

# KAMARAJAR PORT LIMITED

(erstwhile Ennore Port Limited)  
(CIN : U45203TN1999GOI043322)

(A Mini Ratna Government of India Undertaking)

*India's Port of the Millennium*

इस मिलिनियम का भारतीय पोर्ट

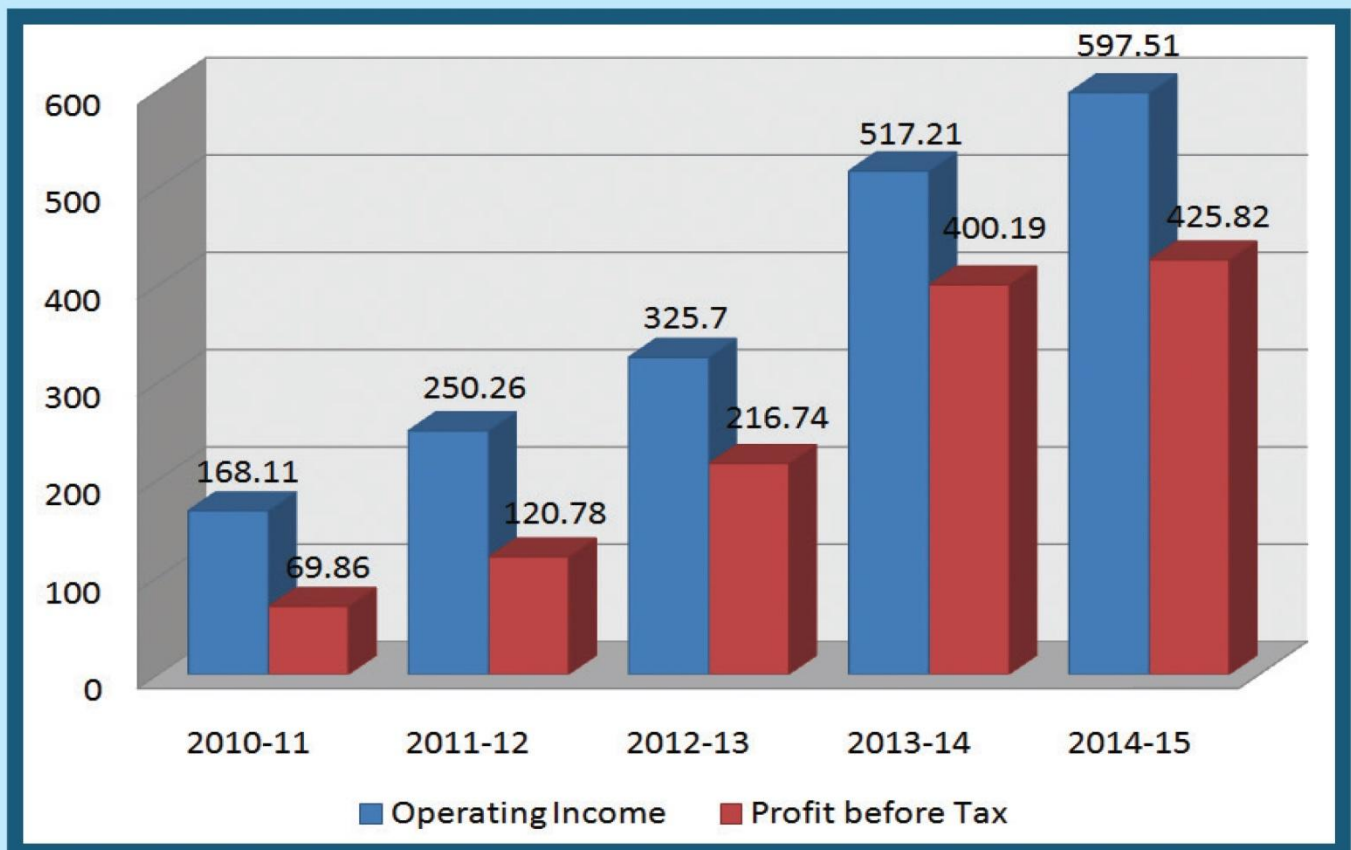
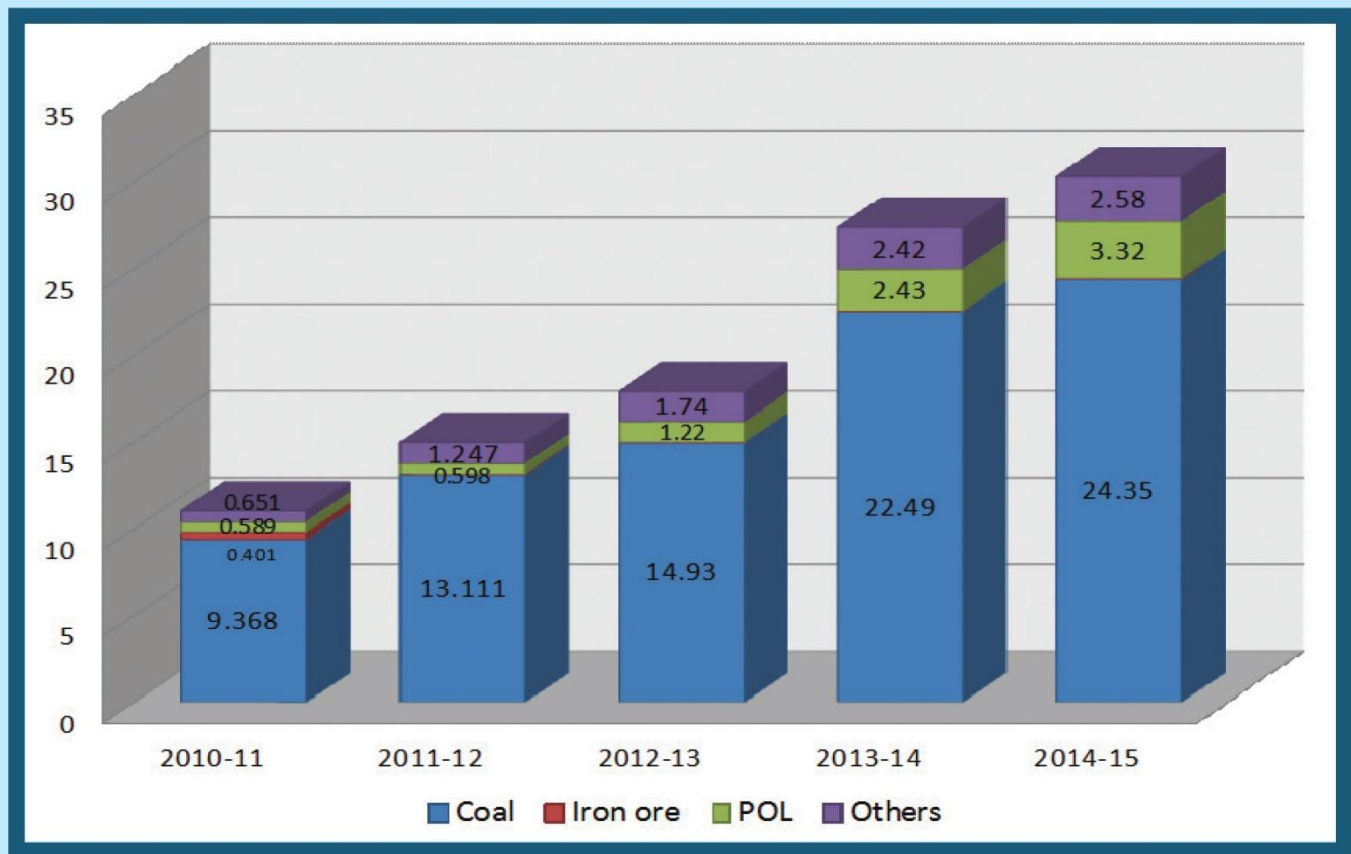


15<sup>th</sup> Annual Report 2015

पंद्रहवीं वार्षिक रिपोर्ट 2015









# **KAMARAJAR PORT LIMITED**

**(erstwhile Ennore Port Limited)  
(CIN: U45203TN1999GOI043322)**

**(A Mini Ratna Government of India Undertaking)**

## **FIFTEENTH ANNUAL REPORT**

**2014 – 15**



# KAMARAJAR PORT LIMITED

(erstwhile Ennore Port Limited)

(CIN: U45203TN1999GOI043322)

(A Mini Ratna Government of India Undertaking)

<b>Board of Directors</b>	: Shri M.A. Bhaskarachar, Chairman-cum-Managing Director (DIN No.02250459) Shri N. Muruganandam, I.A.S., Nominee Director, GoI (DIN No.00540135) Shri Atulya Misra, I.A.S., Nominee Director, ChPT (DIN No.02210369) Shri Sanjay Kumar, Whole Time Director (Operations) (DIN No.03554919)
<b>Key Officials</b>	: Shri M. Gunasekaran, General Manager (Finance) cum CFO Capt. A.K. Gupta, General Manager (Marine Services) Shri V. Krishnasamy, General Manager (CS & BD) Shri P. Radhakrishnan, General Manager (Operations)
<b>Company Secretary</b>	: Shri Sudarsan Pahi (till 23.01.2015) Smt. Jayalakshmi Srinivasan (w.e.f. 29.05.2015)
<b>Registered Office</b>	: 4 <sup>th</sup> Floor, Super Speciality Diabetic Centre (erstwhile DLB Building) Near Clive Battery Bus Stop, Rajaji Salai, Chennai - 600 001. Ph: 044-25251666-70 Fax : 044-25251665
<b>Bankers</b>	: Axis Bank Andhra Bank State Bank of India Indian Bank
<b>Statutory Auditors</b>	: M/s. Sankaran & Krishnan Chartered Accountants
<b>Internal Auditors</b>	: M/s. G.C. Daga & Co. Chartered Accountants
<b>Secretarial Auditors</b>	: M/s.Rabi Narayan & Associates Company Secretaries
<b>Registrar &amp; Share Transfer Agent</b>	: Link Intime India Private Limited C-13 Pannalal Silk Mills Compound L.B.S Marg, Bhandup(W) Mumbai – 400 078.
<b>Debenture Trustees</b>	: SBICAP Trustees Company Ltd 8, Khetan Bhawan, 5 <sup>th</sup> Floor, 198 J. Tata Road Church Gate, Mumbai – 400 020. GDA Trustees Ltd GDA House, Plot No.85, Bhusari Colony (Right), Paud Road, Pune – 411 038
<b>Depositories</b>	: National Securities Depository Limited Central Depositories Services (India) Limited



## **KAMARAJAR PORT LIMITED**

### **BOARD OF DIRECTORS**



**Shri M.A. Bhaskarachar**  
Chairman cum Managing Director



**Shri N. Muruganandam, IAS**  
Nominee Director, Gol



**Shri Atulya Misra, IAS**  
Nominee Director, ChPT



**Shri Sanjay Kumar**  
Whole Time Director (Operations)



**KAMARAJAR PORT LIMITED**

# **2014-2015**

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# VISION & MISSION

## Our Vision

*To develop Kamarajar Port as Mega Port with world class facilities to become the Eastern Gateway Port of India*

## Our Mission

*To Provide Port Services of International Standards.*





# KAMARAJAR PORT LIMITED

(erstwhile Ennore Port Limited)

CIN: U45203TN1999GOI043322

(A Mini Ratna Government of India Undertaking)

Regd Office: 4<sup>th</sup> Floor, Super Speciality Diabetic Centre (erstwhile DLB Building)  
Near Clive Battery Bus Stop, Rajaji Salai, Chennai - 600 001.

Phone: 044 - 25251666 -70 Fax No: 044 - 25251665.

Website: [www.ennoreport.gov.in](http://www.ennoreport.gov.in) Email: [info@epl.gov.in](mailto:info@epl.gov.in)

## NOTICE

**NOTICE IS HEREBY GIVEN THAT the 15<sup>th</sup> Annual General Meeting of Members of Kamarajar Port Limited** (erstwhile Ennore Port Limited) will be held on Monday, the **28<sup>th</sup> day of September 2015** at **11.30 a.m.** at Port Administrative Office, Vallur Post, Chennai – 600 120, to transact the following business:

the reports of the Board of Directors' and the Auditors' thereon.

2. To declare dividend for the year 2014-15.
3. To appoint a Director in place of Shri N. Muruganandam (DIN No. 00540135), who retires by rotation and being eligible, offers himself for re-appointment.

## ORDINARY BUSINESS

By Order of the Board of Directors

1. To receive, consider and adopt the financial statements of the Company for the year ended 31<sup>st</sup> March 2015, including the audited Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit & Loss Account for the year ended on that date and

(Jayalakshmi Srinivasan)  
Company Secretary

**Place :** Chennai

**Date :** 14<sup>th</sup> August 2015

## NOTES:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- b) All documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and holidays, upto the date of the Annual General Meeting.
- c) Members are requested to notify immediately any change of address.
- d) Brief Resume of the Director seeking appointment/re-appointment at this Annual General Meeting is attached hereto and forming part of the notice.

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## BRIEF RESUME OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE 15<sup>TH</sup> ANNUAL GENERAL MEETING.

### Item No.3

Shri N. Muruganandam, IAS, 47 yrs, DIN no. 00540135, is an Ex-Officio Government Nominee Director of the Company since July 13, 2012. He holds a Bachelor's degree in Engineering (Computer Science) from the College of Engineering, Guindy and also a Post Graduate Diploma in Management from the Indian Institute of Management (IIM), Ahmedabad. He joined the administrative service in 1991, Tamil Nadu cadre. During his 22 years as a Civil Servant, he held various positions at the Centre and the State. He served as Managing Director of Poompuhar Shipping Corporation Limited from 1996 to 1998. He also served as Director in the Ministry of Environment and Forests and Joint Secretary in the Ministry of Rural Development of the GoI. At present, he is working as Joint Secretary (Ports) in MoS since June 2012. He is also a Government Nominee Director of Sethusamudram Corporation Limited.

## DIRECTORS' REPORT

**To  
The Members,  
Kamarajar Port Limited  
(erstwhile Ennore Port Limited)**

Your Directors have the pleasure of presenting the 15<sup>th</sup> Annual Report on the performance of your Company for the financial year ended 31<sup>st</sup> March 2015 along with Audited Statements of Accounts, Auditor's Report & review of accounts by the Comptroller and Auditor General of India.

### 1.0 FINANCIAL HIGHLIGHTS

Particulars	Current Financial year 2014-15 (Rs. in crores)	Previous Financial year 2013-14 (Rs. in crores)
Income from services	566.44	501.93
Other Income	31.07	15.28
<b>Total Income</b>	<b>597.51</b>	<b>517.21</b>
Operating Expenses	58.78	57.10
Finance costs	77.19	43.18
Depreciation and Amortization	18.05	14.29
<b>Total Expenses</b>	<b>154.02</b>	<b>114.57</b>
<b>Profit Before Extra Ordinary &amp; Exceptional Items</b>	<b>443.49</b>	<b>402.64</b>
Exceptional Items (-)	17.67	2.45
Extra ordinary items	-	-
<b>Profit Before Tax</b>	<b>425.82</b>	<b>400.19</b>
Taxes	89.25	83.88
<b>Profit After Tax</b>	<b>336.57</b>	<b>316.31</b>
<b>Appropriation</b>		
Proposed Dividend	96.00	96.00
Tax on Dividend	19.19	16.31
Transferred to General Reserve	16.83	31.64
Transfer to Debenture / Bond Redemption Reserve	8.63	8.63

**Note:** Previous Financial Year 2013-14 figures are regrouped wherever necessary.

### 2.0 FINANCIAL PERFORMANCE

During the year under review, your Company registered a total income of Rs.597.51 crores as against Rs.517.21 crores reported during the previous year reflecting an increase of Rs.80.30 crores (15.53%). The operating expenditure incurred was Rs.58.78 crores as against Rs.57.10 crores during the previous year reflecting an increase of Rs.1.67 crores (2.92%). The Company has achieved Profit Before Tax (PBT) and Profit After Tax (PAT) of Rs.425.82 crores and Rs.336.57 crores respectively as against Rs.400.19 crores and Rs.316.31 crores. The Company reported an increase of Rs.25.63 crores (6.40%) and Rs.20.26 crores (6.41%) in Profit Before Tax (PBT) and Profit After Tax (PAT) respectively. The reason for increase in profit for the year 2014-15 is because of enhanced cargo handling operations in the Port.

