



INDEPENDENT AUDITORS' REPORT

To the Members of Navkar Terminals Limited,
(Formerly known as Harvard Credit Rating Agency Limited)

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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

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



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Opinion

8. 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 March 31, 2016, and its losses and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the **Annexure B** a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that:
- 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;
 - 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;
 - 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;
 - 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;
 - On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure A**;
 - With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - The Company does not have any pending litigations as at March 31, 2016 which would impact its financial position;
 - The Company did not have any long-term contracts including derivative contracts as at March 31, 2016;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

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



Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 27, 2016

Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) on the financial statements for the year ended March 31, 2016.

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

1. We have audited the internal financial controls over financial reporting of **Navkar Terminals Limited** (Formerly known as Harvard Credit Rating Agency Limited) ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India (ICAI). Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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



Annexure A to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) on the financial statements for the year ended March 31, 2016.

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Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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



Arun Poddar
Partner
Membership Number: 134572

Place: Mumbai
Date: May 27, 2016

Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) on the financial statements as of and for the year ended March 31, 2016.

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - (c) The title deeds of immovable properties, as disclosed in Note 8 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The Company does not hold any inventory, therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income-tax and service-tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales-tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank as at the balance sheet date. The Company does not have any loans or borrowings from Government. Further, the Company has not issued any debentures.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans were applied for the purposes for which they were obtained. Further, the Company has not raised any moneys by way of initial public offer and further public offer (including debt instruments).
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.



Annexure B to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) on the financial statements as of and for the year ended March 31, 2016.

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- xi. During the year, the Company has not paid/ provided for managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under the Accounting Standard (AS) 18, "Related Party Disclosures" specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Place: Mumbai
Date: May 27, 2016



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

Arun Poddar
Arun Poddar
Partner
Membership Number: 134572

NAVKAR TERMINALS LIMITED
(Formerly known as HARVARD CREDIT RATING AGENCY LIMITED)

BALANCE SHEET AS AT MARCH 31, 2016

Particulars		Note No.	As at March 31, 2016		As at March 31, 2015	
I Equity and Liabilities						
1. Shareholders' funds						
	Share Capital	3	1,04,79,000		1,04,79,000	
	Reserves and Surplus	4	2,37,66,21,095		2,37,83,52,366	
			2,38,71,00,095			2,38,88,31,366
2. Non - Current Liabilities						
	Long -Term Borrowings	5	2,25,28,09,406		1,01,00,63,707	
			2,25,28,09,406			1,01,00,63,707
3. Current Liabilities						
	Trade Payables	6	35,60,88,575		33,96,224	
	Other Current Liabilities	7	5,14,82,834		2,38,65,182	
			40,75,71,409			2,72,61,406
	TOTAL		5,04,74,80,910			3,42,61,56,479
II Assets						
1. Non - Current Assets						
	Fixed Assets					
	Tangible Assets	8	3,11,56,42,963		2,83,71,90,767	
	Capital Work-In-Progress (Refer Note 20)		1,73,54,40,052		28,47,69,741	
	Deferred Tax Assets	9	11,00,068		5,01,632	
	Long Term Loans and Advances	10	7,88,48,446		29,99,12,362	
	Other Non-Current Assets	11	6,23,24,776		-	
			4,99,33,56,305			3,42,23,74,502
2. Current Assets						
	Cash and Bank Balances	12	69,41,121		23,82,674	
	Short Term Loans and Advances	13	4,71,83,484		13,99,303	
			5,41,24,605			37,81,977
	TOTAL		5,04,74,80,910			3,42,61,56,479
Summary of Significant Accounting Policies		2				
The Notes referred are an integral part of these financial statements.						

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

For S K Patodia & Associates
Chartered Accountants
Firm's Registration No. : 112723W

Arun Poddar

Arun Poddar
Partner
Membership No. : 134572



Place : Mumbai
Date : May 27, 2016

For and on behalf of the Board of Directors

Jayesh Mehta

Jayesh Mehta
Director
DIN No : 00510313

Place : Mumbai
Date : May 27, 2016

Nemichand Mehta

Nemichand Mehta
Director
DIN No : 01131811

Place : Mumbai
Date : May 27, 2016

NAVKAR TERMINALS LIMITED
(Formerly known as HARVARD CREDIT RATING AGENCY LIMITED)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

