



**KONKAN STORAGE SYSTEMS (KOCHI)
PRIVATE LIMITED**



KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

Board of Directors

Chairman

Anish M. Chandaria

Directors

Raj K. Chandaria
Kanwaljit S. Nagpal
Jaideep D. Khimasia

Chief Executive Officer

Rohitkumar Kotak

Chief Financial Officer

R. Srinivasan

Company Secretary

Eshmeet Thapar

Auditors

P. D. Kunte & Co.,
Chartered Accountants, Mumbai

Bankers

Axis Bank

Registered Office

23, 5th 'A' Main Road,
Obalappa Gardens,
K. R. Road,
Bangalore – 560 082.

Liquid Logistics Terminal

Plot No.64, 65, 66, A2 Area,
South End Reclamation Matsyapuri,
Willingdon Island, Cochin – 682 029,
Kerala.

KONKAN STORAGE SYSTEMS (KOCHI) PVT. LTD.

Regd. Office: 23, 5th 'A' Main Road, Obalappa Gardens K. R. Road, Bangalore – 560 082

DIRECTORS' REPORT

To the Members of the Company

The Directors have pleasure in presenting the 12th Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2018.

Financial Performance

(Rs. in Lacs)

	Current year 2017-18	Previous Year 2016-17
Revenue from Operation	703.28	666.40
Profit before Finance cost (as mentioned below), Depreciation and Tax	283.68	295.54
Finance Cost	101.98	194.95
Depreciation and amortisation expense	129.96	114.99
Profit before tax	51.74	(14.40)
Income Tax Expense		
Current Tax -For the year	9.86	-
-For earlier years	0.69	(2.11)
-MAT Credit for the earlier year	-	(14.64)
Deferred Tax	-	-
Total Tax Expense	10.55	(16.75)
Profit for the year	41.19	2.35
Retained Earnings at the beginning of the year	1184.32	816.77
Holding Company Loan Adjustment	(1519.42)	(231.62)
Holding Company Loan Adjustment –Interest	-	(194.66)
Preference Share Capital Adjustment	2682.10	789.67
Remeasurement of defined benefit obligations	7.60	1.81
Total Additions	1,170.28	365.20
Retained Earnings at the end of the year	2395.79	1184.32

OVERVIEW OF PERFORMANCE

During the year under review, the Income was Rs. 703.28 Lakhs as against Rs. 666.40 Lakhs in the previous year. The company made a net profit of Rs. 41.19 Lakhs as against Rs. 2.35 Lakhs in the previous year on account of improved utilisation of capacity.

OUTLOOK FOR THE COMPANY

With the Diesel and Petrol pricing now being market driven, prospect of utilization of Terminal by private players continues to look bright.

DIVIDEND

Your Directors do not recommend Dividend for the year under review.

PREFERENCE SHARES

During the year under review, 23,25,000 % Non-Cumulative Redeemable Preference Shares of Rs.100/- each, fully paid up were issued by the Company to its fellow subsidiary Company Sea Lord Containers Limited on Private placement basis.

FIXED DEPOSITS

No fixed deposit has been accepted by the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to section 152 of the Companies Act, 2013, Mr. Anish K. Chandaria, Director of the Company retires by rotation and being eligible, offers himself for re-appointment.

Further, during the year the Company had increased its share capital and currently the Company's share capital is more than Rupees Ten Crores, in view of which the Company needs to comply with section 203 of the Companies Act, 2013 read with the rules made thereunder for appointment of Key Managerial Personnel.

Accordingly, Mr. Rohit P. Kotak was appointed as Chief Executive officer, Mr. Radhakrishnan Srinivasan was appointed as Chief Financial Officer and Ms.Eshmeet Thapar was appointed as Company Secretary w.e.f 26th March, 2018.

AUDITORS

As per the provisions of Sections 139, 141 of the Companies Act, 2013 and rules made thereunder (hereinafter referred to as "The Act"), the Company at its 8th Annual General Meeting ("AGM") held on 25th July, 2014 approved the appointment of M/s. P. D. Kunte & Co., Chartered Accountants, (Firm Registration No.: 105479W) as statutory auditors for a period of 5 years commencing from the conclusion of the 8th AGM till the conclusion the fifth consecutive AGM held hereafter.

Kindly note that in accordance with the Companies (Amendment) Act, 2017, Ministry of Corporate as per the notification dated 7th May, 2018 have done away with the provision relating to ratification of statutory auditors by members at every annual general meeting.

PARTICULARS OF EMPLOYEES

The particulars of Employees as required under the provisions of section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration) Rules, 2014 as amended is not given as no employee is in receipt of remuneration as specified under the aforesaid provisions of the Companies Act, 2013.

HEALTH, SAFETY AND ENVIRONMENT

The Company is holding ISO-9001 (2008), ISO-14001 (2004) and OHSAS-18001 (2007) certifications and thereby meets all quality, environmental and safety standards specified under these Certifications. The company carries out a monthly review of health, safety and environment compliance for all the sites and carries out regular mock drills and emergency preparedness tests. The company had carried out various competitions like slogans, posters, 'spotting the hazards' to create awareness of safety amongst all levels of employees, contract workmen and also transporters. Time to time, the Company also carries out internal audits to implement & strengthen gaps thus identified. To control VOC Emission Company has installed Internal Floating Roof on Closed roof tanks and installed Vapour absorption chillers on loading points.

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

Details of energy conservation, technology absorption, exports & foreign exchange earnings and outgo undertaken by the Company along with the information in accordance with the provisions of section 134 of Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, the extent as are applicable to the Company, are given in **Annexure 'A'** to the Directors' Report.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31st March, 2018 are in full conformity with the requirement of the Companies Act, 2013.

The Directors further confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts on a going concern basis;

- e. The Directors, had laid down adequate internal financial controls to be followed by the company and that such internal financial controls including with reference to Financial Statements are adequate and were operating effectively; and
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company adopted a risk management policy including identification therein of elements of risk, and action taken by the Company to mitigate those risks.

The specific objectives of the Risk Management Policy are to ensure that all the current and future material risk exposures of the company are identified, assessed, quantified, appropriately mitigated and managed, to establish a framework for the company's risk management process and to ensure companywide implementation, to ensure systematic and uniform assessment of risks related with Oil, Gas & Chemicals Logistics business, to enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices and to assure business growth with financial stability.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal controls is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Company has a robust Management Information System, which is an integral part of the control mechanism.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year ended 31st March, 2018, 7 Board Meetings were held on the following dates:

1. 28/04/2017
2. 30/05/2017
3. 23/06/2018
4. 5/09/2017
5. 30/10/2017
6. 02/02/2018
7. 26/03/2018

The intervening gap between any two meetings was within the period prescribed under Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company is engaged in the business of providing infrastructural facilities as specified under section 186(11)(a) of the Companies Act, 2013 read with Schedule VI to the Companies Act, 2013. However, details of guarantees are given in the notes to the Financial Statements.

DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES

There were no transactions entered into with the related parties as contemplated under section 188 of the Companies Act, 2013.

There are no related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel which may have a potential conflict with the interest of the Company at large.

EXTRACT OF THE ANNUAL RETURN AS PROVIDED UNDER SUB-SECTION (3) OF SECTION 92 OF COMPANIES ACT, 2013

Extract of the annual return as provided under section 92(3) of Companies Act, 2013 as prescribed in Form MGT-9 is given in **Annexure 'B'** to the Directors' Report.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators/ courts/ tribunals impacting the going concern status and the Company's operations in future.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The policy on Prevention of Sexual Harassment at Workplace aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behaviour.

During the year ended 31 March, 2018, there were nil complaints recorded pertaining to sexual harassment.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments, which affected the financial position of the company between the end of the financial year of the company to which the financial statements relates and the date of the report.

BOARD EVALUATION

Pursuant to the increase in the share capital of the Company during the year, the Company needs to comply with annual Board evaluation. An annual evaluation needs to be complied by the Board of its own performance and of individual directors.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company etc. The Board further evaluated its own performance. The Directors expressed their satisfaction with the evaluation process.

APPRECIATION

The Board of Directors gratefully acknowledges the assistance, support and co-operation received from authorities of Port Trust, Bankers, Government Authorities, Shareholders and the Employees.