### 3.0 DIVIDEND

The Board of Directors in their meeting held on 29<sup>th</sup> May 2015, has recommended, a dividend @ 32% of paid up equity share capital absorbing an amount of Rs.96.00 crore. The distribution of dividend along with dividend distribution tax and surcharge thereon will absorb an amount of Rs.115.19 crores. The dividend would be paid after the approval of the shareholders at the Annual General Meeting.

### 4.0 TRANSFERRED TO RESERVES

#### 4.1 General Reserve :

Your Company has created a reserve of Rs.16.83 crores for distribution of dividend during the year even though it is not mandatory to create a reserve as per the Companies Act, 2013 and the balance as on 31<sup>st</sup> March, 2015 is Rs.61.48 crores.

#### 4.2 Debenture / Bond Redemption Reserve:

Your Company has created Rs.8.63 crores as Debenture / Bond Redemption Reserve pursuant to Regulation 16 of the SEBI Debt Regulations and Section 71C of the Companies Act, 2013 and the balance as on 31<sup>st</sup> March, 2015 is Rs.19.53 crores.

### 5.0 FINANCE

#### 5.1 Payment to Chennai Port Trust

During the year under review, your Company has repaid installments of term loans availed from Chennai Port Trust amounting to Rs.23.01 crores which had become due during the current year.

## 5.2 Particulars of transaction made with Related Parties

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as Annexure-1 to the Board's report.

## 5.3 Material changes and commitments affecting financial position between the end of the financial year and date of report.

There are no material changes and commitments affecting financial position of the Company between the end of financial year and date of report.

## 6.0 BORROWINGS

The Company has not availed of any term loan during the financial year 2014-15.

## 7.0 PARTICULARS OF LOANS, GUARANTEES

The Company has not given any Loans and Guarantees under section 186 of Companies Act, 2013.

## 8.0 INVESTMENTS

During the year, no specific investment has been made by your Company. For the details of investment as on 31<sup>st</sup> March 2015, please refer Note No.12 to the Financial Statements.

### 8.1. Plan Expenditure

Your Company has spent Rs.61.44 crore for capacity expansion during the financial year 2014-15.

## 9.0 CREDIT RATING

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies for the instrument that are Tax Free Bonds of your Company which is given below:

Rating Agency	Rating	Outlook
CRISIL	CRISIL AA	Stable
CARE	CARE AA	Stable
ICRA	ICRA AA	Stable
Brick Work Ratings	BWR AA+ (SO)	Stable

## 10.0 UTILISATION OF BOND PROCEEDS

During the year under review, your Company has utilized the proceeds of Tax Free Bonds issued in the year 2013-14 amounting to Rs.113.39 crores upto 31<sup>st</sup> March 2015 out of Rs.365.47 crores. The Balance amount of Rs 252.08 crores kept as Fixed Deposits in various banks as on 31<sup>st</sup> March 2015.

## 11.0 FIXED DEPOSITS

During the year under review, the Company has not accepted any fixed deposits.

## 12.0 INTERNAL FINANCIAL CONTROL

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, for 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 disclosures. The Audit Committee of the Board regularly reviewed the recommendations and implementation contained therein.

## 13.0 CHANGE OF REGISTERED OFFICE

Your Company's Registered Office has been shifted from P.T. Lee Chengalvaraya Naicker Maaligai, No.23, Rajaji Salai, Chennai – 600 001 to 4<sup>th</sup> floor of Diabetic Speciality Centre (erstwhile DLB Building) of Chennai Port Trust at Rajaji Salai, Chennai 600 001 with effect from 1<sup>st</sup> August 2015.

## 14.0 MOU WITH MINISTRY OF SHIPPING, GOVT. OF INDIA

As an annual affair, Memorandum of Understanding (MoU) was signed between Ministry of Shipping and Kamarajar Port Limited (erstwhile Ennore Port Limited) for the year 2015-16 on 31<sup>st</sup> March 2015 at New Delhi.



A Memorandum of Understanding (MoU) for the year 2015-16 between Kamarajar Port Ltd. and Ministry of Shipping was signed on 31<sup>st</sup> March, 2015 at the Ministry. Shri Barun Mitra, IAS, Joint Secretary (Shipping), Dr. Alok Srivastava, IAS, Additional Secretary, Shri Rajive Kumar, IAS, Secretary (Shipping), Shri M.A. Bhaskarachar, CMD, KPL, Shri M. Gunasekaran, GM (Finance), KPL and Shri N. Muruganandam, IAS, Joint Secretary (Ports) can be seen (from Left to Right).

#### 14.1 MOU Performance for 2014-15

Your Company has been consistently accorded 'Excellent' rating by Government of India since FY 2007-08. Your Company has achieved the MoU targets for the FY 2014-15 and is likely to be accorded 'Excellent' rating.

#### 15.0 VISIT OF PARLIAMENTARY STANDING COMMITTEE

- (i) Parliamentary Standing Committee on Personnel, Public Grievances, law and Justice held discussions with Kamarajar Port in Chennai on 30.1.2015 and 31.01.2015.
- (ii) Parliamentary Standing Committee on Transport, Tourism & Culture held discussions with the Company on the issue related to the Port and Shipping Sector, Infrastructure lending in Port Sector, etc. at Kodaikanal on 6<sup>th</sup> June 2015.
- (iii) The Committee on Papers Laid on the Table, Rajya Sabha held discussions with the Company on the "Constraints being faced by organizations/banks in preparing/laying their Reports timely" on 11.6.2015 at Udhagamandalam.

#### 16.0 AWARDS

Your Company has been conferred the "PSE Excellence Award 2014 for Operational Performance" and "Company of the Year" by the Department of Public Enterprises, Government of India and Indian Chamber of Commerce during the function held on 17.12.2014 in Delhi.

Your Company has received "Car / Automobile Port of the Year" Award during the 7<sup>th</sup> South East Cargo & Logistics Awards 2015 organized by Exim India on 10<sup>th</sup> July, 2015 at Chennai Trade Centre.

#### 17.0 OPERATIONS

The six berths operating at present in your Port have the modern state of art facilities and the infrastructure facilities provided for evacuation of cargoes through rail and road facilitates faster and speedy evacuation. The closed conveyors connected directly to stackyards of Coal and Iron Ore Berths ensure eco-friendly environment by keeping your Port clean. Thus your clean and green port is serving the various needs of the maritime industry.

##### 17.1 Cargo Throughput

During the year under review, the cargo throughput of your Port went up by 10.64 per cent at 30.25 million tonnes compared to 27.34 million tonnes in previous

year (2013-14), mainly on account of enhanced cargo handling operations.

##### 17.2 Existing Operational Facilities

Under the first stage of development, your Company has developed two Coal berths on captive basis which have been dedicated to TANGEDCO/ Tamil Nadu Electricity Board (TNEB) for handling its coal requirement and it continues to be the prime cargo at your Port. Your Company has a total capacity of 30 million tonnes per annum. Since the construction works of new power plants of TNEB and NTECL (JV of TNEB and NTPC) were completed recently, TNEB/ NTPC will augment the handling capacity of CB-2 to 8 million tonnes from the present 4 million tonnes capacity by the year 2015-16. Taking this into account, the cargo handling capacity of your Port will rise to 34 million tonnes per annum.

##### 17.3 Marine Liquid Terminal

Marine Liquid Terminal with cargo handling capacity of 3 MMTPA was developed under BOT basis by M/s.Ennore Tank Terminals Private Limited (ETTPL) at an investment cost of Rs.252 crores in the first stage. In the second stage, an additional investment of Rs.167 crores was made for development of additional storage tanks and LPG handling equipments. The revenue share offered is 21.678%. Total cargo handled by M/s.ETTPL during this financial year 2014-15 is 3.32 million tonnes which is 36.62% higher than the last fiscal year.

##### 17.4 Common User Coal Terminal

Common User Coal Terminal with cargo handling capacity of 8 MMTPA was developed on BOT basis by M/s.Chettinad International Coal Terminal Pvt. Ltd (CICTPL) with a project cost of Rs.399.13 crores. Commercial operations began from 11<sup>th</sup> March 2011. The revenue share offered is 52.524%. During the year under review, M/s.CICTPL handled 9.22 million tonnes of coal which is 9.50% higher than the last financial year. CICTPL has also handled about 4.02 MT of Coal for TANGEDCO at their jetty during the year.

##### 17.5 General Cargo Berth cum Automobile Export Terminal

Your Company has set up a berth for car export and for other general cargo at a cost of Rs.140 crores. The berth can accommodate the world's largest car carrier vessel with a storage capacity of 8,000 cars. Further, it has a back-up area of about 1,41,000 sq.m with an



expansive car parking yard for 10000 cars which is the largest facility in any Indian Port. The export of automobile units through GCB crossed 7,00,000 as on 31.03.2015. During the period under review, your Company handled 2,15,011 automobile units which is 6% higher than during the last corresponding period.

### **17.6 Iron Ore Terminal (12 MTPA)**

Your Company had signed an agreement for an Iron Ore terminal on 30 years BOT basis on 23<sup>rd</sup> September 2006 with the project Company M/s.SICAL Iron Ore Terminal Limited with an approved project cost of Rs.480 crores in two phases of 6 million tonnes each. The Licensee has developed the first phase of 6 MTPA capacity at an investment of Rs. 360 crores. The revenue share offered is 51.60%. The commissioning activities depend on the permits for export of Iron Ore by State Government of Karnataka and the Hon'ble Supreme Court. Your Company in consultation with the Ministry has been exploring the possibility of converting the system also to handle coal.

### **17.7 Capital Dredging-Phase-II**

This project deepened the Port Channel to 20m and the Basin to 18.5m to call on capesize vessels. Capital dredging at Common User Coal Berth, CB1 and CB2 are being carried out by M/s.Dredging Corporation of India Limited (DCI) at a value of Rs.222.35 crores.

## **18.0 BUSINESS DEVELOPMENT**

To cater the growing demand in the hinterland and trade, your Company has initiated action for developing the terminals through BOT/Captive basis. During the year under review, your Company has entered into an agreement/MoU for development of the following terminal/berth.

### **18.1 Development of Container Terminal (16.8 MTPA)**

Your Company has issued a letter of award to M/s.Adani Ports and Special Economic Zone Ltd., Gujarat for a quoted revenue share of 37.00% for Development of Container Terminal in two phases on DBFOT basis with a capacity of 1.4 Million TEUs at an estimated cost of Rs.1270 crores. On 15<sup>th</sup> March 2014, your Company has signed concession agreement with M/s.Adani Ennore Container Terminal Private Limited (AECTPL), an SPV of Adani Ports and Special Economic Zone Ltd. The concessionaire has commenced the construction from 20.10.2014 and the completion of construction as per the Concession Agreement is 20.01.2017.

### **18.2 Development of Multi Cargo Terminal (2 MTPA)**

Your Company has issued a letter of award to the Consortium of M/s. Chettinad Builders Pvt. Ltd & South India Corporation Pvt. Ltd., Chennai for a quoted revenue share of 36.00% for Development of Multi Cargo Terminal on DBFOT basis at an estimated project cost of Rs.151 crores. On 28<sup>th</sup> March 2014, your Company has signed concession agreement with M/s.Chettinad International Bulk Terminal Private Limited (CIBTPL), an SPV of Consortium of Chettinad Builders Pvt. Ltd & South India Corporation Pvt. Ltd. Award of Concession was granted on 24.02.2015. The construction work commenced in July 2015.

### **18.3 Coal Berth - III for TNEB of 9 MTPA**

To meet the requirements of Coal by North Chennai Thermal Power Station (NCTPS)/Mettur Thermal Power Station (MTPS)/Ennore Thermal Power Station (ETPS) for their upcoming Thermal Power Stations, your Company has accorded approval in its meeting held on 30<sup>th</sup> December, 2013 for developing the third coal berth with a capacity of 9 MTPA and awarded the work to L1 bidder M/s. ITD Cementation India Limited for the value of Rs.198,94,30,690/- for construction of CB-3 and Earth Retaining structure at Kamarajar Port. Environmental Clearance for this project was received in March 2015. The Contractor has commenced the construction in July 2015 and the completion is scheduled by July 2017.

### **18.4 LNG Terminal (5 MTPA)**

On 17.5.2013, Ministry has conveyed the approval of the Government for leasing of land measuring 5,20,000 sq.mtr to the Joint Venture led by Indian Oil Corporation Limited for a period of 30 years for setting up of LNG Storage and Re-gasification Terminal of 5 MMTPA capacity at the project cost of Rs.5151 crores. Subsequently, your Company has signed MOU with IOCL on 1<sup>st</sup> March 2014 for setting up of the LNG Terminal. The Company has signed the Concession Agreement with the SPV Co, called Indian Oil LNG Pvt. Ltd. on 31.07.2015. The project is expected to go stream in the financial year 2018-19.

### **18.5 Coal Berth – IV**

TANGEDCO, considering the expansion of its existing and new plants, has requested your Company for establishing Additional Coal Berths for TANGEDCO/JV plants. To meet their requirement, your Company, in addition to Coal Berth-III, has awarded



the work of Construction of Coal Berth IV to M/s. AFCONS Infrastructure Ltd., Mumbai on 19.06.2015 at a cost of Rs.244.50 crores. The berth is designed to handle capsized vessel with the draft of 18.50m. The construction activities would commence in August 2015.

## 19.0 PORT EXPANSION

Considering the traffic scenario and for optimal utilization of available land area, water front, connectivity and available water depths, the port has initiated action for developing the following expansion activities have been undertaken by the Port.

### 19.1 Marine Liquid Terminal - II

To meet the growing demand of oil industry, your Company has initiated action for development of 2<sup>nd</sup> Marine Liquid Terminal consists of berth and tankage Terminal by PPP/Captive mode. The capacity of the Terminal is 5 MTPA.

### 19.2 Automobile Export Terminal - II

To meet the export demand of automobile exporters, your Company initiated action for development of 2<sup>nd</sup> Automobile export terminal consists of berth and parking yard for automobile by own investment. The capacity of the Terminal is 3 MTPA.

## 20.0 BUSINESS STRATEGY

As a part of business strategy to compete with other neighbouring ports, your Company has signed agreement with M/s. Toyota, an automobile manufacturer on 3<sup>rd</sup> March 2015 for export of their cars through your Port. An interactive session was held with Automobile manufacturers and a tariff cut was announced by KPL to boost the volumes. Senior officials of your Company visited Toyota Kirloskar Motors manufacturing plant in Bangalore to discuss for promotion of exports through your Port.

## 21.0 INFRASTRUCTURE DEVELOPMENT

### 21.1 Capital Dredging-Phase-III

Capital dredging Phase-III involves creating a water depth of (-) 16m CD for the upcoming terminal berths such as Container, Multi cargo and Coal Berth III and involves dredging of about 9.50 million cubic meters at an estimated cost of Rs.425 crores. Your Company has issued letter of award to M/s. International Seaport Dredging Ltd selected through global tender process for the dredging work which will be carried out in synchronization with berth construction. The contract value is Rs.274.85 crores.

## 21.2 Rail Connectivity

Your Port is connected to the Southern Railway network at Attipattu and Attipattu Puthunagar Railway Stations, at about 6km from the Port, on the Chennai-Gudur section of Southern Railways. Rail connectivity between your Port and mainlines of Indian Railways (Ennore Port to Attipattu and Attipattu Puthunagar Railway Stations) to coal / iron ore stackyards at a total estimated cost of Rs.80 crores is in progress.

Further your Company is planning to provide rail connectivity to the proposed Container Terminal from the Indian Railways mainline for rail movement of container traffic.

Your Company has also entered into MoU with RITES for execution of various Railway projects of KPL.

## 22.0 INDUSTRIAL RELATIONS

During the year under review, cordial and harmonious Industrial Relations were maintained in the Company and no man day was lost on account of industrial unrest.