Particulars		Note No.	For the year ended March 31, 2016		For the year ended March 31, 2015	
I	Revenue					
	Revenue from Operations		-		-	
	Total Revenue			-		-
II	Expenses					
	Finance Costs	14	-		765	
	Other Expenses	15	23,29,707		16,72,491	
	Total Expenses			23,29,707		16,73,256
III	Profit/ (Loss) Before Tax			(23,29,707)		(16,73,256)
IV	Tax Expense:					
	Current Tax		-		-	
	Deferred Tax		(5,98,436)		(5,01,632)	
				(5,98,436)		(5,01,632)
V	Profit/ (Loss) for the Year			(17,31,271)		(11,71,624)
VI	Earnings Per Equity Share (Face Value Rs. 10 Per Share):	16				
	Basic and Diluted (Rs.)			(34.63)		(80.23)

Summary of Significant Accounting Policies

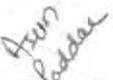
2

The Notes referred are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of the even date.

For S K Patodia & Associates
Chartered Accountants
Firm's Registration No. : 112723W

For and on behalf of the Board of Directors


Arun Poddar
Partner
Membership No. : 134572




Jayesh Mehta
Director
DIN No : 00510313

Place : Mumbai
Date : May 27, 2016



Nemichand Mehta
Director
DIN No : 01131811

Place : Mumbai
Date : May 27, 2016

Place : Mumbai
Date : May 27, 2016

NAVKAR TERMINALS LIMITED
(Formerly known as HARVARD CREDIT RATING AGENCY LIMITED)

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
A. Cash Flow from Operating Activities		
Net profit/ (Loss) before tax	(23,29,707)	(16,73,256)
Adjustments:		
Miscellaneous Expenses Written Off	-	61,847
Finance Costs	-	765
Operating cash flows before working capital changes	<u>(23,29,707)</u>	<u>(16,10,644)</u>
<u>Adjustments for Changes in Working Capital</u>		
Decrease/(Increase) in Short term Loans and Advances	(4,57,84,181)	21,93,598
Decrease/(Increase) in Long term Loans and Advances	(2,00,33,000)	(5,250)
Increase / (Decrease) in Trade Payables	35,26,92,351	(80,72,278)
Increase / (Decrease) in Other Current Liabilities	<u>(1,49,06,346)</u>	<u>1,81,77,048</u>
Cash generated from operations	26,96,39,117	1,06,82,474
Income taxes paid	(1,13,864)	-
Net cash flow from operating activities (A)	<u>26,95,25,253</u>	<u>1,06,82,474</u>
B. Cash Flow from Investing Activities		
Purchase or construction of fixed assets (including capital work-in-progress and capital advances)	(1,48,79,11,727)	(93,02,11,072)
Investment in Fixed Deposits	(6,23,24,776)	-
Net cash flow used in investing activities (B)	<u>(1,55,02,36,503)</u>	<u>(93,02,11,072)</u>
C. Cash Flow from Financing Activities		
Proceeds from issues of share capital	-	4,00,000
Proceeds from/ (Repayment of) Long-Term Borrowings (net)	1,28,52,69,697	92,03,26,676
Finance costs	-	(765)
Net cash from/ (used in) financing activities (C)	<u>1,28,52,69,697</u>	<u>92,07,25,911</u>
Net (decrease)/ Increase in cash and cash equivalents (A+B+C)	<u>45,58,447</u>	<u>11,97,313</u>
Cash and cash equivalents at the beginning of the year (Refer Note 12)	23,82,674	98,647
Add: Transfer on Merger	-	10,86,714
Cash and cash equivalents at the end of the year (Refer Note 12)	69,41,121	23,82,674
Net cash Increase/(decrease) in cash and cash equivalent	<u>45,58,447</u>	<u>11,97,313</u>

Notes:

- The above Cash Flow Statement has been prepared under Indirect method as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statement'.
- Previous year's comparatives have been reclassified to conform with the Current year's presentation, wherever applicable.

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

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

Arun Poddar
Partner
Membership Number: 134572



Place : Mumbai
Date : May 27, 2016

For and on behalf of the Board of Directors

Jayesh Mehta
Director
DIN No : 00510313

Place : Mumbai
Date : May 27, 2016

Nemichand Mehta
Director
DIN No : 01131811

Place : Mumbai
Date : May 27, 2016

NAVKAR TERMINALS LIMITED
(Formerly known as HARVARD CREDIT RATING AGENCY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 1 : COMPANY OVERVIEW

Navkar Terminals Limited (Formerly known as Harvard Credit Rating Agency Limited) ('the Company') is limited Company domiciled in India and incorporated on September 13, 2010 under the provision of the Companies Act, 1956.

