



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



KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

Board of Directors

Chairman

Anish M. Chandaria

Directors

Raj K. Chandaria
Dineshchandra J. Khimasia
Kanwaljit S. Nagpal

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 9th Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2015.

OVERVIEW OF PERFORMANCE

During the year under review, the Income increased to Rs.485.34 lacs as against Rs.395.88 lacs in the previous year on account of higher capacity utilization. The company made a net profit of Rs.152.72 lacs after accounting for Finance Cost, Depreciation and Tax.

Financial Performance

(Rs. in Lacs)

| | Current Year (2014-15) | Previous Year (2013-14) |
|-----------------------------------------------------------|---------------------------|----------------------------|
| Income from operations | 485.34 | 395.88 |
| Profit before Interest, Tax, Depreciation & Amortisation | 294.00 | 218.61 |
| Finance Cost | 0.35 | 0.65 |
| Depreciation & amortisation | 141.29 | 177.77 |
| Profit Before Tax | 152.72 | 40.83 |
| Tax | 0 | 6.73 |
| Profit After Tax | 152.72 | 34.09 |
| Balance in P & L A/c. | (844.44) | (878.53) |
| Less: Transitional Adjustment on enactment of Schedule II | 1.35 | - |
| Balance at the end of the year | (693.07) | (844.44) |

OUTLOOK FOR THE COMPANY

With the Diesel and Petrol pricing now being market driven, private players in the petroleum industry have become active once again leading to improvement in business outlook.

DIVIDEND

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

FIXED DEPOSITS

No fixed deposit has been accepted by the Company.

DIRECTORS

Pursuant to section 152 of the Companies Act, 2013, Mr. Anish K. Chandaria (DIN - 00296538) and Mr. Dineshchandra J. Khimasia (DIN - 00011970), retire by rotation and being eligible, offer themselves for re-appointment.

AUDITORS

As per the provisions of sections 139, 141 of the Companies Act, 2013 and rules made thereunder, the Company had, in its Annual General Meeting held on 25th July, 2014, approved the appointment of M/s. P. D. Kunte & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 105479W) to hold office till the conclusion of the fifth consecutive Annual General Meeting, subject to ratification by the members at every Annual General Meeting. In compliance with the same, the Directors do hereby place for ratification, the re-appointment of M/s. P. D. Kunte & Co., Chartered Accountants, Mumbai, until the conclusion of the next 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 required by section 197(12) of the Companies Act, 2013.

HEALTH, SAFETY AND ENVIRONMENT

Company continues to follow best practices relating to Health, Safety and Environment.

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

The Directors would like to inform the Members that the Audited Accounts for the financial year ended 31st March, 2015 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 and loss 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, 2015, 4 Board Meetings were held on the following dates:

1. 29th May, 2014
2. 30th July, 2014
3. 14th November, 2014
4. 30th January, 2015

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 gguarantees 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, 2015, 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.

APPRECIATION

The Board of Directors gratefully acknowledge 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: 28th May, 2015

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, 2015)

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:

The Company has taken following measures for energy conservation at the factories:

1. Replacement of conventional bulbs to compact fluorescent lamps (CFLs).
2. Replacement of old air conditioners (without star ratings) to newer energy efficient models.
3. Minimising the usage of pumps where possible by using gravity loading techniques.

(ii) the steps taken by the company for utilising alternate sources of energy: None

(iii) the capital investment on energy conservation equipments: N/A

(B) Technology absorption

(i) the efforts made towards technology absorption:

The Company is taking various measures towards technology up gradation and innovation from time to time

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

The benefits derived are minimising VOC, vapour losses by upgrading some tanks to IFR type is under plan.

(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 and the Foreign Exchange outgo during the year in terms of actual outflows.

For and on behalf of the Board

**Sd/
Kanwaljit S. Nagpal**
Director
DIN: 0012201

**Sd/
Anish K. Chandaria**
Director
DIN: 00296538

Place: Mumbai
Dated: 28th May, 2015

Annexure B to the Directors Report

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2015**

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

I. REGISTRATION AND OTHER DETAILS

| | | |
|---|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 |
| 5 | 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 |
| 8 | Whether listed company | Yes / No |
| 9 | 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 | 96.95% |

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, Gujarat, 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 | 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 | 01/04/2014 | 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 | 31/03/2015 | 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 31/03/2015 :**

| 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 | 01/04/2014 | The Company is a 100% subsidiary of Aegis Logistics Limited | | The Company is a 100% subsidiary of Aegis Logistics Limited | |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons (*) for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.) | | | | | |
| | At the end of the year (or on the date of separation, if separated during the year) | 31/03/2015 | | | | |

(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 | |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------------------------------------|----------------------------------|------------------------------------|----------------------------------|
| | | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| | At the beginning of the year | 01/04/2014 | 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 | 31/03/2015 | 0 | 0 | 0 | 0 |

V. INDEBTEDNESS

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

| Sr. No. | | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---------|------------------------------------------------------------|----------------------------------|-----------------|----------|--------------------|
| | Indebtedness at the beginning of the financial year | | | | |
| i | Principal Amount | 0 | 4002.82 | 0 | 4002.82 |
| 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 | 4002.82 | 0 | 4002.82 |
| | Change in Indebtedness during the financial year | | | | |
| | · Addition | 0 | 298 | 0 | 298 |
| | · Reduction | 0 | -473 | 0 | -473 |
| | Net Change | 0 | -175 | 0 | -175 |
| | Indebtedness at the end of the financial year | | | | |
| i | Principal Amount | 0 | 3828 | 0 | 3828 |
| 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 | 3828 | 0 | 3828 |

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 | Dineshchandra J. 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 | 0 |
| | Commission | 0 | 0 | 0 | 0 |
| | Others, please specify | 0 | 0 | 0 | 0 |
| | Total (2) | 0 | 0 | 0 | 0 |
| | Total Managerial Remuneration - Total (B) = (1) + (2) | 0 | 0 | 0 | 0 |
| | 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.