For and on behalf of the Board

Anish K. Chandaria

Chairman

DIN: 00296538

Place: Mumbai

Dated: 30th May, 2018

Annexure A to the Directors Report

(Information under section 134 of Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2018)

Conservation of Energy, Technology Absorption, Exports & Foreign Exchange Earnings and Outgo

(A) Conservation of energy

(i) The steps taken or impact on conservation of energy:

1. Energy Audit conducted by Kerala State Productivity Council and recommendations are under implementation for further energy conservation through recommended technology absorption.
2. As recommended by the energy auditors, LUX study was conducted to ascertain low lux intensity areas of the premises, while steps being taken for energy conservation and energy saving LED luminaires are proposed to install in all locations where low lux intensity detected.
3. APFC panel (energy audit recommendation) is being proposed to erect to further raise the power factor on motors load, thereby further saving on energy.
4. Older ACs are replaced by energy efficient new ACs.
5. Flame proof LED lighting/fittings (recommendation of energy auditor) are being introduced to replace old conventional Flame proof fittings/lamps in all "classified" operational areas including pump house and TLF.
6. All other conventional lights including CFL replaced by LED lights in the premises including offices.
7. Premises lighting by Metal Halide bulbs are being replaced with energy efficient and long lasting LED luminaires as recommended by energy Auditors.
8. Installation of VFD (Variable Frequency Devise) on each motor is initiated for speed control of pumps, so that bypassing of pump delivery can be avoided when the delivery valve at TLF/Gantry is shut and also energy consumption of pump can be reduced to 55%.
9. Installation of a "Maximum Demand Controller" in the Control Room is being initiated to avoid unexpected Demand rise beyond the contracted demand.

(ii) The steps taken by the company for utilising alternate sources of energy:

Proposed Installation of 30KW grid connected Solar Panels at the roof top of TLF gantry to reduce consumption from Grid in day time.

(iii) The capital investment on energy conservation equipment: N/A

(B) Technology absorption

(i) The efforts made towards technology absorption:

1. Development of Internal Floating Roof (IFR) tankages to avoid operational losses of volatile liquids.

2. Preventive maintenance of Plant and Machinery including pneumatic equipment (to control air leakage), thereby controlling the energy consumption.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

1. Benefits derived are controlling and minimising evaporation loss of volatile liquids by upgrading tanks with IFR (internal floating roof).
2. Regular preventive maintenance of Plant & Machinery enable them run smoothly and energy saving.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

No new technology is imported during the financial year

(iv) The expenditure incurred on Research and Development:

The Company is not engaged in manufacturing activities and as such there is no specific R&D Project undertaken.

(C) Foreign exchange earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

There is no Foreign Exchange earned in terms of actual inflows during the year.

There is no Foreign Exchange outgo in terms of actual outflows during the year.

For and on behalf of the Board

Anish K. Chandaria
Chairman
DIN: 00296538

Place: Mumbai
Dated: 30th May, 2018

Annexure-B' to the Directors Report

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2018**

[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

1	CIN	U63023KA2006PTC040986
2	Name of the company	KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED
3	Registration Date	20/11/2006
4	Category / Sub-Category of the Company	Company limited by shares
5	Address of the Registered office	23, 5th Main Road Obalappa Garden, K R Road Bangalore - 560 082 Karnataka
6	Corporate & Administrative Office	1202, 12th Floor, Tower B, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel (West), Mumbai-400 013 Tel : 022-6666 3666 Fax : 022-6666 3777 Email : secretarial@konkanstorage.com
7	Whether listed company	Yes / No
8	Name, Address and Contact details of Registrar and Transfer Agent, if any	The Company has an in-house share transfer system.

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	Storage and warehousing n.e.c.[Includes general merchandise warehouses and warehousing of furniture, automobiles, gas and oil, chemicals, textiles etc. Also included is storage of goods in foreign trade zones]	52109	99.95%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Aegis Logistics Limited 502, 5th Floor, Skylon, GIDC, Char Rasta, Vapi – 396 195, Dist Valsad, Gujarat State, India	L63090GJ1956PLC001032	Holding Company	100%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. 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									
	Individual/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
	State Govt	0	0	0	0.00	0	0	0	0.00	0.00
	Bodies Corp.	0	100000	100000	100.00	0	100000	100000	100.00	0.00
	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total A(1)	0	100000	100000	100.00	0	100000	100000	100.00	0.00
2	Foreign									
	NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total A(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoter= (A)=(A)(1)+(A)(2)	0	100000	100000	100.00	0	100000	100000	100.00	0.00
B. Public Shareholding										
1	Institutions									
a	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
c	Central / State Government	0	0	0	0.00	0	0	0	0.00	0.00
d	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
e	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
f	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
g	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
h	Foreign Portfolio Corp.	0	0	0	0.00	0	0	0	0.00	0.00
i	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
2	Non-Institutions									
a	Bodies Corp.									
i	Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b	Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i	Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
c	Others									
	OCB/Non Domestic Company	0	0	0	0.00	0	0	0	0.00	0.00
	Non-Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	Any Other - Trust	0	0	0	0.00	0	0	0	0.00	0.00
	Foreign Company	0	0	0	0.00	0	0	0	0.00	0.00
	Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs										
		0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A+B+C)	0	100000	100000	100.00	0	100000	100000	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Aegis Logistics Limited	100000	100.00	0.00	100000	100.00	0.00	0.00
	Total	100000	100.00	0.00	100000	100.00	0.00	0.00

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

Sl. No.		Date	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			Aegis Logistics Limited		Aegis Logistics Limited	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	01/04/2017	100000	100.00	100000	100.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons (*) for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	-	There is no change in the shareholding during the year		There is no change in the shareholding during the year	
	At the end of the year	31/03/2018	100000	100.00	100000	100.00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31/03/2018 :						
Sl. No.	For Each of the Top 10 Shareholders	Date	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	01/04/2017				
	Date wise Increase / Decrease in Top Ten Shareholders during the year specifying the reasons (*) for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)		The Company is a 100% subsidiary of Aegis Logistics Limited		The Company is a 100% subsidiary of Aegis Logistics Limited	
	At the end of the year (or on the date of separation, if separated during the year)	31/03/2018				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Date	Shareholding at the beginning of the year		Cumulative shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	01/04/2017	0	0	0	0
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)		0	0	0	0
	At the end of the year	31/03/2018	0	0	0	0

V. INDEBTEDNESS

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

(Rs. In Lacs)

Sr. No.		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year				
i	Principal Amount	0	0	2445	2445
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	0	0	2445	2445
	Change in Indebtedness during the financial year				
	· Addition	0	0	453	453
	· Reduction	0	0	-2898	-2898
	Net Change	0	0	-2445	-2445
	Indebtedness at the end of the financial year				
i	Principal Amount	0	0	0	0
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

There are no Managing Director, Whole-time Directors and/or Manager in the Company

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			
		Anish K. Chandaria	Raj K. Chandaria	Jaideep D. Khimasia	Kanwaljit S. Nagpal
		Director - Chairman	Director	Director	Director
1	Independent Directors				
	Fee for attending board / committee meetings	0	0	0	0
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	0	0	0	0
2	Other Non-Executive Directors				
	Fee for attending board / committee meetings	0	0	0	280,000
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (2)	0	0	0	280,000
	Total Managerial Remuneration - Total (B) = (1) + (2)	0	0	0	280,000
	Overall Ceiling as per the Act	Sitting fees upto Rs.1,00,000 per meeting as per the Act.			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

There is no Key Managerial Personnel in the Company.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Sr. No.	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A.	COMPANY					
	Penalty					
	Punishment					
	Compounding					
B.	DIRECTORS					
	Penalty					
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment					
	Compounding					

There have been no penalties levied on the Company. The Company is generally in compliance of provisions of all applicable laws.

For and on behalf of
the Board

Anish K. Chandaria
Chairman
DIN: 00296538

P.D.Kunte & Co. (Regd.)

Chartered Accountants

Independent Auditors' Report

To The Members of Konkan Storage System (Kochi) Private Limited

Report on the Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying Financial Statements of **Konkan Storage System (Kochi) Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income) and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS 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 Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the 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, with reference to financial reporting that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

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

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018, and its profit, changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 with reference to financial statements over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - (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 Company has disclosed the impact of pending litigation on its financial position in its Ind AS Financial Statements – Refer Note 31 to the Ind AS Financial Statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For P.D.Kunte & Co. (Regd.)
Chartered Accountants
Firm Registration No.: 105479W

Diwakar Sapre
Partner
Membership No. 040740

Place: Mumbai
Date: 30th May, 2018

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management during the year as per regular program of verification, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies between book records and physical inventory were noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of immovable property are in the name of the Company.
- (ii) According to the information and explanations provided to us, the inventory has been physically verified by the Management during / at the end of the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on physical verification of inventory.
- (iii) According to the information and explanations provided to us, during the year the Company has not granted any loans, secured or unsecured to companies, firms, Limited liability partnerships or other parties covered in register maintained under section 189 of the Act. Accordingly, the provisions of sub clauses (a), (b) and (c) are not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not made any investment, given any security, neither accepted deposit nor provided guarantee. Therefore, the provisions of sec 185 and 186 are not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provision of clause (v) of paragraph 3 of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013.
- (vii) (a) According to the information and explanation 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 including provident fund, employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, duty of customs, duty of excise, value added tax, GST, cess and any other statutory dues as applicable with appropriate authorities. There were no undisputed statutory dues outstanding as on the date of the balance sheet for a period exceeding six months from the date they were due.
- (b) As at 31st March 2018, there are no disputed statutory dues in respect of Income Tax, Sales Tax, Service Tax, duty of customs or duty of excise or value added tax or cess which have not been deposited with the appropriate authorities except the following:

Nature of Dues	Assessment Year	Forum	Amount Rs.
Sales Tax	2010-11	Deputy Commissioner (Appeals)	1,45,50,217/-
	2011-12		
Income Tax	2013-14	Income Tax Officer	23,650/-

- (viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a Financial institution, bank, government or dues to debenture holders.
- (ix) Based upon the audit procedures performed and the information and explanation given by the management, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the period. Accordingly, provisions of clause (ix) of the order are not applicable to the Company for the year under audit.
- (x) Based upon the audit procedures performed and the information and explanation given by the management, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) No managerial remuneration has been paid/ provided. Hence clause (xi) of the said order is not applicable for the year under audit.
- (xii) The Company is not a Nidhi company and therefore the provisions of clause 3 (xii) of the Order are not applicable to the company.
- (xiii) In our opinion, provision of section 177 relating to Audit Committee are not applicable to the Company for the year under audit. The transactions with the related parties are in compliance with sec 188 of Companies Act, 2013 and the details of the said transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and the information and explanation given by the management, the Company has not made any preferential allotment or private placement shares or fully or partly convertible debentures during the year under audit. Accordingly, provisions of clause (xiv) of the order are not applicable to the Company for the year under audit.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable to the Company for the year under audit.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934; Accordingly, provisions of clause (xvi) of the order are not applicable to the Company for the year under audit.