During the financial year 2014-15, the Scheme of Amalgamation ("the Scheme") between Navkar Terminals Limited ("the Transferor Company") with the Company ("the Transferee Company") and their respective shareholders and creditors under section 391 to 394 of the Companies Act, 1956, was approved by the High Court of Bombay by its order dated January 30, 2015. The Order had been filed with the Registrar of Companies on March 12, 2015.

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

The Company has altered its Memorandum of Association (MoA) vide special resolution dated February 25, 2015 passed in the Extra-Ordinary General Meeting to include objects of developing and maintaining Container Freight Station and Inland Container Depots. Prior to this object change, the Company was authorized to conduct the business of analysis, rating, evaluation, opinion, scoring, on any kind of loan or equity, appraisal of the obligations, dues, debts, and commitments, however, the subsidiary is currently not engaged in any business.

NOTE 2 : SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation of financial statements

These financial statements have been prepared to comply with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

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

B. Use of estimates

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

C. Fixed Assets

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

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

(Handwritten signature and initials)



NAVKAR TERMINALS LIMITED
(Formerly known as HARVARD CREDIT RATING AGENCY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

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

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

D. Depreciation

Depreciation on Tangible Fixed Assets is provided on the Straight Line Method (SLM) unless otherwise mentioned, pro-rata to the period of use of assets, based on the useful lives as specified in Part C of Schedule II to the Companies Act, 2013. Freehold land and land development is not depreciated.

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

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

E. Impairment of Fixed Assets

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

F. Other Income

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

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

G. Employee Benefits

Defined Contribution Plan

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

H. Provisions and Contingent Liabilities

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

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



NAVKAR TERMINALS LIMITED
(Formerly known as HARVARD CREDIT RATING AGENCY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

I. Accounting for Taxation of Income

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

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

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

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

J. Foreign Currency Transactions

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

K. Cash and Cash Equivalents

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

L. Borrowing Costs

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

M. Cash and Cash Equivalents

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

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NAVKAR TERMINALS LIMITED
(Formerly known as HARVARD CREDIT RATING AGENCY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

N. Earnings Per Share

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

O. Amalgamation

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

P. Service tax input credit

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

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NAVKAR TERMINALS LIMITED
(Formerly known as HARVARD CREDIT RATING AGENCY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 3 : SHARE CAPITAL

Particulars	(Amount in Rs.)	
	As at March 31, 2016	As at March 31, 2015
Authorised :		
50,000,000 (March 31, 2015 : 50,000,000) Equity Shares of Rs. 10 each	50,00,00,000	50,00,00,000
600,000 (March 31, 2015 : 600,000) 6% Cumulative Redeemable Preference Shares of Rs. 100 each	6,00,00,000	6,00,00,000
	56,00,00,000	56,00,00,000
Issued, Subscribed and Paid-up		
50,000 (March 31, 2015: 50,000) Equity Shares of Rs. 10 each fully paid up [All above equity shares are held by Navkar Corporation Limited, a parent company and by its nominees]	5,00,000	5,00,000
99,790 (March 31, 2015: 99,790) 6% Cumulative Redeemable Preference shares of Rs. 100 each fully paid up [The above preference shares were issued to the erstwhile shareholders of Navkar Terminals Limited pursuant to the 'Scheme of Amalgamation' between the Company, Navkar Terminals Limited and their respective shareholders without payment being received in cash]	99,79,000	99,79,000
Total	1,04,79,000	1,04,79,000

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

6% Cumulative Redeemable Preference Shares

The Company has one class of preference shares having a par value of Rs.100 per share and the same would be redeemed at the end of 10 years from the date of allotment. In the event of liquidation, the preference shareholders are eligible to receive repayment of the capital along with the dividend. They do not have any rights to participate in the profits or assets of the Company. Also the Company has call option to redeem the preference shares at any time after the end of one year from the date of allotment.