V. INDEBTEDNESS

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

| Sr. No. | | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---------|------------------------------------------------------------|----------------------------------|-----------------|----------|--------------------|
| | Indebtedness at the beginning of the financial year | | | | |
| i | Principal Amount | 0 | 4002.82 | 0 | 4002.82 |
| 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 | 4002.82 | 0 | 4002.82 |
| | Change in Indebtedness during the financial year | | | | |
| | · Addition | 0 | 298 | 0 | 298 |
| | · Reduction | 0 | -473 | 0 | -473 |
| | Net Change | 0 | -175 | 0 | -175 |
| | Indebtedness at the end of the financial year | | | | |
| i | Principal Amount | 0 | 3828 | 0 | 3828 |
| 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 | 3828 | 0 | 3828 |

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 | Dineshchandra J. 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 | 0 |
| | Commission | 0 | 0 | 0 | 0 |
| | Others, please specify | 0 | 0 | 0 | 0 |
| | Total (2) | 0 | 0 | 0 | 0 |
| | Total Managerial Remuneration - Total (B) = (1) + (2) | 0 | 0 | 0 | 0 |
| | 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.

| 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.

Independent Auditors' Report

The Members of Konkan Storage Systems (Kochi) Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Konkan Storage Systems (Kochi) Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Audit Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in the annexure a statement on the matters specified in paragraphs 3 and 4 of 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 financial statements comply with the 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 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations which would impact its financial position – refer note no. 23 to the financial statements;
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. The Company does not have any amounts which were liable to be transferred to the Investor Education and Protection Fund during the year.

Place: Mumbai
Date: 28th May, 2015

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

Sd/
D. P. Sapre
Partner
Membership No. 40740

Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory requirements" of our report of even date:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) 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 the nature of its assets. No material discrepancies were noticed on such verification.
2. (a) We have been informed that the inventories have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.
(b) According to the information and explanation given to us, in our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification of stocks as compared to book records, which have been properly dealt with in the books of account, are in our opinion, not material.
3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Hence sub clauses (a) and (b) of clause (iii) are not applicable to the Company for the year under audit.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control system commensurate with the size of the Company and nature of business for the purchase of inventory and fixed assets and for sale of services. There is no sale of goods during the year. During the course of audit, we have not observed any major weakness in the internal control system.
5. No cost records have been prescribed by the Central Government under section 148 of the Companies Act, 2013 which are applicable to the Company.
6. In respect of statutory dues;
(a) Except for delays in payment of Provident fund, ESIC, TDS and Service tax, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax,

service tax, duty of customs, duty of excise, value added tax, cess and any other statutory with appropriate authorities. There are no arrears of undisputed statutory dues as at the 31st March, 2015 outstanding for a period for more than six months from the date they became payable.

- (b) As at 31st March 2015, 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.
- (c) The Company do not have any amounts which were liable to be transferred to the Investor Education and Protection Fund.
7. The accumulated losses of the Company as at the end of the financial year under audit are in excess of fifty percent of its net worth. The Company has not incurred cash losses during the financial year under audit and in the immediately preceding financial year.
8. In our opinion and according to the information and explanations given to us, the Company has given guarantee for loan taken by a holding company from bank. The terms and conditions of the guarantee are prima facie not prejudicial to the interests of the Company.
9. According to the information and explanations given to us, the term loans have been applied for the purpose for which these were raised.
10. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by Company has been noticed or reported during the course of our audit.
11. Considering the nature of activities undertaken by the Company during the year under audit, matters specified in clauses (v) and (ix) of paragraph 3 of the Companies (Auditors Report), 2015 do not apply to the Company for the year under audit

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

Sd/
D. P. Sapre
Partner
Membership No. 40740

Place: Mumbai
Date: 28th May, 2015

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

Balance Sheet as at 31st March, 2015

| | Note | March 31, 2015 Rupees | March 31, 2014 Rupees |
|----------------------------------|------|---------------------------|---------------------------|
| EQUITY AND LIABILITIES: | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 10,00,000 | 10,00,000 |
| Reserves & Surplus | 3 | (693,06,433) | (844,44,001) |
| | | <u>(683,06,433)</u> | <u>(834,44,001)</u> |
| Non - Current Liabilities | | | |
| Long Term Borrowings | 4 | 3827,82,096 | 4002,82,096 |
| Long Term Provisions | 5 | 9,71,878 | 12,04,706 |
| | | <u>3837,53,974</u> | <u>4014,86,802</u> |
| Current Liabilities | | | |
| Trade Payables | 6 | 53,39,122 | 15,30,663 |
| Other Current Liabilities | 7 | 21,14,056 | 6,24,706 |
| Short Term Provisions | 8 | 5,59,055 | 24,156 |
| | | <u>80,12,233</u> | <u>21,79,525</u> |
| TOTAL | | <u>3234,59,774</u> | <u>3202,22,326</u> |
| ASSETS: | | | |
| Non - Current Assets | | | |
| Fixed Assets | | | |
| -Tangible Assets | 9 | 2752,50,397 | 2874,09,997 |
| - Capital Work-in-Progress | | 7,44,875 | 83,430 |
| Long Term Loans & Advances | 10 | 65,25,698 | 90,87,804 |
| Other Non - Current Assets | 11 | 29,324 | 60,133 |
| | | <u>2825,50,294</u> | <u>2966,41,364</u> |
| Current Assets | | | |
| Inventories | 12 | 95,20,120 | 75,03,198 |
| Trade Receivables | 13 | 276,26,638 | 123,28,033 |
| Cash and Cash Equivalents | 14 | 30,37,261 | 29,23,426 |
| Short-Term Loans and Advances | 15 | 5,79,212 | 8,07,019 |
| Other Current Assets | 16 | 1,46,249 | 19,286 |
| | | <u>409,09,480</u> | <u>235,80,962</u> |
| TOTAL | | <u>3234,59,774</u> | <u>3202,22,326</u> |

Notes 1 to 30 form an integral part of the Financial Statements.