For P.D. Kunte & Co. (Regd.)
Chartered Accountants
Firm Registration No.: 105479W

Diwakar Sapre
Partner
Membership No. 040740

Place: Mumbai
Date: 30th May, 2018

“Annexure B” to the Independent Auditor’s Report of even date on the Ind AS Financial Statements of Konkan Storage System (Kochi) Private Ltd

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

We have audited the internal financial controls with reference to financial statements of **Konkan Storage System (Kochi) Private Ltd** (“the Company”) as of March 31, 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to financial statements 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 with reference to financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements 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

According to the information and explanation given to us and based on our test of controls, In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 P.D.Kunte & Co. (Regd.)
Chartered Accountants
Firm Registration No.: 105479W

Diwakar Sapre
Partner
Membership No. 040740

Place: Mumbai
Date: 30th May, 2018

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Balance Sheet as at March 31, 2018

	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Assets				
Non current assets				
Property, plant and equipment	8A	2,039.46	2,121.93	2,096.09
Capital work-in-progress		95.26	0.48	12.62
Other intangible assets	9	0.56	0.62	-
Financial assets				
i. Other financial assets - Security Deposits	10	5.18	5.18	5.18
Deferred tax assets (net)		6.90	16.76	-
Income tax asset		32.63	18.57	16.56
Other non current assets	11	523.42	563.84	584.43
Total non current assets		2,703.41	2,727.38	2,714.88
Current assets				
Inventories	12	17.92	38.18	116.42
Financial assets				
i. Trade receivables	13	270.84	238.49	176.21
ii. Cash and cash equivalents	14	41.84	27.70	33.77
iii. Bank balances other than (ii) above	15	1.73	1.63	1.50
Other current assets	16	33.45	38.82	39.15
Total current assets		365.78	344.82	367.05
Total assets		3,069.19	3,072.20	3,081.93
Equity and liabilities				
Equity				
Equity share capital	17	10.00	10.00	10.00
Other equity	18	2,385.03	1,181.16	815.42
Total equity		2,395.03	1,191.16	825.42
Liabilities				
Non-current liabilities				
Financial liabilities				
(a) Borrowings	20	592.90	160.33	-
Provisions	19	19.86	22.63	12.97
Total non-current liabilities		612.76	182.96	12.97
Current liabilities				
Financial liabilities				
i. Borrowings	20	-	1,620.89	2,165.42
ii. Trade payables				
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	18.70	25.77	54.35
ii. Other financial liabilities	22	3.82	14.70	3.10
Provisions	19	12.55	11.29	6.37
Other current liabilities	23	26.33	25.43	14.30
Total current liabilities		61.40	1,698.08	2,243.54
Total liabilities		674.16	1,881.04	2,256.51
Total equity and liabilities		3,069.19	3,072.20	3,081.93

See accompanying notes to the financial statements

For P. D. Kunte & Co. (Regd.)

Chartered Accountants

Firm Registration Number: 105479W

For and on behalf of the Board of Directors

 D.P. Sapre
 Partner
 Membership No.: 040740

 Anish K. Chandaria
 Director
 DIN:00296538

 Jaideep D. Khimasia
 Director
 DIN:07744224

 Rohitkumar Kotak
 Chief Executive Officer

 R. Srinivasan
 Chief Financial Officer

 Eshmeet Thapar
 Company Secretary

 Place: Mumbai
 Date: 30th May, 2018

 Place: Mumbai
 Date: 30th May, 2018

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements
(All amounts are in INR lakhs except for earning per share information)

Statement of Profit and Loss for the year ended March 31, 2018

	Note	For the year ended March 31, 2018	For the year ended March 31, 2017
I Revenue from operations	24	703.28	666.40
II Other income	25	0.36	1.32
III Total income (I + II)		703.64	667.72
IV Expenses			
Employee benefits expenses	26	134.42	134.56
Depreciation and amortisation expense	8B	129.96	114.99
Finance costs	27	101.98	194.95
Other expenses	28	285.54	237.62
Total expenses		651.90	682.12
V Profit before tax (III- IV)		51.74	(14.40)
VI Income tax expense			
Current tax			
- for the year		9.86	
- for earlier year		0.69	(2.11)
- MAT Credit for earlier year			(14.64)
Deferred tax		-	-
Total tax expense		10.55	(16.75)
VII Profit for the year (V- VI)		41.19	2.35
VIII Other comprehensive income/(loss)			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligations		7.60	1.81
(ii) Income tax relating to above items that will not be reclassified to profit or loss		-	-
Other comprehensive (loss) (Net of tax)		(7.60)	(1.81)
IX Total comprehensive income(VII+VIII) (Comprising profit and other comprehensive income for the year)		33.59	0.54
X Earnings per equity share for profit from continuing operation attributable to owners of ALL	30		
Basic earnings per share (Rs.)		41.19	2.35
Diluted earnings per share (Rs.)		41.19	2.35

See accompanying notes to the financial statements

For P. D. Kunte & Co. (Regd.)

Chartered Accountants

Firm Registration Number: 105479W

For and on behalf of the Board of Directors

D.P. Sapre

Partner

Membership No.: 040740

Anish K. Chandaria

Director

DIN:00296538

Jaideep D. Khimasia

Director

DIN:07744224

Rohitkumar Kotak
Chief Executive Officer

R. Srinivasan
Chief Financial Officer

Eshmeet Thapar
Company Secretary

Place: Mumbai

Date: 30th May, 2018

Place: Mumbai

Date: 30th May, 2018

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Cash Flow Statement for the year ended March 31, 2018

	For the year ended March 31, 2018	For the year ended March 31, 2017
<u>Cash flow from operating activities</u>		
Profit before tax	51.74	(14.40)
<u>Adjustments for:</u>		
Depreciation and amortisation	129.96	114.99
Loss / (profit) on property, plant and equipment sold	-	(0.18)
Finance costs	101.98	194.95
Interest income	(0.36)	(1.02)
Sundry Credit/Debit Balances written back	-	0.17
IND AS Lease Rent	31.10	31.10
IND AS Gratuity	(7.60)	(1.81)
Operating profit before working capital changes	306.82	323.80
<u>Adjustments for changes in working capital:</u>		
(Increase) in inventories	20.26	78.24
Decrease / (Increase) in trade receivables	(32.35)	(62.45)
(Increase) in short term provisions	1.26	4.92
(Increase)/ decrease in non-current assets	23.38	(23.14)
Decrease / (Increase) in current assets	(8.69)	(1.68)
(Decrease) / Increase in trade payables	(7.07)	(28.58)
(Decrease) / Increase in long term provisions	(2.77)	9.66
Increase/(Decrease) in other non-current liabilities	-	-
(Decrease) / Increase in other current liabilities	(9.98)	22.73
Cash generated from operations	290.86	323.50
Income tax paid	(14.75)	12.63
Net cash from operating activities	276.11	336.13
<u>Cash flow from investing activities</u>		
Purchase of property, plant and equipment including capital advances	(142.14)	(128.85)
Purchase of intangible assets	(0.08)	(0.63)
Sale of property, plant and equipment	-	0.35
Bank balance not considered as cash and cash equivalents	(0.10)	(0.13)
Interest received	0.36	1.02
Net cash flow from / (used in) investing activities	(141.96)	(128.25)

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Cash Flow Statement for the year ended March 31, 2018

	<u>For the year ended March 31, 2018</u>	<u>For the year ended March 31, 2017</u>
Cash flow from financing activities		
Repayment of borrowings	(2,444.81)	(1,163.67)
Proceeds from issue of share capital (including securities premium)	2,325.00	950.00
Interest paid	(0.20)	(0.28)
Net cash generated from / (used in) financing activities	(120.01)	(213.95)
Net increase/ (decrease) in cash and cash equivalents	14.14	(6.07)
Cash and cash equivalents as at the beginning of the year	27.70	33.77
Less:- Decrease in cash and cash equivalents pursuant to scheme of Arrangement		
Cash and cash equivalents as at the end of the year	<u>41.84</u>	<u>27.70</u>
Cash and cash equivalents includes:		
<u>Cash and cash equivalents (refer note 17)</u>		
Cash on hand	-	-
Bank balances		
In current accounts	41.84	27.70
	<u>41.84</u>	<u>27.70</u>
	0.00	0.00

1. Figures in bracket indicate cash outflow

For P. D. Kunte & Co. (Regd.)