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

Equity Shares

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Rs.	Number of shares	Rs.
No. of shares at the beginning of the year	50,000	5,00,000	10,000	1,00,000
Add: shares issued during the year	-	-	40,000	4,00,000
No. of shares at the end of the year	50,000	5,00,000	50,000	5,00,000

6% Cumulative Redeemable Preference Shares

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Rs.	Number of shares	Rs.
No. of shares at the beginning of the year	99,790	99,79,000	-	-
Add: shares issued during the year	-	-	99,790	99,79,000
No. of shares at the end of the year	99,790	99,79,000	99,790	99,79,000



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NAVKAR TERMINALS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

(c) Details of shareholders holding more than 5% of the aggregate shares in the company

Equity Shares

No. of Shares held by	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding
Navkar Corporation Limited and its Nominees	50,000	100%	50,000	100%

6% Cumulative Redeemable Preference Shares

No. of Shares held by	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Percentage of shareholding	Number of shares	Percentage of shareholding
Mr. Jayesh N Mehta	10,561	10.58%	10,561	10.58%
Mrs. Kamalbai S Mehta	10,561	10.58%	10,561	10.58%
Mr. Kunthukumar S Mehta	10,561	10.58%	10,561	10.58%
Mr. Nemichand J Mehta	25,863	25.92%	25,863	25.92%
Mrs. Pratiksha J Mehta	10,561	10.58%	10,561	10.58%
Mrs. Seema K Mehta	10,561	10.58%	10,561	10.58%
Mrs. Shailaja N Mehta	10,561	10.58%	10,561	10.58%
Mr. Shantilal J Mehta	10,561	10.58%	10,561	10.58%

(d) Shares allotted as fully paid up 6% Cumulative Redeemable Preference shares pursuant to the 'Scheme of Amalgamation' (during 5 years immediately preceding March 31, 2016):

99,790 6% Cumulative Redeemable Preference shares of Rs. 100 each fully paid up were issued to the erstwhile shareholders of Navkar Terminals Limited pursuant to the 'Scheme of Amalgamation' between the Company, Navkar Terminals Limited and their respective shareholders without payment being received in cash.

NOTE 4 : RESERVES AND SURPLUS

Particulars	(Amount in Rs.)	
	As at March 31, 2016	As at March 31, 2015
Capital Reserve:		
Opening Balance	22,95,21,000	-
Add : Transferred on Merger (Refer Note below)	-	22,95,21,000
Closing Balance	22,95,21,000	22,95,21,000
Securities Premium Reserve:		
Opening Balance	2,15,55,00,000	-
Add : Transferred on Merger (Refer Note below)	-	2,15,55,00,000
Closing Balance	2,15,55,00,000	2,15,55,00,000
Surplus/ (Deficit) in the Statement of Profit and Loss:		
Opening Balance	(66,68,634)	(2,65,375)
Add/(Less): Profit/(Loss) for the year	(17,31,271)	(11,71,624)
Add/(Less): Surplus/ (Deficit) Transferred on Merger (Refer Note below)	-	(52,31,635)
Closing Balance	(83,99,905)	(66,68,634)
Grand Total	2,37,66,21,095	2,37,83,52,366

Note:

Capital Reserve, Securities Premium Reserve and Surplus/ (Deficit) are transferred on Amalgamation as per the Scheme of Amalgamation between erstwhile Navkar Terminals Limited, the Company and their respective shareholders approved by the Hon'ble High Court Judicature at Bombay on January 30, 2015.



NAVKAR TERMINALS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 5 : LONG-TERM BORROWINGS

(Amount in Rs.)

Particulars	As at March 31, 2016	As at March 31, 2015
Secured Loans (Refer Note (a) below)		
Rupee Term Loans from Banks	1,35,06,21,995	25,27,52,920
Rupee Term Loans from Others	18,52,109	32,42,597
Unsecured Loans (Refer Note (b) below)		
Loans From Related Parties	90,03,35,302	75,40,68,190
Total	2,25,28,09,406	1,01,00,63,707

Notes:

