	190,615,032	232,773,003
		3,691,258,090	1,324,028,888
TOTAL		15,962,061,979	10,723,124,482
Summary of Significant Accounting Policies	2		
The notes referred to above are an integral part of the financial statements			

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

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

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : May 27, 2016

For and on behalf of the Board of Directors

Shantilal Mehta
Managing Director
DIN : 00134162

Anish Maheshwari
Chief Financial Officer

Place : Mumbai
Date : May 27, 2016

Jayesh Mehta
Whole-time Director
DIN : 00510313

Eakta Chuglani
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2016

(Amount in ₹)			
Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue			
Revenue from Operations	23	3,472,573,436	3,287,542,893
Other Income	24	313,633,491	32,607,216
Total Revenue		3,786,206,927	3,320,150,109
Expenses			
Cost of Services	25	1,437,336,423	1,382,556,512
Employee Benefits Expenses	26	247,506,912	222,253,574
Finance Costs	27	231,374,290	263,695,066
Depreciation and Amortization Expenses	28	193,246,662	152,143,713
Other Expenses	29	449,887,102	485,729,650
Total Expenses		2,559,351,389	2,506,378,515
Profit before Tax		1,226,855,538	813,771,594
Less: Tax Expenses:			
Current Tax		259,000,000	183,000,000
Less: MAT Credit		(152,037,565)	(163,537,976)
Earlier Years Current Tax Adjustments		1,005,161	3,520,086
Deferred Tax		83,903,026	51,220,639
Deferred Tax for Earlier Years		-	42,884,967
Profit for the year		1,034,984,916	696,683,878
Earnings Per Equity Share (Face Value ₹ 10 Per Share):	30		
Basic and Diluted (₹)		8.05	6.35
Summary of Significant Accounting Policies	2		
The notes referred to above are an integral part of the financial statements			

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

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

Arun Poddar
 Partner
 Membership Number: 134572

Place : Mumbai
 Date : May 27, 2016

Shantilal Mehta
 Managing Director
 DIN : 00134162

Anish Maheshwari
 Chief Financial Officer

Place : Mumbai
 Date : May 27, 2016

Jayesh Mehta
 Whole-time Director
 DIN : 00510313

Ekta Chuglani
 Company Secretary

Cash Flow Statement for the year ended March 31, 2016

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
A. Cash Flow from Operating Activities		
Net Profit Before Tax	1,226,855,538	813,771,594
Adjustments:		
Depreciation and Amortisation	193,246,662	152,143,713
Loss on Sale of Fixed Assets (net)	728,209	2,190,551
Loss/ (Profit) on Sale of Current Investments (net)	(18,725,947)	10,367,726
Provision for Diminution in Value of Current Investments	-	40,874,700
Reversal of Provision for Diminution in Value of Current Investments	(40,874,700)	-
Exchange Fluctuation (Gain)/Loss on Loan	104,305,950	122,239,473
Interest Income	(246,078,555)	(17,259,308)
Dividend Income	(337,250)	-
Finance Costs	231,374,290	263,695,066
Operating cash flows before working capital changes	1,450,494,197	1,388,023,515
<u>Adjustments for Changes in Working Capital</u>		
Decrease / (Increase) in Inventories	(23,662,179)	(16,155,872)
Decrease / (Increase) in Trade receivables	294,550,974	(12,112,983)
Decrease / (Increase) in Short term Loans and Advances	157,738,158	62,907,880
Decrease / (Increase) in Long term Loans and Advances	(302,765,948)	(531,357,278)
Decrease / (Increase) in Other Current Assets	42,157,971	(88,244,497)
Increase / (Decrease) in Trade Payables	247,958,608	99,354,880
Increase / (Decrease) in Other Current Liabilities	583,117	(24,980,977)
Increase / (Decrease) in Long term Provisions	6,897,360	10,422,885
Increase / (Decrease) in Short term Provisions	(12,336,672)	9,822,492
Cash generated from operations	1,861,615,586	897,680,045
Income taxes paid	(240,779,480)	(223,380,141)
Net cash flow from operating activities (A)	1,620,836,106	674,299,904
B. Cash Flow from Investing Activities		
Purchase or construction of fixed assets (including capital work-in-progress and capital advances)	(2,643,310,590)	(1,122,020,438)
Proceeds from / (Investment in) fixed deposits (net)	(2,801,256,153)	(5,411,950)
Proceeds from sale of fixed assets	796,668	2,795,556
Acquisition of non-current investments	-	(400,000)
Proceeds from sale of Investments	109,783,447	101,074,774
Interest received	246,078,555	17,259,308
Dividend Received	337,250	-
Net cash flow used in investing activities (B)	(5,087,570,823)	(1,006,702,750)

Cash Flow Statement for the year ended March 31, 2016

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
C. Cash Flow from Financing Activities		
Proceeds from public issue of shares	329,032,250	-
Proceeds from securities premium (net of IPO expenses)	4,487,222,703	-
Proceeds from/ (Repayment of) Long-Term Borrowings (net)	(1,138,964,508)	579,056,408
Increase / (Decrease) in Short term Borrowings	53,150,685	18,530,877
Proceeds from/ (Repayment of) Other Long-Term Liabilities (net)	(100,000)	-
Finance costs	(229,228,326)	(267,673,680)
Net cash from financing activities (C)	3,501,112,804	329,913,605
Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)	34,378,087	(2,489,241)
Cash and cash equivalents at the beginning of the year (Refer Note 20)	7,476,072	9,965,313
Cash and cash equivalents at the end of the year (Refer Note 20)	41,854,159	7,476,072
Net cash Increase/(decrease) in cash and cash equivalent	34,378,087	(2,489,241)

Note:

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

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

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

Chartered Accountants

Firm Registration Number: 112723W

Arun Poddar

Partner

Membership Number: 134572

Place : Mumbai

Date : May 27, 2016

For and on behalf of the Board of Directors

Shantilal Mehta

Managing Director

DIN : 00134162

Anish Maheshwari

Chief Financial Officer

Jayesh Mehta

Whole-time Director

DIN : 00510313

Ekta Chuglani

Company Secretary

Place : Mumbai

Date : May 27, 2016

Notes to the Financial Statements for the year ended March 31, 2016

NOTE 1 : COMPANY OVERVIEW

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

These financial statements have been prepared to comply with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

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

B. Use of estimates

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

C. Fixed Assets

Tangible Fixed Assets:

Tangible Fixed Assets are stated at actual cost of acquisition cost, less accumulated depreciation and impairment

losses, if any. The cost of an item is its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

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

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

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

Intangible Fixed Assets:

Intangible fixed assets are stated at their historical cost net of recoverable taxes less accumulated amortisation and impairment losses, if any. The cost of intangible assets comprises of the acquisition cost and any attributable cost of bringing the assets to its working condition for its intended use.

D. Depreciation and Amortisation

Depreciation on Tangible Fixed Assets is provided on the Straight Line Method (SLM) unless otherwise mentioned, pro-rata to the period of use of assets, based on the useful lives as specified in Part C of Schedule II to the Companies Act, 2013 in case of the following assets:

- Computers and Printers, including Servers and Networks
- Furniture and Fixtures
- Office Equipment
- Temporary Sheds

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

- Building (except Temporary Sheds)
- Plant and Machinery
- Motor Vehicles
- Railway Sidings

The management has obtained technical evaluation reports for those assets for ascertaining their balance useful lives, based on which, the management has taken the unexpired useful life equivalent to the unexpired useful life of the individual asset as it was if the Schedule XIV of the Companies Act, 1956 would continue. Freehold land and land development is not depreciated.

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

Notes to the Financial Statements for the year ended March 31, 2016

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

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.

E. Impairment of Fixed Assets

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

F. Investments

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

G. Inventories

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

H. Recognition of Income

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.

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

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

I. Other Income

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

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

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

J. Provisions and Contingent Liabilities

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

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

K. Accounting for Taxation of Income

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

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets

Notes to the Financial Statements for the year ended March 31, 2016

can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the group reassesses unrecognised deferred tax assets, if any.

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

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

L. Foreign Currency Transactions

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

M. Options and Swaps Contracts

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

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

N. Borrowing Costs

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

O. Leases

As a lessee:

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

As a lessor:

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

P. Employee Benefits

Defined Contribution Plan

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

Defined Benefit Plan

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

Notes to the Financial Statements for the year ended March 31, 2016

Other Employee Benefits: Compensated Absences

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

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

Q. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for

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

R. Cash and Cash Equivalents

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

S. Insurance claims

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

T. Service tax input credit

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

NOTE 3 - SHARE CAPITAL

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised Capital		
15,50,00,000 (March 31, 2015 : 15,50,00,000) Equity Shares of ₹ 10 each	1,550,000,000	1,550,000,000
50,00,000 (March 31, 2015 : 50,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each	50,000,000	50,000,000
	1,600,000,000	1,600,000,000
Issued, Subscribed and Paid up Capital		
14,26,08,023 (March 31, 2015 : 10,97,04,798) Equity Shares of ₹ 10 each fully paid up	1,426,080,230	1,097,047,980
23,00,000 (March 31, 2015: 23,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up	23,000,000	23,000,000
Total	1,449,080,230	1,120,047,980

(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.

0% Cumulative Redeemable Preference Shares

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

Notes to the Financial Statements for the year ended March 31, 2016

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

Equity Shares

(Amount in ₹)

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount ₹	Number of shares	Amount ₹
Balance as at the Beginning of the year	109,704,798	1,097,047,980	18,284,133	182,841,330
Add: Shares allotted as bonus shares	-	-	91,420,665	914,206,650
Add: Shares issued in Initial Public Offer (IPO)	32,903,225	329,032,250	-	-
Balance as at the end of the year	142,608,023	1,426,080,230	109,704,798	1,097,047,980

0% Cumulative Redeemable Preference Shares:

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount ₹	Number of shares	Amount ₹
Balance as at the Beginning of the year	2,300,000	23,000,000	2,300,000	23,000,000
Add: Issue of Shares during the year	-	-	-	-
Balance as at the end of the year	2,300,000	23,000,000	2,300,000	23,000,000

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

Equity Shares

Shares held by	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	%	Number of Shares	%
Mr. Shantilal Mehta	48,300,000	33.87%	48,300,000	44.03%
Mr. Nemichand Mehta	30,900,000	21.67%	30,900,000	28.17%
Mrs. Shailaja Mehta	20,100,000	14.09%	20,100,000	18.32%
Sidhartha Corporation Private Limited	#	#	8,094,798	7.38%

Less than 5%

0% Cumulative Redeemable Preference Shares

Shares held by	As at March 31, 2016		As at March 31, 2015	
	Number of Shares	%	Number of Shares	%
Mr. Shantilal Mehta	1,086,980	47.26%	1,086,980	47.26%
Mr. Nemichand Mehta	573,390	24.93%	573,390	24.93%
Mrs. Shailaja Mehta	573,390	24.93%	573,390	24.93%

- (d) 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.

Notes to the Financial Statements for the year ended March 31, 2016

Date of allotment	Number of equity shares		Amount (₹)	
	IPO	Preferential Allotment	Equity Share Capital	Securities Premium
September 4, 2015	32,903,225	-	329,032,250	4,770,967,625

(e) Shares allotted as fully paid up equity shares as bonus issue (during 5 years immediately preceding March 31, 2016):

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

NOTE 4 - RESERVES AND SURPLUS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Capital Reserve on Amalgamation (Refer Note (a) below):		
Balance as at the beginning of the year	260,128,720	260,128,720
Add : Additions during the year	-	-
Balance as at the End of the Year	260,128,720	260,128,720
Capital Redemption Reserve:		
Balance as at the beginning of the year	45,520,834	26,354,167
Add : Additions during the year	19,166,664	19,166,667
Balance as at the End of the Year	64,687,498	45,520,834
Securities Premium Reserve:		
Balance as at the beginning of the year	1,376,878,620	1,376,878,620
Add : Received on issue of shares in IPO during the year (Refer note 39)	4,770,967,625	-
Less: Amount utilised for share issue expenses (Refer note 39)	(283,744,922)	-
Balance as at the End of the Year	5,864,101,323	1,376,878,620
Surplus in the Statement of Profit and Loss:		
Balance as at the beginning of the year	2,269,990,207	2,515,717,340
Add: Profit for the year	1,034,984,916	696,683,878
Less: Transfer to Capital Redemption Reserve	(19,166,664)	(19,166,667)
Less: Issue of Bonus Shares (Refer Note (b) below)	-	(914,206,650)
Less: Amount Transferred from Block of Fixed Assets (Refer Note (c) below) (net of taxes)	-	(9,037,694)
Balance as at the End of the Year	3,285,808,459	2,269,990,207
Total	9,474,726,000	3,952,518,381

Notes:

- Capital Reserve on Amalgamation is created as per the Scheme of Amalgamation between erstwhile Preeti Logistics Limited with the Company approved by the Hon'ble High Court Judicature at Bombay on February 11, 2010.
- Share holders have approved issue of bonus shares on February 28, 2015 in the ratio of five fully paid up equity share for one equity share held on March 2, 2015, being the record date, accordingly, the Company has issued 91,420,665 equity shares of ₹ 10 each fully paid up by utilising its surplus in the Statement of Profit and Loss.

Notes to the Financial Statements for the year ended March 31, 2016

- (c) With the applicability of Companies Act, 2013 with effect from April 1, 2014, and as per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, the Company has re-worked depreciation with reference to the estimated economic lives of fixed assets prescribed by Schedule II to the Act or actual useful life of assets, whichever is lower. For assets whose life has been completed as above, the carrying value, net of residual value aggregating ₹ 1,33,78,275 (net of deferred tax ₹ 90,37,694) as at April 1, 2014 has been adjusted to retained earnings and in other cases the carrying value as at April 1, 2014 has been depreciated over the remaining of the revised life of the assets and recognised in the Statement of Profit and Loss.

NOTE 5 - LONG - TERM BORROWINGS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Secured Loans (Refer Note (a) below)		
Rupee Term Loans from Banks	457,575,227	672,735,085
Foreign Currency Term Loans from Banks	1,211,933,251	1,941,674,683
Rupee Term Loans from Others	108,203,683	172,445,662
Unsecured Loans (Refer Note (b) below)		
Loans from Related Parties (Interest Free)	1,053,586,593	1,053,586,593
Total	2,831,298,754	3,840,442,023

Notes:

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

Nature of Security	Terms of Repayment
Rupee Term Loans from IndusInd Bank amounting to ₹ Nil (March 31, 2015 : ₹ 93,000,000) 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.	Repayable in 36 monthly instalments, Rate of interest minimum 12.50% p.a.
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 month interest obligations to be created upfront.	
Personal guarantee of Mr. Shantilal J Mehta, Mr. Nemichand Mehta, Mr. Jayesh Mehta, Mr. Kunthu Kumar Mehta and Mrs. Shailaja Mehta.	
Rupee Term Loans from Axis Bank amounting to ₹ 79,674,374 (March 31, 2015: ₹ 108,247,270) secured by the vehicles purchased from the loan proceedings.	Repayable in 35-58 monthly instalments, Rate of interest 10.25% - 11.50% p.a.
Personal Guarantee of Mr. Jayesh N Mehta, director of the Company.	
Rupee Term Loan from HDFC Bank amounting to ₹ 150,324,772 (March 31, 2015 : ₹ 174,774,080) 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, Rate of interest 10.00% - 13.01% p.a.