As per our Report dated 28th May, 2015 attached

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

Sd/-
D.P.Sapre
Partner
Membership No.: 40740
Mumbai, May 28, 2015

For and on behalf of the Board

Anish K.Chandaria (DIN:00296538)
Kanwaljit S. Nagpal (DIN:00012201)
Dinesh J.Khimasia (DIN: 00011970)

Sd/-
Director

KONKAN STORAGE SYSTEMS (KOCHI) PVT.LIMITED**Statement of Profit & Loss for the year ended 31st March, 2015**

| | Note | March 31, 2015 Rupees | March 31, 2014 Rupees |
|---------------------------------------------------------------------|------|--------------------------|--------------------------|
| INCOME: | | | |
| Revenue from Operations | 17 | 485,34,163 | 395,88,134 |
| Other Income | 18 | 15,26,819 | 10,33,432 |
| Total Revenue | | 500,60,982 | 406,21,566 |
| EXPENSES: | | | |
| Employee Benefit Expense | 19 | 73,80,779 | 55,41,073 |
| Operating Expenses | 20 | 61,16,193 | 81,44,873 |
| Other Expenses | 21 | 71,28,078 | 50,08,397 |
| Total Expenses | | 206,25,050 | 186,94,343 |
| Profit Before Interest, Tax, Depreciation & Amortisation | | 294,35,932 | 219,27,223 |
| Finance Cost | 22 | 34,969 | 65,793 |
| Profit Before Tax, Depreciation & amortization | | 294,00,963 | 218,61,430 |
| Depreciation and amortisation expense | 9 | 141,28,809 | 177,77,601 |
| Profit Before Tax | | 152,72,154 | 40,83,829 |
| Tax Expenses | | | |
| - Current tax | | - | - |
| - Prior Year tax adjustments | | - | 6,73,949 |
| Total Tax Expenses | | - | 6,73,949 |
| Profit for the year from continuing operations | | 152,72,154 | 34,09,880 |
| Earnings per Equity Share of Rs 10 each | 26 | | |
| - Basic | | 152.72 | 34.10 |
| - Diluted | | 152.72 | 34.10 |

Notes 1 to 30 form an integral part of the Financial Statements.

As per our Report dated 28th May, 2015 attached

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

Sd/-
D.P.Sapre
Partner
Membership No.: 40740
Mumbai, May 28, 2015

For and on behalf of the Board

Anish K.Chandaria (DIN:00296538)
Kanwaljit S. Nagpal (DIN:00012201)
Dinesh J.Khimasia (DIN: 00011970)

Sd/-
Director

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|-----------------------------------------------------------------------|----------------------------|----------------------------|
| A. Cash Flow from Operating Activities: | | |
| Profit Before Tax | 152,72,154 | 40,83,829 |
| Adjustments for: | | |
| Depreciation | 141,28,809 | 177,77,601 |
| Interest Expenses (Net) | 34,969 | 65,793 |
| | <u>141,63,778</u> | <u>178,43,394</u> |
| Operating Profit Before Working Capital Changes | 294,35,932 | 219,27,223 |
| Decrease in Long-term loans and advances | 12,87,775 | 3,72,689 |
| Decrease in Other Non - Current assets | 30,809 | 87,102 |
| (Increase) in Inventories | (20,16,923) | (4,94,530) |
| (Increase) in Trade receivables | (152,98,605) | (75,12,017) |
| Decrease / (Increase) in Short-term loans and advances | 2,27,807 | (1,74,120) |
| (Increase) in Other Current assets | (1,26,962) | (19,286) |
| Decrease in other long term liabilities | - | (4,05,459) |
| Increase in Long-term provisions | (2,32,828) | 63,807 |
| Increase / (Decrease) in Trade payables | 38,08,460 | (7,38,756) |
| Increase / (Decrease) in Other current liabilities | 14,89,350 | (25,49,524) |
| Increase in Short-term provisions | 5,34,899 | (804) |
| | <u>(102,96,218)</u> | <u>(113,70,898)</u> |
| Cash Generated from Operations | 191,39,714 | 105,56,325 |
| Direct Taxes Paid | (12,74,331) | 6,03,407 |
| Net Cash Flow from Operating Activities - A | <u>204,14,045</u> | <u>99,52,918</u> |
| B. Cash Flow from Investing Activities: | | |
| Purchase of Fixed Assets | (27,65,241) | (56,08,992) |
| Bank balances not considered as Cash and cash equivalents - Placed | (1,20,331) | 74,69,423 |
| Net Cash used in Investing Activities - B | <u>(28,85,572)</u> | <u>18,60,431</u> |
| C. Cash Flow from Financing Activities: | | |
| (Decrease) / Increase in Other Borrowings (net) | (175,00,000) | (164,75,000) |
| Interest Paid | (34,969) | (65,793) |
| Net Cash from Financing Activities - C | <u>(175,34,969)</u> | <u>(165,40,793)</u> |
| Net Increase / (Decrease) in Cash and Cash Equivalents - A+ | <u>(6,496)</u> | <u>(47,27,444)</u> |