Chartered Accountants

Firm Registration Number: 105479W

D.P. Sapre**Partner****Membership No.: 040740****Place: Mumbai****Date: 30th May, 2018****For and on behalf of the Board of Directors****Anish K. Chandaria****Director****DIN:00296538****Rohitkumar Kotak****Chief Executive Officer****Place: Mumbai****Date: 30th May, 2018****Jaideep D. Khimasia****Director****DIN:07744224****R. Srinivasan****Chief Financial Officer****Eshmeet Thapar****Company Secretary**

Statement of changes in equity

A. Equity share capital

Particulars	Balance as at April 1, 2016	Issue of share	Balance as at March 31, 2017	Issue of share	Balance as at March 31, 2018
Equity share capital	10.00	-	10.00	-	10.00

A. Preference share capital

Particulars	Balance as at April 1, 2016	Issue of share	Balance as at March 31, 2017	Issue of share	Balance as at March 31, 2018
Equity share capital	-	950.00	950.00	2,325.00	3,275.00

B. Other equity

Particulars	Reserves and surplus						Other comprehensive income	Total equity
	Securities premium	Capital reserves	Capital redemption reserves	General Reserves	Debenture Redemption Reserves	Retained earnings/ (accumulated deficit)	Remeasurement of defined benefit obligations	
Balance as at April 1, 2016	-	-	-	(1.35)	-	816.77	-	815.42
Profit for the year	-	-	-	-	-	2.35	-	2.35
Addition/ reduction during the year	-	-	-	-	-	365.20	-	365.20
Other comprehensive income	-	-	-	-	-	-	(1.81)	(1.81)
Balance at March 31, 2017	-	-	-	(1.35)	-	1,184.32	(1.81)	1,181.16
Profit for the year	-	-	-	-	-	41.19	-	41.19
Addition/ reduction during the year	-	-	-	-	-	1,170.28	-	1,170.28
Other comprehensive income	-	-	-	-	-	-	(7.60)	(7.60)
Balance at March 31, 2018	-	-	-	(1.35)	-	2,395.79	(9.41)	2,385.03

The above statement of changes in equity should be read in conjunction with the accompanying notes.

For P. D. Kunte & Co. (Regd.)

Chartered Accountants

Firm Registration Number: 105479W

D.P. Sapre

Partner

Membership No.: 040740

Place: Mumbai

Date: 30th May, 2018

For and on behalf of the Board of Directors

Anish K. Chandaria
Director

DIN:00296538

Rohitkumar Kotak
Chief Executive Officer

Place: Mumbai
Date: 30th May, 2018

Jaideep D. Khimasia
Director

DIN:07744224

R. Srinivasan
Chief Financial Officer

Eshmeet Thapar
Company Secretary

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

1 General information

Konkan Storage Systems (Kochi) Private Ltd ("KCPL" or "the Company") is a company incorporated in India, on 20th November, 2006 vide certificate of incorporation No U63023KA2006PTC040986 issued by the Registrar of Companies, Karnataka, Bangalore having its registered office at 23,5th A Main Road, Obalappa Garden, K. R. Road, Bangalore - 560082, Karnataka. The Company is a subsidiary of Aegis Logistics Limited.

The Company was incorporated with the object of providing Infrastructure facilities such as storage & terminalling facility for Oil, Chemical & Petroleum products.

2 Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2017 the Company prepared its financial statements in accordance with requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date for transition to Ind AS is April 1, 2016. Refer note 6 for the details of first time adoption exemptions availed by the Company.

3 Basis of preparation and presentation

The Financial Statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement or disclosure purposes in these standalone financial statements is determined on such a basis, except for share based payment transactions that are within scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 inputs are unobservable inputs for the asset or liability.

4 Functional and presentation currency

These standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest crore, unless otherwise indicated.

5 Statement of significant accounting policies

l) Foreign currencies

i) Foreign currency transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

Subsequent measurement

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at the fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

ii) Embedded derivatives

Embedded derivatives are carried at fair value and the resultant gains and losses are recorded in the Statement of Profit and Loss.

II) Property, plant and equipment

- i) Items of property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises
- a) the purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates,.
 - b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and
 - c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in Statement of Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest if any.

ii) Transition to IND AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

iii) Subsequent expenditure:

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the reporting period in which they are incurred.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

iv) Depreciation / amortization

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their estimated useful lives, using the written down value method. Useful life of the asset is taken, as specified in Schedule II of the Companies Act, 2013, as under:

Assets	Useful life
Buildings (Other than factory building)	60 years
Factory building	30 years
Servers and computer networks	6 years
Office equipment	5 years
Furniture and fixtures	10 years
Plant and machinery	15 years
Vehicles	8 years
Computers	3 years

Leasehold assets are amortized over the primary period of lease or its useful life, whichever is shorter.

III) Intangible assets

Intangible assets are recognized, only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortised so as to reflect the pattern in which the asset's economic benefits are consumed over a period of 5 to 7 years.

Company capitalises the cost incurred to develop computer software for internal use during the application development stage of the software whereas cost incurred during the preliminary project stage along with post-implementation stages of internal use computer software are expensed as incurred.

Transition to IND AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

IV) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful life and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss has been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

V) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

i) Classification of financial assets

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Debt Instruments at FVOCI

A 'debt instrument' is measured at the fair value through other comprehensive income(FVOCI) if both the following conditions are met:

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

For assets classified as subsequently measured at FVOCI, interest revenue, expected credit losses, and foreign exchange gains or losses are recognised in Statement of Profit and Loss. Other gains and losses on remeasurement to fair value are recognised in OCI. On derecognition, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

ii) Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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

Further, Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for its investments in subsidiaries and associates as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP as at the date of transition (April 1, 2016). Also, in accordance with Ind AS 27 company has elected the policy to account investments in subsidiaries and associates at cost.

iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of the transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

iv) Impairment of financial assets

Financial assets of the company comprise of trade receivable and other receivables consisting of debt instruments e.g., loans, debt securities, deposits, and bank balance. An impairment loss for trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Impairment losses if any, are recognised in Statement of Profit and Loss for the year.

Financial liabilities and equity instruments

Financial instruments with a contractual obligation to deliver cash or another financial assets is recognised as financial liability by the Company.

i) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

ii) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

iii) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short term profit taking; or
- it is derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminated or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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

Financial liabilities of the Company also include gold loans where company buys gold from authorised bank with deferred payment. Interest rate on such loan is dependent on gold lease market and other market specific factors (Linked to international gold interest rate). Gold loan is repaid considering the gold spot rate on the day of repayment. Since repayment of loan and interest payment is linked to the movement in gold price, this makes the arrangement a hybrid contract which will be fair valued at each reporting date.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

iv) Derecognition

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

v) Offsetting of financial instruments

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

VI) Borrowing cost

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at EIR and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as a part of cost of such assets till the time the asset is ready for its intended use. A qualifying assets is the one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recorded as an expense in the Profit and loss account in the year in which they are incurred.

VII) Leases

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Rental expenses from operating leases is generally recognised on a straight line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase, such increase are recognised in the year in which such benefit accrue. Contingent rentals arising under operating lease are recognised as an expenses in the period in which they are incurred.

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

VIII) Inventories

Inventories are carried at lower of cost and net realizable value. Cost of raw materials, finished goods, stock in trade and packing materials is determined on weighted average basis.

Costs comprise all cost of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods include costs of raw material, direct labour and other directly attributable expenses incurred in bringing such goods to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

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(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

IX) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

X) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for rebates.

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the cost incurred or to be incurred in respect of the transaction can be measured reliably.

Consignment sales

The Company has consignment sales agreements with certain parties. The Company does not record revenue on consignment merchandise until the merchandise is reported to be sold by these parties to customers.

XI) Other income

Dividend and Interest income

Dividend income is recognised in statement of profit and loss on the date on which the company's right to receive payment is established.

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

Rental Income

Rental income arising from operating leases on investment properties is accounted for on an accrual basis as per the terms of the lease contract and is included in other income in the Statement of Profit and Loss.

XII) Retirement and other employee benefits

i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

ii) Post Employment Employee Benefits

Retirement benefits to employees comprise payments to government provident funds, gratuity fund, leave encashment and superannuation fund.

Defined contribution plans

Retirement benefits in the form of provident fund and superannuation fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Defined benefit plans

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short term compensated absences are provided for based on estimates.