Notes to the Financial Statements for the year ended March 31, 2016

Rupee Term Loan from ICICI Bank amounting to ₹ 28,468,231 (March 31, 2015 : ₹ 72,035,847) and a Foreign Currency Term Loan from ICICI Bank amounting to ₹ 490,197,485 (March 31, 2015 : ₹ 1,004,978,318)

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 ₹ 200.0 million (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-400706 valuing ₹ 400 million approximately.

In case of any shortfall the same to be meet by commercial property/residential property/industrial property/fixed deposit equivalent to the security cover of 1.0.

The limit may be disbursed proportionately however the security cover to be maintained at 1.0 at all times.

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 network of ₹ 323.5 million as on 31.03.2013.
- ii. Mr. Shantilal. J. Mehta having network of ₹ 163.5 million as on 31.03.2013.
- iii. Mr. Kunthukumar. S. Mehta having network of ₹ 282.7 million as on 31.03.2013.
- iv. Mr. Jayesh. N. Mehta having network of ₹ 15.8 million 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), Rate of interest for Rupee term loan is ranging 9.75% - 13.50% p.a., Rate of interest for foreign currency term loan is ranging 5.45% - 6% p.a.

Nature of Security	Terms of Repayment
Rupee Term Loan from Kotak Mahindra Bank amounting to ₹ 2,522,065 (March 31, 2015 : ₹ 144,624,974) Secured by the vehicles purchased from the loan proceedings. Mortgage over part of land situated at Moje- Tumb, Revenue S No. 44/1, Taluka Umbergaon, Valsad Dist. owned by Mr. Nemichand Jayvantraj Mehta. Three post dated cheques issued by Mr. Shantilal Jayvantraj Mehta and Mr. Nemichand Jayvantraj Mehta. Personal Guarantee of Shantilal J Mehta, Nemichand J Mehta, Kunthukumar S Mehta, Jayesh N Mehta, Shailaja N Mehta. Cross Collateral of property mentioned in Primary Collateral to be marked Cross Collateral in 3 Cr Loan after disbursement of LAP Loan.	Repayable in 35 - 95 monthly instalments, Rate of interest 10.68% - 15.50% p.a.

Notes to the Financial Statements for the year ended March 31, 2016

<p>Rupee Term Loan from SBI Bank amounting to ₹ 615,892,218 (March 31, 2015: ₹ 173,116,573) Foreign Currency Term Loan from SBI Bank amounting to ₹ 1,177,408,975 (March 31, 2015: ₹ 1,606,305,255)</p>	<p>Repayable in 31 - 84 monthly instalments, Rate of interest for Rupee term loan is ranging 11.00% - 13.50% p.a., Rate of interest for foreign currency term loan is 3.25% p.a. over 6 months LIBOR (Int. reset after 6 months).</p>
<p>Primary & Collateral for all the loans :</p> <ul style="list-style-type: none"> - Secured by first charge on assets created out of the proposed term loan. - First / extension of mortgage charge on land with warehousing building at Container Freight Station, Yard I & II located at Village Ajiwali, Pune Mumbai National Highway (NH 4), Taluka Panvel, Raigad, owned by the Company. - First / extension of mortgage charge on land with warehousing building at Container Freight Station, Yard III with railway siding facility, located at Village Somathane, Kon-Savla Road, Taluka Panvel, Raigad, owned by the Company. - First / extension of charge on entire fixed assets of the Company located at locations stated above except the vehicles and equipments specifically charged for the vehicle / equipment loans. - First / extension of charge on 205-206, JK Chambers, Sector 17, Vashi, Navi Mumbai - 400 703, owned by Mr. Shantilal J Mehta, director of the Company. - First / extension of charge on CIDCO Plot No. 94, Sector 20, Kharghar, Panvel, Raigad - 410 206, owned by Mr. Nemichand J Mehta, managing director of the Company. - First charge on agri-land at 90/1/2 at Somathane Village, Kon-Sovla Road, Raigad - 410206. - TDR of ₹ 0.13 Crores - Extension of charge on entire current assets (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, Mrs. Kamalbai S Mehta, and Mrs. Seema K. Mehta. 	
<p>Rupee Term Loan from Ratnakar Bank Limited amounting to ₹ Nil (March 31, 2015 : 137,500,000) secured by Subservient charge on current assets of the Company. DSRA of interest of one month to be kept. PDC of existing working capital bank (State Bank of India)</p> <p>- Personal Guarantees of : Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Jayesh N Mehta, Mr. Kunthu Kumar S Mehta, Mrs. Shailaja N Mehta.</p> <p>PDC of existing working capital bank (State Bank of India).</p>	<p>Repayable in 12 equal quarterly instalments, Rate of interest 13.50%.</p>
<p>Rupee Term Loan from Daimler Financial Services Pvt Ltd amounting to ₹ 2,906,371 (March 31, 2015 : ₹ 5,116,751) secured by the vehicles purchased from the loan proceedings.</p>	<p>Repayable in 60 monthly instalments, Rate of interest 11.03% - 11.11% p.a.</p>
<p>Rupee Term Loan from HDB Financial Services Limited amounting to ₹ 6,700,211 (March 31, 2015 : ₹ 14,713,208) secured by the vehicles purchased from the loan proceedings.</p>	<p>Repayable in 47 monthly instalments, Rate of interest 12.50% p.a.</p>

Notes to the Financial Statements for the year ended March 31, 2016

Nature of Security	Terms of Repayment
Rupee Term Loan from Tata Capital Financial Services Limited amounting to ₹ 139,949,784 (March 31, 2015 : ₹ 186,600,153). Secured by the vehicles purchased from the loan proceedings. Personal Guarantee of Mr. Jayesh N Mehta. First and exclusive charge by mortgage of unencumbered residential property at Flat no 6 & 7, Basera CHS, Sector 17, Vashi, Navi Mumbai, owned by Mr. Nemichand Mehta and residential bungalow at Plot No. 94, Bungalow Plot, Sector 20, Kharghar, Navi Mumbai, owned by Mr. Nemichand J Mehta and family. Personal Guarantee of Mr. Nemichand J Mehta and Debt Service Reserve Account of ₹ 10 million.	Repayable in 35 - 59 monthly instalments & 84 quarterly instalments, Rate of interest 11.39% - 12.52% p.a.
Rupee Term Loan from Tata Motors Finance amounting to ₹ 23,016,800 (March 31, 2015 : ₹ 28,705,007) secured by the vehicles purchased from the loan proceedings. Co-Borrower is Mr. Shantilal J Mehta (Director of Company).	Repayable in 47-59 monthly instalments, Rate of interest 10.25% p.a.

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

Nature of Security	Terms of Repayment
Rupee Term Loan from Magma Fincorp Limited amounting to ₹ Nil (March 31, 2015 : ₹ 617,182).	Repayable in 36 monthly instalments, Rate of interest 8.76% - 8.86% p.a.
Rupee Term Loan from Religare Finvest Ltd amounting to ₹ Nil (March 31, 2015 : ₹ 1,385,217)	Repayable in 36 monthly instalments, Rate of interest 17.5% p.a.
Loans from Related Parties (Interest Free) amounting to ₹ 1,053,586,593 (March 31, 2015: ₹ 1,053,586,593)	Repayable on demand after March 31, 2017 or any such date on which existing loans under financing arrangement(s) under which the unsecured loans were provided by the Payees are repaid, whichever date shall fall later.

NOTE 6 - DEFERRED TAX LIABILITIES (NET)

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

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Deferred Tax Liabilities arising on account of timing differences in: Depreciation	415,566,384	328,552,109
	415,566,384	328,552,109
Deferred Tax Assets arising on account of timing differences in: Gratuity	10,236,236	7,369,343
Leave encashment	1,555,687	1,311,331
	11,791,923	8,680,674
Deferred Tax Liabilities (net)	403,774,461	319,871,435

Note : During the year 2014-15, the tax impact of ₹ 4,340,581 on the amount of ₹ 13,378,275 transferred from the block of fixed assets to retained earnings (Refer Note 4), as per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, has been net off from the amounts so transferred to the retained earnings, and has been reduced from the opening deferred tax liabilities.

NOTE 7 - OTHER LONG TERM LIABILITIES

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Security Deposits	150,000	250,000
Total	150,000	250,000

Notes to the Financial Statements for the year ended March 31, 2016

NOTE 8: LONG-TERM PROVISIONS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for Employee Benefits:		
Provision for Gratuity (Refer Note 35)	28,248,022	21,794,072
Provision for Compensated Absences (Refer Note 35)	4,297,090	3,853,680
Total	32,545,112	25,647,752

NOTE 9- SHORT - TERM BORROWINGS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Secured Loans		
Working Capital Loans from Banks (Refer Note below)	333,526,718	280,376,033
Total	333,526,718	280,376,033

Note:

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

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

NOTE 10 - TRADE PAYABLES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprise	360,846,047	112,887,439
Total	360,846,047	112,887,439

Note:

As per information available with the Company, there are no Micro and Small Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues, which are outstanding as at March 31, 2016.

Notes to the Financial Statements for the year ended March 31, 2016

NOTE 11 - OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Current Maturities of Long-Term Debt:		
Rupee Term Loans from Banks (Refer Note 5 above)	419,306,427	230,563,661
Foreign Currency Term Loans from Banks (Refer Note 5 above)	455,673,208	669,608,890
Rupee Term Loans from Others (Refer Note 5 above)	64,369,483	64,691,856
Liabilities for Acquisition of Fixed Assets	20,530,842	-
Interest Accrued but not Due on Borrowings	11,067,559	8,921,595
Statutory Liabilities (Including Provident Fund, Tax Deducted at Source and other indirect taxes)	18,545,461	33,222,908
Employee Related Liabilities	26,807,096	11,099,532
Application Money Refundable (Refer Note Below)	397,575	-
Other Payables	3,000	450,000
Total	1,016,700,651	1,018,558,442

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. Subsequent to year end, ₹ 147,250 has been paid till May 27, 2016.

NOTE 12 : SHORT-TERM PROVISIONS:

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for Tax [Net of Advance taxes and Tax Deducted at Source ₹ 60,33,85,345 (March 31, 2015: ₹ 49,38,92,508)]	55,654,733	36,429,052
Provision for Wealth Tax	-	100,000
Provision for Interest Rate Swap	2,123,560	8,200,353
Provision for Directors Sitting Fees	108,000	508,500
Provision for IPO Expenses	-	6,179,800
Provision for Employee benefits:		
Provision for Gratuity (Refer Note 35)	1,329,636	919,268
Provision for Compensated Absences (Refer Note 35)	198,077	188,024
Total	59,414,006	52,524,997

Notes to the Financial Statements for the year ended March 31, 2016

NOTE 13 - FIXED ASSETS

(Amount in ₹)

Description	Gross Block			Depreciation Block			Net Block	
	As at April 1, 2015	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2016	Accumulated upto March 31, 2015	For the year	Transferred to Retained Earnings (Refer Note 1 below)	On Deletions during the year
Tangible Assets:								
Land and Land Developments (Refer Note 2 and 4 below)	4,220,628,100	1,298,177,833	-	5,518,805,933	-	-	-	-
Building	910,786,030	1,339,004	-	912,125,034	58,760,930	15,135,594	-	-
Plant and Machinery	602,195,432	23,607,901	-	625,803,333	128,667,054	29,082,555	-	-
Furniture and Fixtures	26,008,537	530,149	-	26,538,686	8,706,192	3,005,859	-	-
Computers and Printers	60,884,571	3,390,766	-	64,275,337	43,337,488	9,680,598	-	-
Network and Server Setup	21,257,204	1,455,037	-	22,712,241	12,279,907	3,750,801	-	-
Motor Vehicles (Refer Note 3 below)	1,058,947,599	27,302,371	2,735,282	1,083,514,688	195,058,775	53,791,818	-	1,210,405
Office Equipments	27,042,774	3,147,089	-	30,189,863	17,600,940	4,267,730	-	-
Railway Sidings	1,563,391,241	-	-	1,563,391,241	129,375,923	74,261,084	-	-
TOTAL	8,491,141,488	1,358,950,150	2,735,282	9,847,356,356	593,787,209	192,976,039	-	1,210,405
Previous Year	6,986,518,970	1,512,645,793	8,023,275	8,491,141,488	431,302,389	152,143,713	13,378,275	3,037,168

Description	Gross Block			Depreciation Block			Net Block	
	As at April 1, 2015	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2016	Accumulated upto March 31, 2015	For the year	Transferred to Retained Earnings (Refer Note 1 below)	On Deletions during the year
Intangible Assets:								
Softwares	-	4,113,695	-	4,113,695	-	270,623	-	-
TOTAL	-	4,113,695	-	4,113,695	-	270,623	-	-
Previous Year	-	-	-	-	-	-	-	-

Notes:

- With the applicability of Companies Act, 2013 with effect from April 1, 2014, and as per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, the Company has re-worked depreciation with reference to the estimated economic lives of fixed assets prescribed by Schedule II to the Act or actual useful life of assets, whichever is lower. For assets whose life has been completed as above, the carrying value, net of residual value aggregating ₹ 1,33,78,275 (net of deferred tax ₹ 90,37,694) as at April 1, 2014 has been adjusted to retained earnings and in other cases the carrying value as at April 1, 2014 has been depreciated over the remaining of the revised life of the assets and recognised in the Statement of Profit and Loss.
- Gross block of Land and Land Development includes certain land and land development having gross block value of ₹ 19,40,06,776 (as at March 31, 2015: ₹ 17,00,61,841) 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.
- Gross block of Motor Vehicles includes certain Motor Vehicles having gross block value of ₹ 1,88,98,658 (as at March 31, 2015: ₹ 1,94,66,809) which are in the name of the Directors of the Company and are yet to be transferred in the name of the Company.
- Land situated at Ajiwall was transferred in the books of account of the Company on September 29, 2008 from the erstwhile partnership firm, M/s. Navkar Infra & Logistics Corporation at INR 1,051.52 million. This land was revalued in the erstwhile partnership firm, M/s. Navkar Infra & Logistics Corporation and credited to the Partners Capital Accounts and Current Account. The balances of Partners Capital have been converted into Equity Share Capital Account and balances of Partners Current Accounts have been converted into Unsecured Loans in the Company on Part IX Conversion of the erstwhile partnership firm, M/s. Navkar Infra & Logistics Corporation into Navkar Corporation Limited.