Cash and Cash Equivalents as at the end of the year:

- Cash & Balances in Current Accounts with Banks
- Deposits with Banks and Interest Accrued thereon

| | |
|----------------------------------------------------------------------------|--------------------|
| 2,76,914 | 2,83,410 |
| - | - |
| 2,76,914 | 2,83,410 |
| 2,83,410 | 50,10,854 |
| (6,496) | (47,27,444) |
| Reconciliation of Cash and cash equivalents with the Balance Sheet: | |
| 30,37,261 | 29,23,426 |
| 27,60,347 | 26,40,016 |
| 2,76,914 | 2,83,410 |

Less: Cash and Cash Equivalents as at the beginning of the year

Net Increase / (Decrease) in Cash and Cash Equivalents - A+B+C

Reconciliation of Cash and cash equivalents with the Balance Sheet:

Cash and cash equivalents as per Balance Sheet

Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements

Cash and cash equivalents at the end of the year

As per our Report dated 28th May, 2015 attached

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

Sd/-
D.P.Sapre
Partner
Membership No.: 40740
Mumbai, May 28, 2015

For and on behalf of the Board

Anish K.Chandaria (DIN:00296538)
Kanwaljit S. Nagpal (DIN:00012201)
Dinesh J.Khimasia (DIN: 00011970)

Sd/-
Director

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

1 Significant Accounting Policies

A.1 Background and principal activities

Konkan Storage Systems (Kochi) Private Ltd ("KCPL" or "the Company") is a company incorporated in India, on 20th November, 2006. KCPL is a subsidiary of Aegis Logistics Limited ("Aegis").

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

A.2 Basis of preparation of Financial Statements

The Financial Statements have been prepared to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the said Act. The accounting policies adopted in the preparation of Financial Statements are consistent with those of the previous year.

A.3 Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates and the difference between the actual results and estimates are recognised in the period in which the results are known / materialise.

B.1 Fixed Assets

Tangible Fixed Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost of fixed assets includes all costs incidental to acquisition or construction, including taxes, duties (net of CENVAT and set-off), cost of installation & commissioning, interest on specific borrowings obtained for the purposes of acquiring the assets and other indirect expenses incurred. They are stated at historical cost.

Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortisation and impairment losses, if any.

B.2 Investments

Long Term Investments are stated at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline. Current Investments are carried at lower of cost and fair value, computed category wise.

B.3 Inventories

Inventories which include stores and spares are valued at cost. Cost is determined by using the First In First Out formula. Cost comprises all costs of purchase, cost of conversion and cost incurred to bring inventories to their present location and condition other than those subsequently recoverable by the company from taxing authorities.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

B.4 Revenue Recognition

In appropriate circumstances, Revenue (Income) is recognised when no significant uncertainty as to measurability or collectability exists.

B.5 Operating Revenue

Service revenue is recognized on time proportion basis and excludes service tax.

B.6 Depreciation

Depreciation, being the difference between original cost and estimated residual value, is provided over the estimated useful life of the asset. The useful life of assets and the estimated residual values are as specified in Schedule II to the Companies Act, 2013. Depreciation on additions/ deletions during the year is provided on pro rata basis with reference to date of addition / installation/ deletion. Depreciation on assets disposed, discarded or demolished has been provided on prorata basis.

Lease hold land is amortised over the period of the lease on straight line basis.

B.7 Employee Benefits

Contribution to defined benefit schemes such as Provident Fund, Family Pension Fund, Superannuation Fund (in the case of eligible employees) and Employees' State Insurance Scheme are charged to the Statement of Profit and Loss as incurred.

Company's liability towards gratuity is determined by actuarial valuation carried out by an independent actuary as at each balance sheet date and is fully provided for in the Statement of Profit and Loss on the basis of aforesaid valuation. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method.

The liability for compensated absences is determined by actuarial valuation carried out by an independent actuary as at each balance sheet date and provided for in the Statement of Profit and Loss as incurred in the year in which services are rendered by employees. The actuarial valuation method used for measuring the liability is the Projected Unit Credit method.

B.8 Earning Per Share

Basic earnings per share are calculated by dividing the net profit for the year attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the net profit for the year attributable to the equity shareholders by the weighted average of the number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

B.9 Foreign Currency Transactions

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of the transactions. Monetary items denominated in foreign currencies are restated at the exchange rate prevailing on the balance sheet date. Exchange differences arising on settlement of the transactions and on account of restatement of monetary items are dealt with in the statement of profit and loss.

Forward exchange contracts entered into hedge the foreign currency risk and outstanding as on balance sheet date are translated at the year end exchange rates. The premium or discount arising at the inception of such forward exchange contracts are amortised as income or expense over the life of the contract.

Gain / losses on settlement of transactions arising on cancellation / renewal of forward exchange contracts are recognised as income or expense.

B.10 Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its Recoverable Amount. Recoverable Amount is higher of an asset's Net selling price or its Value in Use. Value in Use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net Selling Price is the amount obtainable from the sale of an asset in an arms length transaction between knowledgeable, willing parties, less the cost of disposal.

An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

B.11 Operating Lease Rentals

Lease Rental expenses are accounted on straight line basis over the lease term.

B.12 Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

B.13 Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred tax for the year is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only if there is a reasonable certainty (virtual certainty in case of business loss) of its realisation.