Other long term benefits

Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method. Actuarial gains/losses are recognized in the other comprehensive income.

XIII) Taxation

Income tax expenses represents the sum of the tax currently payable and deferred tax.

i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

ii) Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii) Current and deferred tax for the year

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

iv) Minimum alternate tax credit

Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

XIV) Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the financial statements. Contingent assets are not recognized in the financial statements

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

6 First-time adoption of Ind AS

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exceptions and certain optional exemptions availed by the Company as detailed below:

- i. **Deemed cost:** The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as on transition date measured as per the previous GAAP and use that carrying value as deemed cost.
- ii. **Derecognition of financial assets and financial liabilities:** The Company has opted to apply the exemption available under Ind AS 101 to apply the derecognition criteria of Ind AS 109 prospectively for the transactions occurring on or after the date of transition to Ind AS.
- iii. **Classification and measurement of financial assets:** The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist on the date of transition to Ind AS.

7 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from these estimates.

Key source of estimation uncertainty

The following are the key assumption concerning the future and other key sources of estimations uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

a) **Property, plant and equipment :**

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

b) **Inventories :**

The measurement of inventory including the determination of its net realizable value, involves the use of estimates. The significant sources of estimation uncertainty include diamond prices, production grade and expenditure and determining the remaining costs of completion to bring inventory into its saleable form. The Company uses historical data on prices achieved, grade and expenditure in forming its assessment.

c) **Recognition and measurement of defined benefit obligations :**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

d) **Recognition of deferred tax assets :**

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assesses that there will be sufficient taxable profits against which to utilise the benefits of temporary differences and they are expected to reverse in the foreseeable future.

Note 8A

Property, plant and equipment - As at March 31, 2018

	Gross block				Accumulated depreciation				Net block
	As at April 1, 2017	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2018	As at April 1, 2017	Charge for the year	Deductions/ adjustments	As at March 31, 2018	As at March 31, 2018
Building	63.86	-	-	63.86	3.51	10.43	-	13.94	49.92
Plant and machinery	2,154.04	26.73	-	2,180.77	107.61	114.58	-	222.19	1,958.58
Office equipment	10.10	13.16	-	23.26	2.52	2.55	-	5.07	18.20
Furniture and fixtures	0.96	0.20	-	1.16	0.20	0.14	-	0.34	0.82
Vehicles	4.81	7.27	-	12.08	(1.99)	2.12	-	0.13	11.95
Total	2,233.77	47.36	-	2,281.13	111.85	129.82	-	241.67	2,039.46

Property, plant and equipment - As at March 31, 2017

	Gross block				Accumulated depreciation				Net block
	As at April 1, 2016	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2017	As at April 1, 2016	Charge for the year	Deductions/ adjustments	As at March 31, 2017	As at March 31, 2017
Building	29.12	34.74	-	63.86	-	3.51	-	3.51	60.35
Plant and machinery	2,053.13	100.91	-	2,154.04	-	107.61	-	107.61	2,046.43
Office equipment	5.42	4.68	-	10.10	-	2.52	-	2.52	7.59
Furniture and fixtures	0.96	-	-	0.96	-	0.20	-	0.20	0.77
Vehicles	7.46	0.66	3.31	4.81	-	1.16	3.15	(1.99)	6.80
Total	2,096.09	140.99	3.31	2,233.77	-	114.99	3.15	111.84	2,121.93

Property, plant and equipment - As at April 1, 2016

	Gross block				Accumulated depreciation				Net Block
	As at April 1, 2016	Additions/ adjustments	Deductions/ adjustments	As at April 1, 2016	As at April 1, 2016	Charge for the year	Deductions/ adjustments	As at April 1, 2016	As at April 1, 2016
Building	29.12	-	-	29.12	-	-	-	-	29.12
Plant and machinery	2,053.13	-	-	2,053.13	-	-	-	-	2,053.13
Office equipments	5.42	-	-	5.42	-	-	-	-	5.42
Furniture and fixtures	0.96	-	-	0.96	-	-	-	-	0.96
Vehicles	7.46	-	-	7.46	-	-	-	-	7.46
Total	2,096.09	-	-	2,096.09	-	-	-	-	2,096.09

The Company has availed the deemed cost exemption in relation to the property, plant and equipment and other intangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date. Refer note below for the gross block value and the accumulated depreciation on April 1, 2016 under the previous GAAP.

Property, plant and equipment	Gross block	Accumulated depreciation	Net block
Building	35.57	6.45	29.12
Plant and machinery	3,177.93	1,124.80	2,053.13
Office equipments	19.21	13.79	5.42
Furniture and fixtures	1.70	0.74	0.96
Vehicles	13.19	5.73	7.46
Total	3,247.60	1,151.51	2,096.09

Note 8B

Property, plant and equipment

0.1 Depreciation and amortisation for the year

Particulars	For the year ending March 31, 2018	For the year ended March 31, 2017
Depreciation on property, plant and equipment	129.82	114.98
Amortisation (Refer note 9)	0.14	0.01
Total	129.96	114.99

Note :

Movable Fixed Assets of the Company are hypothecated for Short Term Loan from Standard Chatered Bank taken by Holding Company, Aegis Logistics Limited.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 10****Non current financial assets - Others****(Unsecured, considered good unless otherwise stated)**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Security deposits	5.18	5.18	5.18
Total	5.18	5.18	5.18

Note 11**Other non-current assets****(Unsecured, considered good unless otherwise stated)**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Prepaid expenses	0.79	-	0.28
Capital Advances	0.38	9.83	0.17
Balance with statutory authorities	34.65	35.31	34.18
Prepayments under operating lease	487.60	518.70	549.80
Total	523.42	563.84	584.43

Note 12**Inventories****(At lower of cost and net realisable value)**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Consumables, stores & spares and others	17.92	38.18	116.42
	17.92	38.18	116.42

Note 13**Trade receivables**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Trade receivables			
Unsecured considered good			
Outstanding for more than six months from the date they are due:			
Considered good	161.42	130.81	138.51
Considered doubtful	0.69	0.69	0.69
	162.11	131.50	139.20
Less: Provisions	0.69	0.69	0.69
	161.42	130.81	138.51
Others:			
Considered Good	109.42	107.68	37.70
Total	270.84	238.49	176.21

The carrying amounts of trade receivables as at the reporting date approximate fair value. Trade receivables are non-interest bearing.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 14****Cash and cash equivalents**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<u>Bank balances</u>			
- Current accounts	41.84	27.70	21.90
Cheques on hand	-	-	11.87
Cash on hand	-	-	-
Cash and cash equivalents as presented in the balance sheet	41.84	27.70	33.77

Note 15**Other bank balances**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Bank deposits with maturity from 3-12 months	1.73	1.63	1.50
Total	1.73	1.63	1.50

Note 16**Other current assets****(Unsecured, considered good unless otherwise stated)**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2016
Pre Payment under Operating leases	31.10	31.10	31.10
Advance to suppliers	1.42	2.64	3.01
Prepaid expenses	0.93	1.48	1.26
Cenvat Credit and Service tax Setoff (net)	-	3.60	3.78
Total	33.45	38.82	39.15

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements
Note 17
Equity share capital

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
[a] Authorised share capital						
Equity shares of the par value of Rs 1 each	100,000	10.00	100,000	10.00	100,000	10.00
7% Cumulative Redeemable Preference shares of the par value of Rs 100 each	3,390,000	3,390.00	950,000	950.00	-	-
Total	3,490,000	3,400.00	1,050,000	960.00	100,000	10.00
[b] Issued, subscribed and paid up						
Equity shares of Rs.10 each	100,000	10.00	100,000	10.00	100,000	10.00
Total	100,000	10.00	1,050,000	10.00	100,000	10.00

[c] Reconciliation of number of shares outstanding at the beginning and end of the year :

Equity :	As at March, 2018		As at March, 2017	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	100,000	10.00	100,000	10.00
Issued during the year	-	-	-	-
At the end of the year	100,000	10.00	100,000	10.00

[d] Rights, preferences and restrictions attached to equity shares :

The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held and to dividend, if declared and paid by the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities, in proportion to their shareholding.