## 23.0 HUMAN RESOURCE DEVELOPMENT

### 23.1 New HR Policy/Manual

Your Company constantly reviews and revises its HR policies to suitably align with present requirements as also with its strategic HR objectives. The Consultants, M/s. Deloitte Touche Tohmatsu India Private Limited were appointed for preparation of new HR Manual has submitted Draft HR Manual.

### 23.2 Manpower

The manpower details with respect to below board level employees as on 31.03.2015 of your Company is given below:

Class/Group	SC	ST	OBC	Others	Total
Class I	6	-	18	13	37
Class II	3	-	9	9	21
Class III	6	-	11	8	25
Class IV	6	1	8	2	17
<b>Total</b>	<b>21</b>	<b>1</b>	<b>46</b>	<b>32</b>	<b>100</b>
Total %	21	1	46	32	

### 23.3 Representation of SCs / STs / OBCs and Minorities

The policies and directives of the Government relating to the recruitment of Scheduled Castes, Scheduled

Tribes, Physically Challenged, Other Backward Classes, Ex-Servicemen and Minorities etc. continued to be adhered to by your Company during the year.

### **23.4 Training Programme**

During the year 2014-15, your Company imparted various training programmes to its employees conducted by different institution to upgrade competency of employees and to equip them to keep abreast of latest developments in their respective sector.

CMD and Director (Operations) attended training programme on “Enterprise Risk Management & Key Risks for KPL” during the year 2014-15 (19<sup>th</sup> & 20<sup>th</sup> December 2014) conducted by M/s Risk Pro.

### **23.5 Grievance Redressal Mechanism**

Your Company has its own grievance redressal procedure for Executives as well as non-executive employees. The grievances of employees are accordingly dealt with as per the policy.

### **24.0 SAFETY & ENVIRONMENT**

Your Company celebrated National Safety Week from 2-6 March, 2015 in a befitting manner. To spread safety awareness among the employees, port users and their employees, various programmes were held during the week like Safety Pledge, training on safety as well as field mock drill.

Your Company also celebrates World Environment Day on 5<sup>th</sup> June every year.

As a part of Swatch Bharath Mission, your Company has undertaken cleaning campaign and many areas including beaches were cleaned up. Pamphlets highlighting importance of upkeep of environment and cleanliness were distributed to the Port to create awareness among them.

Your Company has obtained ISO 14001-2004 Certificate for Environmental Management System on 9<sup>th</sup> February 2015.

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

Your Company has 15 women employees including 10 officers and 5 supporting staff. The total women employees constitute approximate 15% of its total workforce of 102 as on 31.03.2015.

Your Company is taking all measures to implement the policy to curb Sexual Harassment of women workers at work place. No case of any harassment has

since been reported at any time in your Company. The women employees are facilitated to perform and display their efficiencies for the betterment of the organization as well as self improvement. Various cultural, social, educative and community activities, such as adult educating, blood donation camps, eye camps, etc. are being organised regularly mostly for the benefit of the women residing in the neighbouring areas.

Every year 8<sup>th</sup> March is celebrated as International Women's Day and various programmes are organised with the active participation of women employees to mark the day. Your Company has established a Women's Cell to address the grievances of women employees.

Your Company provides livelihood opportunity to 120 women workers as social welfare measure through self help group from surrounding villages for several years at the Port.

### **26.0 CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY**

#### **26.1 Corporate Social Responsibility & Sustainable Development**

Your Company has constantly endeavored to contribute to the community development. During the year under review, your Company has adopted CSR Policy and the same has also been published in the website of the Company as required under Section 135 of Companies Act. KPL has spent Rs.3.19 crores during the financial year 2014-15 out of financial target of Rs.4.92 crores. Your Company has undertaken various CSR activities such as development of roads in the neighborhood villages, providing basic amenities to public as well as to schools like anganwadi centres, toilet blocks, classrooms, sponsoring computers and furniture to schools, vocational and skill development training programmes to educated youths and wards of fishermen, drinking water facility, construction of bus shelters etc.

Apart from CSR activities, your Company has also undertaken various activities under Sustainable Development to sustain the ability of natural systems to continue to provide natural resources and ecosystem services to the community.

Details of CSR and sustainable development initiatives taken by the Company and clarification of unspent amount on CSR of Rs.1.73 crores forms part of this Board Report as Annexure-2.

Your Company has a Corporate Social Responsibility and Sustainability Committee to oversee and monitor the implementation of identified CSR activities. CSR

& Sustainability Committee was reconstituted on 12.11.2014 and it comprises of:

1. Shri M.A Bhaskarachar, Chairman
2. Shri Atulya Misra, Member
3. Shri Sanjay Kumar, Member

During the year under review, three (3) Meeting of the Committee on CSR and sustainable development was held on 23.12.2014, 11.02.2015 and 21.02.2015.

## **26.2 Research & Development**

Your Company for its future growth and to improve and expand its operations by developing new processes has planned to upgrade Kamarajar Port Physical Model by installing new equipment for wave generation (RSWG) and Data Acquisition System under Research and development at a cost of Rs.1,68,45,952/-. During the year, your Company has spent Rs.81,57,020/- for this project and the remaining amount would be spent in the next financial year. One other project carried out during the year under Research & Development was Port Limit Hydrographic Survey for updating the navigational chart at a cost of Rs.17,00,000/-.

## **27.0 RISK MANAGEMENT POLICY**

Risk Management Policy provides a framework to identify, assess and manage potential risks and opportunities. It provides a way for managers to make informed management decisions.

Some of the objectives of a Risk Management Framework are given below.

- A focused approach in identifying the obstacles & managing them will help the Organizations to perform better.
- Introduce a structured risk management initiative across the Organization to identify potential risks that may adversely affect the objectives of the Organization, plan for their mitigation with specific responsibility.
- Implement such a plan with a targeted date and review periodically.
- Improves strategic decision making;
- Improves business performance;
- Reduces operational surprises and losses;
- Promote a more innovative and less risk averse culture;
- Improves deployment of capital;
- Provide a sound basis for integrated risk management and internal control as components of good corporate governance;
- Seizing opportunities.

Your Company is in the process of implementing the Policy.

## **28.0 WHISTLE BLOWER POLICY**

Your Company believes in the conducting the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. As a part of Corporate Governance your Company has established a mechanism called “Whistle Blower Policy” for employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy. Said policy is also available on our website.

## **29.0 NOMINATION AND REMUNERATION POLICY**

Your Company being the Government Company Terms and Condition of Remuneration are determined by the Government of India. For further details Corporate Governance Report which forms part of the Annual report may be referred.

## **30.0 RIGHT TO INFORMATION ACT, 2005**

Your Company has implemented the Right to Information Act, 2005 to provide information to the citizens of India and also to maintain accountability and transparency in the working of the Company. The Company has designated a Public Information Officer and a Transparency Officer to look after the compliances of RTI Act, 2005. Director (Operations) has been appointed/designated as Appellate Authority under the Act.

During the year under report, all 32 applications received under RTI Act were duly processed and replied to and one appeal accepted under RTI had been disposed off during the period.

## **31.0 INFORMATION TECHNOLOGY**

As per the directives of the Honorable Prime Minister, the Government of India have laid out ambitious plans for e-governance and e-delivery of services. In pursuance of this, the Ministry of Shipping has instructed all the major ports to implement full-fledged comprehensive ERP system covering all departments and to become completely paperless and smart office in the next one year.

Your Company accords utmost importance to leverage the Information Technology (IT) in its corporate strategy to provide best services at competitive cost by maximizing efficiency and reducing operating costs. Your Company has taken various initiatives to achieve this goal.

- With the completion of phase II of ERP by NIC, your Company has operationalized Finance and HR/Payroll modules of ERP during the financial year 2014-15.
- The Port entry Permit system developed by NIC is being upgraded into a web based on line system enabling online authentication and Print out of Passes thereby facilitating the port users and reduce the traffic congestion at the Port entrance.
- Your Company has acquired satellite data for the entire port area from National Remote Sensing Agency and selected a vendor to digitize maps and implement GIS based Land Management System.
- Your Company is also in the process of finalizing tender specifications for RFID based Access Control and surveillance system in collaboration with IPA.
- Your Company in compliance with MOS directives to all the ports is in the process of implementing full fledged comprehensive ERP system and in this regard has engaged Indian Institute of Foreign Trade (IIFT), a premier business school to carry out Business Process Reengineering as a pre requisite for ERP implementation.
- The proposed comprehensive ERP system covering all business processes including Port operations and integrated with Document Management system, Land Management system, On line berthing system, access control system etc., will make your Company a complete paperless, smart office.

Your Company is taking proactive steps to achieve this goal in the next one year.

## **32.0 IMPLEMENTATION OF OFFICIAL LANGUAGE**

Your Company has made focused efforts for the propagation and implementation of the official language policy of the Government of India.

## **33.0 BOARD OF DIRECTORS**

During the year under review, there has been no change in the composition of Board. The composition of Board of Directors continues to be as follows:

- I. Shri M.A. Bhaskarachar  
Chairman- cum-Managing Director
- II. Shri N. Muruganandam  
Nominee Director, Ministry of Shipping

- III. Shri Atulya Misra  
Nominee Director, Chennai Port Trust
- IV. Shri Sanjay Kumar  
Whole Time Director (Operations)

During the year Company did not have required number of Independent Directors. Your Company being a public sector undertaking, the appointment of Directors both Executive and Non-Executive are to be made by the Government of India. Your Company has taken up the matter with the Ministry of Shipping, Government of India for appointment of requisite number of Independent Directors and Woman Director on the Board of the Company.

Declaration from Independent Director will be obtained as required under the Companies Act 2013, on appointment of Independent Directors as per the directives of Ministry of Shipping, GoI.

### **33.1 Reappointment of Directors**

As per the provisions of the Companies Act, 2013, Shri Muruganandam (DIN No. 00540135) retires by rotation at the ensuing Annual General Meeting and being eligible seeks re-appointment. The Board recommends his re-appointment.

### **33.2 Number of meetings of the Board**

The Board met 10 times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies' Act, 2013.

### **33.3 Details of Key Managerial Person appointed or ceased during the year**

Pursuant to provision of Section 203 of Companies Act 2013, Shri M.Gunasekaran, General Manager (F) was designated as CFO of the Company w.e.f 23.05.2014. Shri Sudarsan Pahi ceased to be Company Secretary of the Company w.e.f 23.01.2015 and in his place Smt Jayalakshmi Srinivasan was appointed as Company Secretary of the Company w.e.f. 29.05.2015.

## **34.0 AUDIT COMMITTEE**

The Audit Committee of the Company comprises of the following members:

- |  |            |
|--|------------|
| Shri Atulya Misra, Nominee Director      | - Chairman |
| Shri N. Muruganandam, Nominee Director   | - Member   |
| Shri Sanjay Kumar, Director (Operations) | - Member   |

As currently there are no independent directors on the Board of the Company, the Audit Committee



will be reconstituted by the Board of Directors once Independent Directors are appointed on the Board.

Head of Finance, Internal Auditors, Statutory Auditors and Senior Executives from various functions were invited in the Audit Committee meetings for interacting with the members of the Audit Committee.

### **35.0 OTHER COMMITTEES**

Detailed note on other committees including CSR and Audit Committee is provided in Corporate Governance Report which forms part of annual report as Annexure-3.

### **36.0 VIGILANCE**

The Vigilance Division in Kamarajar Port Limited is headed by Shri T. Kandasamy, IPS, Chief Vigilance Officer, Chennai Port Trust, who is holding additional charge of CVO, KPL from 04.12.2014. He is assisted by a Deputy Manager from Operations Department.

The Vigilance Division scrutinizes the documents with respect to the work contract executed by the departments. Procedural lapses, deviations from tendering norms and shortcomings in contract works are pointed out to the concerned departments for corrective actions. The recovery of money is also advised in fitting cases.

The CVC guidelines/notifications are circulated to the departments. The Annual Immovable Property Returns submitted by the officers of KPL are scrutinized by the Vigilance Division. Clarifications are sought for the abnormalities, if any, from the concerned officers. The Audit reports are studied at Vigilance Division and departments are advised to take necessary corrective action, wherever required.

#### **36.1 Vigilance Awareness Week, 2014**

As directed by the Central Vigilance Commission, Vigilance Awareness Week, 2014 was observed in KPL from 27.10.2014 to 01.11.2014. Essay and Slogan writing competitions were held with the active participation from KPL staff. Lectures were organized on vigilance related topics to create more awareness on Vigilance.

#### **36.2 Adoption of Integrity Pact.**

The Central Vigilance Commission has been promoting Integrity, transparency, equity and competitiveness in Government/PSU transactions as a part of vigilance administration and superintendence. Public procurement is a major area of concern for the Central Vigilance Commission and various steps

have been taken to put proper systems in place. The Commission has recommended adoption of Integrity Pact and provided basic guidelines for its implementation in respect of major procurements in the Government Organizations. Further the commission has recommended for the appointment of Independent External Monitors (IEMs) for the implementation of Integrity Pact and also advised the organisations to fix a threshold value for the contracts/ procurement which are to be brought under the Integrity Pact. The Pact envisages an agreement between the prospective vendors/bidders and the Employer/Principal committing the persons /officials of the both parties, not to exercise any corrupt influence on any aspect of the contract.

The KPL Board has approved the Vigilance department's proposal of Integrity Pact in the Board meeting held on 21.02.2015. The threshold value for contracts/ procurement to be covered under Integrity Pact has been fixed as Rs 1 Crore and above. The CVC had appointed the following two retired officers as Independent External Monitors (IEM) for implementing the Integrity Pact in KPL.

- 1) Shri Velayutham Venkatachalam, IAS, (Retd), Chennai.
- 2) Shri T.Govindarajan, Former CE (PWD), Coimbatore.

The first meeting of IEMs was held in April 2015 and it is proposed to conduct the review meetings on quarterly basis.

### **37.0 NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

During the year no Company has become or ceased to be its subsidiaries, joint ventures or associate companies.

### **38.0 DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors state that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and



prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (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.

### **39.0 PARTICULAR OF EMPLOYEES**

There are no employees whose particular are required to be disclosed under rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.-Nil.

### **40.0 AUDITORS**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Comptroller & Auditor General of India, New Delhi has appointed M/s. Sankaran & Krishnan, Chartered Accountants, Chennai as Statutory Auditors of the Company for the period ended 31<sup>st</sup> March 2015.

#### **40.1 Statutory Auditors' Report**

The statutory auditor of the Company, M/s. Sankaran & Krishnan, Chartered Accountants, have given an unqualified report on the accounts of the Company for the financial year 2014-15. The Emphasis of matters and Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

### **41.0 REVIEW OF ACCOUNTS BY COMPTROLLER AND AUDITOR GENERAL OF INDIA**

Under Section 143(6)(b) of the Companies Act, 2013, the Comptroller and Auditor General of India, vide letter dated 07.07.2015, has mentioned that on the basis of audit, nothing significant has come to their knowledge which would give rise to any comment upon

or supplement to Statutory Auditor's Report. A copy of the report of C&AG is annexed herewith.

### **42.0 SECRETARIAL AUDIT**

M/s. Rabi Narayan Associates, practicing Company Secretary (FCS No.4993, C P No: 3480) was appointed to conduct secretarial audit of the Company for the financial year 2014-15 as required under Section 204 of the Companies' Act, 2013 and rules thereunder.

The Secretarial Auditors have reported that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non Executive Directors, except with regard to appointment of independent directors as envisaged in condition 3.1.4 of guidelines issued by Department of Public Enterprises (DPE) vide reference No.18(8)/2005-GM dated May 14, 2010. The secretarial Auditor's Report for the financial year 2014-15 forms part of this Board Report as Annexure-4.

#### **42.1 Reply to the comments of Secretarial Auditor**

Your Company being a public sector undertaking, the appointment of Directors both Executive and Non- Executive are to be made by the Government of India. Accordingly, with regard to appointment of Independent Directors, your Company has already taken up the matter with the Ministry of Shipping, Government of India for appointment of sufficient number of Independent Directors on the Board of the Company.