Notes to the Financial Statements for the year ended March 31, 2016

NOTE 14 : NON-CURRENT INVESTMENTS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Trade Investments (Valued at cost unless stated otherwise)		
Unquoted Equity Instruments		
In Subsidiaries		
50,000 (as at March 31, 2015: 50,000) Equity Shares of Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) of ₹ 10 each fully paid up [Out of the above 15,000 equity shares are pledged with the banks]	500,000	500,000
Total	500,000	500,000

NOTE 15 : LONG-TERM LOANS AND ADVANCES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Security Deposits	7,469,715	5,855,885
Capital Advances	279,473,366	122,627,790
MAT Credit Entitlement	848,203,561	696,165,996
Balances with government authorities		
VAT and CST deposit	70,000	25,000
Loans and Advances to Related Parties (Refer Note 37)	900,335,302	546,344,499
Other Loans and Advances	13,695,193	66,578,878
Total	2,049,247,137	1,437,598,048

NOTE 16 : OTHER NON-CURRENT ASSETS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Fixed Deposits with Banks with a maturity period more than 12 months [under lien against bank guarantee and loans from banks]	11,478,156	63,643,267
Total	11,478,156	63,643,267

Notes to the Financial Statements for the year ended March 31, 2016

NOTE 17 - CURRENT INVESTMENTS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Other Investments (Valued at cost unless stated otherwise)		
Quoted Equity Instruments		
Nil (as at March 31, 2015: 6,74,500) Equity Shares of Garnet International Limited of ₹ 10 each fully paid up	-	91,057,500
Less: Provision for Diminution in Value of Investments	-	40,874,700
Total	-	50,182,800
Aggregate amount of Quoted Investments	-	50,182,800
Market Value of Quoted Investments	-	50,182,800

NOTE 18 - SPARE PARTS AND CONSUMABLES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Stock of Spare Parts and Consumables	39,818,051	16,155,872
Total	39,818,051	16,155,872

NOTE 19 - TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Receivables outstanding for a period exceeding six months from the date they became due for payment	5,336,116	-
Other Receivables	474,857,849	774,744,939
Total	480,193,965	774,744,939

NOTE 20 : CASH AND BANK BALANCES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Cash and Cash Equivalents		
Cash on Hand	2,914,980	2,087,484
Bank Balances		
- In current accounts	38,939,179	5,388,588
	41,854,159	7,476,072
Other Bank Balances		
Balance in IPO Application Money Refund Account	397,575	-
Fixed Deposits with maturity period of more than 3 months but less than 12 months [includes ₹ 5,87,88,535 (March 31, 2015: ₹ 6,77,721) under lien against bank guarantee]	2,854,098,985	677,721
Total	2,896,350,719	8,153,793

Notes to the Financial Statements for the year ended March 31, 2016

NOTE 21 : SHORT-TERM LOANS AND ADVANCES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Advances to Employees	5,559,086	5,105,092
Prepaid Expenses	16,736,191	15,693,994
Balance with Government Authorities		
- CENVAT Credit Receivable	23,807,253	5,701,517
Deposit with BSE Limited for IPO (Refer Note Below)	30,000,000	-
Other Trade Advances	8,177,793	215,517,878
Total	84,280,323	242,018,481

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. The Company is in the process for filing application for NOC with SEBI.

NOTE 22 : OTHER CURRENT ASSETS

(Amount in ₹)

	As at March 31, 2016	As at March 31, 2015
Unbilled and Accrued Income	190,564,630	183,485,760
Proposed Public Issue Expenses	-	49,264,372
Unamortised Option Premium	50,402	22,871
Total	190,615,032	232,773,003

NOTE 23 : REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Sale of Products:		
Auction Sale	32,270,330	26,875,213
Services Rendered:		
Cargo Handling	2,627,986,965	2,369,895,773
Cargo Storage	754,481,239	860,014,087
Other Operating Revenue:		
EDI Income	5,766,471	6,321,622
MNR Receipts	52,068,431	24,436,198
Total	3,472,573,436	3,287,542,893

Notes to the Financial Statements for the year ended March 31, 2016

NOTE 24 : OTHER INCOME

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest Income:		
From Fixed Deposits with Banks	164,153,933	6,154,643
From Loans to Related Party (Refer Note 37)	81,924,622	11,104,665
Rental Income	-	8,750,000
Miscellaneous Income	7,617,039	6,597,908
Profit on Sales of Current Investments	18,725,947	-
Reversal of Provision for Diminution in Value of Investment	40,874,700	-
Dividend Income	337,250	-
Total	313,633,491	32,607,216

NOTE 25 : COST OF SERVICES

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Container Handling Charges	264,754,465	94,255,303
Customs Cost Recovery	13,662,097	2,749,396
Custom Bottle Seals	631,272	375,360
Electricity Expenses	32,628,364	26,478,603
Freight and Cartage	61,503,571	64,857,683
Incentives, Discounts and Rebates	461,490,158	484,983,400
Port Handling Charges	127,772,271	150,462,097
Diesel and Petrol Expenses	328,837,351	433,620,991
Repairs and Maintenance	76,195,059	66,384,936
Other Operational Expenses	7,132,383	4,575,495
Railway Haulage and License Charges	62,729,432	53,813,248
Total	1,437,336,423	1,382,556,512

NOTE 26 : EMPLOYEE BENEFITS EXPENSES

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Salaries, Wages and Bonus	204,988,245	180,694,120
Contributions to Provident and Other Funds (Refer Note 35)	12,984,066	11,924,755
Gratuity Expenses (Refer Note 35)	7,634,031	7,689,922
Leave Encashment Expenses	586,306	2,537,628
Staff Welfare Expenses	21,314,264	19,407,149
Total	247,506,912	222,253,574

NOTE 27 : FINANCE COSTS

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest on Borrowings from Banks on Term Loans	177,944,367	189,496,243
Interest on Borrowings from Others on Term Loans	23,905,326	28,325,592
Interest on Borrowings from Banks on Short-Term Loans	22,248,731	10,555,647
Interest on Others	6,020,078	10,230,639
Bank Charges and Commission	1,255,788	25,086,945
Total	231,374,290	263,695,066

Notes to the Financial Statements for the year ended March 31, 2016

NOTE 28 : DEPRECIATION AND AMORTISATION EXPENSE

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Depreciation on tangible assets	192,976,039	152,143,713
Amortisation of intangible assets	270,623	-
Total	193,246,662	152,143,713

NOTE 29 : OTHER EXPENSES

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Advertisement Expenses	1,601,380	463,018
Payment to Auditors:		
As Auditors	1,750,000	500,000
CSR Expenses (Refer Note 40)	16,287,354	14,500,000
Donation Expenses	4,880,654	12,446,147
General and Office Expenses	5,451,622	7,669,397
Information Technology Expenses	13,408,949	9,489,397
Insurance Expenses	14,159,879	11,535,445
Foreign Exchange Loss (Net)	165,405,967	143,434,005
Legal and Professional Fees	27,212,549	45,452,085
Loss on Sale of Fixed Assets	728,209	2,190,551
Loss on Sale of Investments	-	10,367,726
Provision for Diminution in Value of Current Investments	-	40,874,700
Printing and Stationery	4,478,299	2,749,400
Rent Expenses	61,117	13,375
Expenses Incurred for Increase in Authorised Share Capital	-	12,738,750
Rates and Taxes	41,386,273	23,616,278
Repairs and Maintenance - Others	33,866,886	42,159,186
Sales Promotion Expenses	8,530,467	17,605,360
Option Derivatives Hedge Cost	11,832,969	26,779,425
Security Expenses	69,106,684	38,125,874
Telephone and Internet Charges	2,918,744	2,414,877
Travelling Expenses	11,261,018	9,611,520
Miscellaneous Expenses	15,558,082	10,993,134
Total	449,887,102	485,729,650

Notes to the Financial Statements for the year ended March 31, 2016

NOTE 30 : EARNINGS PER EQUITY SHARE

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Net Profit attributable to Equity Shareholders (₹)	1,034,984,916	696,683,878
Weighted Average Number of Equity Shares (Nos.)	128,583,698	109,704,798
Basic and Diluted Earnings Per Share (₹)	8.05	6.35
Face value per Share (₹)	10.00	10.00

NOTE 31 : CONTINGENT LIABILITIES NOT PROVIDED FOR

(a)

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Disputed Liabilities in respect of Service Tax	20,372,506	20,372,506
Claims against the Company not acknowledged as debts in respect of Railway land license fee	74,255,258	74,255,258
Claims against the Company not acknowledged as debts in respect of Labour laws	5,401,333	5,591,705
Total	100,029,097	100,219,469

(b) State Bank of India has given guarantee amounting to ₹ 29,21,70,428 (as at March 31, 2015: ₹ 26,33,63,328) on behalf of the Company as required by the Custom Authority in favour of the President of India and BSE Limited.

NOTE 32 : CAPITAL AND OTHER COMMITMENTS

(a) Capital Commitments

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Estimated value of Contracts in respect of Fixed Assets remaining to be Executed (Net of Capital Advances)	370,482,798	158,008,602
Total	370,482,798	158,008,602

(b) Other Commitments

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Corporate Guarantees given by the Company (Refer Note (i) below)	2,671,818,017	4,368,924,000
Co-Borrower for Commercial Vehicle Loans taken by a Related Party (Refer Note (ii) below)	5,313,000	5,313,000
Total	2,677,131,017	4,374,237,000

Notes to the Financial Statements for the year ended March 31, 2016

Note:

- (i) The Company has issued Corporate Guarantees aggregating to ₹ 2,671.82 million as at year end (March 31, 2015: ₹ 2,668.92 million) on behalf of Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) and ₹ Nil as at year end (March 31, 2015: ₹ 1,700 million) on behalf of Sidhhartha Corporation Private Limited. Liabilities outstanding for which Corporate Guarantees have been issued aggregates ₹ 1,398.01 million as on March 31, 2016 (March 31, 2015: ₹ 1,873.04 million).
- (ii) 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 ₹ 5.313 million as at year end (March 31, 2015: ₹ 5.313 million). Liabilities outstanding for which the Company is a co-applicant aggregates to ₹ 3.24 million as on March 31, 2016 (March 31, 2015: ₹ 4.47 million).

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

NOTE 34 : SEGMENT INFORMATION

Information about Primary Business Segment

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. The Company is engaged in CFS Operations and related activities during the year, consequently the Company does not have separate reportable business segment for the year ended March 31, 2016.

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, 2016.

NOTE 35 : 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:

	Year ended March 31, 2016 (Amount in ₹)	Year ended March 31, 2015 (Amount in ₹)
Employers' Contribution to Provident Fund and Employee's Pension Scheme	9,944,684	8,802,132
Employers' Contribution to Employee's State Insurance	3,039,382	3,122,623
Total Expenses recognised in the Statement of Profit and Loss (Refer Note 26)	12,984,066	11,924,755

Notes to the Financial Statements for the year ended March 31, 2016

	Year ended March 31, 2016 (Amount in ₹)	Year ended March 31, 2015 (Amount in ₹)
II. Defined Benefit Plan		
Contribution to Gratuity Fund		
a. Major Assumptions	(% p.a.)	(% p.a.)
Discount Rate	7.46%	7.77%
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	2.88%	3.00%
b. Change in Present Value of Obligation		
Present Value of Obligation as at the beginning of the year	22,713,340	15,355,261
Current Service Cost	4,589,590	5,629,478
Interest Cost	1,734,923	1,386,357
Past Service Cost	-	-
Transferred In	-	207,692
Benefit paid	(769,713)	(539,535)
Actuarial (Gain)/ Loss on Obligations	1,309,518	674,087
Present Value of Obligation as at the end of the year	29,577,658	22,713,340
c. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets		
Present Value of Funded Obligation	29,577,658	22,713,340
Fair Value of Plan Assets	-	-
Funded Status	(29,577,658)	(22,713,340)
Present Value of Unfunded Obligation	29,577,658	22,713,340
Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions and Short Term Provisions (Refer Note 8 and 12)	29,577,658	22,713,340
d. Expenses Recognised in the Statement of Profit and Loss		
Current Service Cost	4,589,590	5,629,478
Past Service Cost	-	-
Interest Cost	1,734,923	1,386,357
Expected Return on Plan Assets	-	-
Actuarial Losses Recognised in the year	1,309,518	674,087
Total expenses recognised in the Statement of Profit and Loss (Refer Note 26)	7,634,031	7,689,922
e. Amounts recognised in the Balance Sheet		
Present Value of Obligation as at year end	(29,577,658)	(22,713,340)
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 8 and 12)	29,577,658	22,713,340
f. Experience Adjustments		
On Plan Liabilities	(1,309,518)	(674,087)
On Plan Assets	-	-
Total Experience Adjustment	(1,309,518)	(674,087)

Notes to the Financial Statements for the year ended March 31, 2016

III. Other Employee Benefit

The liability for leave entitlement as at year end is ₹ 4,495,167 (March 31, 2015: ₹ 4,041,704) disclosed under Long Term Provisions (Refer Note 8) and Short Term Provision (Refer Note 12).

NOTE 36 : OPERATING LEASE TRANSACTIONS

During the previous year, the Company has leased out certain trucks and trailers under cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee for which Rent Income of ₹ Nil (2014-15: ₹ 8,750,000) for the year has been recognised in the Statement of Profit and Loss.

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

NOTE 37 : RELATED PARTY DISCLOSURE

i) Relationship

Description of relationship

Key Management Personnel

Names of Related Parties

Mr. Shantilal J Mehta

Mr. Nemichand J Mehta (CEO)

Mr. Jayesh N Mehta

Mrs. Ekta Chuglani (Company Secretary w.e.f. 12-09-2014)

Mr. Jayesh Kothari (Chief Financial Officer from 25-09-2014 to 05-02-2015)

Mr. Anish Maheshwari (Chief Financial Officer w.e.f 06-02-2015)

Mr. Dinesh Gautama (w.e.f. 08-12-2014)

Relative of key management personnel with whom the Company has entered into transactions

Mrs. Shailaja N Mehta

Mr. Kunthu Kumar Mehta

Mrs. Kamalbai S Mehta

Mrs. Sairabai J Mehta

Mrs. Seema K Mehta

Subsidiary

Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)

Enterprises in which Key Management personnel and relatives of Key Management personnel have significant influence

Sidhhartha Corporation Private Limited

Harvard Global Logistics Limited

Navkar Terminals Limited (Merged with Harvard Credit Rating Agency Limited, as per the Scheme of Amalgamation, appointed date is 01-11-2014)

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.