B.14 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Claims in respect of which the company is of the opinion that they are frivolous or is legally advised that they are unsustainable in law are not considered as contingent liability as the possibility of an outflow of resource embodying economic benefits is remote. Contingent Assets are neither recognised nor disclosed in the financial statements.

KONKAN STORAGE SYSTEMS (KOCHI) PVT.LIMITED
Notes to Financial Statement for the year ended 31st March, 2015

2 Share Capital

| | 31st March, 2015 Rupees | 31st March, 2014 Rupees |
|------------------------------------------------------------------------------------------|----------------------------|----------------------------|
| Authorised : | | |
| 1,00,000 Equity Shares of Rs.10 each (Previous Year: 1,00,000 shares) | 10,00,000 | 10,00,000 |
| TOTAL | 10,00,000 | 10,00,000 |
| Issued, Subscribed & Paid-up : | | |
| 1,00,000 Equity Shares of Rs.10 each, fully paid-up (Previous Year : 1,00,000 Shares) | 10,00,000 | 10,00,000 |
| TOTAL | 10,00,000 | 10,00,000 |

a Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

| Equity Shares | 31st March, 2015 | | 31st March, 2014 | |
|---------------------------------------------|------------------|------------------|------------------|------------------|
| | Number of Shares | Amount (Rs.) | Number of Shares | Amount (Rs.) |
| Opening Balance | 1,00,000 | 10,00,000 | 1,00,000 | 10,00,000 |
| Outstanding at the end of the period | 1,00,000 | 10,00,000 | 1,00,000 | 10,00,000 |

b Terms/Rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c During the period of five years immediately preceding the reporting date:

- (i) The Company has not issued any shares pursuant to contract(s) without payment being received in cash.
- (ii) The Company has not allotted any shares as fully paid up by way of bonus shares.
- (iii) The Company has not bought back any shares.

d Details of shareholders holding more than 5% shares in the Company:

Equity Shares

| Name of shareholder | 31st March, 2015 | | 31st March, 2014 | |
|--------------------------------------------------------|------------------|--------------|------------------|--------------|
| | Number of Shares | % of Holding | Number of Shares | % of Holding |
| Aegis Logistics Ltd - Holding Company and its nominees | 1,00,000 | 100.00 | 1,00,000 | 100.00 |

As per the records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding the beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

e Details of shares held by Holding Company:

Equity Shares

| Name of shareholder | 31st March, 2015 | | 31st March, 2014 | |
|--------------------------------------|------------------|--------------|------------------|--------------|
| | Number of Shares | % of Holding | Number of Shares | % of Holding |
| Aegis Logistics Ltd and its nominees | 1,00,000 | 100.00 | 1,00,000 | 100.00 |

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

3 Reserves and Surplus

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|-------------------------|--------------------------|--------------------------|
| Profit and Loss account | (693,06,433) | (844,44,001) |
| TOTAL | (693,06,433) | (844,44,001) |

3.1 Profit and loss account

| | | |
|------------------------------------------------------------------|---------------------|---------------------|
| Balance as per last year | (844,44,001) | (878,53,881) |
| Profit for the year from Continuing Operations | 152,72,154 | 34,09,880 |
| Transitional Adjustment on enactment of Schedule II (See note 9) | (1,34,586) | - |
| Balance at end of year | (693,06,433) | (844,44,001) |

4 Long Term Borrowings

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|-------------------------------------------------|--------------------------|--------------------------|
| Unsecured: | | |
| Loan from Related Party (Refer Note 4.1 and 24) | 3827,82,096 | 4002,82,096 |
| TOTAL | 3827,82,096 | 4002,82,096 |

- 4.1 Loan from related party represents interest free loan from holding company for a period of 5 years from 26th March, 2012 with an option for prepayment at any time during the tenure of the loan.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

5 Long-Term Provisions

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|------------------------------------------|--------------------------|--------------------------|
| Provision for Retirement Benefits | | |
| Provision for Gratuity | 5,56,635 | 5,31,595 |
| Provision for Leave Encashment | 4,15,243 | 6,73,111 |
| TOTAL | 9,71,878 | 12,04,706 |

6 Trade Payables

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|------------------------------------------------------------|--------------------------|--------------------------|
| Due to Micro, Small and Medium Enterprises (Refer note 27) | | - |
| Others (Refer note 6.1 below) | 53,39,122 | 15,30,663 |
| TOTAL | 53,39,122 | 15,30,663 |

6.1 Others includes dues to :

| | | |
|---------------------------------|---|--------|
| Holding Company (Refer note 24) | - | 57,971 |
|---------------------------------|---|--------|

7 Other Current Liabilities

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|-----------------------------------|--------------------------|--------------------------|
| Income Received in Advance | 4,62,113 | - |
| Creditors for Capital Expenditure | 3,25,439 | 3,71,980 |
| Statutory Payables | 2,80,122 | 2,52,726 |
| Other Liabilities | 10,46,382 | - |
| TOTAL | 21,14,056 | 6,24,706 |

8 Short-Term Provisions:

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|--------------------------------|--------------------------|--------------------------|
| Provision for Gratuity | 2,21,310 | 10,903 |
| Provision for Leave Encashment | 3,37,745 | 13,253 |
| TOTAL | 5,59,055 | 24,156 |

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED
Notes to the Financial Statements for the year ended 31st March, 2015