### **43.0 SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS**

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

### **44.0 EXTRACT OF ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of annual return in the prescribed format is appended as Annexure-5 to the Board's report.

### **45.0 DEBENTURE TRUSTEE**

Your Company has appointed M/s SBICAP Trustees Company Ltd. and GDA Trustees Ltd. as Debenture Trustees for Tax Free bonds issued during the Financial Year 2012-13 and 2013-14 respectively.

#### **46.0 REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO.**

Information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 regarding Conservation of Energy, Technology Absorption is given at Annexure-6 to this report.

#### **47.0 REPORT ON CORPORATE GOVERNANCE**

As per the guidelines of the Government of India, Department of Public Enterprises, a report on Corporate Governance for the year ended 31<sup>st</sup> March 2015 together with Auditors' Certificate on Corporate Governance is available at Annexure-3 to this report.

#### **48.0 REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS**

A report on Management Discussion and Analysis is enclosed at Annexure-7.

#### **49.0 ACKNOWLEDGEMENT**

Your Directors would like to place on record their gratitude for the support and guidance received from the Ministry of Shipping, Government of India and Chennai Port Trust and appreciate co-operation received from TANGEDCO/TNEB, TNPCB, GoTN

and GoI, particularly the Ministry of Environment & Forests, Planning Commission, Department of Public Enterprises, Indian Port Association, Ministry of Finance and Indian Railways/Southern Railways.

Board of Directors is pleased to acknowledge with gratitude the cooperation and support extended by Comptroller & Auditor General of India, Statutory Auditors, Internal Auditors and Secretarial Auditor. Your Directors take this opportunity to thank the Port Users, BOT concessionaires, Contractors and Bankers for their continued support during the year. The Directors sincerely appreciate the high degree of professionalism, commitment and dedication displayed by employees at all levels. The Directors are also deeply grateful for the continued confidence and faith reposed on us by Shareholders, Debenture Holders.

**For and on behalf of the Board of Directors  
of Kamarajar Port Limited**

**(M.A. Bhaskarachar)**  
**Chairman cum Managing Director**  
**(DIN No.02250459)**

**Place** : Chennai  
**Date** : 14<sup>th</sup> August 2015

**Form No. AOC-2**

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

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

**1. Details of contracts or arrangements or transactions not at arm's length basis**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
1	Chennai Port Trust, Shareholder of the Company having 33% holding in the Company.	Technical service agreement for Civil works of Planning, Design, Preparation of Drawing Estimate, Specifications, Tender documents and Working Drawing.	6 months.	Availing of services on the Payment of consultancy fees as per the following i) Work Costing upto Rs.2 crores – 8% of cost estimate ii) Work costing above Rs.2 crores and upto Rs.5 crores-7% of cost estimate iii) Work Costing above Rs.5 crores – 6% of cost estimate. In addition to above cost, any service to be procured from specialized agencies, KPL has to bear the actual cost plus 5% overhead charges on the cost of services.	Considering the rich experience, domain knowledge in port functioning/ services of Chennai Port Trust (Ch. PT) and its employees, assistance of Ch.PT was sought in order to speed up the projects and also to put the land newly acquired to optimum use.	August 19, 2014	--	September 29, 2014.

**2. Details of material contracts or arrangement or transactions at arm's length basis**

- (a) Name(s) of the related party and nature of relationship: N.A  
 (b) Nature of contracts/arrangements/transactions: N.A  
 (c) Duration of the contracts / arrangements/transactions: N.A  
 (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A  
 (e) Date(s) of approval by the Board, if any: N.A  
 (f) Amount paid as advances, if any: N.A

**For and on behalf of the Board of Directors**

**(M.A.Bhaskarachar)**  
**Chairman-Cum-Managing Director**  
**DIN No. 02250459)**

Place : Chennai

Date : 14<sup>th</sup> August 2015

## CSR ACTIVITIES OF KAMARAJAR PORT LIMITED FOR THE YEAR 2014-15

## Brief out line of KPL Policy

KPL shall consistently strive to meet the expectations of the society by supporting initiatives for improving infrastructure/ quality of life of society / community without compromising on ecological issues on sustainable basis consistent with the CSR provisions of Act, Schedule VII of the Act, CSR rules, the Guidelines issued by DPE and the policy directions issued by the Government time to time.

KPL, as a socially responsible corporate port would like to endeavor to

- promote and leverage green technologies to produce goods and services that contribute to social and environmental sustainability
- take up CSR projects by priority to the issues which are in the National Development agenda like safe drinking water, provision of Toilets especially for girls, health and sanitation and education, etc., with the main focus to address the basic needs of the deprived, under privileged and weaker sections of the society which consists of SC, ST, OBCs, minorities, BPL families, old and aged, woman/ girl child and physically challenged, etc.

## CSR Committee Constitution since 12.11.2014

Shri. M.A. Bhaskarachar, CMD – Chairman  
 Shri. Atulya Misra, Director – Member  
 Shri Sanjay Kumar, Director (O) – Member

Average Net profit of the Company for last three financial years (PBT) = 245.90 Crores  
 $(120.78+216.74+400.19)/3$

Prescribed CSR Expenditure (2% of the average Net profit) = 4.92 Crores

Details of CSR spent during the financial year 2014-15

(a) Total amount to be spent for the financial year 2014-15 - 4.92 Crores

(b) Amount unspent, if any - 1.73 Crores

(Some of the programmes such as providing hygienic sanitation facilities for girls students in schools, construction of class rooms to girls school, health programmes etc. are more than one year project.)

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

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise in Rs.	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cummulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Infrastructure	Education	Construction of two classrooms for Loganatha Narayanaswamy Govt. Arts College, Ponneri TK, Tiruvallur DT	27,50,000	27,07,709	27,07,709	Direct
2	Infrastructure	Health and Family Welfare	Construction of primary health centre at Nandiampakkam village	5,72,000	6,80,690	6,80,690	Direct

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise in Rs.	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cummulative expenditure upto to the reporting period	Amount spent: Direct or through imple menting agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3	Supply	Health and Family Welfare	Public Health Centre, West Mambalam - Providing hormone analyser	14,50,000	14,48,500	14,48,500	Direct
4	Infrastructure	Promotion of sports and games	Construction of compound wall for playground at Vallur village, Ponneri Taluk	18,75,000	17,65,162	17,65,162	Direct
5	Consultancy	Baseline survey	Consultancy services for conducting Baseline survey for the years 2014-15, 2015-16 & 2016-17 and Evaluation of CSR projects for the year 2013-14	13,00,000	12,07,500	12,07,500	Direct
6	Supply	Education	Sponsoring of Desktop computers to schools under CSR at various locations of Ponneri TK and Chennai	14,05,000	14,35,500	14,35,500	Direct
7	Infrastructure	Education	Construction of compound wall / renovation of buildings at Saidapet Chennai	18,76,500	3,70,395	11,40,175	Direct
8	Infrastructure	Education	Construction of compound wall and providing gates to the building of primary school at Vannipakkam Village	4,05,000	9,699	3,84,488	Direct
9	Infrastructure	Education	Re-laying of kitchen floor and providing cupboard to IDCS centre - Vellampakkam Village-	70,000	1,02,466	1,12,163	Direct



Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise in Rs.	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cummulative expenditure upto to the reporting period	Amount spent: Direct or through imple menting agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
10	Infrastructure	Education	New building for ICDS Anganwadi Centre at Adi Dravidar Colony at Thiruvellaivoyal Village	6,25,000	4,13,186	7,65,775	Direct
11	Infrastructure	Building of roads, pathways and bridges	Kalpakkam Village- Construction of Bus Shelter for villagers.	2,20,000	2,00,986	2,00,986	Direct
12	Infrastructure	Building of roads, pathways and bridges	Naloor Village- Construction of Bus Shelter for villagers.	2,20,000	61,556	2,07,474	Direct
13	Infrastructure	Education	Providing incinerator to JaigopalGarodia Girls High School, Ponneri	50,000	40,490	40,490	Direct
14	Infrastructure	Education	Construction/ renovation of Toilet blocks for boys & girls and an incinerator at High School of Kattupalli village	7,50,000	4,57,144	8,24,034	Direct
15	Infrastructure	Building of roads, pathways and bridges	Kattupalli village - Construction of Bus Shelter	2,20,000	60,755	1,91,560	Direct
16	Infrastructure	Education	Nandiampakkam Village - New buildings for ICDS Anganwadi Centre at Rajiv Gandhi colony & Irular Colony	12,50,000	2,55,428	13,62,884	Direct
17	Infrastructure	Building of roads, pathways and bridges	Nandiampakkam village - Construction of Bus Shelter	2,20,000	2,07,877	2,07,875	Direct

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise in Rs.	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cummulative expenditure upto to the reporting period	Amount spent: Direct or through imple menting agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
18	Supply	Education	Supply of furniture under CSR at Kattupalli village, KoonanKuppam, Nandiampakkam village and Ponneri	6,30,000	5,29,280	5,29,280	Direct
19	Supply	Education	Supply of furniture & equipments to South India Scheduled Tribes Welfare Associationi, Saidapet, Chennai	13,88,000	11,60,080	11,60,080	Direct
20	Supply	Education	Supply of furniture & equipments to BalaMandirKamaraj Trust, T. Nagar, Chennai.	1,00,000	86,500	86,500	Direct
21	Infrastructure	Drinking water facility	Providing safe drinking water facility to Govt. Adidravidar high school at Vallur village	2,30,000	2,07,014	2,64,465	Direct
22	Infrastructure	Drinking water facility	Installation of RO to provide safe drinking water to Panchayat union middle school at Nandiampakkam village	60,000	60,390	61,000	Direct
23	Infrastructure	Drinking water facility	Construction of LLR and pump room to the Irular Colony at Nandiampakkam village	7,70,000	4,94,663	8,04,418	Direct
24	Infrastructure	Drinking water facility	Provision of water purifier to the Panchayat Union at primary school at Vanipakkam	1,70,000	1,57,985	1,59,581	Direct

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise in Rs.	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cummulative expenditure upto to the reporting period	Amount spent: Direct or through imple menting agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
25	Infrastructure	Drinking water facility	Providing general water facilities to Govt High school at Katupalli village	60,000	65,340	66,000	Direct
26	Infrastructure	Drinking water facility	Construction of Overhead tank and laying pipeline at Aryanvoyal village	15,00,000	11,79,128	16,60,270	Direct
27	Infrastructure	Drinking water facility	Supply of drinking water for school at Aryanvoyal village	7,75,000	6,95,223	9,84,194	Direct
28	Infrastructure	Drinking water facility	Construction of sump and overhead tank at Katupalli village	7,75,000	10,70,356	10,63,295	Direct
29	Infrastructure	Sanitation and public health	Construction of integrated toilets at Irular Colony, Nandiampakkam village	14,00,000	14,22,679	13,62,090	Direct
30	Infrastructure	Sanitation and public health	Construction of integrated toilets at Pazhaverkadu	14,00,000	13,01,501	13,62,090	Direct
31	Contribution	Others	Contribution towards awareness creation and training on sustainable conservation and management of wet lands in Pallikaranai under CSR	30,00,000	30,00,000	30,00,000	Through The Conservation Authority of Palli karanai Marshland
32	Contribution	Others	Enrollment as Member of Asian Institute of Transport Development, New Delhi (AITD) under skill development of CSR	30,00,000	30,00,000	30,00,000	Through implementing agency

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise in Rs.	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cummulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
33	Sanitation and public health	Maintainance	Engagement of service provider for the operational maintenance of a toilet block at Govt. High school, Athipattu under CSR	73,440	71,070	71,070	Through implementing agency NGO – M/s. Sulabh International Social Service Organisation, Chennai - 90
34	Infrastructure	Education	Contribution of fund to Town Higher Secondary School, Kumbakonam for construction of classroom and toilets for girls under CSR	15,00,000	15,00,000	15,00,000	Through Town Higher Secondary School, Kumbakonam
35	Skill training	Education	Contribution towards for improving the quality of Child Education and learning- pilot initiative for selected Government Schools in Thiruvallur District under CSR	35,00,000	35,00,000	35,00,000	Through Dist. Collector, Thiruvallur
36	Infrastructure	Building of roads, pathways, and bridges	Kodur - Construction of road to burial ground	8,70,000	3,08,658	3,08,658	Direct
37	Skill training	Skill training / vocational	Skill training to Nandiampakkam, Kattupalli village	3,25,800	3,25,800	3,25,800	Through MSME, Guindy
38	Supply	Education	St. Lazarus school, RA puram - Uniform clothes	4,00,000	3,89,772	3,89,772	Direct
				<b>Total</b>	<b>3,19,50,482</b>		

The CSR committee of Board has constituted a transparent monitoring mechanism for implementation of the CSR Projects/Activities/ programs undertaken by KPL

Chairman-cum-Managing Director &  
Chairman, CSR Committee

Place : Chennai  
Date : 14<sup>th</sup> August 2015

## REPORT ON CORPORATE GOVERNANCE

Your Company believes in good Corporate Governance which ensures sustainable economic growth and maintains investors confidence by encouraging trust, moral and ethical environment. Corporate Governance is essential to develop added value to the stakeholders. Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. At Kamarajar Port Ltd, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation. Our Business Principles is an extension of our values and reflects our continued commitment to ethical business practices across our operations. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Business Principles inspires us to set standards which not only meet applicable legislation but go beyond in many areas of our functioning.

The Board of Directors ('the Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we endeavour to maintain an effective and informed Board.

A report in line with the requirements of the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises (DPE) is given below as a part of the Director's Report along with the Certificate issued by a Statutory Auditor of the Company regarding compliance with the provisions of Corporate Governance:

### 1.0 BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Company's Corporate Governance initiative is based on two core principles. These are:

- (i) Management must have the executive freedom to drive the enterprise forward for sustainable growth without undue restraints; and
- (ii) This freedom of management should be exercised within a framework of effective accountability

Our corporate structure, conduct of business and disclosure practices has been aligned to our Corporate Governance Philosophy.

### 2.0 BOARD OF DIRECTORS

#### 2.1 Composition and category of the Board of Directors as on 31.03.2015

##### Whole-time Directors/ Executive Directors

- (i) Shri M. A. Bhaskarachar, Chairman-cum-Managing Director
- (ii) Shri Sanjay Kumar, Director (Operations)

##### Nominee Directors

- (iii) Shri N. Muruganandam, IAS, Nominee Director of Govt. of India
- (iv) Shri Atulya Misra, IAS, Nominee Director of Chennai Port Trust

##### Non-official Part time (Independent) Directors

-NIL-\*

*\*Note: All the Non-Official Part Time (Independent) Directors ceased to be the Directors of the Company consequent upon completion of their tenure with effect from 25<sup>th</sup> February 2014 pursuant to the appointment order of MOS No.EPL/2/2006-DO(PO) dtd 18/02/2011. The Company has taken up the matter with the Ministry for filling the vacancy.*

#### 2.2 No. of Board Meetings held with dates of the Meeting:

During the year 2014-15, 10 (Ten) Nos. of Board meetings were held on 11.04.2014, 23.05.2014, 4.07.2014, 19.08.2014, 30.08.2014, 29.09.2014, 12.11.2014, 11.12.2014, 30.12.2014, 21.02.2015.



### 2.3 Attendance of each Director at the Meeting, Last AGM, Number of Directorship and Membership / Chairmanship of Committee

Name and Designation of the Director	No. of Board Meetings		Last AGM attended	Other Directorship	Other Committees	
	held	attended			As Member	As Chairman
Whole-time Directors						
Shri M. A. Bhaskarachar, Chairman-cum-Managing Director (From 21 <sup>st</sup> December 2012)	10	10	Yes	1	1	3
Shri Sanjay Kumar Director (Operations)	10	10	Yes	1	6	-
Government Nominee Directors						
Shri N. Muruganandam, Nominee Director of Govt. of India	10	08	Yes	1	3	-
Shri Atulya Misra Nominee Director of Chennai Port Trust	10	09	No	1	1	3

### 3.0 COMMITTEE OF BOARD OF DIRECTORS

The Board Committees play a crucial role in the governance structure of the Company and are being set out to deal with specific area / activities which concern the Company and need a closer review. Various committees of Board are as under:

#### 3.1 Audit Committee

The role and terms of reference of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Guideline on Corporate Governance for CPSEs issued by DPE. The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements.