Notes to the Financial Statements for the year ended March 31, 2016

ii) Transaction with Related Parties during the year

(Amount in ₹)

Particulars	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Directors Remuneration and Salary		
Mr. Shantilal J Mehta	6,500,000	6,500,000
Mr. Nemichand J Mehta	6,000,000	6,000,000
Mr. Jayesh N Mehta	5,500,000	5,500,000
Mrs. Ekta Chuglani (Company Secretary w.e.f. 12-09-2014)	727,270	261,900
Mr. Dinesh Gautama (w.e.f. 08-12-2014)	6,000,000	2,000,000
Mr. Jayesh Kothari (Chief Financial Officer from 25-09-2014 to 05-02-2015)	-	1,489,586
Mr. Anish Maheshwari (Chief Financial Officer w.e.f. 06-02-2015)	2,100,000	276,814
	26,827,270	22,028,300
Sale of Service		
Harvard Global Logistics Limited	-	1,550,813
Sidhartha Corporation Private Limited	2,951,249	13,648,294
	2,951,249	15,199,107
Interest Income on Loan given		
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	81,924,622	11,104,665
	81,924,622	11,104,665
Initial Public Offer (IPO) expenses recovered		
Sidhartha Corporation Private Limited	50,072,634	-
	50,072,634	-
Donations and CSR Expenses		
Navkar Charitable Trust	20,788,408	26,946,147
	20,788,408	26,946,147
Rent Expenses		
Mr. Shantilal J Mehta	12,000	4,000
Mr. Nemichand J Mehta	49,117	9,375
	61,117	13,375
Purchase of Land		
Mr. Nemichand J Mehta	387,500,000	-
M/s. Arihant Industries (Proprietorship of Mr. Nemichand J Mehta)	303,545,000	-
	691,045,000	-
Loans and Advances Given		
Navkar Terminals Limited (Merged with Harvard Credit Rating Agency Limited, as per the Scheme of Amalgamation, appointed date is 01-11-2014)	-	41,394,126
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	805,685,234	510,343,173
Harvard Global Logistics Limited	-	10,132,001
	805,685,234	561,869,300

Notes to the Financial Statements for the year ended March 31, 2016

(Amount in ₹)

Particulars	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Advance Given Received Back		
Harvard Global Logistics Limited	-	21,639,434
Navkar Terminals Limited (Merged with Harvard Credit Rating Agency Limited, as per the Scheme of Amalgamation, appointed date is 01-11-2014)	-	800
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	451,694,431	5,392,000
	451,694,431	27,032,234
Investments in Equity shares		
Harvard Credit Rating Agency Limited	-	400,000
	-	400,000
Allotment of Equity Shares - Bonus Issue (Including Securities Premium)		
Mr. Nemichand J Mehta	-	257,500,000
Mr. Shantilal J Mehta	-	402,500,000
Mr. Kunthu Kumar S Mehta	-	17,500,000
Mrs. Shailaja N Mehta	-	167,500,000
Sidhartha Corporation Private Limited	-	67,456,650
Mrs. Sairabai J Mehta	-	1,000,000
Mr. Jayesh N Mehta	-	250,000
Mrs. Kamalbai S Mehta	-	250,000
Mrs. Seema K Mehta	-	250,000
	-	914,206,650
Loan Taken		
Mr. Shantilal J Mehta	-	226,677,672
Mr. Nemichand J Mehta	-	88,097,497
Mrs. Shailaja N Mehta	-	194,025
Mr. Jayesh N Mehta	-	64,036,022
Mrs. Kamalbai S Mehta	-	337,000
	-	379,342,216
Loan Taken Repaid		
Mr. Shantilal J Mehta	-	4,777,566
Mr. Nemichand J Mehta	-	210,032,000
Mrs. Shailaja N Mehta	-	61,497,771
Mr. Jayesh N Mehta	-	5,510,830
Mrs. Kamalbai S Mehta	-	337,000
	-	282,155,167

Notes to the Financial Statements for the year ended March 31, 2016

iii) Balance with Related Parties :

(Amount in ₹)		
Particulars	Balances as at March 31, 2016	Balances as at March 31, 2015
Loans and Advances Given		
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	900,335,302	546,344,499
	900,335,302	546,344,499
Loans Payable		
Mr. Shantilal J Mehta	505,233,092	505,233,092
Mr. Nemichand J Mehta	170,894,743	170,894,743
Mrs. Shailaja N Mehta	184,520,960	184,520,960
Mr. Jayesh N Mehta	192,937,798	192,937,798
	1,053,586,593	1,053,586,593
Remuneration Payable		
Mr. Shantilal J Mehta	4,677,672	-
Mr. Nemichand J Mehta	4,093,123	-
Mr. Jayesh N Mehta	3,847,623	-
Mrs. Ekta Chuglani (Company Secretary w.e.f. 12-09-2014)	51,996	35,500
Mr. Dinesh Gautama	377,508	350,172
Mr. Anish Maheshwari (Chief Financial Officer w.e.f. 06-02-2015)	164,219	133,383
	13,212,141	519,055
Corporate Guarantees Given		
Sidhartha Corporation Private Limited	-	1,700,000,000
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	2,671,818,017	2,668,924,000
	2,671,818,017	4,368,924,000

NOTE 38 : DERIVATIVE INSTRUMENTS

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

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

Non- Designated Cash flow Hedges	Currency Pair	Notional Amount (USD)	Fair Value Gain / (Loss) ₹
Options - USD/INR Call	USD/INR	22,463,000 (29,130,100)	11,832,969 (26,779,425)

NOTE 39 : INITIAL PUBLIC OFFERING

During the year, 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 Sidhartha 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 ₹ 6,000 Million, the Company's share is ₹ 5,100 Million 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.

Notes to the Financial Statements for the year ended March 31, 2016

Utilisation of funds raised through Initial Public Offering (IPO) of equity shares as on March 31, 2016 as follows:

Particulars	Amount (₹ In Million)
Issue Proceeds from fresh issue of 3,29,03,225 equity shares	5,100.00
Less: Issue expenses (including service tax)	318.58
Net proceeds from IPO	4,781.42
Less: Utilisation of IPO proceeds upto March 31, 2016	1,977.63
Funds to be utilised (remain invested in bank current account and deposits)	2,803.79

Object wise details of utilisation are as under:

Particulars	Proposed amount as per prospectus	Revised proposed amount (Refer note below)	Amount utilised upto March 31, 2016	Amount unutilised as on March 31, 2016
	(₹ In Million) (1)	(₹ In Million) (2)	(₹ In Million) (3)	(₹ In Million) (4) = (2) - (3)
Capacity enhancement of the Somathane CFS	1,145.28	798.93	362.08	436.85
Development of the non-notified areas of CFSs	542.51	469.27	191.98	277.29
Establishment of a logistics park at Valsad (near Vapi)	3,145.65	2,692.56	678.27	2,014.29
Repayment of loans	-	872.68	745.30	127.38
Total	4,833.44	4,833.44	1,977.63	2,855.81

Note:

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 ₹ 872.68 Million, 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.

The amount pending utilization is kept in Fixed Deposits with Banks and Monitoring Current Account with HDFC Bank Limited as under:

Particulars	Amount (₹ In Million)
Details of Unutilised Funds as on March 31, 2016:	
Investments in Fixed Deposits with Banks	2,795.31
In Monitoring Current Account with HDFC Bank Limited	8.48
Total	2,803.79

NOTE 40 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

- (a) Gross amount required to be spent by the Company during the year ₹ 1,62,87,354
 (b) Amount spent during the year on:

Particulars	In cash ₹	Yet to be paid in cash ₹	Total ₹
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	16,287,354	-	16,287,354

Notes to the Financial Statements for the year ended March 31, 2016

NOTE 41 : 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 ₹	Purpose for which the loan/ guarantee is proposed to be utilised
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	Loans	900,335,302 (546,344,499)	Loans given for establishment of Inland Container Depot ('ICD').
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	Guarantee	2,660,000,000 (2,660,000,000)	The guarantee given by the Company for Term Loans taken for establishment of Inland Container Depot ('ICD').
Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited)	Guarantee	11,818,017 (8,924,000)	The guarantee given by the Company for Commercial Vehicle Loans taken.
Sidhhartha Corporation Private Limited	Guarantee	- (1,700,000,000)	The guarantee given by the Company for Working Capital Loans taken.

(Figures in brackets represent amount as at March 31, 2015)

NOTE 42 : CIF VALUE OF IMPORTS

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Spare Parts (Grouped in Repairs and Maintenance)	7,171,580	3,558,043

NOTE 43 : EXPENDITURE IN FOREIGN CURRENCY

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Professional and Consultancy Fee (IPO related expenses)	10,433,937	18,865,064
Miscellaneous Expenses	1,474,650	-

NOTE 44 : CURRENT ASSETS AND LOANS AND ADVANCES

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

NOTE 45 : PREVIOUS YEARS'S FIGURES

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

The accompanying notes are an integral part of these financial statements

For and on behalf of the Board of Directors

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

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : May 27, 2016

Shantilal Mehta
Managing Director
DIN : 00134162

Anish Maheshwari
Chief Financial Officer

Place : Mumbai
Date : May 27, 2016

Jayesh Mehta
Whole-time Director
DIN : 00510313

Eakta Chuglani
Company Secretary

INDEPENDENT AUDITORS' REPORT

To the Members of Navkar Corporation Limited,

Report on the Consolidated Financial Statements

1. We have audited the accompanying Consolidated financial statements of Navkar Corporation Limited ('hereinafter referred to as 'the Holding Company') and its wholly owned subsidiary (the Holding Company and its subsidiaries together referred to as "the Group), which comprise the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated 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 financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account

the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by 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 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 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, and the Consolidated Cash Flow Statement 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 financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 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, 2016 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.
- 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 information and according to the explanations given to us:
- (i) The Consolidated financial statements disclose the impact of pending litigations as at March 31, 2016 on the consolidated financial position of the Group - Refer Note 30 and 32 to the consolidated financial statements;
 - (ii) The Group did not have any long-term contracts including derivative contracts as at March 31, 2016; and
 - (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 during the year ended March 31, 2016.

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

Place: Mumbai
Date: May 27, 2016

Arun Poddar
Partner
Membership Number: 134572

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, 2016

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 financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Navkar Corporation Limited (hereinafter referred to as "the Holding 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 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 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") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 judgement, 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 Holding Company and its subsidiary company, which are companies 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Mumbai
 Date: May 27, 2016

Arun Poddar
 Partner
 Membership Number: 134572

Consolidated Balance Sheet As At March 31, 2016

		(Amount in ₹)	
Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
I EQUITY AND LIABILITIES			
1. Shareholders' funds			
Share Capital	3	1,449,080,230	1,120,047,980
Reserves and Surplus	4	11,758,376,154	6,319,824,428
		13,207,456,384	7,439,872,408
2. Minority Interests		9,979,000	9,979,000
3. Non - Current Liabilities			
Long-Term Borrowings	5	4,183,772,858	4,304,161,231
Deferred Tax Liabilities (Net)	6	402,674,393	319,369,803
Other Long-Term Liabilities	7	150,000	250,000
Long-Term Provisions	8	32,545,112	25,647,752
		4,619,142,363	4,649,428,786
4. Current Liabilities			
Short-Term Borrowings	9	333,526,718	280,376,033
Trade Payables	10	716,934,622	116,256,530
Other Current Liabilities	11	1,068,183,485	1,042,423,624
Short-Term Provisions	12	59,414,006	52,524,997
		2,178,058,831	1,491,581,184
TOTAL		20,014,636,578	13,590,861,378
II ASSETS			
1. Non - Current Assets			
Fixed Assets			
Tangible Assets	13	12,177,446,476	10,734,545,046
Intangible Assets	13	3,843,072	-
Capital Work-In-Progress (Refer Note 45)		2,786,342,776	273,665,076
Goodwill on Consolidation		58,346	58,346
Long-Term Loans and Advances	14	1,227,760,281	1,191,165,911
Other Non-Current Assets	15	73,802,932	63,643,267
		16,269,253,883	12,263,077,646
2. Current Assets			
Current Investments	16	-	50,182,800
Spare Parts and Consumables	17	39,818,051	16,155,872
Trade Receivables	18	480,193,965	774,717,806
Cash and Bank Balances	19	2,903,291,840	10,536,467
Short-Term Loans and Advances	20	131,463,807	243,417,784
Other Current Assets	21	190,615,032	232,773,003
		3,745,382,695	1,327,783,732
TOTAL		20,014,636,578	13,590,861,378
Summary of Significant Accounting Policies	2		
The notes referred to above are an integral part of the financial statements			

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

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

Arun Poddar
Partner
Membership Number: 134572

Place : Mumbai
Date : May 27, 2016

For and on behalf of the Board of Directors

Shantilal Mehta
Managing Director
DIN : 00134162

Anish Maheshwari
Chief Financial Officer

Place : Mumbai
Date : May 27, 2016

Jayesh Mehta
Whole-time Director
DIN : 00510313

Ekta Chuglani
Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2016

(Amount in ₹)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue			
Revenue from Operations	22	3,472,573,436	3,287,542,893
Other Income	23	231,708,869	21,502,551
Total Revenue		3,704,282,305	3,309,045,444
Expenses			
Cost of Services	24	1,437,336,423	1,382,556,512
Employee Benefits Expenses	25	247,506,912	222,253,574
Finance Costs	26	231,374,290	263,695,831
Depreciation and Amortisation Expenses	27	193,246,662	152,143,713
Other Expenses	28	452,216,809	487,402,141
Total Expenses		2,561,681,096	2,508,051,771
Profit before Tax		1,142,601,209	800,993,673
Less: Tax Expenses:			
Current Tax		259,000,000	183,000,000
Less: MAT Credit		(152,037,565)	(163,537,976)
Earlier Years Current Tax Adjustments		1,005,161	3,520,086
Deferred Tax		83,304,590	50,719,007
Deferred Tax for Earlier Years		-	42,884,967
Profit for the year		951,329,023	684,407,589
Earnings Per Equity Share (Face Value ₹10 Per Share):	29		
Basic and Diluted (₹)		7.40	6.24
Summary of Significant Accounting Policies	2		
The notes referred to above are an integral part of the financial statements			