[e] Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of Shares	Percentage	Number of Shares	Percentage	Number of Shares	Percentage
Equity shares of Rs.10/- each fully paid						
Aegis Logistics Limited	100,000	100%	100,000	100%	100,000	100%

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements
Note 18
General Reserve

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance as at the beginning of the year	(1.35)	(1.35)	(1.35)
Addition during the year	-	-	-
Balance as at the end of the year	(1.35)	(1.35)	(1.35)

Retained earnings

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance as at the beginning of the year	1,184.32	816.77	(691.72)
Profit for the year	41.19	2.35	65.44
Addition / (Reduction) during the year :			
Holding Company Loan Adjustment	(1,519.42)	(231.62)	1,443.05
Holding Company Loan Adjustment-Interest	-	(194.66)	-
Preference Share Capital Adjustment	2,682.10	789.67	-
Remeasurement of defined benefit obligations	7.60	1.81	-
Total Additions	1,170.28	365.20	1,443.05
Balance as at the end of the year	2,395.79	1,184.32	816.77

Other comprehensive income

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance as at the beginning of the year	(1.81)	-	-
(Reduction) during the year	(7.60)	(1.81)	-
Balance as at the end of the year	(9.41)	(1.81)	-

Note 19
Provisions

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current			
Employee benefits			
Gratuity (Refer note 29)	13.27	13.64	5.67
Compensated absences	6.59	8.99	7.30
(A)	19.86	22.63	12.97
Current			
Employee benefits			
Gratuity (Refer note 29)	7.71	4.93	4.25
Compensated absences	4.84	6.36	2.12
(B)	12.55	11.29	6.37
Total (A)+(B)	32.41	33.92	19.34

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 20****Current & Non Current financial liability - Borrowings**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<u>Non-Current</u>			
Unsecured Loans			
From related parties	592.90	160.33	
Total	592.90	160.33	-
<u>Current</u>			
Unsecured Loans			
From related parties		1,620.89	2,165.42
Total	-	1,620.89	2,165.42

Note 21**Current Financial Liability-Trade payables**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables	18.70	25.77	54.35
Total outstanding dues of creditors other than micro enterprises and small enterprises			
Total	18.70	25.77	54.35

The carrying amount of trade payables as at reporting date approximates fair value.

Note 21.1 Disclosure for Micro, Small and Medium Enterprises

On the basis of the information and records available with the management there are no dues payable to Micro, Small and Medium Enterprises. Further, disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are not applicable.

Note 22**Current Financial Liability-Others**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Amount payable under Capital contracts	3.82	14.70	3.10
Total	3.82	14.70	3.10

Note 23**Other current liabilities**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Storage Rentals	5.72	14.72	6.06
Advance from customers	11.80	6.56	6.56
Statutory dues including provident fund and tax deducted at source	8.81	4.15	1.68
Total	26.33	25.43	14.30

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 24****Revenue from operations**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Service Revenue:		
- Liquid Terminal Division	703.28	666.40
- Gas Terminal Division	-	-
	<u>703.28</u>	<u>666.40</u>
Total	<u>703.28</u>	<u>666.40</u>

Note 25**Other Income**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income from fixed deposits	0.36	1.02
Other non-operating income	-	0.12
Profit on sale of property, plant & equipment (net)	-	0.18
Total	<u>0.36</u>	<u>1.32</u>

Note 26**Employee benefits expense**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and wages	116.76	119.73
Contribution to provident and other funds	8.19	5.32
Staff welfare expenses	9.47	9.51
Total	<u>134.42</u>	<u>134.56</u>

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 27****Finance costs**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on borrowings	101.92	194.71
Other borrowing costs	0.06	0.24
Total	101.98	194.95

Note 28**Other expenses**

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent	5.04	4.11
Lease Rentals	31.58	31.54
Rates and taxes	26.03	12.57
Professional fees (Refer note below)	13.71	16.58
Printing and Stationery	1.86	1.75
Traveling expenses	8.24	8.88
Communication Expenses	4.06	3.39
Labour and Other Charges	28.82	18.21
Water Charges	3.17	1.34
Way Leave Fees	15.73	15.71
Directors' Sitting Fees	2.80	2.50
Electricity expenses	18.98	18.71
Consumables	22.41	17.82
Repair- Buildings	0.13	-
Repair- Machinery	47.09	34.09
Repair- Others	6.99	2.36
Insurance	21.05	22.01
Donation	0.10	0.10
Sundry Debit Balances written off	-	0.17
Miscellaneous operating expenses	27.75	25.78
Total	285.54	237.62

Note 1**Payment to auditors**

(a) As Auditors	0.50	0.52
(b) For tax audit	0.25	0.37
(c) For Other services - Limited Review, Certification Work and Tax matters	0.40	0.32
	1.15	1.21

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 29****Employee Benefits****Defined contribution plan**

The Company makes provident fund and superannuation fund contributions to defined contribution retirement benefit plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage / fixed amount of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up by the government authority.

Defined benefit plan - Gratuity(Non-Funded)

The Company has non funded defined benefit plan for eligible employees. The scheme provides payment to vested employees at retirement, death or on resignation/termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

Leave plan

This scheme provides payment to all eligible employees can carry forward and avail / encash leave as per Company's rules subject to a maximum accumulation of 90 days in case of privileged leave as per Company's rules.

The present value of the defined benefit plans and the related current service cost were measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

The following table sets out unfunded status of the gratuity plan and the amounts recognised in the statement of profit and loss.

Particulars	For the year	For the year	For the year
	ended	ended	ended
	March 31, 2018	March 31, 2017	March 31, 2016
Present value of unfunded obligations	20.98	18.51	9.92
Net deficit/ (assets) are analysed as:			
Liabilities	-	-	-
Assets	20.98	18.51	9.92
Of the above net deficit:			
Current	7.71	4.94	2.63
Non-current	13.27	13.57	7.30

Fair value of the plan assets and present value of the defined benefit liabilities

The amount included in the Balance sheet arising from the Company's obligations and plan assets in respect of its defined benefit schemes is as follows:

Particulars	For the year	For the year	For the year
	ended	ended	ended
	March 31, 2018	March 31, 2017	March 31, 2016
Movement in defined benefit obligations:			
At the beginning of the year	18.51	9.92	7.78
Current service cost	1.90	1.21	0.95
Interest cost	1.16	0.67	0.61
Remeasurements :			
(Gain)/loss from change in financial assumptions	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-
Experience (gains)/losses	2.06	6.71	0.62
Benefits paid	(2.64)	-	(0.04)
At the end of the year	20.99	18.51	9.92

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 29****Employee Benefits****Movement in fair value of plan assets:**

At the beginning of the year	-	-	-
Interest income	-	-	-
Remeasurements :			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
Employer contributions	-	-	-
Benefits paid	-	-	-
At the end of the year	-	-	-

The components of defined benefit plan cost are as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Recognised in Income Statement			
Current service cost	1.90	1.21	0.95
Interest cost / (income) (net)	1.16	0.67	0.61
Expected return on plan assets	-	-	-
Acturail loss/(gains)	2.06	6.71	0.62
Total	5.12	8.59	2.18
Recognised in Other Comprehensive Income			
Remeasurement of net defined benefit liability/(asset)	-	-	-
Cumulative post employment (gains) recognised in the SOCI	5.12	8.59	2.18

The principal actuarial assumptions used for estimating the Company's benefit obligations are set out below (on a weighted average basis):

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Rate of increase in salaries	5.00%	5.00%	5.00%
Discount rate	6.80%	6.80%	6.80%
Mortality tables	IALM-Mortality-Tables (2006-08) Ultimate	IALM-Mortality-Tables (2006-08) Ultimate	IALM-Mortality-Tables (2006-08) Ultimate

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 29****Employee Benefits****Notes:****1. Discount rate**

The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

2. Salary escalation rate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

3. Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

Sensitivity of the defined benefit obligation :

Particulars	Change in Assumption	Effect of Gratuity Obligation (Liability)	
		As at March 31, 2018	As at March 31, 2017
Discount rate	Minus 50 basis points	21.49	19.23
Rate of increase in salaries	Plus 50 basis points	21.50	19.24

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

The weighted average duration of the defined benefit obligation is 4.72 years.

The Company makes payment of liabilities from its cash balances whenever liability arises.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 30****Earnings per share**

Basic and diluted earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

Particulars

	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit for basic and diluted earnings per share	41.19	2.35
Weighted average number of equity shares	1	1
Basic and diluted /earnings per share (Rs.)	41.19	2.35

Reconciliation of weighted average number of equity shares:

Particulars

	For the year ended March 31, 2018	For the year ended March 31, 2017
Equity shares outstanding at the beginning of the year	100,000	100,000
Equity shares issued during the year	-	-
Equity shares outstanding at the end of the year	100,000	100,000
Total weighted average number of shares	100,000	100,000

Note: There is no dilution to the basic EPS as there are no outstanding potentially dilutive equity shares.