#### A. Composition of Audit Committee

The Audit Committee of the Company comprises of the following members:

Shri Atulya Misra, Nominee Director - Chairman

Shri N. Muruganandam, Nominee Director - Member

Shri Sanjay Kumar, Director (Operations) - Member

As no independent directors are on the Board of the Company therefore, the composition of Audit Committee is not as per the Companies Act, 2013 and DPE Guidelines and the Company has taken up the matter with the Ministry for appointment of Independent Directors. Compliance with regard to composition will be adhered consequent to appointment of Independent Directors.

The Company Secretary acts as Secretary to the Audit Committee.

#### B. Brief description of Terms of Reference\*:

- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Valuation of undertaking or assets of the company wherever it is necessary.
- Review of Internal financial controls and risk management systems and reviewing the Company Financial and Risk Management Policies.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending fixation of audit fee and also approval for payment for any other services.
- Reviewing with the management the Quarterly, half-yearly and annual financial statements, as may be applicable, before submission to the Board, focusing primarily on:
  - ❖ Matters required to be included in the Directors Responsibility Statement to be included in the Boards report in terms of clause 5 of section 134 of the Companies Act, 2013.
  - ❖ Changes, if any, in accounting policies and practices and reasons for the same.
  - ❖ Major accounting entries involving estimates based on the exercise of judgment by management.
  - ❖ Significant adjustments made in the financial statements arising out of audit findings Compliance with accounting standards.
  - ❖ Compliance with legal requirements concerning financial statements.
  - ❖ Qualification in draft audit report, related findings and recommendations of the independent

auditor and internal auditor, together with the management responses.

- ❖ Any related party transactions, i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large and any modification thereof. Statement of related party transactions submitted by management Audit Committee may also designate a member who shall be responsible for reviewing related party transactions.
- g. Reviewing with the management, external and internal auditors;
  - ❖ The adequacy of internal control systems including computerized information system controls and security.
  - ❖ Significant findings during the year, including the status of previous audit recommendations.
  - ❖ Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
- h. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- i. Review with the independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
- j. Consider and review the following with the management, internal auditor and the independent auditor:
- k. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board. Review of Internal audit reports relating to internal control weaknesses;
- l. Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors.
- m. Discussion with external auditors before the audit commences on nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- n. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

- o. Scrutiny of inter-corporate loans and investments.
- p. Review of the functioning of the Whistle Blower Mechanism.
- q. To review the follow up action on the audit observations of the C&AG audit. Recommendation of Committee on Public Undertakings (COPU) of the Parliament.
- r. Monitoring the end use of funds raised through public offers and related matters.
- s. Review of Management discussion and analysis of financial condition and results of operations;
- t. Certification/declaration of financial statements by the Chief Executive/Chief Finance Officer, as and when applicable.

*\*Note : above terms of reference are revised terms of reference, adopted by Board in its meeting dtd 17.07.2015*

### C. Meetings and Attendance during the year

During the year 2014-15, five Audit Committee meetings were held on 23.05.2014, 19.08.2014, 31.10.2014, 12.11.2014 and 21.02.2015.

#### Attendance:

Members	No. of meetings held	Meetings attended
Shri Atulya Misra	5	4
Shri N. Muruganandam	5	4
Shri Sanjay Kumar	5	5

### 3.2 Nomination and Remuneration Committee

Being a Government Company, appointment and terms and conditions of remuneration of Whole-time Directors are determined by Government of India through the Administrative Ministry, namely, the Ministry of Shipping. The pay scales of the other employees are fixed in line with guidelines issued by the Department of Public Enterprises (DPE).

Remuneration Committee constituted for the purpose of determining the Performance Related Pay (PRP) for its executives, in line with DPE Guideline has been renamed as Nomination & Remuneration Committee with following members.

Shri Atulya Misra	Chairman
Shri M.A Bhaskarachar	Member
Shri N. Muruganandam	Member
Shri Sanjay Kumar	Member

As no independent directors are on the Board of the Company therefore, the composition of Committee is not as per the Companies Act, 2013

and DPE Guidelines. Compliance with regard to composition will be adhered consequent to appointment of Independent Directors on Board.

#### Terms of reference

1. To identify persons who are qualified to be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
2. To formulate the criteria for determining qualifications, positive attributes of senior management and recommend to the Board a policy, relating to the remuneration for the senior management and other employees.
3. To decide the quantum of Annual Bonus / Variable Pay and policy for distribution across the Executives and staff within the prescribed limits.
4. To ensure :
  - (i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Senior Management Personnel of the quality required to run the company successfully;
  - (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (iii) Remuneration to senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

During the year under the review nil meeting was held.

#### A. Remuneration received by Functional Directors

Details of remuneration of functional directors of the Company paid for the financial year 2014-15

Name of the Directors	Salary & Other Allowances (Rs.)	Bonus/ Commission/ PRP (2012-13 (Rs.))	Total (Rs.)
Shri M. A. Bhaskarachar, Chairman-cum-Managing Director	25,75,245/-	5,66,430/-*	31,41,675/-
Shri Sanjay Kumar, Director (Operations)	24,98,121/-	11,99,250/-	36,97,371/-

\* Paid on proportionate basis as joined on 21.12.2012

**Note :** The total remuneration mentioned above does not include value of perquisites under Section 17(2) of the Income Tax Act, 1961 and Provident Fund (including employer's contribution).

### 3.3 Tax Free Bonds Issue Committee

The Tax Free Bonds Issue Committee was constituted by the Board of Directors in its Meeting held on 23<sup>rd</sup> August, 2013. The Bond Committee was authorized by the Board to take various decisions with respect to issue of Tax Free Secured Redeemable Non-convertible Bonds.

The current composition of the Bond Committee of the Board of Directors is as under:

Sl. No.	Name of the Committee Members	Designation	Position in the Committee
1.	Shri M. A. Bhaskarachar	Chairman-cum-Managing Director	Chairman
2.	Shri Sanjay Kumar	Director (Operations)	Member

During the year under the review nil meeting was held.

### 3.4 Share Allotment and Share Transfer Committee

The Share Allotment and Share Transfer Committee comprises of the following members:

1. Mr. M. A. Bhaskarachar Chairman
2. Mr. N. Muruganandam Member
3. Mr. Sanjay Kumar Member

No share allotment or share transfer occurred during the year under review.

### 3.5 Bond Transfer and Bondholders' Grievance Committee/ Stakeholder Relationship committee.

The Bond Transfer and Bondholder's Grievance Committee was constituted by the Board of Directors through circular resolution on September 26, 2013. As on date, the Bond Transfer and Bondholder's Grievance Committee comprises of the following members:

1. Mr. M. A. Bhaskarachar Member
2. Mr. Sanjay Kumar Member

During the year under review, three (3) Meeting of the Bond Transfer and Bondholders' Grievance Committee was held on 16.07.2014, 6.12.2014 and 06.02.2015.

Members	No. of Meetings held	No. of meetings attended
Mr. M. A. Bhaskarachar	3	3
Mr. Sanjay Kumar	3	3

Stakeholder Relationship Committee was constituted pursuant to section 178(5) of Companies Act 2013 by the Board in its meeting dtd 29.09.2014 with following members.

Sl. No.	Name of the Committee Members	Position on the Committee
1.	Shri Atulya Misra, (Non-Executive Director)	Chairman
2.	Shri Sanjay Kumar, Director (Operations)	Member
3.	Shri M. Gunasekran GM (F) & Compliance officer	Member

As the scope of the two committees are one and the same the Board in its meeting dtd 17.07.2015 has merged the two committees as Stake Holders Committee in line with the requirement of Companies Act 2013 with the members of the Stake holders committee as stated above.

### 3.6 Board Level Committee on CSR and Sustainability Development

The Board level Committee on CSR and Sustainability was reconstituted by the Board of Directors on 12.11.2014 on account of expiry of tenure of the independent directors on 25.02.2014 and the Committee comprises of the following members:

1. Shri M.A Bhaskarachar Chairman
2. Shri Atulya Misra Member
3. Shri Sanjay Kumar Member

During the year under review, three (3) Meeting of the Committee on CSR and sustainable development was held on 23.12.2014, 11.02.2015 and 21.02.2015.

Members	No. of Meetings held	No. of meetings attended
Mr. M. A. Bhaskarachar	3	3
Shri Atulya Misra	3	3
Mr. Sanjay Kumar	3	3

### 4.0 GENERAL BODY MEETING

- 4.1 The Annual General Body Meeting of the Company for the financial year 2014-15 will be held on on Monday, the 28<sup>th</sup> day of September 2015 at 11.30 a.m. at Port Administrative Office, Vallur Post, Chennai – 600 120.

- 4.2 During the preceding three years, the Company's Annual General Meetings were held at the then previous Registered Office: P.T. Lee, Chengalvaraya Naicker Maaligai, 23 Rajaji Salai, Chennai – 600 001.

The date, time of the AGMs held during the preceding three years and special resolution passed thereat is as under:

Year	Date	Time	Special Resolution passed
2013-14	29.09.2014	12.00 noon	(i) Borrowing money in excess of paid up capital and free reserves upto Rs.1500 crores from GoI, ChPT, any bank/financial institution etc.  (ii) For entering into an agreement with ChPT to avail their technical services for civil works of the company.
2012-13	21.08.2013	10.30 hours	NIL
2011-12	29.08.2012	11.00 hours	NIL

### 5.0 DISCLOSURES

- Related Party Transaction are set out in note No.33(B) to the notes forming part of the financial statement for the year ended 31<sup>st</sup> March 2015 in the Annual Report.
- The Company has not received any Presidential directives during the FY 2014-15.
- There was no case of non-compliance of provisions of Companies Act, 2013 or any other statutory laws. The statutory authorities have also not passed any strictures or imposed penalty on the company under any Act/Rules.
- Your Company has a Whistle Blower Policy as per the guidelines issued by the Department of Public Enterprises (DPE) and no personnel of the Company have been denied access to the Audit Committee.
- No item of expenditure was debited in books of accounts which was not for the purpose of the business. Further, no expense was incurred which was personal in nature and was incurred for the Board of Directors and Top Management.



- (v) The Company has complied with the requirements of DPE Guidelines on Corporate Governances. Statutory Auditors of the Company have certified the compliance of DPE Guidelines on Corporate Governance by the Company.
- (vi) None of the Part time Directors of the Company have pecuniary relationship or transaction with the company.
- (vii) Details of administrative & office expenses and financial expenses for the year under review and for the previous year are available in annual accounts.

## 6.0 CODE OF CONDUCT

As part of Kamarajar Port's persisting endeavor to set a high standard of conduct for its employees a "Code of Business Conduct and Ethics" has been laid down for all Board Members and Senior Management Personnel. All Board Members and Senior Management personnel have affirmed compliance with Kamarajar Port's "Code of Business Conduct and Ethics" for the financial year 2014-15.

### Declaration

As provided under the Guideline on Corporate Governance for CPSEs issued by Department of Public Enterprises, all the Board Members and Senior Management of the Company have confirmed compliance with 'Code of Business Conduct and Ethics' for the year ended 31<sup>st</sup> March 2015.

For **Kamarajar Port Limited**

**(M. A. Bhaskarachar)**

**Chairman-Cum- Managing Director**

Place : Chennai

Date : 18.05.2015

## 7.0 TRAINING OF BOARD MEMBERS

Your Company has a policy for Training of Directors approved by the Board.

The training policy for the directors has the following objectives:

- Empower and equip the board with skills and attitudes required to perform their challenging tasks and play their role in a transparent, objective and ethical manner as per the best corporate governance practices.
- Promoting better understanding of professional requirements as well as sensitization to professional, socio-economic and political environment in which

work is done.

- Promoting an environment conducive to learning and development by serving as a role model for all the other employees in the Company.

CMD and Director (Operations) attended training programme on "Enterprise Risk Management & Key Risks for KPL" during the year 2014-15 (19th & 20th December 2014) conducted by M/s Riskpro India Venture (P) Ltd.

## 8.0 REVIEW OF COMPLIANCE OF APPLICABLE LAWS

The Board has periodically reviewed the compliance reports of all applicable laws to the company and has ensured the compliance of all the applicable laws.

## 9.0 MEANS OF COMMUNICATION

- **Half-Yearly Results:** Pursuant to listing of Tax Free Bonds in the Bombay Stock Exchange, the Company intimated half-yearly financial results/ audited annual financial results during 2014-15 to the Stock Exchange immediately after being taken on record and approved by the Board. These financial results were published in the leading English daily newspaper circulating whole or substantially whole of India. The results were also sent to Debenture Trustee and displayed on the website of the Company.
- **Website:** The Company's website is [www.ennoreport.gov.in](http://www.ennoreport.gov.in). Annual Report and Audited Financial statements including Directors' Report and Auditors' Report are also available on the web-site.
- **Annual Report:** Annual Report containing inter-alia, Audited Accounts, Directors' Report, Auditors' Report, cash flow statement and other important information is circulated to the members and others entitled thereto.
- **Compliance Officer:** The Company has designated Shri M.Gunasekaran, General Manager (Finance) and Chief Financial Officer as Compliance Officer for servicing Tax Free Bond holders. The email id [mguna@epl.gov.in](mailto:mguna@epl.gov.in) has been created for addressing the queries of Bond holders.

**Registrar and Transfer Agent** for Tax Free Bonds U/S 10(15)(iv)(h) for the financial year 2012-13 & 2013-14.

LINK INTIME INDIA PRIVATE LIMITED

C-13 PANNANLAL SILK MILLS COMPOUND

L.B.S MARG, BHANDUP(W)

MUMBAI - 400 078.

Tel : 2596 7878, Fax: 25960329,

E-mail: [ennore.ncd@linkintime.co.in](mailto:ennore.ncd@linkintime.co.in)

## **SANKARAN & KRISHNAN CHARTERED ACCOUNTANTS**

1E, Marble Arch Apartments,  
4 & 5, Bishop Wallers Avenue East,  
Mylapore, Chennai – 600 004.

Phone : 2499 0722,  
2499 0723,  
4214 4516  
E-mail : sk@sankrish.ind.in

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### **COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Shareholders  
Kamarajar Port Limited

We have examined the compliance of condition of corporate Governance by Kamarajar Port Limited, Chennai, for the year ended March 31, 2015 as per the guidelines issued by Department of public enterprises (DPE) vide reference No.18(8)/2005-GM dated 14<sup>th</sup> May 2010.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate Governance, as per the guidelines issued by department of public enterprises (DPE) vide reference No.18(8)/2005-GM dated 14<sup>th</sup> May 2010, except the condition with regard to appointment of Independent Director as envisaged in condition 3.1.4 of the Guidelines.

We state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Sankaran & Krishnan**  
**Chartered Accountants**  
**FRN 003582S**

**M.Balachandran**  
**(Partner)**  
**(Membership No. 016271)**

**Place : Chennai**  
**Date : 26.06.2015**

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Branches : HYDERABAD, VIZAG, NEW DELHI, BANGALORE, VIJAYAWADA

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

**The Members**

**KAMARAJAR PORT LIMITED**

(erstwhile Ennore Port Limited)

(CIN:U45203TN1999GOI043322)

P.T. Lee Chengalvaraya Naicker Maaligai,

1<sup>st</sup> Floor, No.23, Rajaji Salai,

Chennai – 600 001.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KAMARAJAR PORT LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not applicable to the Company during the Audit Period);**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Audit Period);**
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (g) **SEBI (Debenture Trustees) Regulations, 1993.**
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period); and**

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the Audit Period**).