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

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

Arun Poddar
 Partner
 Membership Number: 134572

Place : Mumbai
 Date : May 27, 2016

Shantilal Mehta
 Managing Director
 DIN : 00134162

Anish Maheshwari
 Chief Financial Officer

Place : Mumbai
 Date : May 27, 2016

Jayesh Mehta
 Whole-time Director
 DIN : 00510313

Eakta Chuglani
 Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2016

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
A. Cash Flow from Operating Activities		
Net profit before tax	1,142,601,209	800,993,673
Adjustments:		
Depreciation and amortisation	193,246,662	152,143,713
Loss on sale of fixed assets (net)	728,209	2,190,551
Loss/(Profit) on sale of Investments	(18,725,947)	10,367,726
Provision for Diminution in Value of Current Investments	-	40,874,700
Reversal of Provision for Diminution in Value of Current Investments	(40,874,700)	-
Exchange Fluctuation (Gain)/Loss on Loan	104,305,950	122,239,473
Interest Income	(164,153,933)	(6,157,643)
Dividend Received	(337,250)	-
Finance costs	231,374,290	263,695,831
Miscellaneous Expenses Written Off	-	61,847
Operating cash flows before working capital changes	1,448,164,490	1,386,409,871
<u>Adjustments for Changes in Working Capital</u>		
Decrease/(Increase) in Inventories	(23,662,179)	(16,155,872)
Decrease/(Increase) in Trade receivables	294,523,841	(12,085,850)
Decrease/(Increase) in Short term Loans and Advances	111,953,977	65,101,478
Decrease/(Increase) in Long term Loans and Advances	31,191,855	14,981,971
Decrease/(Increase) in Other Current Assets	42,157,971	(88,244,497)
Increase / (Decrease) in Trade Payables	600,678,092	91,255,469
Increase / (Decrease) in Other Current Liabilities	(15,387,407)	(6,803,929)
Increase / (Decrease) in Long term Provisions	6,897,360	10,422,885
Increase / (Decrease) in Short term Provisions	(12,336,672)	9,822,492
Cash generated from operations	2,484,181,328	1,454,704,018
Income taxes paid	(240,893,344)	(223,380,141)
Net cash flow from operating activities (A)	2,243,287,984	1,231,323,877
B. Cash Flow from Investing Activities		
Purchase or construction of fixed assets (including capital work-in-progress and capital advances)	(4,049,297,695)	(2,041,126,845)
Proceeds from/ (Investment in) fixed deposits (net)	(2,863,580,929)	(5,411,950)
Proceeds from sale of fixed assets	796,668	-
Acquisition of non-current investments	-	101,074,774
Proceeds from sale of Investments	109,783,447	2,795,556
Interest received	164,153,933	-
Dividend Received	337,250	6,157,643
Net cash flow used in investing activities (B)	(6,637,807,326)	(1,936,510,822)

Consolidated Cash Flow Statement for the year ended March 31, 2016

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
C. Cash Flow from Financing Activities		
Proceeds from public issue of shares	329,032,250	-
Proceeds from securities premium (net of IPO expenses)	4,487,222,703	-
Proceeds from/ (Repayment of) Long-Term Borrowings (net)	(207,685,614)	953,038,585
Increase / (Decrease) in Short term Borrowings	53,150,685	18,530,877
Proceeds from/ (Repayment of) Other Long-Term Liabilities (net)	(100,000)	-
Finance costs	(228,164,148)	(267,674,445)
Net cash from financing activities (C)	4,433,455,876	703,895,017
Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)	38,936,534	(1,291,928)
Cash and cash equivalents at the beginning of the year (Refer Note 19)	9,858,746	10,063,960
Add: Transfer on Merger	-	1,086,714
Cash and cash equivalents at the end of the year (Refer Note 19)	48,795,280	9,858,746
Net cash Increase / (decrease) in cash and cash equivalent	38,936,534	(1,291,928)

Note:

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

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

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

Chartered Accountants

Firm Registration Number: 112723W

Arun Poddar

Partner

Membership Number: 134572

Place : Mumbai

Date : May 27, 2016

For and on behalf of the Board of Directors

Shantilal Mehta

Managing Director

DIN : 00134162

Jayesh Mehta

Whole-time Director

DIN : 00510313

Anish Maheshwari

Chief Financial Officer

Ekta Chuglani

Company Secretary

Place : Mumbai

Date : May 27, 2016

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

NOTE 1 : GROUP OVERVIEW

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

The subsidiary Company has filed form with ROC on May 12, 2015 regarding the name change from Harvard Credit Rating Agency Limited to Navkar Terminals Limited and RoC has approved the said name change w.e.f. June 3, 2015.

NOTE 2 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation of consolidated financial statements

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

These consolidated financial statements have been prepared to comply with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Accounting Standard 30, Financial Instruments: Recognition and Measurement issued by the Institute of Chartered Accountants of India to the extent it does not contradict any other accounting standard referred to in Section 133 of the Act read with Rule 7 of Companies (Accounts) Rules, 2014. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Group unless otherwise stated.

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

B. Basis of Consolidation

The Financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding

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

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

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

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

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

C. Use of estimates

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

D. Fixed Assets

Tangible Fixed Assets:

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

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

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

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

Intangible Fixed Assets:

Intangible fixed assets are stated at their historical cost net of recoverable taxes less accumulated amortization and impairment loss, if any. The cost of intangible assets comprises of the acquisition cost and any attributable cost of bringing the assets to its working condition for its intended use.

E. Depreciation and Amortisation

Depreciation on Tangible Fixed Assets is provided on the Straight Line Method (SLM) unless otherwise mentioned, pro-rata to the period of use of assets, based on the useful lives as specified in Part C of Schedule II to the Companies Act, 2013 in case of the following assets:

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

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

- Building (except Temporary Sheds)
- Plant and Machinery (in case of parent company)
- Motor Vehicles (in case of parent company)
- Railway Sidings

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

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.

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.

F. Impairment of Fixed Assets

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

G. Investments

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

H. Inventories

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

I. Recognition of Income

Revenue from services is 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.

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

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

J. Other Income

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

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

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

K. Provisions and Contingent Liabilities

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

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

L. Accounting for Taxation of Income

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

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

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and

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

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

M. Foreign Currency Transactions

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

N. Options and Swaps Contracts

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

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

O. Borrowing Costs

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

P. Leases

As a lessee:

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

As a lessor:

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

Q. Employee Benefits

Defined Contribution Plan

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

Defined Benefit Plan

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

Compensated Absences

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

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

R. Earnings Per Share

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

S. Cash and Cash Equivalents

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

T. Insurance claims

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

U. Amalgamation

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

V. Service tax input credit

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

NOTE 3 - SHARE CAPITAL

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised Capital		
15,50,00,000 (March 31, 2015 : 15,50,00,000) Equity Shares of ₹ 10 each	1,550,000,000	1,550,000,000
50,00,000 (March 31, 2015 : 50,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each	50,000,000	50,000,000
Issued, Subscribed and Paid up Capital	1,600,000,000	1,600,000,000
14,26,08,023 (March 31, 2015 : 10,97,04,798) Equity Shares of ₹ 10 each fully paid up	1,426,080,230	1,097,047,980
23,00,000 (March 31, 2015: 23,00,000) 0% Cumulative Redeemable Preference Shares of ₹ 10 each fully paid up	23,000,000	23,000,000
Total	1,449,080,230	1,120,047,980

(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.

0% Cumulative Redeemable Preference Shares

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

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

Equity Shares

(Amount in ₹)

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount ₹	Number of shares	Amount ₹
Balance as at the Beginning of the year	109,704,798	1,097,047,980	18,284,133	182,841,330
Add: Shares allotted as bonus shares	-	-	91,420,665	914,206,650
Add: Shares issued in Initial Public Offer (IPO)	32,903,225	329,032,250	-	-
Balance as at the end of the year	142,608,023	1,426,080,230	109,704,798	1,097,047,980

0% Cumulative Redeemable Preference Shares:

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount ₹	Number of shares	Amount ₹
Balance as at the Beginning of the year	2,300,000	23,000,000	2,300,000	23,000,000
Add: Issue of Shares during the year	-	-	-	-
Balance as at the end of the year	2,300,000	23,000,000	2,300,000	23,000,000

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

(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, 2016		As at March 31, 2015	
	Number of shares	%	Number of shares	%
Mr. Shantilal J Mehta	48,300,000	33.87%	48,300,000	44.03%
Mr. Nemichand J Mehta	30,900,000	21.67%	30,900,000	28.17%
Mrs. Shailaja N Mehta	20,100,000	14.09%	20,100,000	18.32%
Sidhartha Corporation Private Limited	#	#	8,094,798	7.38%

Less than 5%

0% Cumulative Redeemable Preference Shares

Shares held by	As at March 31, 2016		As at March 31, 2015	
	Number of shares	%	Number of shares	%
Mr. Shantilal J Mehta	1,086,980	47.26%	1,086,980	47.26%
Mr. Nemichand J Mehta	573,390	24.93%	573,390	24.93%
Mrs. Shailaja N Mehta	573,390	24.93%	573,390	24.93%

- (d) 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.

Shares held by	Number of equity shares		Amount (₹)	
	IPO	Preferential Allotment	Equity Share Capital	Securities Premium
September 4, 2015	32,903,225	-	329,032,250	4,770,967,625

- (e) Shares allotted as fully paid up equity shares as bonus issue (during 5 years immediately preceding March 31, 2016):

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

NOTE 4 - RESERVES AND SURPLUS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Capital Reserve on Amalgamation:		
Balance as at the beginning of the year (Refer Note (a) below)	489,649,720	260,128,720
Add : Transferred on Merger (Refer Note (b) below)	-	229,521,000
Balance as at the End of the Year	489,649,720	489,649,720
Capital Redemption Reserve:		
Balance as at the beginning of the year	45,520,834	26,354,167
Add : Additions during the year	19,166,664	19,166,667
Balance as at the End of the Year	64,687,498	45,520,834
Securities Premium Reserve:		
Balance as at the beginning of the year	3,532,378,620	1,376,878,620
Add : Transferred on Merger (Refer Note (b) below)	-	2,155,500,000
Add : Received on issue of shares in IPO during the year	4,770,967,625	-
Less: Amount utilised for share issue expenses (Refer note 37)	(283,744,922)	-
Balance as at the End of the Year	8,019,601,323	3,532,378,620

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Surplus in the Statement of Profit and Loss:		
Balance as at the beginning of the year	2,252,275,254	2,515,510,311
Add: Profit /(Loss) for the year	951,329,023	684,407,589
Less: Transfer to Capital Redemption Reserve	(19,166,664)	(19,166,667)
Less: Issue of Bonus Shares (Refer Note (c) below)	-	(914,206,650)
Less: Amount Transferred from Block of Fixed Assets (Refer Note (d) below) (net of taxes)	-	(9,037,694)
Add/(Less): Surplus/ (Deficit) Transferred on Merger (Refer Note (b) below)	-	(5,231,635)
Balance as at the End of the Year	3,184,437,613	2,252,275,254
Total	11,758,376,154	6,319,824,428

Notes:

- Capital Reserve on Amalgamation is created as per the Scheme of Amalgamation between erstwhile Preeti Logistics Limited with the Company approved by the Hon'ble High Court Judicature at Bombay on February 11, 2010.
- Capital Reserve, Securities Premium Reserve and Surplus/ (Deficit) in the Profit and Loss are transferred on Amalgamation as per the Scheme of Amalgamation between erstwhile Navkar Terminals Limited, Harvard Credit Rating Agency Limited (now known as Navkar Terminals Limited) and their respective shareholders approved by the Hon'ble High Court Judicature at Bombay on January 30, 2015.
- Shareholders have approved issue of bonus shares on February 28, 2015 in the ratio of five fully paid up equity share for one equity share held on March 2, 2015, being the record date, accordingly, the Company has issued 91,420,665 equity shares of ₹ 10 each fully paid up by utilising its surplus in the Statement of Profit and Loss.
- With the applicability of Companies Act, 2013 with effect from April 1, 2014, and as per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, the Company has re-worked depreciation with reference to the estimated economic lives of fixed assets prescribed by Schedule II to the Act or actual useful life of assets, whichever is lower. For assets whose life has been completed as above, the carrying value, net of residual value aggregating ₹ 1,33,78,275 (net of deferred tax ₹ 90,37,694) as at April 1, 2014 has been adjusted to retained earnings and in other cases the carrying value as at April 1, 2014 has been depreciated over the remaining of the revised life of the assets and recognised in the Statement of Profit and Loss.

NOTE 5 - LONG - TERM BORROWINGS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Secured Loans (Refer Note (a) below)		
Rupee Term Loans from Banks	1,808,197,222	925,488,005
Foreign Currency Term Loans from Banks	1,211,933,251	1,941,674,683
Rupee Term Loans from Others	110,055,792	175,688,259
Unsecured Loans (Refer Note (b) below)		
Loans from Related Parties (Interest Free)	1,053,586,593	1,261,310,284
Total	4,183,772,858	4,304,161,231

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

Notes:

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

Nature of Security	Terms of Repayment
<p>Rupee Term Loans from IndusInd Bank amounting to ₹ Nil (March 31, 2015 : ₹ 93,000,000) collaterally secured by an Equitable Mortgage by way of deposit of title deeds of the Mortgagors land and building situated at Survey Nos.8/4 adm. 0-39-2 H.R.P. and 8/5 adm. 0-05-6 H.R.P, Survey No.9/4B adm. 0-32-0 H.R.P., and Survey No.16/3 adm. 0-04-0 H.R.P.</p> <p>Agricultural land bearing Survey No. 22/6 admeasuring 0-39-7 H.R.P. at Village Nandgaon, Taluka Panvel, District Raigad of Shri Nemichand J Mehta & other.</p> <p>Agricultural land bearing Survey No. 31/6 admeasuring 0-19-9 H.R.P. and Survey No. 19/5 admeasuring 0-15-4 H.R.P. at Village Nandgaon, Taluka Panvel, District Raigad of Mr. Nemichand J Mehta.</p> <p>Post dated cheques issued in the name of Indusind Bank Limited covering principal and interest repayments.</p> <p>Residual charge on company's fixed asset</p> <p>DSRA equivalent to 1 month interest obligations to be created upfront.</p> <p>Personal guarantee of Mr. Shantilal J Mehta, Mr. Nemichand Mehta, Mr. Jayesh Mehta, Mr. Kunthu Kumar Mehta and Mrs. Shailaja Mehta.</p>	<p>Repayable in 36 monthly instalments, Rate of interest minimum 12.50% p.a.</p>
<p>Rupee Term Loans from Axis Bank amounting to ₹ 79,674,374 (March 31, 2015: ₹ 108,247,270) secured by the vehicles purchased from the loan proceedings.</p> <p>Personal Guarantee of Mr. Jayesh N Mehta, director of the Company.</p>	<p>Repayable in 35-58 monthly instalments, Rate of interest 10.25% - 11.50% p.a.</p>
<p>Rupee Term Loan from HDFC Bank amounting to ₹ 150,324,772 (March 31, 2015 : ₹ 174,774,080) 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.</p>	<p>Repayable in 23-60 monthly instalments, Rate of interest 10.00% - 13.01% p.a.</p>
<p>Rupee Term Loan from ICICI Bank amounting to ₹ 28,468,231 (March 31, 2015 : ₹ 72,035,847) and a Foreign Currency Term Loan from ICICI Bank amounting to ₹ 490,197,485 (March 31, 2015 : ₹ 1,004,978,318)</p> <p>Secured by First charge/ hypothecation on the vehicles/ Equipment and assets to be funded by the takeover of the loans.</p> <p>First charge hypothecation on all unencumbered vehicles Equipment/Other Movable Assets valuing not less then ₹ 200.0 million (based on the current market value of the assets valuation of the security to be done through ICICI empaneled valuer).</p> <p>Equitable Mortgage of the property located at address Plot No. 73, Sec. 50, Nerul, Navi Mumbai-400706 valuing ₹ 400 million approximately.</p> <p>In case of any shortfall the same to be meet by commercial property/residential property/industrial property/fixed deposit equivalent to the security cover of 1.0.</p> <p>The limit may be disbursed proportionately however the security cover to be maintained at 1.0 at all times.</p> <p>Security for RTL-III and RTL-IV to be extended for derivative limits. However, the derivative limits not to be included for the calculation of security cover of 1.0.</p> <p>This facility including derivative limit having Unconditional and irrevocable personal guarantees of:</p> <ol style="list-style-type: none"> Mr. Nemichand. J. Mehta having network of ₹ 323.5 million as on 31.03.2013. Mr. Shantilal. J. Mehta having network of ₹ 163.5 million as on 31.03.2013. Mr. Kunthukumar. S. Mehta having network of ₹ 282.7 million as on 31.03.2013. Mr. Jayesh. N. Mehta having network of ₹ 15.8 million as on 31.03.2013. Mrs. Shailaja N. Mehta. 	<p>Repayable in 35 - 60 monthly instalments (loans taken for purchase of commercial vehicles) & 32 quarterly instalments (other term loans), Rate of interest for Rupee term loan is ranging 9.75% - 13.50% p.a., Rate of interest for foreign currency term loan is ranging 5.45% - 6% p.a.</p>