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

Nature of Security	Terms of Repayment
<p>Rupee Term Loans (Consortium Loan Facility) from: Axis Bank Limited - Rs. 220,789,149 (March 31, 2015 : Rs. 40,600,000) Export Import Bank of India - Rs. 200,600,000 (March 31, 2015 : Rs. 36,900,000) IDBI Bank Limited - Rs. 220,800,000 (March 31, 2015 : Rs. 40,600,000) State Bank of India - Rs. 300,757,960 (March 31, 2015 : Rs. 46,100,000) State Bank of Travancore - Rs. 220,813,483 (March 31, 2015 : Rs. 40,600,000) Union Bank of India - Rs. 220,800,000 (March 31, 2015 : Rs. 40,600,000)</p> <p>Secured by: -First pari-passu charge on all the immovable properties and assets of the Borrower pertaining to the Project together with all appurtenances thereon and there under, present and future. - A first charge on all the immovable properties and assets to be utilized for the Project acquired by Shri Nemichand J Mehta. - A first charge on all the Borrower's movable properties and assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future. - A first charge on all the Current Assets and non-current assets of the Borrower, Borrower's tangible or intangible assets related to the Project including but not limited to Book Debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, both present and future and goodwill, uncalled capital, both present and future. - A first charge on all the bank accounts of the Borrower related to the Project including but not limited to the Trust & Retention Account and all its Retention Accounts and each of the other accounts required to be created by the Borrower under any Financing Documents or Project Documents or other contract, including a charge on all the moneys, receivable in such accounts. -A pledge of equity shares held by the Sponsors who are the existing shareholders, aggregating to 30% of paid up and voting equity share capital of the Borrower for the period till the Final Settlement Date. The shares to be pledged shall be free from any restrictive covenants/ lien or other encumbrance under any contract / arrangement including shareholder agreement /joint venture agreement/ financing arrangement with regard to pledge/transfer of the shares including transfer upon enforcement of the pledge. In case the equity increases in future, number of shares pledged with the Lenders shall be increased proportionately to maintain the pledge of 30% of paid up and voting equity share capital of the Borrower at all times till the Final Settlement Date.</p>	<p>Repayable in 87 monthly installments commencing from the January 31, 2017.</p> <p><u>Rate of interest</u> Rate of interest of these loans in between the range of 11% to 12.25%</p>

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NAVKAR TERMINALS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

Nature of Security	Terms of Repayment
<p>- Personal Guarantee Mr. Shantilal J Mehta, Mr. Nemichand J Mehta, Mr. Kunthukumar S Mehta, Mr. Jayesh N Mehta, Mrs. Shailaja Nemichand Mehta, Mrs. Kamla Devi Shantilal Mehta, Mrs. Seema Kunthukumar Mehta and Mrs. Pratiksha J Mehta.</p> <p>-Corporate Guarantee of Navkar Corporation Limited. No guarantee commission shall be payable by the Borrower to the above personal guarantors and corporate guarantor.</p> <p>-Non Disposal Undertaking of 21% of the aggregate shareholding of the Borrower (over and above pledge of 30% as above).</p>	
Rupee Term Loans from Axis Bank Limited, amounting to Rs. 3,307,236 (March 31,2015: Rs. 3,960,000) Secured by the vehicles purchased from the loan proceedings and Corporate Guarantee of Navkar Corporation Limited, Parent Company.	Repayable in 59 monthly instalments, Rate of interest 10.26% p.a.
Rupee Term Loans from HDFC Bank Limited, amounting to Rs. 6,579,727 (March 31,2015: Rs. 4,856,410) Secured by the equipment purchased from the loan proceedings and Corporate Guarantee of Navkar Corporation Limited, Parent Company.	Repayable in 59 monthly instalments, Rate of interest 10.38% to 10.69% p.a.
Rupee Term Loans from Tata Capital Financial Services Limited, amounting to Rs. 3,242,598 (March 31, 2015: Rs. 4,471,157) Secured by the equipment purchased from the loan proceedings and Co-Borrower is Navkar Corporation Limited, Parent Company and Personal Guarantee of Kunthu Kumar Mehta.	Repayable in 47 monthly instalments, Rate of interest 12.00% p.a.

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

Particulars	Terms of Repayment
Loans from Navkar Corporation Limited amounting to Rs. 900,335,302 (March 31, 2015 : Rs. 546,344,499)	Repayable on demand after March 31, 2024 or after final settlement date on which existing loans under financing arrangement(s) under which the unsecured loans were provided by the Payees are repaid. The rate of interest is 12.00% p.a.
Loans from Mr. Nemichand J Mehta amounting to Nil (March 31, 2015 : Rs. 207,591,617)	Repayable on demand after March 31, 2024 or after final settlement date on which existing loans under financing arrangement(s) under which the unsecured loans were provided by the Payees are repaid. The loan is interest-free.
Loans from Mr. Jayesh N Mehta amounting to Nil (March 31, 2015 : Rs. 132,074)	Repayable on demand after March 31, 2024 or after final settlement date on which existing loans under financing arrangement(s) under which the unsecured loans were provided by the Payees are repaid. The loan is interest-free.