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the audit period).
- ii) The Debt Listing Agreements entered into by the Company with BSE Limited (Stock Exchange).
- iii) Guideline issued by Department of Public Enterprises (DPE) vide reference No.18(8)/2005-GM dated May 14, 2010.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

1. The Indian Ports Act, 1908 and The Indian Port Health Rules, 1989
2. Land Policy for Major Ports, 2010 (the “2010 Major Ports Land Policy”)
3. Policy Guidelines for Land Management by Major Ports, 2014 (the “2014 Major Ports Land Management Policy”)
4. Policy for preventing Private Sector Monopoly in Major Ports, 2010 (the “Private Sector Monopoly Policy”)
5. The Inland Vessels Act, 1917 (1 of 1917)
6. The Dock Workers (Regulation of Employment) Act, 1948 (9 of 1948)
7. Dock Workers (Safety, Health & Welfare) Act, 1986 (the “Dock Workers Welfare Act”)
8. The Merchant Shipping Act, 1958 (44 of 1958)
9. Customs Act, 1962

10. Coastal Regulation Zone Notification, 1991
11. Coastal Regulation Zone Notification, 2011
12. The Building & Other Construction Workers (Regulation of Employment and working Conditions) Act, 1996
13. The Building & Other Construction Worker’s Welfare Cess Act, 1996
14. The Air (Prevention & Control of Pollution) Act, 1981 [Read With The Air (Prevention & Control of Pollution) Rules, 1982.
15. The Hazardous Wastes (Management, Handling And Transbotindary Movement) Rules, 2008.
16. The Water (Prevention & Control of Pollution) Act, 1974 [Read with Water (Prevention & Control of Pollution) Rules, 1975]
17. The Environment (Protection) Act, 1986 [Read With The Environment (Protection) Rules, 1986
18. Notification Declaring Coastal Stretches as Coastal Regulation Zone (CRZ) and regulating activities in the CRZ
19. The International Ship and Port Facility Security Code (ISPS Code)
20. Motor Vehicles Act, 1988
21. Marine Pollution (MARPOL).

We further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors, except that with regard to appointment of independent Directors as envisaged in condition 3.1.4 of Guideline issued by Department of Public Enterprises (DPE) vide reference No.18(8)/2005-GM dated May 14, 2010. No changes in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all directors to schedule

the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members views if any, are captured and recorded as part of the minutes.

We further report that there are systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. The scope of Corporate Compliance mechanism may be strengthen in order to make it commensurate with the size and the nature of the Company's business.

We report further that, during the audit period, the Company has not undertaken any events / actions in

pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

**For Rabi Narayan & Associates**

Unique Identification No – P2000TN011700  
Company Secretaries

**Rabi Narayan Pal**

**Partner**

**FCS No.4993, C P No: 3480**

**Place: Chennai**

**Date: July 31, 2015**

This report is to be read with our letter of even date which is annexed as Annexure-A and form an integral part of this report.

**“Annexure A”**

To,

**The Members**

**KAMARAJAR PORT LIMITED**

(erstwhile Ennore Port Limited)

(CIN:U45203TN1999GOI043322)

P.T. Lee Chengalvaraya Naicker Maaligai,

1<sup>st</sup> Floor, No.23, Rajaji Salai, Chennai – 600 001.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, We followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and

appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the further viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Rabi Narayan & Associates**

**Unique Identification No – P2000TN011700**  
Company Secretaries

**Rabi Narayan Pal**

**Partner**

**FCS No.4993, C P No: 3480**



**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31<sup>st</sup> March 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:**

a.	CIN	U45203TN1999GOI043322
b.	Registration Date	11/10/1999
c.	Name of the Company	KAMARAJAR PORT LIMITED (erstwhile Ennore Port Limited)
d.	Category / Sub-Category of the Company	Company Limited by Shares/Union Government Company
e.	Address of the registered office and contact details	4 <sup>th</sup> Floor, Super Speciality Diabetic Centre, (erstwhile DLB Building), Rajaji Salai, Chennai - 600 001.
f.	Whether listed company Yes / No	YES (Tax free Bonds listed on BSE)
g.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd, C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (W), Mumbai - 400078. Tel: 25967878, Fax: 25960329 Email: ennore.ncd@linkintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company are given below:

Sl. No.	Name and Description of Main Products / Services	NIC Code of the Product/ Service	% to Total Turnover of the Company
1	Infrastructure services and Port Services	52242	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S. No.	Name And Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of Shares Held	Applicable Section
1		No Holding, Subsidiary and Associate Company			
2					

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

a.	Category-wise Share Holding	As per Attachment (I)
b.	Shareholding of Promoters	As per Attachment (II)
c.	Change in Promoters' Shareholding (please specify, if there is no change)	As per Attachment (III)
d.	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):	As per Attachment (IV)
e.	Shareholding of Directors and Key Managerial Personnel:	As per Attachment (V)

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/ accrued but not due for payment	As per Attachment (VI)
---	------------------------

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

a.	Remuneration to Managing Director, Whole-time Directors and/or Manager	As per Attachment (VII)
b.	Remuneration to other directors	As per Attachment (VIII)
c.	Remuneration to Key Managerial Personnel other than MD/Manager/WTD	As per Attachment (IX)

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCE

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)
<b>A. COMPANY</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
<b>B. DIRECTORS</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	--	--	--	--	--
Punishment	--	--	--	--	--
Compounding	--	--	--	--	--

## SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTILE OF TOTAL EQUITY)

### ATTACHMENT (I)

#### a) Category-wise Share Holding

Category of Shareholders			No. of shares held at the end of the year				No. of shares held at the beginning of the Year				% Change during the year
			De mat	Physical	Total	% of Total Shares	De mat	Physical	Total	% of Total Shares	
<b>A</b>	<b>PROMOTERS</b>										
	1	Indian									
	a	Individual*	--	5	5	--	--	5	5	--	Nil
	b	Central Government	--	199999995	199999995	66.67%	--	199999995	199999995	66.67%	Nil
	c	State Governments	--	--	--	--	--	--	--	--	--
	d	Bodies Corporate (Board of Trustees, Chennai Port Trust)		100000000	100000000	33.33%	--	100000000	100000000	33.33%	Nil
	e	Banks/FIs	--	--	--	--	--	--	--	--	--
	f	Any other (Specify)	--	--	--	--	--	--	--	--	--
<b>Sub Total A1</b>				300000000	300000000	100%	--	300000000	300000000	100%	Nil

	2	Foreign									
	a	NRI - Individual	--	--	--	--	--	--	--	--	--
	b	Other – Individuals	--	--	--	--	--	--	--	--	--
	c	Bodies Corporate	--	--	--	--	--	--	--	--	--
	d	Banks/FIs	--	--	--	--	--	--	--	--	--
	e	Any other (Specify)	--	--	--	--	--	--	--	--	--
		Sub Total (A)(2)	--	--	--	--	--	--	--	--	--
		Total shareholding of Promoter (A)=(A)(1)+(A)(2)		300000000	300000000	100%	--	300000000	300000000	100%	Nil
<b>B Public Shareholding</b>											
	1	Institutions									
	a	Mutual Funds	--	--	--	--	--	--	--	--	--
	b	Financial Institutions/ Banks	--	--	--	--	--	--	--	--	--
	c	Central Government	--	--	--	--	--	--	--	--	--
	d	State Governments	--	--	--	--	--	--	--	--	--
	e	Venture Capital Funds	--	--	--	--	--	--	--	--	--
	f	Insurance Companies	--	--	--	--	--	--	--	--	--
	g	FIs	--	--	--	--	--	--	--	--	--
	h	Foreign Venture Capital Investors	--	--	--	--	--	--	--	--	--
	i	Any other (specify)	--	--	--	--	--	--	--	--	--
		<b>Sub Total B(1)</b>	--	--	--	--	--	--	--	--	--
	2	Non-Institutions									
	a	Bodies Corporate	--	--	--	--	--	--	--	--	--
	(i)	Indian	--	--	--	--	--	--	--	--	--
	(ii)	Overseas	--	--	--	--	--	--	--	--	--
	b	Individuals	--	--	--	--	--	--	--	--	--
	(i)	Individual Shareholders holding Nominal Share Capital upto Rs. 1 Lakh	--	--	--	--	--	--	--	--	--
	(ii)	Individual Shareholders holding Nominal Share Capital in excess of Rs.1 lakh	--	--	--	--	--	--	--	--	--
	c	Any other	--	--	--	--	--	--	--	--	--
		Sub Total B(2)	--	--	--	--	--	--	--	--	--
		Total Public Shareholding									
		(B)=(B)(1)+(B)(2)	--	--	--	--	--	--	--	--	--
<b>C Shares held by Custodian for GDRs and ADRs</b>			--	--	--	--	--	--	--	--	--
		Grand Total (A) + (B) + (C)	--	300000000	300000000	100%	--	300000000	300000000	100%	Nil

\* As nominees of the President of India through MoS, GoI

## ATTACHMENT (II)

### b) Shareholding of Promoters

S L No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	The President of India, through MoS	199999995	66.67%	--	199999995	66.67%	--	Nil
2	Board of Trustees of ChPT	100000000	33.33%	--	100000000	33.33%	--	Nil
3	Dr. (Ms.) T Kumar*	1	0.00	--	1	0.00	--	Nil
4	Mr. M.A. Bhaskarachar*	1	0.00	--	1	0.00	--	Nil
5	Mr. M. Gunasekaran*	1	0.00	--	1	0.00	--	Nil
6	Mr. Sanjay Kumar*	1	0.00	--	1	0.00	--	Nil
7	Mr. V.G. Sravan Kumar*	1	0.00	--	1	0.00	--	Nil
	Total	300000000	100%	--	300000000	100%	--	Nil

\*As nominees of the President of India through MoS, GoI

## ATTACHMENT (III)

### c) Change in Promoters' Shareholding (please specify, if there is no change) – No change

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares of the company
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease	--	--	--	--
3	At the End of the year	--	--	--	--

## ATTACHMENT (IV)

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

Sl. No.		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
	<b>For Each of the Top 10 Shareholders</b>				
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	--	--	--	--
3	At the End of the year ( or on the date of separation, if separated during the year)	--	--	--	--

## ATTACHMENT (V)

### e) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		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
	<b>For Each of the Directors and KMP*</b>				
1	At the beginning of the year*	3	0.000001	3	0.000001
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease	--	--	--	--
3	At the End of the year*	3	0.000001	3	0.000001

\*As nominees of the President of India through MoS, GoI

**INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment**  
**ATTACHMENT (VI)**

(In Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	759.28	--	--	759.28
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	8.15	--	--	8.15
<b>Total (i+ii+iii)</b>	<b>767.43</b>	<b>--</b>	<b>--</b>	<b>767.43</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	31.14	--	--	31.14
Reduction	54.65	--	--	54.65
<b>Net Change</b>	<b>-23.51</b>	<b>--</b>	<b>--</b>	<b>-23.57</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	736.27	--	--	736.27
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	7.65	--	--	7.65
<b>Total (i+ii+iii)</b>	<b>743.92</b>	<b>--</b>	<b>--</b>	<b>743.92</b>

**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**  
**ATTACHMENT (VII)**

**a) Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(In Rs)

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		CMD	Director (O)	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2575245	2498121	5073366
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	36006	118759	154765
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--	--	--
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission - as % of profit	--	--	--
5.	Others, please specify - Provident Fund (Including Employer contribution) - Performance Related Pay	497078 566430	393448 1199250	890526 1765680
	<b>Total (A)</b>	<b>3674759</b>	<b>4209578</b>	<b>7884337</b>
	Ceiling as per the Act	NA	NA	NA

**ATTACHMENT (VIII)**

**b) Remuneration to other directors:**

Particulars of Remuneration	Name of Directors				Total Amount
Independent Directors	--	--	--	--	--
Fee for attending board committee meetings	--	--	--	--	--
Commission	--	--	--	--	--
Others, please specify	--	--	--	--	--
<b>Total (1)</b>	--	--	--	--	--
Other Non-Executive Directors	--	--	--	--	--
Fee for attending board committee meetings	--	--	--	--	--
Commission	--	--	--	--	--
Others, please specify	--	--	--	--	--
<b>Total (2)</b>	--	--	--	--	--
<b>Total (B)=(1+2)</b>	--	--	--	--	--
<b>Total Managerial</b>					
Remuneration	--	--	--	--	--
Overall Ceiling as per the Act	--	--	--	--	--



## ATTACHMENT (IX)

### c. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(In Rs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	1180528	2340667	3521195
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission	--	--	--	--
5.	Others, please specify	--	--	--	--
	- Provident Fund (Including Employer contribution)	--	173458	323064	496522
	- Performance Related Pay		7419	459508	466927
	<b>Total</b>	--	<b>1361405</b>	<b>3123239</b>	<b>4484644</b>

## Annexure-6

### INFORMATION UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 r/w Rule 8 OF THE COMPANIES (ACCOUNTS) RULE, 2014

#### A) Conservation of Energy:

##### (i) Energy Conservation measures taken:

To ensure effective utilization of electrical energy, Energy Audit was conducted by M/s.Dynaspede Integrated Systems Private Limited and audit report was obtained in November-2010. The implementation of recommendations of the Energy Audit report is received on December-2011. Then the work order was given to M/s. Microvision Technologies, Nashik – 422 005 to provide 136.5KVA capacity (22.5KVA – 05Nos. & 24KVA-01 No.) Energy Savers for high mast tower lights and access road street lights on 22.08.2012. The firm has supplied the materials. Installation and commissioning work is not yet completed as conciliation at MSME is in process. It is also proposed to replace around 1125 Nos. of fluorescent lamp installed in various buildings inside the port premises with LED on or before March – 2016.

##### (ii) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

Nil

##### (iii) Impact of the measures at (a) and (b) above of reduction of energy consumption and consequent impact on the cost of production of goods:

Nil

##### (iv) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure in respect of industries specified in the Schedule thereto:

Enclosed in Form A

#### B) Technology absorption:

##### (i) Efforts made in technology absorption as per Form B of the Annexure:

Enclosed in Form B

#### C) Foreign Exchange Earnings & Outgo

##### (i) Foreign Exchange outflow is Rs.2,66,199/- and there is no foreign exchange inflow. For details please refer note No.28 & 29 of Financial Statement.

**ANNEXURE TO DIRECTORS' REPORT ON  
ENERGY CONSERVATION**

<b>Form A</b>			
<b>Form for disclosure of particulars with respect to Conservation of Energy</b>			
<b>A.</b>	<b>Power and Fuel Consumption</b>	<b>2014-15</b>	<b>2013-14</b>
	<b>1. Electricity</b>		
	<b>a) Purchased</b>		
	Unit (in Kw Hr.)	15,00,142	12,04,600
	Total Amount (in Rs./-) (excluding demand and other charges)	1,09,51,882	84,32,200
	Demand and other charges (in Rs.)	34,63,863	29,50,081
	Rate/ Unit (average) (Rs./Kw Hr.) (excluding demand and other charges)	7.30	7.00
	<b>b) Own generation</b>		
	Through Diesel Generator		
	Unit (in Kw Hr.)	49,665	1,00,320
	Units per litre of diesel (15050 ltrs)	3.30	3.30
	Diesel Cost/Unit (Rs.)(Rs.8,42,400/-)	17	18.5
	Through Solar Power		
	Unit in KW Hr per day	79.2	79.2
	Unit in KW Hr per Year	28,908	28,908
	<b>2. Coal</b>	Not Applicable	Not Applicable
	<b>3. Furnace Oil</b>	Not Applicable	Not Applicable
	<b>4. Others/ Internal generation Fuel gas</b>	Not Applicable	Not Applicable
<b>B.</b>	<b>Consumption Per Unit of Production</b>	Not Applicable	Not Applicable

## Form B

### RESEARCH AND DEVELOPMENT (R&D) ACTIVITIES

#### 1. Specific areas in which R&D was carried out by the Company

- Installation of newinstalling equipment for wave generation (RSWG) and Data Acquisition System under Research and development for the Company's future growth and to improve and expand its operations by developing new processes.
- For updating the navigational chart, Port Limit Hydrographic Survey was carried out during the year under Research & Development.