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

Nature of Security	Terms of Repayment
<p>Rupee Term Loan from Kotak Mahindra Bank amounting to ₹ 2,522,065 (March 31, 2015 : ₹ 144,624,974) Secured by the vehicles purchased from the loan proceedings. Mortgage over part of land situated at Moje- Tumb, Revenue S No. 44/1, Taluka Umbergaon, Valsad Dist. owned by Mr. Nemichand Jayvantraj Mehta. Three post dated cheques issued by Mr. Shantilal Jayvantraj Mehta and Mr. Nemichand Jayvantraj Mehta. Personal Guarantee of Shantilal J Mehta, Nemichand J Mehta, Kunthukumar S Mehta, Jayesh N Mehta, Shailaja N Mehta. Cross Collateral of property mentioned in Primary Collateral to be marked Cross Collateral in 3 Cr Loan after disbursement of LAP Loan.</p>	<p>Repayable in 35 - 95 monthly instalments, Rate of interest 10.68% - 15.50% p.a.</p>
<p>Rupee Term Loan from SBI Bank amounting to ₹ 615,892,218 (March 31, 2015: ₹ 173,116,573)</p> <p>Foreign Currency Term Loan from SBI Bank amounting to ₹ 1,177,408,975 (March 31, 2015: ₹ 1,606,305,255)"</p> <p>Primary & Collateral for all the loans :</p> <ul style="list-style-type: none"> - Secured by first charge on assets created out of the proposed term loan." - First / extension of mortgage charge on land with warehousing building at Container Freight Station, Yard I & II located at Village Ajiwali, Pune Mumbai National Highway (NH 4), Taluka Panvel, Raigad, owned by the Company. - First / extension of mortgage charge on land with warehousing building at Container Freight Station, Yard III with railway siding facility, located at Village Somathane, Kon-Savla Road, Taluka Panvel, Raigad, owned by the Company. - First / extension of charge on entire fixed assets of the Company located at locations stated above except the vehicles and equipments specifically charged for the vehicle / equipment loans. - First / extension of charge on 205-206, JK Chambers, Sector 17, Vashi, Navi Mumbai - 400 703, owned by Mr. Shantilal J Mehta, director of the Company. - First / extension of charge on CIDCO Plot No. 94, Sector 20, Kharghar, Panvel, Raigad - 410 206, owned by Mr. Nemichand J Mehta, managing director of the Company. - First charge on agri-land at 90/1/2 at Somathane Village, Kon-Savla Road, Raigad - 410206. - TDR of ₹ 0.13 Crores - 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, Mrs. Kamalbai S Mehta, and Mrs. Seema K. Mehta. 	<p>Repayable in 31 - 84 monthly instalments, Rate of interest for Rupee term loan is ranging 11.00% - 13.50% p.a., Rate of interest for foreign currency term loan is 3.25% p.a. over 6 months LIBOR (Int. reset after 6 months).</p>
<p>Rupee Term Loan from Ratnakar Bank Limited amounting to ₹ Nil (March 31, 2015 : ₹ 137,500,000) secured by Subservient charge on current assets of the Company.</p> <p>DSRA of interest of one month to be kept. PDC of existing working capital bank (State Bank of India)</p> <ul style="list-style-type: none"> - Personal Guarantees of : Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Jayesh N Mehta, Mr. Kunthu Kumar S Mehta, Mrs. Shailaja N Mehta. <p>PDC of existing working capital bank (State Bank of India).</p>	<p>Repayable in 12 equal quarterly instalments, Rate of interest 13.50%.</p>
<p>Rupee Term Loan from Daimler Financial Services Pvt Ltd amounting to ₹ 2,906,371 (March 31, 2015 : ₹ 5,116,751) secured by the vehicles purchased from the loan proceedings.</p>	<p>Repayable in 60 monthly instalments, Rate of interest 11.03% - 11.11% p.a.</p>
<p>Rupee Term Loan from HDB Financial Services Limited amounting to ₹ 6,700,211 (March 31, 2015 : ₹ 14,713,208) secured by the vehicles purchased from the loan proceedings.</p>	<p>Repayable in 47 monthly instalments, Rate of interest 12.50% p.a.</p>

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

Nature of Security	Terms of Repayment
<p>Rupee Term Loan from Tata Capital Financial Services Limited amounting to ₹ 139,949,784 (March 31, 2015 : ₹ 186,600,153). Secured by the vehicles purchased from the loan proceedings. Personal Guarantee of Mr. Jayesh N Mehta.</p> <p>First and exclusive charge by mortgage of unencumbered residential property at Flat no 6 & 7, Basera CHS, Sector 17, Vashi, Navi Mumbai, owned by Mr. Nemichand Mehta and residential bungalow at Plot No. 94, Bungalow Plot, Sector 20, Kharghar, Navi Mumbai, owned by Mr. Nemichand J Mehta and family. Personal Guarantee of Mr. Nemichand J Mehta and Debt Service Reserve Account of ₹ 10 million.</p>	<p>Repayable in 35 - 59 monthly instalments & 84 quarterly instalments, Rate of interest 11.39% - 12.52% p.a.</p>
<p>Rupee Term Loan from Tata Motors Finance amounting to ₹ 23,016,800 (March 31, 2015 : ₹ 28,705,007) secured by the vehicles purchased from the loan proceedings. Co-Borrower is Mr. Shantilal J Mehta (Director of Company).</p>	<p>Repayable in 47-59 monthly instalments, Rate of interest 10.25% p.a.</p>
<p>Rupee Term Loans (Consortium Loan Facility) from:</p> <p>Axis Bank Limited - ₹ 220,789,149 (March 31, 2015 : ₹ 40,600,000)</p> <p>Export Import Bank of India - ₹ 200,600,000 (March 31, 2015 : ₹ 36,900,000)</p> <p>IDBI Bank Limited - ₹ 220,800,000 (March 31, 2015 : ₹ 40,600,000)</p> <p>State Bank of India - ₹ 300,757,960 (March 31, 2015 : ₹ 46,100,000)</p> <p>State Bank of Travancore - ₹ 220,813,483 (March 31, 2015 : ₹ 40,600,000)</p> <p>Union Bank of India - ₹ 220,800,000 (March 31, 2015 : ₹ 40,600,000)</p> <p>Secured by:</p> <ul style="list-style-type: none"> - First <i>pari-passu</i> 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. 	<p>Repayable in 87 monthly installments commencing from the January 31, 2017.</p> <p><u>Rate of interest</u></p> <p>Rate of interest of these loans in between the range of 11% to 12.25% p.a.</p>
<ul style="list-style-type: none"> - Personal Guarantee Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Kunthukumar S Mehta, Mr. Jayesh N Mehta, Mrs. Shailaja Nemichand Mehta, Mrs. Kamla Devi Shantilal Mehta, Mrs. Seema Kunthukumar Mehta and Mrs. Pratiksha J Mehta. - Corporate Guarantee of Navkar Corporation Limited. <p>No guarantee commission shall be payable by the Borrower to the above personal guarantors and corporate guarantor.</p> <ul style="list-style-type: none"> - Non Disposal Undertaking of 21% of the aggregate shareholding of the Borrower (over and above pledge of 30% as above). 	

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

Nature of Security	Terms of Repayment
Rupee Term Loans from Axis Bank Limited, amounting to ₹ 3,307,236 (March 31, 2015: ₹ 3,960,000) Secured by the vehicles purchased from the loan proceedings and Corporate Guarantee of Navkar Corporation Limited, Parent Company.	Repayable in 59 monthly instalments, Rate of interest 10.26% p.a.
Rupee Term Loans from HDFC Bank Limited, amounting to ₹ 6,579,727 (March 31, 2015: ₹ 4,856,410) Secured by the equipment purchased from the loan proceedings and Corporate Guarantee of Navkar Corporation Limited, Parent Company.	Repayable in 59 monthly instalments, Rate of interest 10.38% to 10.69% p.a.
Rupee Term Loans from Tata Capital Financial Services Limited, amounting to ₹ 3,242,598 (March 31, 2015: ₹ 4,471,157) Secured by the equipment purchased from the loan proceedings and Co-Borrower is Navkar Corporation Limited, Parent Company and Personal Guarantee of Mr. Kunthu Kumar S Mehta.	Repayable in 47 monthly instalments, Rate of interest 12.00% p.a.

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

Nature of Security	Terms of Repayment
Rupee Term Loan from Magma Fincorp Limited amounting to ₹ Nil (March 31, 2015 : ₹ 617,182).	Repayable in 36 monthly instalments, Rate of interest 8.76% - 8.86% p.a.
Rupee Term Loan from Religare Finvest Ltd amounting to ₹ Nil (March 31, 2015 : ₹ 1,385,217)	Repayable in 36 monthly instalments, Rate of interest 17.5% p.a.
Loans from Related Parties (Interest Free) amounting to ₹ 1,053,586,593 (March 31, 2015: ₹ 1,053,586,593)	Repayable on demand after March 31, 2017 or any such date on which existing loans under financing arrangement(s) under which the unsecured loans were provided by the Payees are repaid, whichever date shall fall later.
Loans from Related Parties amounting to ₹ Nil (March 31, 2015: ₹ 207,723,691)	Repayable on demand after March 31, 2024 or after final settlement date on which existing loans under financing arrangement(s) under which the unsecured loans were provided by the Payees are repaid. The loan is interest-free.

NOTE 6 - DEFERRED TAX LIABILITIES (NET)

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

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Deferred Tax Liabilities arising on account of timing differences in:		
Depreciation	415,566,384	328,552,109
	415,566,384	328,552,109
Deferred Tax Assets arising on account of timing differences in:		
Gratuity	10,236,236	7,369,343
Leave encashment	1,555,687	1,311,331
Expenses allowable u/s. 35DD	388,370	389,618
Business Losses	711,698	112,014
	12,891,991	9,182,306
Deferred Tax Liabilities (net)	402,674,393	319,369,803

Note : During the year 2014-15, the tax impact of ₹ 4,340,581 on the amount of ₹ 13,378,275 transferred from the block of fixed assets to retained earnings (Refer Note 4), as per the provisions of Note 7 of Para C of Schedule II of the Companies Act, 2013, has been net off from the amounts so transferred to the retained earnings, and has been reduced from the opening deferred tax liabilities.

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

NOTE 7 - OTHER LONG TERM LIABILITIES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Security Deposits	150,000	250,000
Total	150,000	250,000

NOTE 8: LONG-TERM PROVISIONS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for Employee Benefits:		
Provision for Gratuity (Refer Note 34)	28,248,022	21,794,072
Provision for Compensated Absences (Refer Note 34)	4,297,090	3,853,680
Total	32,545,112	25,647,752

NOTE 9- SHORT - TERM BORROWINGS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Secured Loans		
Working Capital Loans from Banks (Refer Note below)	333,526,718	280,376,033
Total	333,526,718	280,376,033

Note:

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

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

NOTE 10 - TRADE PAYABLES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprise	716,934,622	116,256,530
Total	716,934,622	116,256,530

Note:

As per information available with the Company, there are no Micro and Small Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues, which are outstanding as at March 31, 2016.

NOTE 11 - OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Current Maturities of Long-Term Debt:		
Rupee Term Loans from Banks (Refer Note 5 above)	463,131,986	232,027,151
Foreign Currency Term Loans from Banks (Refer Note 5 above)	455,673,208	669,608,890
Rupee Term Loans from Others (Refer Note 5 above)	65,759,972	65,920,416
Liabilities for Acquisition of Fixed Assets	20,530,842	-
Interest Accrued but not Due on Borrowings	14,633,402	11,423,260
Statutory Liabilities (Including Provident Fund, Tax Deducted at Source and other indirect taxes)	20,603,720	51,894,375
Employee Related Liabilities	27,449,780	11,099,532
Application Money Refundable (Refer Note Below)	397,575	-
Other Payables	3,000	450,000
	1,068,183,485	1,042,423,624

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. Subsequent to year end, ₹ 147,250 has been paid till May 27, 2016.