9. Tangible Assets

Amount in Rupees

| Description | Gross block (at cost) | | | Depreciation/Amortisation | | | | Net block | | |
|--------------------------------------------|-----------------------------|------------------|-----------|------------------------------|-----------------------------|-------------------|----------------------------------|--------------------------------------------|------------------------------|----------------------|
| | Balance as at April 1, 2014 | Additions | Disposals | Balance as at March 31, 2015 | Balance as at April 1, 2014 | For the year | Eliminated on disposal of assets | Transitional adjustment (See note 3 below) | Balance as at March 31, 2015 | As at March 31, 2014 |
| Leasehold Land (See note 1 below) | 822,35,028 | - | - | 822,35,028 | 179,25,889 | 31,09,785 | - | - | 210,35,674 | 643,09,139 |
| Buildings | 16,73,257 | 6,85,139 | - | 23,58,396 | 2,84,367 | 29,577 | - | - | 3,13,944 | 13,88,890 |
| Plant and Equipments (See note 2 below) | 3120,62,238 | 83,430 | - | 3121,45,668 | 913,55,697 | 105,46,377 | - | - | 1019,02,074 | 2207,06,541 |
| Office Equipments | 13,50,355 | 5,58,099 | - | 19,08,454 | 6,96,781 | 2,40,229 | - | 1,34,586 | 10,71,596 | 6,53,574 |
| Furniture & Fixtures | 1,70,145 | - | - | 1,70,145 | 30,480 | 23,197 | - | - | 53,677 | 1,39,665 |
| Vehicles | 4,77,436 | 7,77,128 | - | 12,54,564 | 2,65,249 | 1,79,644 | - | - | 4,44,893 | 2,12,188 |
| Sub total (a) | 3979,68,459 | 21,03,796 | - | 4000,72,255 | 1105,58,463 | 141,28,809 | - | 1,34,586 | 1248,21,858 | 2874,09,997 |
| Intangible Assets: | | | | | | | | | | |
| Software | - | - | - | - | - | - | - | - | - | - |
| Sub total (b) | | | | | | | | | | |
| Total (a+b) | 3979,68,459 | 21,03,796 | - | 4000,72,255 | 1105,58,463 | 141,28,809 | - | 1,34,586 | 1248,21,858 | 2874,09,997 |
| Previous Year | 3888,00,815 | 91,67,644 | - | 3979,68,459 | 927,80,861 | 177,77,601 | - | - | 1105,58,462 | 2960,19,954 |

Note:

1. Cost of leasehold land represents fees charged by Cochin Port Trust in connection with assignment of lease and premium for leasehold land.
2. The plant and equipment is subject to first charge by way of hypothecation in favour Common Wealth Bank in connection with loan of Rs. 20,00,00,000 advanced to Aegis Logistics Ltd, Holding Company. The balance of such loan outstanding as at March 31, 2015 is Rs. 13,33,33,332 (Previous year Rs. 20,00,00,000).
3. Pursuant to the enactment of the Companies Act, 2013, the Company has revised its method of computing depreciation on the basis of the estimated useful lives of the fixed assets. Accordingly, the unamortised depreciable amount is being depreciated / amortised over the revised remaining useful lives. The unamortised depreciable amount in respect of fixed assets whose useful lives have expired as at 1st April, 2014 amounting to Rs. 1,34,586 has been adjusted to the opening balance of Retained Earnings.

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

10 Long Term Loans and Advances:

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|-------------------------------------------------|--------------------------|--------------------------|
| Unsecured and considered good: | | |
| Capital Advances | 3,34,332 | 15,46,808 |
| Deposits with government authorities and others | 44,27,934 | 44,27,934 |
| Prepaid Expense | 1,14,411 | 1,89,710 |
| Income Tax Paid (Net of Provisions) | 16,49,021 | 29,23,352 |
| TOTAL | 65,25,698 | 90,87,804 |

11 Other Non - Current Assets:

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|-----------------------------------|--------------------------|--------------------------|
| Interest accrued on term deposits | 29,324 | 60,133 |
| TOTAL | 29,324 | 60,133 |

12 Inventories:

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|------------------------|--------------------------|--------------------------|
| Stores and Spare Parts | 95,20,120 | 75,03,198 |
| TOTAL | 95,20,120 | 75,03,198 |

13 Trade Receivables

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|----------------------------------------------------------------------------|--------------------------|--------------------------|
| Unsecured | | |
| Debts due for a period exceeding six months from the date they became due: | | |
| - Considered Good | 122,97,782 | 48,89,790 |
| - Considered Doubtful | 69,221 | 10,02,370 |
| | 123,67,003 | 58,92,160 |
| Other Debts - Considered Good | 153,28,856 | 74,38,243 |
| | 276,95,859 | 133,30,403 |
| Less: Provision for Doubtful Debts | 69,221 | 10,02,370 |
| TOTAL | 276,26,638 | 123,28,033 |

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

14 Cash & Bank Balances:

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|--------------------------------------------------------------|--------------------------|--------------------------|
| A Cash and Cash Equivalents | | |
| Cash on hand | - | - |
| Balance with Banks on Current Accounts | 2,76,914 | 2,83,410 |
| Sub Total - A | 2,76,914 | 2,83,410 |
| B Other Bank Balances | | |
| Term deposits having maturity of more than 12 months | 1,09,439 | 11,09,439 |
| Term deposits having remaining maturity of 12 months or less | 26,50,908 | 15,30,577 |
| Sub Total - B | 27,60,347 | 26,40,016 |
| TOTAL (A+B) | 30,37,261 | 29,23,426 |

Note:

Term Deposits include Rs. 26,50,908 (Previous Year: 25,30,577) kept as lien against bank guarantee and Rs. 1,09,439 (Previous Year: 1,09,439) pledged with Sales Tax Authorities Kerala.