#### 2. Benefits derived as a result of above R&D

The Port Limit Hydrographic Survey for updating the navigational Chart at Kamarajar Port was carried out to find out any un-identified objects lying in the sea bed, to identify new soul, change in contour pattern, wrecks if any, updating the NHO navigational chart No.3028 and to issue a Mariners notice.

The survey was carried out in the open sea area up to a depth of 55.0m contour covering an extent of around 150.00 sq.km. The value of the work on completion is around Rs.17.00 Lakhs and was completed on 16.1.2015. No wrecks, un-identified objects, new soul and change in contour pattern

were found during the investigation and NHO was intimated to update the NHO chart No.3028. This port Limit hydrographic survey will be conducted once in five years.

The Salient features & Advantages of Physical Model at CWPRS, Pune:

1. Random wave generated through mechanical pods.
2. The wave generated pads, speed and frequency is controlled by Hydraulic equipment with servo valve.
3. The wave pattern can be generated with control of the servo valve remote from the control room.

The Physical models help in validating the result obtained through the Mathematical Desktop Studies. The Physical model established at CWPRS, Pune for Kamarajar Port can be used for studying any future development of our port with respect to Wave Tranquility and locating the Berths.

3. **Future plan of action:** Not Applicable
4. **Expenditure on R&D :** Rs. 9857020
5. **Technology Absorption, Adaptation and Innovation:** Not Applicable

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2014-15

### Global Scenario

In 2014 global growth was a modest 3.4 percent, reflecting a pickup in growth in advanced economies relative to the previous year. A slowdown in emerging market and Complex forces that affected global activity in 2014 are still shaping the outlook.

Growth is projected to be stronger in 2015 relative to 2014 in advanced economies, but weaker in emerging markets, reflecting more subdued prospects for some large emerging market economies and oil exporters. Growth in Advanced economies are generally benefiting from lower oil prices. Growth in emerging markets is expected to pick up in 2016, driving an increase in global growth to 3.8 percent, mostly reflecting some waning of downward pressures on activity in countries and regions with weak growth in 2015, such as Russia, Brazil, and the rest of Latin America.

### Indian Scenario

Indian economy growth has gained momentum in response to reform measures taken and focus on increased infrastructure spending. Indian GDP (at constant rate 2011-12) grew from 7.2% in 2013-14 to 7.5% in 2014-15 (according to advanced estimates).

India has 13 major ports and about 200 non-major ports. Cargo traffic, which was 976 is expected to reach 1,758 MMT by 2017. The Indian ports and shipping industry plays a vital role in sustaining growth in the country's trade and commerce. India currently ranks 16th among maritime countries, with a coastline of about 7,517 km. Around 95 per cent of India's trade by volume and 70 per cent by value takes place through maritime transport, according to the Ministry of Shipping.

The Indian government continues to support the ports sector. It has allowed foreign direct investment (FDI) of up to 100 per cent under the automatic route for projects regarding construction and maintenance of ports and harbours. It has also facilitated a 10-year tax holiday to enterprises engaged in developing, maintaining and operating ports, inland waterways and inland ports.

Traffic Handled at Indian Ports (Million Tonnes)					
Major/ Non-Major	2010-11	2011-12	2012-13	2013-14	2014-15
Major Ports	570.09 1.6	560.19 -1.7	545.83 -2.6	555.49 1.8	581.33 4.7
Non-Major Ports	315.36 9.1	353.74 12.2	387.92 9.7	416.97 7.5	471.19 13.0
All Ports %	885.45 4.2	913.93 3.2	933.75 2.2	972.46 4.1	1052.52 8.2

Source : TRW, MOS

### Performance Overview

Since commencement the volume of traffic handled is almost 9 times i.e 3.40 million tons in 2001-02 to 30.24 million tons in year 2014-15. The details of cargo handled during the last five years are given under.

Traffic Handled at KPL (Million Tonnes)					
Cargo	2010-11	2011-12	2012-13	2013-14	2014-15
Coal TNEB	8.87	9.62	9.88	14.07	15.13
Coal Others	0.50	3.49	5.05	8.42	9.22
POL	0.59	0.60	1.22	2.43	3.31
Iron ore	0.40	NIL	NIL	NIL	NIL
Other Cargo	0.65	1.25	1.74	2.42	2.58
Total	11.01	14.96	17.89	27.34	30.24

Your Company has grown during the year under the review by 10.61% as compared to a growth of 8.2% recorded for all ports (Major & Non Major) and growth 4.9% recorded for major ports year on year. While the share of traffic handled by Major Port vis a vis all ports has fallen from 57% to 55.2% during the year, the share of traffic handled by your Company vis a vis all ports remain almost the same.

Consequently the share of traffic handled by your company vis a vis major ports has risen from 4.92% to 5.24%.

### A. Industry Structure, Market-Scenario, Opportunities & Threats, Outlook, Risks and Concerns.

#### ❖ Industry Structure and Market Scenario:

Kamarajar Port is operating as a landlord port limiting its functions to overall planning, development, mobilization of investments for development,

conservancy of port, regulatory aspects, environment monitoring, providing / operating basic utilities (water, electricity supply, fire fighting facilities, security etc.) providing rail / road connectivity etc. The development and operations of most of the terminals are entrusted to private/captive operators. Similarly, most of the future terminal developments are proposed through private/captive sector participation. Many of the services are carried out by outsourcing.

### ❖ **Strength and Weakness**

#### **Strength:**

- Guaranteed captive cargo and income from TANGEDCO (formerly TNEB) as coastal based power stations are developed and operated by TANGEDCO and its associates adjacent to the Port.
- As per the policy adopted by the Port company, not only the captive users TANGEDCO and its associates made substantial investments by installing top side facilities like fully mechanised unloading equipments, conveyors, etc., but also operation and maintain the unloading system resulting in assured cargo throughput and income to the company.
- Landlord Model wherein cargo operations are vested with the private operators who bring capital and efficiency in operations.
- Deep draft port facilitates berthing of large size and new generation vessels resulting in reduced freight rate and saving in time.
- Proximity to National Highways and Indian Railways mainlines providing excellent connectivity to hinterland.
- Fully mechanised cargo handling operations.
- Enough back up land for storage of cargo.

#### **Weakness:**

- The captive User TNEB and the BOT operators are responsible for day to day cargo handling operations. Hence KPL's role is limited in volume/throughput to be handled.
- Movement of Iron ore from Bellary-Hospet region was banned by the Government of Karnataka. Consequently export from this region is totally affected.
- The development of common infrastructure facilities like capital dredging, road & rail connectivity is vested with KPL for which huge amount of funds

are raised from the market with no government assistance/grant.

- Raising of fresh funds on the strength of port assets is limited on account of BOT performances.

### ❖ **Opportunities and Threats**

#### **Opportunities:**

- Market demand for Coal to feed Thermal Power Stations and Industries.
- Market demand for Containerized traffic.
- Port is surrounded by a number of Container Freight Stations and Industries.
- Thinly populated neighbourhood area and availability of large tracts of land to trigger further port based developments.

#### **Threats:**

- Emergence of non major ports like L&T at Kattupalli, Krishnapatnam and Karaikal Ports competing to KPL's hinterland.
- No clear-cut policy on development of non-major ports particularly licensing of non-major port in the vicinity of major ports.

### ❖ **Outlook**

The traffic at major ports of India is likely to grow to 1215 million tonnes by 2020 from the present level of 581million tonnes whereas the traffic at non-major ports is expected to grow 1280 million tonnes in the same period from the present level of 462 million tonnes. Thus the anticipated traffic at Indian Ports would grow to 2494 million tonnes by 2020 from the present level of 1043 million tonnes at CAGR of 11.37%. Having set the tune for the growth plan, both the major ports and non-major ports have formulated ambitious plans in order to meet the growing opportunities in the EXIM trade (Source Maritime Agenda 2020 by MOS, GoI)

The Traffic forecast for the Company has been made for the period of 20 years from 2007-08 to 2026-27. The principal items of Cargo to be handled at Kamarajar Port comprise of Coal (for TNEB and non-TNEB), Iron Ore, POL & bulk liquids, Containers, automobiles, General cargo like timber, granite, steel, dust free cargo etc.

For the financial year 2014-15, KPL has projected the cargo throughput of 30.25 MMT which is higher than the cargo throughput projected in 2014-13. Accordingly all the financial parameters are worked out.



### ❖ **Risks and Concerns**

The port sector is all set to witness intense competition with the advent of many private ports being developed under State Maritime Boards.

KPL is fully prepared to match their investment, operations and pricing strategies so as to ensure adequate growth by roping in private sector in development and operations of the various cargo terminals.

### **B. Segmentwise or Productwise Performance**

#### ❖ **Sales Performance**

The income from services during the year 2014-15 was Rs.566.44 crores as against Rs.501.93 crores during the same period in previous year.

#### ❖ **Quantity**

During the year 2014-15, a quantity of 30.25 million tonnes of cargo was handled as against 27.34 million tonnes previous year.

### **C. Internal Control Systems and their adequacy**

The Company has an internal control system with proper internal delegation of authority, supervision and checks and balances and procedures through documented policy guidelines and manuals. This system is reviewed and updated periodically in order to improve upon it and to meet the business requirements.

- D.** Discussion on Financial Performance with respect to Operational Performance
- E.** Material developments in Human Resources, Industrial Relations front, including number of people employed.
- F.** Environmental Protection and Conservation, Technological conservation, Renewable energy developments, Foreign Exchange conservation.
- G.** Corporate Social Responsibility

**The Directors' Report 2014-15 may kindly be referred as it contains the details in respect of items i.e. D, E, F and G.**

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## **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA** **UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE** **ACCOUNTS OF KAMARAJAR PORT LIMITED, CHENNAI** **FOR THE YEAR ENDED 31 MARCH 2015**

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The preparation of financial statements of **Kamarajar Port Limited**, Chennai for the year ended 31 March 2015, in accordance with the financial reporting framework prescribed under the Companies Act, 2013, is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29.05.2015.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit Section 143(6) (1) of the Act of the financial statements of Kamarajar Port Limited, Chennai for the year ended 31 March 2015. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report.

For and on behalf of the  
Comptroller & Auditor General of India

**(G.SUDHARMINI)**

Principal Director of Commercial Audit  
And Ex-Officio Member Audit Board

**Place :** Chennai

**Date :** 07.07.2015

# SANKARAN & KRISHNAN

## CHARTERED ACCOUNTANTS

1E, Marble Arch Apartments,  
4 & 5, Bishop Wallers Avenue East,  
Mylapore, Chennai – 600 004.

Phone : 2499 0722  
2499 0723  
4214 4516  
E-mail : sk@sankrish.ind.in

## AUDITORS' REPORT

### TO THE MEMBERS OF KAMARAJAR PORT LIMITED

We have audited the accompanying financial statements of KAMARAJAR PORT LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, 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

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

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 there under.

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 31<sup>st</sup> March, 2015, and its Profit and its cash flows for the year ended on that date.

### Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements of the Company, which describes the uncertainty related to the outcome of the law suit filed against the Company.

- (i) **Regarding Rs.1,23,68,478/- received from BOT operator under protest pending finalization of the dispute and regarding Rs.6,00,00,000/- deposit received from BOT Operators in accordance with an interim award pending final order (Refer Note 8.1).**
- (ii) **Regarding Rs.45,09,49,075/- being excess payments made to project contractors, pending finalization of Dispute Redressal Mechanism (Refer Note No 14.2)**
- (iii) **An amount of Rs.1,17,42,000/- relating to Service Tax on Upfront Fee has been paid under protest for the period 2006-07 and 2007-08. The matter is pending before Service Tax Appellate Tribunal, Chennai (Refer Note No.14.4)**

In our opinion these matters do not require qualification by us.

### Report on Other Legal and Regulatory Requirements

1. With respect to the other matters to be included in the Auditor's Report in accordance with sub-section 11 of Section 143 of the Companies Act, we give in the Annexure-I a statement on the matters specified in Paragraph 3 of the Companies (Auditors Report) Order 2015.
2. We are enclosing to our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, in the annexure-II on the directions and sub-directions issued by Comptroller and Auditor General of India.
3. 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 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 on its financial position—Refer (i), (ii) and (iii) as stated in Emphasis of Matters.
  - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. As per the information and explanation furnished to us, there is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

**For Sankaran & Krishnan**  
Chartered Accountants  
FRN 003582S

**M. Balachandran**  
(Partner)  
(Membership No. 016271)

**Place of Signature: Chennai**  
**Date: 29-05-2015**

## Annexure to the Auditors' Report

The Annexure referred to in our report to the members of KAMARAJAR PORT LTD. for the year Ended on 31<sup>st</sup> March 2015, we report that:

Sl. No.	Particulars					
(i)	(a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.					
	(b) The management has physically verified the fixed assets of the Company during the year. No material discrepancies were noticed on such verification.					
(ii)	In respect of inventories: The Company is engaged in the development and operation of port and does not maintain any inventory. Therefore the provisions of clause (ii) (a), (b) and (c) of the Order are not applicable to the Company.					
(iii)	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 Companies Act.					
(iv)	In our opinion and according to the information and explanation given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for rendering of services. The activities of the Company do not involve purchase of inventory and sale of goods. During the course of our audit, we have not observed a continuing failure to correct major weaknesses in Internal Control System.					
(v)	According to the information and explanation given to us, the Company has not accepted any deposits from the Public.					
(vi)	According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under Sub- section 1 of Section 148 of the Companies Act, 2013.					
(vii)	(a) The Company is 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 dues with the appropriate authorities to the extent applicable and there are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.					
(vii)	(b) According to the information and explanation given to us and as per the records of the Company examined by us, the Service Tax amount not paid/paid under protest on account of pending dispute is as below:					
	Sl. No.	Name of the Statute	Nature of dues	Amount Involved (Rs. in crore)	Period	Forum where it is pending
	1	Central Excise & Service Tax	Service Tax on upfront fee	1.85 (Out of this, 1.17 paid under protest on 30.09.2008)	2006-07 & 2007-08	Customs, Central Excise & Service Tax Appellate Tribunal
	(c) as per the information and explanation furnished to us, there is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.					
(viii)	The Company does not have any accumulated losses at the end of the Financial Year and it has not incurred cash losses in the Financial Year and in the immediately preceding Financial Year.					

(ix)	The Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
(x)	The Company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the Company.
(xi)	The Company has not availed any term loan during the Financial Year.
(xii)	During the course of our examination of books of account and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have not come across any fraud on or by the Company, noticed or reported during the year, nor have been informed of such case by the management.

**For Sankaran & Krishnan**  
**Chartered Accountants**  
**FRN 003582S**

**Place: Chennai**  
**Date: 29-05-2015**

**M. Balachandran**  
**Partner**  
**Membership No: 016271**



## KAMARAJAR PORT LIMITED

### CHENNAI

#### Directions U/s 143(5) of Companies Act, 2013 Year 2014-15

Based on the audit of the accounts of Kamarajar Port Limited we give below our Comments on Directions U/s 143(5) of Companies Act, 2013.

1	If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General reserves) may be examined including the mode and present stage of disinvestment process.	No, The Company has not been selected for disinvestment
2	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., If yes, the reasons therefore and the amount involved.	No
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	There are no inventories lying with third parties as per records of the Company. There are no assets received as gift from govt. or other authorities for the year.
4	A report on age-wise analysis of pending legal/arbitration cases including the reasons of the pendency and existence/effectiveness of the monitoring mechanism for expenditure on all legal cases (Foreign and local) may be given.	As per annexure enclosed.