NOTE 12 : SHORT-TERM PROVISIONS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for Tax [Net of Advance taxes and Tax Deducted at Source ₹ 60,33,85,345 (March 31, 2015: ₹ 49,38,92,508)]	55,654,733	36,429,052
Provision for Wealth Tax	-	100,000
Provision for Interest Rate Swap	2,123,560	8,200,353
Provision for Directors Sitting Fees	108,000	508,500
Provision for IPO Expenses	-	6,179,800
Provision for Employee benefits:		
Provision for Gratuity (Refer Note 34)	1,329,636	919,268
Provision for Compensated Absences (Refer Note 34)	198,077	188,024
Total	59,414,006	52,524,997

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

NOTE 14 : LONG-TERM LOANS AND ADVANCES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Security Deposits	7,921,255	6,274,425
Capital Advances	327,711,408	412,076,612
Advance Railway License Fee	30,000,000	10,000,000
Advance Income Tax and Tax Deducted at Source	113,864	-
MAT Credit Entitlement	848,203,561	696,165,996
Balances with government authorities:		
VAT and CST deposit	115,000	70,000
Other Loans and Advances	13,695,193	66,578,878
Total	1,227,760,281	1,191,165,911

NOTE 15 : OTHER NON-CURRENT ASSETS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Fixed Deposits with Banks with a maturity period more than 12 months [under lien against bank guarantee and loans from banks]	73,802,932	63,643,267
Total	73,802,932	63,643,267

NOTE 16 - CURRENT INVESTMENTS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Other Investments (Valued at cost unless stated otherwise)		
Quoted Equity Instruments		
Nil (as at March 31, 2015: 6,74,500) Equity Shares of Garnet International Limited of ₹ 10 each fully paid up (Refer Note below)	-	91,057,500
Less: Provision for Diminution in Value of Investments	-	40,874,700
Total	-	50,182,800
Aggregate amount of Quoted Investments	-	50,182,800
Market Value of Quoted Investments	-	50,182,800

NOTE 17 - SPARE PARTS AND CONSUMABLES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Stock of Spare Parts and Consumables	39,818,051	16,155,872
Total	39,818,051	16,155,872

NOTE 18 - TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Receivables outstanding for a period exceeding six months from the date they became due for payment	5,336,116	-
Other Receivables	474,857,849	774,717,806
Total	480,193,965	774,717,806

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

NOTE 19 : CASH AND BANK BALANCES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Cash and Cash Equivalents		
Cash on Hand	5,303,187	3,887,247
Bank Balances		
- In current accounts	43,492,093	5,971,499
	48,795,280	9,858,746
Other Bank Balances		
Balance in IPO Application Money Refund Account	397,575	-
Fixed Deposits with maturity period of more than 3 months but less than 12 months [includes ₹ 5,87,88,535 (March 31, 2015: ₹ 6,77,721) under lien against bank guarantee]	2,854,098,985	677,721
Total	2,903,291,840	10,536,467

NOTE 20 : SHORT-TERM LOANS AND ADVANCES

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Advances to Employees	5,984,086	5,105,092
Prepaid Expenses	17,273,021	15,693,994
Balance with Government Authorities		
- CENVAT Credit Receivable	69,699,094	6,091,414
Deposit with BSE Limited for IPO (Refer Note Below)	30,000,000	-
Other Trade Advances	8,507,606	216,527,284
Total	131,463,807	243,417,784

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. The Company is in the process for filing application for NOC with SEBI.

NOTE 21 : OTHER CURRENT ASSETS

(Amount in ₹)

Particulars	As at March 31, 2016	As at March 31, 2015
Unbilled and Accrued Income	190,564,630	183,485,760
Proposed Public Issue Expenses	-	49,264,372
Unamortised Option Premium	50,402	22,871
Total	190,615,032	232,773,003

NOTE 22 : REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Sale of Products:		
Auction Sale	32,270,330	26,875,213
Services Rendered:		
Cargo Handling	2,627,986,965	2,369,895,773
Cargo Storage	754,481,239	860,014,087
Other Operating Revenue:		
EDI Income	5,766,471	6,321,622
MNR Receipts	52,068,431	24,436,198
Total	3,472,573,436	3,287,542,893

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

NOTE 23 : OTHER INCOME

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest Income:		
From Fixed Deposits with Banks	164,153,933	6,154,643
Rental Income	-	8,750,000
Miscellaneous Income	7,617,039	6,597,908
Profit on sales of Investments	18,725,947	-
Reversal of Provision for Diminution in Value of Investment	40,874,700	-
Dividend Income	337,250	-
Total	231,708,869	21,502,551

NOTE 24 : COST OF SERVICES

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Container Handling Charges	264,754,465	94,255,303
Customs Cost Recovery	13,662,097	2,749,396
Custom Bottle Seals	631,272	375,360
Electricity Expenses	32,628,364	26,478,603
Freight and Cartage	61,503,571	64,857,683
Incentives, Discounts and Rebates	461,490,158	484,983,400
Port Handling Charges	127,772,271	150,462,097
Diesel and Petrol Expenses	328,837,351	433,620,991
Repairs and Maintenance	76,195,059	66,384,936
Other Operational Expenses	7,132,383	4,575,495
Railway Haulage and License Charges	62,729,432	53,813,248
Total	1,437,336,423	1,382,556,512

NOTE 25 : EMPLOYEE BENEFITS EXPENSES

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Salaries, Wages and Bonus	204,988,245	180,694,120
Contributions to provident and other funds (Refer Note 34)	12,984,066	11,924,755
Gratuity Expenses (Refer Note 34)	7,634,031	7,689,922
Leave Encashment Expenses	586,306	2,537,628
Staff Welfare Expenses	21,314,264	19,407,149
Total	247,506,912	222,253,574

NOTE 26 : FINANCE COSTS

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest on Borrowings from Banks on Term Loans	177,944,367	189,496,243
Interest on Borrowings from Others on Term Loans	23,905,326	28,325,592
Interest on Borrowings from Banks on Short-Term Loans	22,248,731	10,555,647
Interest on Others	6,020,078	10,230,639
Bank Charges and Commission	1,255,788	25,087,710
Total	231,374,290	263,695,831

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

NOTE 27 : DEPRECIATION AND AMORTISATION EXPENSE

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Depreciation on tangible assets	192,976,039	152,143,713
Amortisation on intangible assets	270,623	-
Total	193,246,662	152,143,713

NOTE 28 : OTHER EXPENSES

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Advertisement Expenses	1,601,380	463,018
Payment to Auditors:		
As Auditors	2,000,000	530,000
CSR Expenses (Refer Note 39)	16,287,354	14,500,000
Donation Expenses	4,880,654	12,446,147
General and Office Expenses	5,451,622	7,669,397
Information Technology Expenses	13,408,949	9,489,397
Insurance Expenses	14,159,879	11,535,445
Foreign Exchange Loss (Net)	165,405,967	143,434,005
Legal and Professional Fees	27,212,549	45,452,505
Loss on Sale of Fixed Assets	728,209	2,190,551
Loss on Sale of Investments	-	10,367,726
Provision for Diminution in Value of Current Investments	-	40,874,700
Printing and Stationery	4,478,299	2,749,499
Rent Expenses	61,117	17,375
Expenses Incurred for Increase in Authorised Share Capital	-	12,738,750
Rates and Taxes	41,386,273	23,616,278
Repairs and Maintenance - Others	33,866,886	42,159,186
Sales Promotion Expenses	8,530,467	17,605,360
Option Derivatives Hedge Cost	11,832,969	26,779,425
Security Expenses	69,106,684	38,125,874
Telephone and Internet Charges	2,918,744	2,414,877
Travelling Expenses	11,261,018	9,611,520
Miscellaneous Expenses	17,248,808	11,054,981
Expenses Incurred on Merger	388,981	1,576,125
Total	452,216,809	487,402,141

NOTE 29 : EARNINGS PER EQUITY SHARE

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Net Profit attributable to Equity Shareholders (₹)	951,329,023	684,407,589
Weighted average number of equity shares (Nos.)	128,583,698	109,704,798
Basic and Diluted Earnings Per Share (₹)	7.40	6.24
Face value per Share (₹)	10.00	10.00

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

NOTE 30 : CONTINGENT LIABILITIES NOT PROVIDED FOR

a)	(Amount in ₹)	
Particulars	As at March 31, 2016	As at March 31, 2015
Disputed Liabilities in respect of Service Tax	20,372,506	20,372,506
Claims against Company not acknowledged as debts in respect of Railway land license fee	74,255,258	74,255,258
Claims against the Company not acknowledged as debts in respect of Labour laws	5,401,333	5,591,705
Dividend on 99790 - 6% Cumulative Redeemable Preference Shares of ₹ 100 each	742,347	21,366
Total	100,771,444	100,240,835

(b) State Bank of India has given guarantee amounting to ₹ 29,21,70,428 (as at March 31, 2015: ₹ 26,33,63,328) on behalf of the Company as required by the Custom Authority in favour of the President of India and BSE Limited.

NOTE 31 : CAPITAL AND OTHER COMMITMENTS

(a) Capital Commitments	(Amount in ₹)	
Particulars	As at March 31, 2016	As at March 31, 2015
Estimated value of Contracts in respect of Fixed Assets remaining to be executed (Net of Capital Advances)	370,482,798	158,008,602
Total	370,482,798	158,008,602

(b) Other Commitments	(Amount in ₹)	
Particulars	As at March 31, 2016	As at March 31, 2015
Corporate Guarantees given by the Company (Refer Note (i) below)	2,671,818,017	4,368,924,000
Co-Borrower for Commercial Vehicle Loans taken by a Related Party (Refer Note (ii) below)	5,313,000	5,313,000
Total	2,677,131,017	4,374,237,000

Notes:

- The Company has issued Corporate Guarantees aggregating to ₹ 2,671.82 million as at year end (March 31, 2015: ₹ 2,668.92 million) on behalf of Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) and ₹ Nil as at year end (March 31, 2015: ₹ 1,700 million) on behalf of Sidhhartha Corporation Private Limited. Liabilities outstanding for which Corporate Guarantees have been issued aggregates ₹ 1,398.01 million as on March 31, 2016 (March 31, 2015: ₹ 1,873.04 million).
- 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 ₹ 5.31 million as at year end (March 31, 2015: ₹ 5.31 million). Liabilities outstanding for which the Company is a co-applicant aggregates to ₹ 3.24 million as on March 31, 2016 (March 31, 2015: ₹ 4.47 million).

NOTE 32:

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

filed a reply dated November 26, 2013. As per the Management's view, the liabilities would not arise to the Company as the Company has insurance cover for the same, hence not considered as contingent liabilities.

NOTE 33 : 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 Operations and related activities during the year, consequently the Group does not have separate reportable business segment for the year ended March 31, 2016.

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, 2016.

NOTE 34 : EMPLOYEE BENEFITS

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

I. Defined Contribution Plans

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

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

Particulars	(Amount in ₹)	
	Year ended March 31, 2016	Year ended March 31, 2015
Employers' Contribution to Provident Fund and Employee's Pension Scheme	9,944,684	8,802,132
Employers' Contribution to Employee's State Insurance	3,039,382	3,122,623
Total Expenses recognised in the Statement of Profit and Loss (Refer Note 25)	12,984,066	11,924,755
II. Defined Benefit Plan		
Contribution to Gratuity Fund		
a. Major Assumptions	(% p.a.)	(% p.a.)
Discount Rate	7.46%	7.77%
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	2.88%	3.00%
b. Change in Present Value of Obligation		
Present Value of Obligation as at the beginning of the year	22,713,340	15,355,261
Current Service Cost	4,589,590	5,629,478
Interest Cost	1,734,923	1,386,357
Past Service Cost	-	-
Transferred In	-	207,692
Benefit paid	(769,713)	(539,535)
Actuarial (Gain)/ Loss on Obligations	1,309,518	674,087
Present Value of Obligation as at the end of the year	29,577,658	22,713,340
c. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets		
Present Value of Funded Obligation	29,577,658	22,713,340

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

(Amount in ₹)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Fair Value of Plan Assets	-	-
Funded Status	(29,577,658)	(22,713,340)
Present Value of Unfunded Obligation	29,577,658	22,713,340
Unfunded Net Liability recognised in the Balance Sheet disclosed under Long Term Provisions and Short Term Provisions (Refer Note 8 and 12)	29,577,658	22,713,340
d. Expenses Recognised in the Statement of Profit and Loss		
Current Service Cost	4,589,590	5,629,478
Past Service Cost	-	-
Interest Cost	1,734,923	1,386,357
Expected Return on Plan Assets	-	-
Actuarial Losses Recognised in the year	1,309,518	674,087
Total expenses recognised in the Statement of Profit and Loss (Refer Note 25)	7,634,031	7,689,922
e. Amounts recognised in the Balance Sheet		
Present Value of Obligation as at year end	(29,577,658)	(22,713,340)
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 8 and 12)	29,577,658	22,713,340
f. Experience Adjustments		
On Plan Liabilities	(1,309,518)	(674,087)
On Plan Assets	-	-
Total Experience Adjustment	(1,309,518)	(674,087)

III. Other Employee Benefit

The liability for leave entitlement as at year end is ₹ 4,495,167 (March 31, 2015: ₹ 4,041,704) disclosed under Long Term Provisions (Refer Note 8) and Short Term Provision (Refer Note 12).

NOTE 35: OPERATING LEASE TRANSACTIONS

- (i) During the previous year, the Company has leased out certain trucks and trailers under cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee for which Rent Income of ₹ Nil (2014-15: ₹ 8,750,000) for the year has been recognised in the Statement of Profit and Loss.