15 Short Term Loans and Advances:

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|---------------------------------------------------------------|--------------------------|--------------------------|
| Advance to Suppliers | 2,25,323 | 78,516 |
| Prepaid Expenses | 1,20,051 | 6,12,747 |
| Advances recoverable in cash or kind for value to be received | 2,33,838 | 1,15,756 |
| TOTAL | 5,79,212 | 8,07,019 |

16 Other Current Assets

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|-----------------------------------|--------------------------|--------------------------|
| Interest accrued on term deposits | 1,46,249 | 19,286 |
| TOTAL | 1,46,249 | 19,286 |

17 Revenue from Operations:

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|-----------------|--------------------------|--------------------------|
| Service Revenue | 485,34,163 | 395,88,134 |
| TOTAL | 485,34,163 | 395,88,134 |

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

18 Other Income:

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|------------------------------------|--------------------------|--------------------------|
| Interest | | |
| - On term deposits | 2,40,491 | 5,97,614 |
| - Others | 1,91,576 | 17,931 |
| Foreign Exchange Differences (Net) | - | - |
| Miscellaneous Income | 10,94,752 | 4,17,887 |
| TOTAL | 15,26,819 | 10,33,432 |

19 Employee Benefits Expense:

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|-------------------------------------------|--------------------------|--------------------------|
| Salaries, Wages and Allowances | 61,79,074 | 45,28,384 |
| Contribution to Provident and Other Funds | 4,59,642 | 3,88,772 |
| Workmen & Staff Welfare Expenses | 7,42,063 | 6,23,917 |
| TOTAL | 73,80,779 | 55,41,073 |

20 Operating Expenses

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|----------------------------|--------------------------|--------------------------|
| Stores and Spares Consumed | 11,76,902 | 8,00,557 |
| Power and Fuel | 14,07,062 | 17,55,893 |
| Repairs to Machinery | 8,92,420 | 11,79,189 |
| Lease Rentals | 1,163 | 25,199 |
| Way Leave Fees | 14,46,570 | 12,15,866 |
| Water Charges | 7,088 | 47,683 |
| Labour & Transport | 11,84,988 | 31,20,486 |
| TOTAL | 61,16,193 | 81,44,873 |

20.1 Value of Imported and Indigenous Stores and Spares Consumed:

| | Rs | % | Rs | % |
|--------------|------------------|----------------|-----------------|----------------|
| Imported | - | - | - | - |
| Indigenous | 11,76,902 | 100.00% | 8,00,557 | 100.00% |
| TOTAL | 11,76,902 | 100.00% | 8,00,557 | 100.00% |

(Excludes Spares consumed for repairs etc. and charged to relevant heads of account)

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

21 Other Expenses:

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|---------------------------------------------|--------------------------|--------------------------|
| Repairs & Maintenance: | | |
| - Building | - | 25,818 |
| - Others | 3,79,838 | 4,41,572 |
| Rent | 1,32,000 | 1,29,500 |
| Rates and Taxes | 2,15,183 | 1,85,095 |
| Insurance | 30,98,845 | 10,70,502 |
| Directors Sitting Fees | 1,20,000 | 80,000 |
| Communication Expenses | 2,68,364 | 2,09,059 |
| Donation | 10,000 | 10,000 |
| Travelling, Conveyance and Vehicle Expenses | 3,86,987 | 4,40,770 |
| Legal and Professional charges | 5,29,864 | 6,09,057 |
| Security Expenses | 11,63,458 | 11,09,474 |
| Miscellaneous Expenses | 8,23,539 | 6,97,550 |
| TOTAL | 71,28,078 | 50,08,397 |

21.1 Payment to Auditors included under Legal & Professional Charges:*

| | | |
|------------------|-----------------|-----------------|
| - Audit fees | 50,000 | 50,000 |
| - Tax Audit Fees | 25,000 | 25,000 |
| - Limited Review | 30,000 | 30,000 |
| - Certification | 10,000 | 25,000 |
| | 1,15,000 | 1,30,000 |

* Excludes Service Tax

22 Finance Cost:

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|------------------------|--------------------------|--------------------------|
| Interest Expense | 30,889 | 57,684 |
| Bank / Finance Charges | 4,080 | 8,109 |
| TOTAL | 34,969 | 65,793 |

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

| | March 31, 2015 Rupees | March 31, 2014 Rupees |
|-------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 23 Capital and other commitments | | |
| (a) Claims against the Company not acknowledged as debts | 65,78,291 | 60,55,477 |
| (b) Income Tax demands disputed in appeal | - | - |
| (c) Estimated amount of contracts remaining to be executed on capital account (Net of advances) | - | - |
| (d) Outstanding Bank Guarantees | - | 100,00,000 |
| (e) Corporate Guarantee given on behalf of Holding Company | 1333,33,332 | 2000,00,000 |

24 Related Party Disclosures

As per the Accounting Standard 18, issued by the Institute of Chartered Accountants of India (ICAI), the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

(a) List of related parties with whom transactions have taken place and relationships:

| Name of the Related Party | Relationship |
|---------------------------|-----------------|
| Aegis Logistics Limited | Holding Company |

(b) Transactions during the year with related parties:

| S No | Nature of transaction | Holding Company |
|-----------------------------------|---------------------------------------------------------------------------|------------------------------|
| 1 | Loan borrowed | 174,00,000 (144,25,000) |
| 2 | Loan Repaid | 349,00,000 (309,00,000) |
| 3 | Amount paid on behalf of Company | 49,19,841 - |
| Balances as on 31st March: | | |
| 4 | Long Term Borrowings | 3827,82,096 (4002,82,096) |
| 5 | Trade Payables | 39,33,164 (57,971) |
| 6 | Corporate guarantee given outstanding | 1333,33,332 2000,00,000 |
| 7 | Charge created on assets in connection with borrowings by holding company | 2000,00,000 (2000,00,000) |