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NAVKAR TERMINALS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 6 : TRADE PAYABLES

(Amount in Rs.)

Particulars	As at March 31, 2016	As at March 31, 2015
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprise	35,60,88,575	33,96,224
Total	35,60,88,575	33,96,224

Note:

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

NOTE 7 : OTHER CURRENT LIABILITIES

(Amount in Rs.)

Particulars	As at March 31, 2016	As at March 31, 2015
Current Maturities of Long-Term Debt:		
Rupee Term Loans from Banks (Refer Note 5 above)	4,38,25,559	14,63,490
Rupee Term Loans from Others (Refer Note 5 above)	13,90,489	12,28,560
Employee Related Liabilities	6,42,684	-
Interest Accrued but not Due on Borrowings	35,65,843	25,01,665
Statutory Liabilities	20,58,259	1,86,71,467
Total	5,14,82,834	2,38,65,182

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NAVKAR TERMINALS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 8 : TANGIBLE ASSETS

(Amount in Rs.)

Description	Gross Block					Depreciation Block					Net Block	
	As at April 1, 2015	Transfer from Navkar Terminals Limited	Additions during the year	Deletions/ Adjustments during the year	As at March 31, 2016	Accumulated upto March 31, 2015	For the year	Transfer from Navkar Terminals Limited	On Deletions during the year	Accumulated upto March 31, 2016	As at March 31, 2016	As at March 31, 2015
Tangible Assets:												
Land and Land Developments (Refer Note below)	2,81,26,15,415	-	20,46,96,429	-	3,01,73,11,844	-	-	-	-	-	3,01,73,11,844	2,81,26,15,415
Plant and Machinery	1,73,10,243	-	1,05,24,325	-	2,78,34,568	3,87,118	14,32,108	-	-	18,19,226	2,60,15,342	1,69,23,125
Furniture and Fixtures	28,150	-	5,75,663	-	6,03,813	4,575	22,114	-	-	26,689	5,77,124	23,575
Computers and Printers	29,700	-	20,56,088	-	20,85,788	309	2,49,886	-	-	2,50,195	18,35,593	29,391
Motor Vehicles	59,69,318	-	5,89,39,362	-	6,49,08,680	27,040	35,06,805	-	-	35,33,845	6,13,74,835	59,42,278
Office Equipments	17,03,025	-	77,32,806	-	94,35,831	46,042	8,61,564	-	-	9,07,606	85,28,225	16,56,983
TOTAL	2,83,76,55,851	-	28,45,24,673	-	3,12,21,80,524	4,65,084	60,72,477	-	-	65,37,561	3,11,56,42,963	2,83,71,90,767
Previous Year	-	2,45,81,46,144	37,95,09,707	-	2,83,76,55,851	-	3,45,460	1,19,624	-	4,65,084	2,83,71,90,767	-

Note:

The Land situated at District - Valsad, Near Vapi, Gujarat (the 'Land') which was transferred in the books of account of the erstwhile Navkar Terminals Limited (which now merged with the Company, Refer Note 18) on May 9, 2014 from the erstwhile partnership firm, M/s. Navkar Terminals on Rs. 2,394,500,000. The Land was revalued in the erstwhile partnership firm, M/s. Navkar Terminals credited to the partners current accounts. The balances of Partners Capital Accounts have been converted into Equity Share Capital Account and the balances of Partners Current Accounts have been converted into Securities Premium Account in the erstwhile Navkar Terminals Limited on conversion under Part I of Chapter XXI of the Companies Act, 2013 on May 9, 2014 of the erstwhile partnership firm, M/s. Navkar Terminals.

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NAVKAR TERMINALS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 9 : DEFERRED TAX ASSETS (NET)

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

(Amount in Rs.)