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

NOTE 36: RELATED PARTY DISCLOSURE

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

i) Relationship

Description of relationship	Names of Related Parties
Key Management Personnel	Mr. Shantilal J Mehta Mr. Nemichand J Mehta Mr. Jayesh N Mehta Mrs. Ekta Chuglani (Company Secretary w.e.f. 12-09-2014) Mr. Jayesh Kothari (Chief Financial Officer from 25-09-2014 to 05-02-2015) Mr. Anish Maheshwari (Chief Financial Officer w.e.f 06-02-2015) Mr. Dinesh Gautama (w.e.f. 08-12-2014)
Relative of key management personnel with whom the Company has entered into transactions	Mrs. Shailaja N Mehta Mr. Kunthu Kumar Mehta Mrs. Kamalbai S Mehta Mrs. Sairabai J Mehta Mrs. Seema K Mehta Mrs. Pratiksha J Mehta
Enterprises in which Key Management personnel and relatives of Key Management personnel have significant influence	Sidhartha Corporation Private Limited Harvard Global Logistics Limited Navkar Terminals Limited (Merged with Harvard Credit Rating Agency Limited, as per the Scheme of Amalgamation, appointed date is 01-11-2014) 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

Particulars	(Amount in ₹)	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Directors Remuneration and Salary		
Mr. Shantilal J Mehta	6,500,000	6,500,000
Mr. Nemichand J Mehta	6,000,000	6,000,000
Mr. Jayesh N Mehta	5,500,000	5,500,000
Mrs. Ekta Chuglani (Company Secretary w.e.f. 12-09-2014)	727,270	261,900
Mr. Dinesh Gautama (w.e.f. 08-12-2014)	6,000,000	2,000,000
Mr. Jayesh Kothari (Chief Financial Officer from 25-09-2014 to 05-02-2015)	-	1,489,586
Mr. Anish Maheshwari (Chief Financial Officer w.e.f. 06-02-2015)	2,100,000	276,814
	26,827,270	22,028,300

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

(Amount in ₹)

Particulars	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Sale of Service		
Harvard Global Logistics Limited	-	1,550,813
Sidhartha Corporation Private Limited	2,951,249	13,648,294
	2,951,249	15,199,107
Initial Public Offer (IPO) expenses recovered		
Sidhartha Corporation Private Limited	50,072,634	-
	50,072,634	-
Donations and CSR Expenses		
Navkar Charitable Trust	20,788,408	26,946,147
	20,788,408	26,946,147
Rent Expenses		
Mr. Shantilal J Mehta	12,000	4,000
Mr. Nemichand J Mehta	49,117	9,375
	61,117	13,375
Purchase of Land		
Mr. Nemichand J Mehta	574,180,000	-
M/s. Arihant Industries (Proprietorship of Mr. Nemichand J Mehta)	303,545,000	-
	877,725,000	-
Loans and Advances Given		
Navkar Terminals Limited (Merged with Harvard Credit Rating Agency Limited, as per the Scheme of Amalgamation)	-	41,394,126
Harvard Global Logistics Limited	-	10,132,001
	-	51,526,127
Advance Given Received Back		
Harvard Global Logistics Limited	-	21,639,434
Navkar Terminals Limited (Merged with Harvard Credit Rating Agency Limited, as per the Scheme of Amalgamation)	-	800
	-	21,640,234
Allotment of Equity Shares - Bonus Issue (Including Securities Premium)		
Mr. Nemichand J Mehta	-	257,500,000
Mr. Shantilal J Mehta	-	402,500,000
Mr. Kunthu Kumar Mehta	-	17,500,000
Mrs. Shailaja N Mehta	-	167,500,000
Sidhartha Corporation Private Limited	-	67,456,650
Mrs. Sairabai J Mehta	-	1,000,000
Mr. Jayesh N Mehta	-	250,000
Mrs. Kamalbai S Mehta	-	250,000
Mrs. Seema K Mehta	-	250,000
	-	914,206,650

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

(Amount in ₹)

Particulars	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Loan Taken		
Mr. Shantilal J Mehta	105,103,960	226,677,672
Mr. Nemichand J Mehta	105,103,960	250,497,497
Mrs. Shailaja N Mehta	-	194,025
Mr. Jayesh N Mehta	-	64,036,022
Mrs. Kamalbai S Mehta	-	337,000
	210,207,920	541,742,216
Loan Taken Repaid		
Mr. Shantilal J Mehta	105,103,960	4,777,566
Mr. Nemichand J Mehta	312,695,577	211,532,000
Mrs. Shailaja N Mehta	-	61,497,771
Mr. Jayesh N Mehta	132,074	5,510,830
Mrs. Kamalbai S Mehta	-	337,000
	417,931,611	283,655,167
Allotment of Preference Shares by subsidiary Company		
Mr. Jayesh N Mehta	-	1,056,100
Mrs. Kamalbai S Mehta	-	1,056,100
Mr. Kunthukumar S Mehta	-	1,056,100
Mr. Nemichand J Mehta	-	2,586,300
Mr. Shantilal J Mehta	-	1,056,100
Mrs. Pratiksha J Mehta	-	1,056,100
Mrs. Seema K Mehta	-	1,056,100
Mrs. Shailaja N Mehta	-	1,056,100
	-	9,979,000

iii) Balance with Related Parties :

(Amount in ₹)

Particulars	Balances as at March 31, 2016	Balances as at March 31, 2015
Loans Payable		
Mr. Shantilal J Mehta	505,233,092	505,233,092
Mr. Nemichand J Mehta	170,894,743	378,486,360
Mrs. Shailaja N Mehta	184,520,960	184,520,960
Mr. Jayesh N Mehta	192,937,798	193,069,872
	1,053,586,593	1,261,310,284

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

(Amount in ₹)

Particulars	Balances as at March 31, 2016	Balances as at March 31, 2015
Remuneration Payable		
Mr. Shantilal J Mehta	4,677,672	-
Mr. Nemichand J Mehta	4,093,123	-
Mr. Jayesh N Mehta	3,847,623	-
Mrs. Ekta Chuglani (Company Secretary w.e.f. 12-09-2014)	51,996	35,500
Mr. Dinesh Gautama	377,508	350,172
Mr. Anish Maheshwari (Chief Financial Officer w.e.f. 06-02-2015)	164,219	133,383
	13,212,141	519,055
Corporate Guarantees Given		
Sidhartha Corporation Private Limited	-	1,700,000,000
	-	1,700,000,000

NOTE 37 : DERIVATIVE INSTRUMENTS

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

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

Non- Designated Cash flow Hedges	Currency Pair	Notional Amount (USD)	Fair Value Gain / (Loss) ₹
Options - USD/INR Call	USD/INR	22,463,000 (29,130,100)	11,832,969 (26,779,425)

NOTE 38 : INITIAL PUBLIC OFFERING

During the year, 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 Sidhartha 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 ₹ 6,000 Million, the Company's share is ₹ 5,100 Million 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, 2016 as follows:

Particulars	Amount (₹ In Million)
Issue Proceeds from fresh issue of 3,29,03,225 equity shares	5,100.00
Less: Issue expenses (including service tax)	318.58
Net proceeds from IPO	4,781.42
Less: Utilisation of IPO proceeds upto March 31, 2016	1,977.63
Funds to be utilised (remain invested in bank current account and deposits)	2,803.79

Object wise details of utilisation are as under:

Particulars	Proposed amount as per prospectus	Revised proposed amount	Amount utilised	Amount unutilised
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Notes to the Consolidated Financial Statements for the year ended March 31, 2016

	(₹ In Million) (1)	(₹ In Million) (2)	(₹ In Million) (3)	(₹ In Million) (4) = (2) - (3)
Capacity enhancement of the Somathane CFS	1,145.28	798.93	362.08	436.85
Development of the non-notified areas of CFSs	542.51	469.27	191.98	277.29
Establishment of a logistics park at Valsad (near Vapi)	3,145.65	2,692.56	678.27	2,014.29
Repayment of loan	-	872.68	745.30	127.38
Total	4,833.44	4,833.44	1,977.63	2,855.81

Note:

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 ₹ 872.68 Million, 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.

The amount pending utilization is kept in Fixed Deposits with Banks and Monitoring Current Account with HDFC Bank Limited as under:

Particulars	Amount (₹ In Million)
Details of Unutilised Funds as on March 31, 2016:	
Investments in Fixed Deposits with Banks	2,795.31
In Monitoring Current Account with HDFC Bank Limited	8.48
Total	2,803.79

NOTE 39 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

- (a) Gross amount required to be spent by the Company during the year ₹ 1,62,87,354
 (b) Amount spent during the year on:

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	16,287,354	-	16,287,354

NOTE 40 : CIF VALUE OF IMPORTS

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Spare Parts for vehicles (Grouped in Repairs and Maintenance)	7,171,580	3,558,043

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

NOTE 41 : EXPENDITURE IN FOREIGN CURRENCY

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Professional and Consultancy Fee (IPO related expenses)	10,433,937	18,865,064
Miscellaneous Expenses	1,474,650	-

NOTE 42 : CURRENT ASSETS AND LOANS AND ADVANCES

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

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

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

Name of the Entity	Net Assets, i.e. total asset minus total liabilities as at March 31, 2016		Share in profit / (loss) for the year ended on March 31, 2016	
	As % of consolidated net assets	Amount ₹	As % of consolidated Profit or Loss	Amount ₹
Parent Subsidiaries Indian: Navkar Terminals Limited (formerly known as Harvard Credit Rating Agency Limited)	18.07	2,387,100,095	(0.18)	(1,731,271)

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

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

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2016

Capital Reserve	229,521,000
Surplus/ (Deficit) in the Statement of Profit and Loss	(5,231,635)
	2,389,768,365

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

NOTE 45 : PRE-OPERATIVE EXPENSES

Following expenses capitalised as a part of Capital Work-in-progress:

Particulars	(Amount in ₹)	
	As at March 31, 2016	As at March 31, 2015
Finance Cost and Bank Charges	168,507,949	52,360,864
Employee Benefit Expenses	6,034,181	1,011,507
Depreciation	6,537,561	465,084
Rent Expenses	394,755	167,005
Rates and taxes	635,427	434,627
Legal and Professional Fee	15,450,865	4,361,837
Power and Fuel Expenses	1,205,506	654,387
Insurance Expenses	912,593	15,150
Labour Charges	87,595	87,595
Postage and Telephone Expenses	101,530	30,328
Repairs and Maintenance-Others	2,318,585	927,996
Printing and Stationery	130,955	56,690
Travelling and Conveyance Expenses	613,517	85,754
Other Expenses	1,326,063	617,885
Information Technology Expenses	1,254,463	-
Total	205,511,546	61,276,709

NOTE 46 : PREVIOUS YEARS'S FIGURES

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

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

For and on behalf of the Board of Directors

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

Arun Poddar
 Partner
 Membership Number: 134572

Place : Mumbai
 Date : May 27, 2016

Shantilal Mehta
 Managing Director
 DIN : 00134162

Jayesh Mehta
 Whole-time Director
 DIN : 00510313

Anish Maheshwari
 Chief Financial Officer

Ekta Chuglani
 Company Secretary

Place : Mumbai
 Date : May 27, 2016



Navkar Corporation Ltd
Container Freight Stations & Rail Terminals

Registered Office: 205 – 206, J.K. Chambers, Sector 17, Vashi, Navi Mumbai – 400703, India
CIN: L63000MH2008PLC187146, Phone: +91-22-2766 8223 • 2766 8233
E-mail: cs@navkarcfs.com website:www.navkarcfs.com

ATTENDANCE SLIP

(To be presented at the entrance)

8TH ANNUAL GENERAL MEETING ON TUESDAY, SEPTEMBER 27, 2016, AT 3.30 P.M.
At The Hotel Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai - 400703 India

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, India
CIN: L63000MH2008PLC187146, Phone: +91-22-2766 8223 • 2766 8233
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) of _____ shares of the Navkar Corporation Limited, hereby appoint

- Name:
Address:
E-mail Id:
Signature: or failing him
- Name:
Address:
E-mail Id:
Signature: or failing him
- 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 8th Annual General Meeting of Navkar Corporation Limited, to be held on Tuesday, the 27th day of September, 2016 at 3.30 p.m. at "The Hotel 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 Statement for the Financial Year ended March 31, 2016 and the Reports of the Board of Directors and Auditors thereon.
1(b)	Adoption of Audited Consolidated Financial Statement for the Financial Year ended March 31, 2016 and the Report of the Auditors thereon.
2	Re-appointment of Mr. Shantilal Jayavantraj Mehta who retires by rotation.
3	Ratification of appointment of Auditors and fixing their remuneration.
Special Business	
4	Appointment of Mr. Nemichand Jayavantraj Mehta as Whole-time Director.

Signed this day of 2016

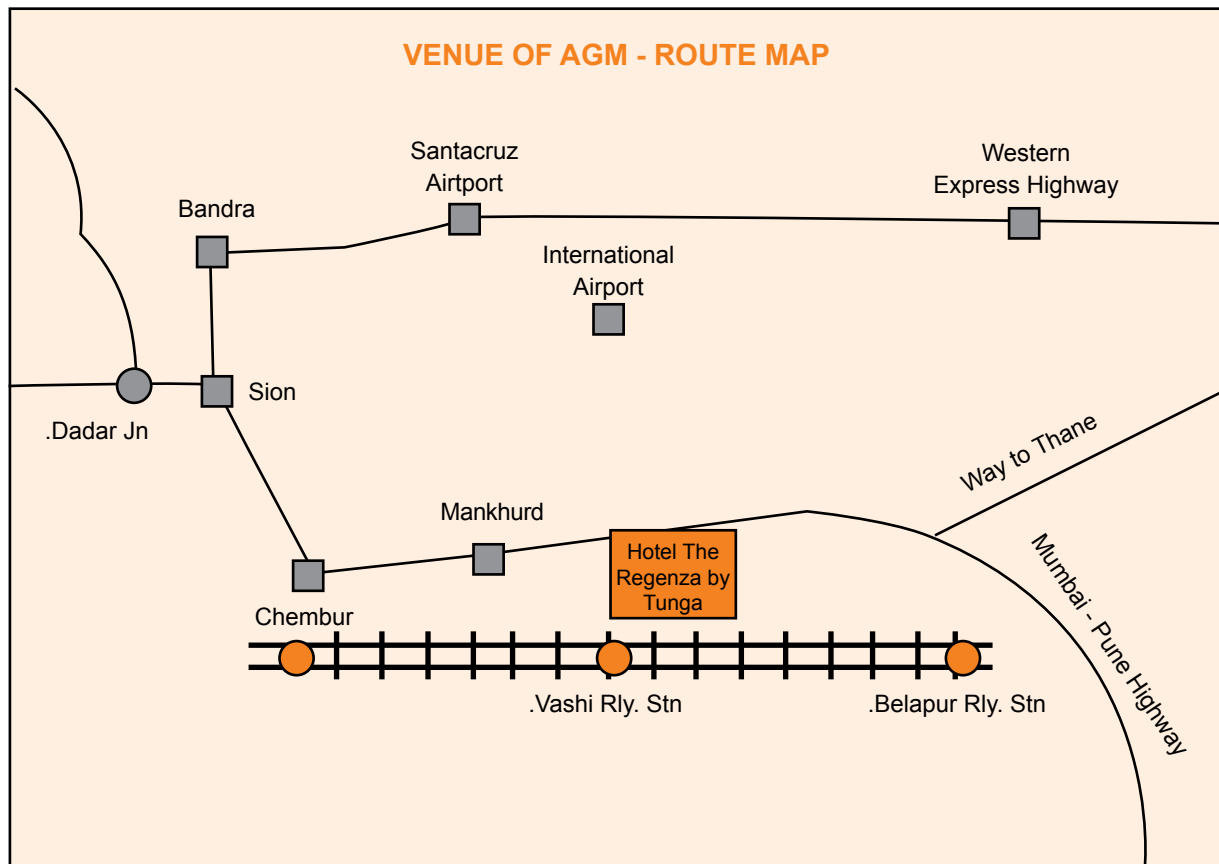
Affix
Revenue
Stamp

Signature of shareholder..... Signature of Proxyholder(s).....

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

NAVKAR CORPORATION LIMITED

.8TH ANNUAL GENERAL MEETING ON TUESDAY, SEPTEMBER 27, 2016, AT 3.30 P.M
At The Hotel Regenza by Tunga, Plot No. 37, Sector 30-A, Vashi, Navi Mumbai - 400703 India





Navkar Corporation Ltd
Container Freight Stations & Rail Terminals

Registered Office : 205-206, J. K. Chambers, Sector 17, Vashi,
Navi Mumbai – 400 703, India.

Corporate Office : Survey No. 89,93,95,97, Somathane Village,
Kon-Savla Road, Panvel 410 206, Dist. Raigad, India.

Website : www.navkarcfs.com **CIN** : L63000MH2008PLC187146