Note 31**Contingent Liabilities**

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Claim not acknowledged as debts:			
1	Sales Tax demands disputed by the Company relating to disallowances.	145.74	145.74	-
2	Claims against the Company not acknowledged as debts	65.78	65.78	65.78
3	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	3.82	14.67	47.35

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 32****Related party transactions****Details of transactions with related parties:**

(a) List of related parties and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Aegis Logistics Limited	Holding Company
2	Sea Lord Containers Limited	Fellow Subsidiary

(b) Transactions during the year with related parties:

(Rs. in lacs)		
Sr. No.	Nature of transaction	Holding Company
(i)	Loan borrowed during the year	453.22 (402.10)
(ii)	Loan Repaid during the year	2,898.03 (1,565.75)
(iii)	Loan Taken balance at the year	- (2,444.81)
(iv)	Equity Share Capital	10.00 (10.00)
Sr. No.	Nature of transaction	Fellow Subsidiary
(v)	Share Capital 7% Non Cum Redeemable Pref	2,325.00 (950.00)

Note: Figures in brackets represent previous year's amounts.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 33****Segment reporting****a) Segment information for primary reporting (by Business segment)**

The Company has only one reportable business segment i.e providing Infrastructure facilities such as storage & terminalling facility for Oil, Chemical & Petroleum products. Hence information for primary business segment is not given. Since the Company does not have more than one business segment, no separate disclosure for segment information is required to be made.

b) Segment information for secondary segment reporting (by geographical segment)

There is no reportable secondary segment.

c) Segment revenue reported represents revenue generated from external Customers.**d) Single Customer who contributed 10% or more of the revenue for the year are:**

		For the year ended March 31, 2018	For the year ended March 31, 2017
Customer			
Customer 1		32	32
Customer 2		25	23
Customer 3		20	15
Customer 4		10	12

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 34****Capital Management**

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current borrowings	592.90	1,781.22	2,165.42
Gross debt	592.90	1,781.22	2,165.42
Less - Cash and cash equivalents	(41.84)	(27.70)	(33.77)
Less - Other bank deposits	(1.73)	(1.63)	(1.50)
Adjusted net debt	549.33	1,751.89	2,130.15
Total equity	2,395.03	1,191.16	825.42
Adjusted net debt to equity ratio	0.23	1.47	2.58

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 35****Financial instruments – Fair values and risk management**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

A. Accounting classification and fair values

As at March 31, 2018	Carrying amount			Fair value			Total
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	
Financial assets							
Cash and cash equivalents	-	41.84	41.84	-	-	-	-
Non-current investments	-	-	-	-	-	-	-
Current Loans	-	-	-	-	-	-	-
Trade receivables	-	270.84	270.84	-	-	-	-
Other Non-current financial asset	-	5.18	5.18	-	-	-	-
Other bank balances	-	1.73	1.73	-	-	-	-
Other current financial asset	-	-	-	-	-	-	-
	-	319.59	319.59	-	-	-	-

Financial liabilities

Short term borrowings	-	592.90	592.90	-	-	-	-
Trade payables	-	18.70	18.70	-	-	-	-
Other Current financial liabilities	-	3.82	3.82	-	-	-	-
	-	615.42	615.42	-	-	-	-

As at March 31, 2017	Carrying amount			Fair value			Total
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	
Financial assets							
Cash and cash equivalents	-	27.70	27.70	-	-	-	-
Non-current investments	-	-	-	-	-	-	-
Current Loans	-	-	-	-	-	-	-
Trade receivables	-	238.49	238.49	-	-	-	-
Other Non-current financial asset	-	5.18	5.18	-	-	-	-
Other Bank balances	-	1.63	1.63	-	-	-	-
Other Current financial asset	-	-	-	-	-	-	-
	-	273.00	273.00	-	-	-	-

Financial liabilities

Short term borrowings	-	1,781.22	1,781.22	-	-	-	-
Trade payables	-	25.77	25.77	-	-	-	-
Other Current financial liabilities	-	14.70	14.70	-	-	-	-
	-	1,821.69	1,821.69	-	-	-	-

As at April 1, 2016	Carrying amount			Fair value			Total
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	
Financial assets							
Cash and cash equivalents	-	33.77	33.77	-	-	-	-
Non-current investments	-	-	-	-	-	-	-
Current Loans	-	-	-	-	-	-	-
Trade receivables	-	176.21	176.21	-	-	-	-
Other Non-current financial asset	-	5.18	5.18	-	-	-	-
Other Bank balances	-	1.50	1.50	-	-	-	-
Other Current financial asset	-	-	-	-	-	-	-
	-	216.66	216.66	-	-	-	-

Financial liabilities

Short term borrowings	-	2,165.42	2,165.42	-	-	-	-
Trade payables	-	54.35	54.35	-	-	-	-
Other Current financial liabilities	-	3.10	3.10	-	-	-	-
	-	2,222.87	2,222.87	-	-	-	-

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

Note 36

Financial instruments – Fair values and risk management

Credit risk

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk (including currency risk and interest rate risk)

i) Risk management framework

The Company has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of following financial assets represents the maximum credit exposure.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The average credit period on sale of goods ranges from 1 to 180 days. No interest is charged on trade receivables which are overdue. The Company has a credit management policy for customer onboarding, evaluation, credit assessment and setting up of credit limits.

Credit risk on its receivables is recognised on the statement of financial position at the carrying amount of those receivable assets, net of any provisions for doubtful debts. Receivable balances and deposit balances are monitored on a monthly basis with the result that the Company's exposure to bad debts is not considered to be material. The Company reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

Impairment

At March 31, 2018, the ageing of trade and other receivables that were not impaired was as follows:

	March 31, 2018	March 31, 2017	April 1, 2016
Not past due	-	-	-
Past due 1–60 days	45.00	82.10	19.27
Past due 61–180 days	64.42	25.58	18.43
More than 181 days	161.42	130.81	138.51
Carrying amount of receivables	270.84	238.49	176.21

Management believes that the unimpaired amounts that are past due by more than 180 days are collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings wherever available.

iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk rest with the management, which has established an appropriate liquidity risk framework for the management of the Company's short term, medium-term and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 37****Financial instruments – Fair values and risk management****Exposure to liquidity risk**

The following table details the Company's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

March 31, 2018	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non interest bearing						
Trade payables	18.70	18.70	18.70	-	-	-
Unsecured loans from related parties	592.90	592.90	-	-	-	592.90
Amount payable under Capital contracts	3.82	3.82	3.82	-	-	-
Other current financial liabilities	-	-	-	-	-	-
Unammortized guarantee commission	-	-	-	-	-	-
Sub total	615.42	615.42	22.52	-	-	592.90
Total	615.42	615.42	22.52	-	-	592.90

March 31, 2017	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non interest bearing						
Trade payables	25.77	25.77	-	-	-	-
Amount payable under Capital contracts	14.70	14.70	14.70	-	-	-
Unsecured loans from related parties	1,781.22	1,781.22	1,620.89	-	-	160.33
Sub total	1,821.69	1,821.69	1,635.59	-	-	160.33
Total	1,821.69	1,821.69	1,635.59	-	-	160.33

April 1, 2016	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Non interest bearing						
Trade payables	54.35	54.35	54.35	-	-	-
Amount payable under Capital contracts	3.10	3.10	3.10	-	-	-
Unsecured loans from related parties	2,165.42	2,165.42	2,165.42	-	-	-
Sub total	2,222.87	2,222.87	2,222.87	-	-	-
Total	2,222.87	2,222.87	2,222.87	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

Note 38

Financial instruments – Fair values and risk management

Market risk

The Company does not have any significant Market Risk.

Currency risk

The Company does not have any significant Currency Risk.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements**Note 39****Financial instruments – Fair values and risk management****Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The Company's credit team regularly monitors the fluctuation in interest rates including the amount of bills discounted/to be discounted to minimize the impact of interest rate risk.

Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk.

	March 31, 2018	March 31, 2017	April 1, 2016
Fixed-rate instruments			
Financial assets	6.91	6.81	6.68
Financial liabilities	-	-	-
	<u>6.91</u>	<u>6.81</u>	<u>6.68</u>
Variable-rate instruments			
Financial assets	-	-	-
Financial liabilities	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u><u>6.91</u></u>	<u><u>6.81</u></u>	<u><u>6.68</u></u>

Fair value sensitivity analysis for Fixed-rate instruments

The Company is exposed to fair value interest rate risk in relation to fixed-rate gold loan borrowings measured through FVTPL.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

INR	Profit or Loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Fixed rate instruments				
March 31, 2018	(0.07)	0.07	(0.07)	0.07
March 31, 2017	(0.07)	0.07	(0.07)	0.07
April 1, 2016	(0.07)	0.07	(0.07)	0.07

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

Note 40

Reconciliation of total equity:

Reconciliation of net worth as at 31 March 2017 and 1 April 2016

Particulars	Note	As on 31 March 2017	As on 1 April 2016
Net worth under IGAAP		527.57	(617.63)
Summary of Ind AS adjustments			
Reclassification of Financial Liabilities of Loan	1	663.59	1,443.05
Total Ind AS adjustments		663.59	1,443.05
Total net worth as per financial statements		1,191.16	825.42

Reconciliation of comprehensive income for the year ended on 31 March 2017

Particulars	Note	For the year ended March 31, 2017
Profit under IGAAP		195.20
Ind AS adjustments		
Finance Charges on Re-measurement of Financial Liabilit	1	(194.66)
Acturial losses considered under other comprehensive	2	1.81
Profit under Ind AS		2.35
Other comprehensive income		(1.81)
Total comprehensive income		0.54

Notes to the reconciliation:

- The Company had issued 32,75,000, 7% non-cumulative, preference shares of Rs 100 / - each. These preference shares are non-cumulative and redeemable anytime within a period of twenty years from the date of issue . Under previous GAAP, the Company classified these preference shares as a part of share capital. However under Ind AS, these preference shares have been classified as liability since they are mandatorily redeemable at any time.
- Under previous GAAP, Company recognises actuarial gains/losses on defined benefit plan in the profit and loss account. Under Ind AS, the actuarial gains and losses will be recognised in other comprehensive income as remeasurements. have to be amortised on Effective Interest Rate basis.