Particulars	As at March 31, 2016	As at March 31, 2015
Deferred Tax Assets arising on account of timing differences in:		
Expenses allowable u/s. 35DD	3,88,370	3,89,618
Business Losses	7,11,698	1,12,014
	11,00,068	5,01,632

NOTE 10 : LONG TERM LOANS AND ADVANCES

(Amount in Rs.)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Security Deposits	4,51,540	4,18,540
Capital Advances	4,82,38,042	28,94,48,822
Advance Railway License Fee	3,00,00,000	1,00,00,000
Tax Deducted at Source	1,13,864	-
Balances with government authorities :		
VAT deposit	35,000	35,000
CST deposit	10,000	10,000
Total	7,88,48,446	29,99,12,362

NOTE 11 : OTHER NON-CURRENT ASSETS

(Amount in Rs.)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Fixed Deposits with Banks with a maturity period more than 12 months [under lien against bank guarantee]	6,23,24,776	-
Total	6,23,24,776	-

NOTE 12 : CASH AND BANK BALANCES

(Amount in Rs.)

Particulars	As at March 31, 2016	As at March 31, 2015
Cash and Cash Equivalents		
Cash-in-hand	23,88,207	17,99,763
Balances with Banks :		
- In Current Accounts	45,52,914	5,82,911
Grand Total	69,41,121	23,82,674

NOTE 13 : SHORT TERM LOANS AND ADVANCES

(Amount in Rs.)

Particulars	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Other Loans and Advances	3,29,813	10,09,406
Advances to Employees	4,25,000	-
Prepaid Expenses	5,36,830	-
Balance with government authorities:		
- CENVAT Credit Receivable	4,58,91,841	3,89,897
Total	4,71,83,484	13,99,303



NAVKAR TERMINALS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 14 : FINANCE COSTS

(Amount in Rs.)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Bank Charges	-	765
Total	-	765

NOTE 15 : OTHER EXPENSES

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Payment to Auditors:		
As Auditors	2,50,000	30,000
Cost Recovery Charges	16,90,726	-
Legal Fees	-	420
Rental Charges	-	4,000
Postage, Courier and stamp charges	-	99
Expenses Incurred on Merger (Refer Note 18)	3,88,981	15,76,125
Miscellaneous Expenses Written Off	-	61,847
Total	23,29,707	16,72,491

NOTE 16 : EARNINGS/ (LOSS) PER EQUITY SHARE

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Net profit/(Loss) after tax attributable to equity shareholders (Rs.)	(17,31,271)	(11,71,624)
Weighted average no. of equity shares outstanding during the year (Nos.)	50,000	14,603
Basic and Diluted EPS	(34.63)	(80.23)
Face value per Share	10.00	10.00

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NAVKAR TERMINALS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 17 : CONTINGENT LIABILITIES NOT PROVIDED FOR

	(Amount in Rs.)	
Particulars	As at March 31, 2016	As at March 31, 2015
Dividend on 99,790 - 6% Cumulative Redeemable Preference shares of Rs. 100 each (including dividend distribution tax)	7,42,347	21,366
Total	7,42,347	21,366

NOTE 18 : The Scheme of Amalgamation (the "Scheme") between erstwhile Navkar Terminals Limited (the "Transferor Company") with the Company (the "Transferee Company") and their respective shareholders and creditors under section 391 to 394 of the Companies Act, 1956, was approved by the High Court of Bombay by its order dated January 30, 2015. The Order has been filed with the Registrar of Companies (RoC) on March 12, 2015. The Transferor Company is in the business of providing Container Freight Station (CFS) and Inland Container Depot (ICD) services.

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

Particulars	Amount Rs.	Amount Rs.
Assets		
Fixed Assets	2,47,86,96,593	
Long-Term Loans and Advances	1,04,58,290	
Current Assets	46,79,615	
		2,49,38,34,498
Less: Liabilities		
Non - Current Liabilities	4,94,24,216	
Current Liabilities	5,46,41,917	
		10,40,66,133
		2,38,97,68,365
Represented by in the books of Transferee Company		
Preference Share Capital issued by the Transferee Company		99,79,000
Securities Premium Account		2,15,55,00,000
Capital Reserve		22,95,21,000
Surplus/ (Deficit) in the Statement of Profit and Loss		(52,31,635)
		2,38,97,68,365

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 19 : RELATED PARTY TRANSACTIONS

a. Details of Related Parties

Description of Relationship	Names of Related Parties
Holding Company	Navkar Corporation Limited
Key Management Personnel (KMP) and their relatives	Mr. Jayesh N Mehta Mrs. Kamalbai S Mehta Mr. Kunthukumar S Mehta Mr. Nemichand J Mehta Mr. Shantilal J Mehta Mrs. Pratiksha J Mehta Mrs. Seema K Mehta Mrs. Shailaja N Mehta