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

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

25 Employee Benefits:

The Company has adopted Revised Accounting Standard on Employee Benefits (AS-15) issued by the Institute of Chartered Accountants of India. The following disclosures are made as required under AS-15:

a. Defined Contribution Plan:

The Company makes contributions towards provident fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. The Company has recognised Rs. 4,59,642/- (Previous year Rs. 3,88,772/-) towards Provident Fund, ESIC and Super annuation contributions in the Statement of Profit and Loss.

b. Defined Benefits Plan:

Gratuity

Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity is given below:

| Particulars | March 31, 2015 | March 31, 2014 |
|---------------------------------------------------------------------|-------------------------------------------------|------------------------------------------------|
| Components of employer expense | | |
| Current service cost | 88,424 | 79,004 |
| Interest cost | 48,592 | 66,331 |
| Expected return on plan assets | - | - |
| Actuarial losses/(gains) | 1,27,484 | (4,06,853) |
| Total expense recognised in the Statement of Profit and Loss | 2,64,500 | (2,61,518) |
| Actual contribution and benefit payments for year | | |
| Actual contributions | - | - |
| Net asset / (liability) recognised in the Balance Sheet | | |
| Present value of defined benefit obligation | 7,77,945 | 5,42,498 |
| Fair value of plan assets | - | - |
| Funded status [Surplus / (Deficit)] | - | - |
| Net asset / (liability) recognised in the Balance Sheet | 7,77,945 | 5,42,498 |
| Change in defined benefit obligations (DBO) during the year | | |
| Present value of DBO at beginning of the year | 5,42,498 | 8,04,016 |
| Current service cost | 88,424 | 79,004 |
| Interest cost | 48,592 | 66,331 |
| Benefit Paid | (29,053) | - |
| Actuarial (gains) / losses | 1,27,484 | (4,06,853) |
| Present value of DBO at the end of the year | 7,77,945 | 5,42,498 |
| Change in fair value of assets during the year | | |
| Plan assets at beginning of the year | - | - |
| Expected return on plan assets | - | - |
| Actual company contributions | - | - |
| Benefit Paid | - | - |
| Actuarial gain/(loss) on Plan Assets | - | - |
| Plan assets at the end of the year | - | - |
| Actual return on plan assets | - | - |
| Actuarial assumptions | | |
| Discount rate | 7.95% | 9.00% |
| Expected return on plan assets | - | - |
| Salary escalation | 5.00% | 6.75% |
| Mortality tables | IALM-Mortality- Tables (2006-08) Ultimate | IALM-Mortality- Tables(2006-08) Ultimate |

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

26 Earnings Per Share:

| | March 31, 2015 | March 31, 2014 |
|------------------------------------------------|----------------|----------------|
| | Rupees | Rupees |
| Profit for the year | 152,72,154 | 34,09,880 |
| Weighted average number of Equity Shares (Nos) | 1,00,000 | 1,00,000 |
| Earning per share - basic and diluted | 152.72 | 34.10 |
| Face value per equity share | 10 | 10 |

27 The Company has not received intimation from any of its suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and therefore, no disclosure under the same is provided. This has been relied upon by the auditors.

28 The Company's operations predominantly relate to a single segment. The business of the company is providing services of Liquid Terminalling facilities. The Company has not carried on any manufacturing / trading activities and accordingly information thereon has not been provided.

29 In view of the continued financial support from the holding Company and considering that the Company has been consistently making cash profit for last few years, the financial statements are prepared on a going concern basis.

30 The figures for the previous year have been regrouped wherever necessary to conform to current year's classification.

As per our Report dated 28th May, 2015 attached

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

Sd/-
D.P.Sapre
Partner
Membership No.: 40740
Mumbai, May 28, 2015

For and on behalf of the Board

Anish K.Chandaria (DIN:00296538)
Kanwaljit S. Nagpal (DIN:00012201)
Dinesh J.Khimasia (DIN: 00011970)

Sd/-
Director

KONKAN STORAGE SYSTEMS (KOCHI) PRIVATE LIMITED

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

Experience adjustments

| Gratuity | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2010-11 |
|----------------------------------------------------------|----------|----------|----------|----------|----------|
| Present value of defined benefit obligation | 7,77,945 | 5,42,498 | 8,04,016 | 6,65,609 | 4,68,895 |
| Fair value of plan assets | | - | - | - | - |
| Funded status [Surplus / (Deficit)] | 7,77,945 | 5,42,498 | 8,04,016 | 6,65,609 | 4,68,895 |
| Experience gain / (loss) adjustments on plan liabilities | 1,73,913 | 3,93,494 | - | - | - |
| Experience gain / (loss) adjustments on plan assets | | - | - | - | - |

Actuarial assumptions for long-term compensated absences:

| | March 31, 2015 | March 31, 2014 |
|-------------------|----------------|----------------|
| Retirement Age | 58 Years | 58 Years |
| Discount rate | 7.95% | 9.00% |
| Salary escalation | 5.00% | 6.75% |

Notes:

- (i) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
- (ii) The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.
- (iii) The Company's best estimate of contributions expected to be paid to the plan during the annual period beginning after 31st March, 2015 is Rs. Nil (Previous Year Rs. Nil)
- (iv) The above information is certified by the actuary and relied upon by the Auditors.
- (v) Employee Benefits Expenses Include:
Employees' Compensated absences Rs. 1,66,773/- (Previous Year Rs. 3,92,333/-).