Note 41

Taxation:

Income tax recognised in Statement of Profit and Loss	Year ended 31.03.2018	Year ended 31.03.2017
Current tax		
- for the year	9.86	-
- for earlier year	0.69	(2.11)
- MAT Credit for earlier year	-	(14.64)
Deferred tax		
-	-	-
Total income tax expenses recognised in the current year	10.55	(16.75)
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	51.74	(14.40)
Income tax rate	19.06%	19.06%
Income tax expense	9.86	-
Tax Effect of:		
Tax on transition provisions of MAT for IndAS opening adjustments	-	-
Adjustment in respect of earlier years (net)	0.69	(16.75)
Others	-	-
Income tax expense recognised in profit and loss	10.55	(16.75)

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

Note 42 Ind AS Reconciliations							
a) Balance Sheet							
	Note	As at March 31, 2017			As at April 1, 2016		
		Previous GAAP	Effect of transition to Ind AS	Ind AS	Previous GAAP	Effect of transition to Ind AS	Ind AS
Assets							
Non current assets							
Property, plant and equipment	C & D	2,671.73	549.80	2,121.93	2,676.99	580.90	2,096.09
Capital work-in-progress		0.48	-	0.48	12.62	-	12.62
Other intangible assets		0.62	-	0.62	-	-	-
Financial assets		-	-	-	-	-	-
i. Other financial assets - Security Deposits		5.18	-	5.18	5.18	-	5.18
Deferred tax assets (net)		16.76	-	16.76	-	-	-
Income tax asset		18.57	-	18.57	16.56	-	16.56
Other non current assets	C & D	45.14	(518.70)	563.84	34.63	(549.80)	584.43
Total non current assets		2,758.48	31.10	2,727.38	2,745.98	31.10	2,714.88
Current assets							
Inventories		38.18	-	38.18	116.42	-	116.42
Financial assets		-	-	-	-	-	-
i. Trade receivables		238.49	-	238.49	176.21	-	176.21
ii. Cash and cash equivalents		27.70	-	27.70	33.77	-	33.77
iii. Bank balances other than (ii) above		1.63	-	1.63	1.50	-	1.50
Other current assets	D	7.72	(31.10)	38.82	8.05	(31.10)	39.15
Total current assets		313.72	(31.10)	344.82	335.95	(31.10)	367.05
Total assets		3,072.20	(0.00)	3,072.20	3,081.93	-	3,081.93
Equity and liabilities							
Equity							
Equity share capital		960.00	950.00	10.00	10.00	-	10.00
Other equity	A & B	(432.43)	(1,613.59)	1,181.16	(627.63)	(1,443.05)	815.42
Total equity		527.57	(663.59)	1,191.16	(617.63)	(1,443.05)	825.42
Liabilities							
Non-current liabilities							
Financial liabilities		-	-	-	-	-	-
(a) Borrowings	A & B	-	(160.33)	160.33	-	-	-
Provisions		22.63	-	22.63	12.97	-	12.97
Total non-current liabilities		22.63	(160.33)	182.96	12.97	-	12.97
Current liabilities							
Financial liabilities		-	-	-	-	-	-
i. Borrowings		2,444.81	823.92	1,620.89	3,608.47	1,443.05	2,165.42
ii. Trade payables		-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		25.77	-	25.77	54.35	-	54.35
ii. Other financial liabilities		14.70	-	14.70	3.10	-	3.10
Provisions		11.29	-	11.29	6.37	-	6.37
Other current liabilities		25.43	-	25.43	14.30	-	14.30
Total current liabilities		2,522.00	823.92	1,698.08	3,686.59	1,443.05	2,243.54
Total liabilities		2,544.63	663.59	1,881.04	3,699.56	1,443.05	2,256.51
Total equity and liabilities		3,072.20	-	3,072.20	3,081.93	-	3,081.93
		-	-0	-	-	-	-

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED - Financial Statements

(All amounts are in INR lakhs, unless stated otherwise)

Notes to Financial Statements

b) Statement of Profit and Loss				
Reconciliation of statement of profit and loss for the year ended 31st March, 2017				
Particulars	Note	Previous GAAP	Transition Effect	Ind AS
REVENUE				
Revenue from operations		666.40	-	666.40
Other income		1.32	-	1.32
TOTAL REVENUE		667.72	-	667.72
EXPENSES				
Employee benefits expenses		136.37	(1.81)	134.56
Depreciation and amortisation expense		146.09	(31.10)	114.99
Finance costs		0.29	194.66	194.95
Other expenses		206.52	31.10	237.62
TOTAL EXPENSES		489.27	192.85	682.12
(Loss) before tax		178.45	(192.85)	(14.40)
Tax Expenses				
Current tax- For earlier year		(16.75)	-	(16.75)
(Loss) for the year		195.20	(192.85)	2.35
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit obligations		-	(1.81)	(1.81)
Total Other Comprehensive Income		-	(1.81)	(1.81)
Total Comprehensive income after tax		195.20	(194.66)	0.54

c) Reconciliation of Net Profit and Equity as reported under previous GAAP and Ind AS is as under:

Particulars	Note	Equity Reconciliation		
		Year ended March 31, 2017	As at March 31, 2017	As at April 1, 2016
Net (Loss) / equity as per previous Indian GAAP		195.20	(432.43)	(627.63)
IndAS Adjustments:				
Measurement of financial liability at amortised cost in respect of interest	B	(194.66)	1,613.59	1,443.05
Actuarial loss on defined benefit plans reclassified to Other Comprehensive	E	1.81	-	-
Net profit for the period as per Ind AS		2.35	1,181.16	815.42
Other comprehensive income (net of tax)	E	(1.81)	-	-
Total Comprehensive income / Equity as per Ind AS		0.54	1,181.16	815.42

d) Effect of Ind AS adoption on the Statement of Cash Flows for the year ended March 31, 2017:

Particulars	Note	For the year ended March 31, 2017		
		Previous GAAP	Effect of Transition to Ind AS	Ind AS
Net cash flow from operating activities	C	336.12	(0.01)	336.13
Net cash flow (used in) investing activities	C	(213.94)	0.01	(213.95)

Notes to the reconciliations:

- A The Company had issued 39,00,000, 8% non-participating, non-cumulative, preference shares of Rs 100 each. These preference shares are non-participating, non-cumulative and redeemable anytime within a period of twenty years from the date of issue i.e. 29,00,000 shares on or before 28th March, 2032 and balance 10,00,000 shares on or before 25th June 2032. Under Indian GAAP, these preference shares were classified as equity. Under Ind AS, these preference shares are classified as compound instrument since these are mandatorily redeemable at fixed or determinable amount at fixed or future date. Liability component is equal to present value of the redemption amount. Equity component is proceeds minus liability amount.
- B The Company has taken interest free loans from its ultimate holding company and the carrying value of interest free loans were recognised at the principal amounts payable to the borrower under Borrowings under Indian GAAP. Under Ind AS, these loans are recognised at fair value and subsequently measured at amortised cost using the effective rate of interest method.
- C The Company have considered fair value for property, viz freehold land, situated in India, with impact of Rs. 580.90 lakhs in accordance with stipulations of Ind AS 101 with the resultant impact being accounted for in the reserves.
- D Under previous GAAP, prepayments under operating lease for land were included in Property, Plant and Equipment (PPE). Under Ind AS, the same are specifically covered by Ind AS 17 on 'Leases' and hence reflected under other non-current/ current assets. The related depreciation has been derecognised and shown under other expenses.
- E Under previous GAAP, actuarial gains and losses on employees defined benefit obligations were recognised in the Statement of Profit and Loss. Under Ind AS, the actuarial gains and losses on re-measurement of net defined benefit obligations are recognised
- F The Company has taken financial guarantees from ultimate holding company which were not recorded under Indian GAAP. Under Ind AS, financial guarantee contracts are accounted as financial assets and measured initially at fair value. Subsequently, the guarantee expense is recognised over the period of the guarantee on a straight line basis.
- G Under previous GAAP, minimum alternate tax entitlements were classified under other non-current assets. Under Ind AS, it is classified as unused tax credits under deferred tax.

Note 43

Approval of financial statements:

The financial statements were approved for issue by the Board of Directors on 30th May, 2018.

For P. D. Kunte & Co. (Regd.)
Chartered Accountants
Firm Registration Number: 105479W

D.P. Sapre
Partner
Membership No.: 040740

For and on behalf of the Board of Directors

Anish K. Chandaria
Director
DIN:00296538

Rohitkumar Kotak
Chief Executive Officer

Place: Mumbai
Date: 30th May, 2018

Jaideep D. Khimasia
Director
DIN:07744224

R. Srinivasan
Chief Financial Officer

Eshmeet Thapar
Company Secretary