Notes:

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

b. Transaction with Related Parties during the year

Particulars	(Amount in Rs.)	
	For the Year Ended March 31, 2016	For the Year Ended March 31, 2015
Loan Taken		
Mr. Nemichand J Mehta	10,51,03,960	16,24,00,000
Mr. Shantilal J Mehta	10,51,03,960	-
Navkar Corporation Limited	80,56,85,234	51,03,43,173
	1,01,58,93,154	67,27,43,173
Loan Taken Repaid		
Mr. Nemichand J Mehta	31,26,95,577	15,00,000
Mr. Shantilal J Mehta	10,51,03,960	-
Mr. Jayesh N Mehta	1,32,074	-
Navkar Corporation Limited	45,16,94,431	53,92,000
	86,96,26,042	68,92,000
Interest Payment on Loan		
Navkar Corporation Limited	8,19,24,622	1,11,04,665
	8,19,24,622	1,11,04,665
Purchase of Land		
Mr. Nemichand J Mehta	18,66,80,000	-
	18,66,80,000	-
Allotment of Equity Shares		
Navkar Corporation Limited	-	4,00,000
	-	4,00,000
Allotment of Preference Shares		
Mr. Jayesh N Mehta	-	10,56,100
Mrs. Kamalbai S Mehta	-	10,56,100
Mr. Kunthukumar S Mehta	-	10,56,100
Mr. Nemichand J Mehta	-	25,86,300
Mr. Shantilal J Mehta	-	10,56,100
Mrs. Pratiksha J Mehta	-	10,56,100
Mrs. Seema K Mehta	-	10,56,100
Mrs. Shailaja N Mehta	-	10,56,100
	-	99,79,000



NAVKAR TERMINALS LIMITED
(Formerly known as HARVARD CREDIT RATING AGENCY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

c. Closing Balances of the Related Parties

Particulars	(Amount in Rs.)	
	Balances as at March 31, 2016	Balances as at March 31, 2015
Loan Taken		
Nemichand J Mehta	-	20,75,91,617
Navkar Corporation Limited	90,03,35,302	54,63,44,499
Jayesh N Mehta	-	1,32,074
	90,03,35,302	75,40,68,190
Corporate Guarantees Given by		
Navkar Corporation Limited	2,67,18,18,017	2,66,89,24,000
	2,67,18,18,017	2,66,89,24,000

NOTE 20 : PRE-OPERATIVE EXPENSES

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

Particulars	(Amount in Rs.)	
	As at March 31, 2016	As at March 31, 2015
Finance Cost and Bank Charges	26,15,37,236	5,23,60,864
Employee Benefit Expenses	60,34,181	10,11,507
Depreciation	65,37,561	4,65,084
Rent Expenses	3,94,755	1,67,005
Rates and taxes	6,35,427	4,34,627
Legal and Professional Fee	1,54,50,865	43,61,837
Power and Fuel Expenses	12,05,506	6,54,387
Insurance Expenses	9,12,593	15,150
Labour Charges	87,595	87,595
Postage and Telephone Expenses	1,01,530	30,328
Repairs and Maintenance-Others	23,18,585	9,27,996
Printing and Stationery	1,30,955	56,690
Travelling and Conveyance Expenses	6,13,517	85,754
Other Expenses	13,26,063	6,17,885
Information Technology Expenses	12,54,463	-
	29,85,40,833	6,12,76,709

NOTE 21 : CURRENT ASSETS AND LOANS AND ADVANCES

In the opinion of the Board, all the assets other than fixed assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated. The Provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

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

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NAVKAR TERMINALS LIMITED
(Formerly known as HARVARD CREDIT RATING AGENCY LIMITED)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

NOTE 22 : PREVIOUS YEARS'S FIGURES

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

The accompanying notes are integral part of these financial statements.

For S K Patodia & Associates
Chartered Accountants
Firm's Registration No. : 112723W

Arun Poddar

Arun Poddar
Partner
Membership No. : 134572

Place : Mumbai
Date : May 27, 2016



For and on behalf of the Board of Directors

Jayesh Mehta

Jayesh Mehta
Director
DIN No : 00510313

Place : Mumbai
Date : May 27, 2016

Nemichand Mehta

Nemichand Mehta
Director
DIN No : 01131811

Place : Mumbai
Date : May 27, 2016