**Place : Chennai**  
**Date : 29-05-2015**

**For Sankaran & Krishnan**  
**Chartered Accountants**

**M. Balachandran**  
**Partner**  
**Membership.No:016271**

**Name of the Public Sector Undertaking - Kamarajar Port Limited (KPL)**  
**DETAILS OF CASES PENDING IN COURTS**

More than Three Years						Annexure-A
Sl. No	Name of the Contractor	Case No	Since when the case is pending	Category / brief issue of the case	Amount involved	Present status
1	Hindustan Construction Van Oord ACZ	O.P.No 348 of 2004	Jan-04	Arbitration - To set aside the award U/s 34 of Arbitration and conciliation Act 1996 (C4-Counter Claim No.1-Rock Escalation)	Rs.8,72,00,000	Pending before the Hon'ble High court of Madras
2	Hindustan Construction Company Ltd	O.P No 427 of 2005	Nov-04	Arbitration - To set aside the award u/s 34 of arbitration and Conciliation Act 1996 (C1-Counter Claim No.2 – Escalation on wagon Hire Charges)	Rs.9,99,17,374	Pending before the Hon'ble High Court of Madras.
3	Hindustan Construction Company Limited	O.P.No. 259 of 2005	Jan-05	Arbitration -To set aside the award U/s 34 of arbitration and conciliation Act 1996 (C1-counter Claim No.1-price Variation on explosive)	Rs.124,43,400	Awarded amount
4	Hindustan Construction Company Van Oord ACZ	O.S.A. No 256 of 2011 Against O.P 26c of 2005	Feb-05	Arbitration - To set aside the award U/s 34 of arbitration and conciliation Act 1996 (C4-Claim No.3- Rock Method of measurement)	Rs.1,20,69,027	Pending before the division Bench of high Court of madras
5	Hindustan Construction Company Van Oord ACZ	O.S.A. No 165 of 2010 Against O.P No.325 of 2005	Mar-05	Arbitration- To set aside the award U/s 34 of arbitration and conciliation Act 1996 (C4-Claim No.6-Taking over certificate on section 5)	Retention money to be realised	Review petition filed by HCC before the division Bench of high court of madras still Pending

6	Hindustan Construction Company Limited	O.S.A. NO 155 of 2008 O.S.A. no 79 of 2010	Mar - 07	Arbitration - cancelling the judgement on interest (C1 – Claim No 8 & 9 – Variation Order)	Claim no.8- Rs. 41,07,341	Pending before the division Bench of Hon'ble High Court of Madras.
7					Claim no.9- Rs. 1,47,96,580	
8	Van Oord ACZ	O.P.No 694 of 2007	Jun-07	Arbitration-EPL has filed a petition in the Hon'ble High court to set aside the Award (C4-Claim No.1-Compaction Issues)	Rs.12,61,68,200	Last hearing held on 05.03.2015
9	M/s.Afcons Infrastructure Limited	O.P.No 272 of 2010	2007	C5-Construction of Coal Wharf-Extension of time (B.G Charges)	Rs.5,67,50,000 with 12%	Pending before the Hon'ble High court of Madras
10	M/s.Afcons Infrastructure Limited	O.P.No 98 of 2010	2007	C5-Construction of coal Wharf-Claim No.1 to 6-Prolongation costs, Progress Acceleration Costs, Management Supervision and Administration costs.	Award of interest @ 12% on the award of Rs.1,19,65,505.	Pending before the Hon'ble High court of Madras. (Principal Amount is paid. Only Interest part is challenged)
11	Hindustan Construction Company Limited	O.P No.964 of 2007	Dec-07	Arbitration-To set aside the award u/s 34 of arbitration and Conciliation Act 1996(C1-Counter Claim No.3 – Operational Delay)	Rs.21,24,77,066	Pending before the Hon'ble High court of Madras. (The Contractor had filed a fresh claim in respect of operational Delay against the EPL's Counter Claim No.3)
12	Hindustan Construction Van Oord ACZ	O.P.No 356 of 2010	Feb-08	C4-Claim No.12-Bank Guarantee Charges	Rs.2,10,26,073 with 12%	Pending before the Hon'ble High Court Madras
13	Hindustan Construction Van Oord ACZ	O.S.A461 of 2009 Against O.P.No.262 of 2005	Dec-08	C4-Claim No.4(Taking over certificate on section-4)Retention Money & Bank Guarantee Charges	Rs.2,16,24,162 with 12%	Pending before the Division Bench of Hon'ble High Court of Madras
14	Hindustan Construction Van Oord ACZ	O.S.A.No 234 of 2010 against O.P.247 of 2004	Apr-09	C4-Claim No.10-Revocation of Engineer's Representative	Rs.2,68,11,341 with 18%	Pending before the Division Bench of Hon'ble High Court of Madras

15	Hindustan Construction Van Oord ACZ	O.P.No 303 of 2010	Jul-09	C4-Claim No.13- Reimbursement of sales Tax	Rs 4,74,28,419 with 18%	Pending before the Hon'ble High Court Madras
16	Hindustan Construction Van Oord ACZ	O.P.No 444 of 2012	Sep-09	C4-Claim No.16- Balance Payment in Respect of BOQ item 1.121 & 1.123	Rs.3,70,06,200 with 12%	Pending before the Hon'ble High Court of Madras
17	Hindustan Construction Company Limited	O.P.No. 284 of 2010	Nov-09	CI – Claim No. 10 – Non-payment of certified bills. Rock Quarrying & Transportation (IPC 40 to 55)	Rs. 5,33,96,328 with 12%	As per the Interim /order of Hon'ble High Court of Madras, an amount of Rs. 14.14 Crores has been deposited with “The registrar General”, High Court of Madras on 23.12.2014. Judgement order pronounced in favour
18	Hindustan Construction Van Oord ACZ	O.S.A. No 279 of 2010 Against O.P No.487 of 2009	2009	Arbitration-EPL has filed a petition in the Hon'ble High Court to aside the Award (C4-Claim No.11-Non-payment of monthly interim Payment Certificate by the engineer)	Rs.30,88,00,000 With 12%	Judgement Order Pronounced on 23.04.2015 M/s. HCC allowed to withdraw Rs.3.05 Crores Deposited with the Bank Along with interest
19	Hindustan Construction Van Oord ACZ	O.P.No.304 of 2010	2009	Arbitration-EPL has filed a petition in the Hon'ble High Court to aside the Award (C4-Claim No.14- Reimbursement of sales Tax on Accorpode Blocks)	Rate of interest at 18% Challenged Rs.5,19,989	Pending before the Hon'ble High Court Madras
20	Hindustan Construction Company Limited	O.P.No. 464 of 2012	Jun-10	C1 – Rock Quarrying and Transportation – Claim No.11 – Bank Guarantee Charges	BG Charges of Rs 66,30,987.67 and interest 12 %	Pending before the Hon'ble High Court of Madras.

21	Hindustan Construction Van Oord ACZ	O.P.No 656 of 2010	Aug-10	C4-Claim No.15-Claim for interest on the delayed release/ payments of the monthly interim payment certificate issued by engineer	Rs.1,04,03,255 with 12%	Pending before the Hon'ble High Court of Madras
22	Hindustan Construction Van Oord ACZ	O.P.No 747 of 2010	Sep-10	C4-Claim No.17- Compensation for(i) Taking over contractors site facilities provided to the engineer by the employer/Respondent	(i)Rs.96,54,246 with 12% interest from 16.10.2002 & (ii) Rs.72,13,734 with 12% interest from Dec2001	Pending before the Hon'ble High court of Madras
23	M/s.Afcons Infrastructure Limited	O.P.No 284 of 2011	Nov-10	C5-Contruction of coal Wharf- Non-Payment of statement and reimbursement of work contract tax.	Rs.1,14,72,509/- with 12% interest	Pending before the Hon'ble High court of Madras
24	Hindustan Construction Van Oord ACZ	O.P.No 214 of 2012	Jun-11	C4-Claim No.19- Additional cost incurred for the Bulk Density	Rs.21,67,85,133 with 12%	Pending before the Hon'ble High Court of Madras. Listed for hearing on 23.03.2015, but not heard.
25	Hindustan Construction Van Oord ACZ	O.P.No.7/ 2012	Nov-11	C4-Claim No.21- Reduction in rate of progress	Rs.1,42,28,670 with 12%	Pending before the Hon'ble High court of Madras
26	Hindustan Construction Van Oord ACZ	O.S.A. No.320 of 2008 against OP No.258 of 2005	Jun-12	C4-Claim No.2- Specific Density of Rock	Rs.1,75,78,750 with 12%	The Prayer of EPL to set aside the award is accepted by the Hon'ble High court and the Judgment was in Favour of EPL. However, HCC filed an appeal (O.S.A.No.320 of 2008) which is pending before the Division Bench of Hon'ble High court of Madras



27	M/s. Haskoning B.V.	OP 348 of 2013	2012	Haskoning- claim II “Non- Payment of the invoice raised by the Haskoning”	NLG- 3,447,736.33. USD- 161,429.56 and INR- 7,85,76,167.12 along with 12% interest	According to KPL’s empanelled counsel, there is no merit to appeal further. Albeit, KPL wants to settle the amount as per the judgement order dated 02.06.2014 of Hon’ble High court of Madras but considering the advice of the Vigilance Department of KPL, it has been decided to withheld the settlement till final disposal of the pending CBI case against the decree holder.
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#### Two to Three Years

28	Hindustan Construction Van Oord ACZ	O.P.No 543 of 2013	Jul-13	C4-Claim for additional cost incurred beyond the contract specifications	Direct cost- Rs.99,40,180 along with 12% & 15% int. (ii) Indirect Cost- Rs.1,04,71,999 along with 12% int.	Pending before the Hon’ble High court of Madras
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#### One to Two Years

29	M/s.Afcons Infrastructure Limited	O.P.No 400 of 2014	2014	C5-Contruction of coal Wharf-C5-12- Measurement of laps in reinforcement steel.	INR 91, 05,430 & US\$ 28300 along with 9% pre award and 12% post award.	Pending before the Hon’ble High court of Madras
				C5-Contruction of coal Wharf- C5-01- Additional works executed due to erosion of shore/land (adverse physical condition) - change in sequence of work and cost thereof.	INR 85, 01,759 & US\$ 26,423 along with 9% pre award and 12% post award.	

## DETAILS OF CASES PENDING IN COURTS- CASES FILED BY OTHERS AGAINST KPL (MARCH-2015)

### I. More Than Three Years

Sl. No.	Legal cases filed by and against EPL	Case No.& Name of the court which in case is pending	Since when the case is pending	Category/brief issue of the case	Amount Involved (In Rs.)	Present Status of the case
1.	S. Pappa	W.P. No.26041/2001 High Court, Madras.	Jan'01	Acquisition of land for Staff Quarters	-	Impleading petition allowed. Pending in the court.
2.	P. Selvaraj	W.P. No.26042/2001 High Court, Madras.	Jan'01	Acquisition of land for Staff Quarters	-	Impleading petition allowed. Pending in the court.
3.	Uppalla Thozhilalar Sangam	W.P. No.14169/2009 High Court, Madras.	2009	To Provide employment for 83 workers of salt Department worked in salt land allotted to various industrial units.	-	Pending hearing

### II. One To Two Year

4.	A. Saravanan	W.P. No. 23429 of 2012 High Court, Madras.	Aug'12	For a writ of Mandamus directing KPL to issue joining orders for the post of Executive(C)	-	Pending hearing, intimated to our legal counsel that the petitioner is died. After confirmation from the petitioner's counsel, a memo will be filed before the Hon'ble Court.
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5.	V. Manoharan & Others	W.P. No. 33614 of 2012 High Court, Madras	Dec'12	The Hon'ble High Court of Madras passed an order, dated 04.07.2014, directing Chennai Port Trust to reinstate the Petitioners. Thereafter, the petitioner moved a motion before the Hon'ble High Court for restraining the Chennai Port Trust From terminating/ retrenching the petitioners.	-	Pending hearing on order nisi. Yet to be listed.
6.	S. Shanmuga Sundaram	O.P. No. 89 of 2013 High Court, Madras	Mar'13	To appoint a sole Arbitrator to decide the disputes between the parties arising out of work order.	-	The OP has been dismissed by the Hon'ble High Court of madras. However the Petitioner has filed WP 8708of 2015

### III. Upto One year

7.	Minjur Podhu Thozilalargal Sangam	ID No. 88/2013, central Government Industrial Tribunal Cum Labour Court, Chennai	Feb'14	Termination of certain personal engaged by outsourcing agency	-	The contractor Shri Radhakrishnan who was not appeared and reopened the entire trial proceeding of witnesses by the 2 <sup>nd</sup> party is going on.
8.	Ennore Tank Terminals Pvt. Limited	O.A.No 172 of 2015 Hon'ble High Court of Madras	Feb'14	O.A.No 172 of 2005 has been filed by M/s ETTPL, one of the BOT operator restraining KPL from Invoking three BGs in the dispute arose relating to wharfage, relating for handling of cars at their jetty.	-	The Hon'ble High Court of Madras passed ex parte interim stay order restraining KPL from Invoking the BGs. KPL has received notice and the next date of hearing is 18.03.2015. However, the matter is not yet listed.

9.	ARSS Infras- tructure Project Limited	O.A. No. 288/2014 High Court, Madras	April'14	S. 9 application under the Arbitration Act has been filed for restraining M/s Kamarajar Port Limited from invoking Bank Guarantee	5,16,07,000	Final arguments are completed. Awaited for final order.
10.	United Stevedors vs. Avoor Muthiah	(SLP (c) (cc) No. 20655-59/2011; SLP (c) No. 14245- 51/2014; SLP (c) No. 14239-42/2014) Supreme Court of india	July'14	Special Leave Petitions are filed by United Stevedors and Chennai Port trust against the order of madras High Court banning handing of dirty cargoes by Chennai Port Trust	-	SC has given Chennai Port Trust to Submit fresh proposal for green port as requested by ASG. Posted on 22.07.2015
11.	G.Shanmugam & others	W.P. No. 28400 of 2013 High Court, Madras	July 14	The Petitioners seeking employment from the Tamil Nadu Government for their lands were acquired the 2nd respondent (Tamil Nadu industrial Corporation Limited) stated in its affidavit that the matter (providing employment) is taken up with KPL, hence the petitioner want to implead KPL as one of the Respondent.	-	KPL was asked to appear on 13/08/2014, however, the matter is not listed till date.
12	Chettinad international coal terminals private Limited	O.P 512 of 2014 Hon'ble High Court of Madras	Aug'14	CICTPL has filed Original petition before the Hon'ble high Court of Madras Challenging the arbitration Award, dated 29.07.2014	Around 80 Crores	The OP was listed on 28.04.2015. On the request of KPL's Senior Counsel, Court agreed to hear the Matter on 12.06.2015.
13	S.Shanmuga Sundaram	WP No. 8708 of 2015 Hon'ble High Court of Madras.	Mar'15	The petitioner filed writ of Certiorarified Mandamus against final decision of CMD Disposing his extra Claims for "Shifting of the rock Stockpile area within the Ennore port", directing KPL to conduct joint independent survey of the work done by the petitioner.	-	KPL has received notice from the Hon'ble High Court of Madras and the first hearing date is 10.04.2015. However, till date the matter is not listed.

## DETAILS OF DISPUTES PENDING IN ARBITRATIONS – ARBITRATION INITIATED BY OTHERS AGAINST KPL (MARCH – 2015)

Sl. No.	Arbitration cases filed by and against EPL	Name of the Arbitrator before whom Arbitration is pending	Since when the Arbitration is pending	Category/brief issue of the Arbitration	Amount Involved (In Rs.)	Present Status of the Arbitration
1.	ARSS Infrastructure Projects Limited	Dr. R Rajagopalan, I.P.S., DGP (Retd.)	October 2013	KPL awarded tender to ARSS for construction of rail connectivity from Athipadu & Athipadu Puthunagar to KPL's stack yard. KPL terminated the work due to ARSS's inability to complete the work. ARSS initiated the Arbitration for damages & recover expenses and KPL has filed counter claim for losses.	Around 37 crores of claims are filed by both the Parties.	Both the parties have filed their final written argument, awaiting for award.
2.	P&C Construction Private Limited	Arbitral Tribunal consisting of (1)Shri V. Selvaraj, IAS (Retd.) – Presiding Arbitrator, (2) Shri C Venkatachalam, (3) Shri A V Rangaraju	Feb'14	KPL has awarded tender to P&C Construction (P) Limited for Development of Car Parking Area and other appurtenant facilities near West Gate. P&C initiated the Arbitration proceedings against the LD imposed by KPL and for escalation & damages for replacing pavement blocks and loss of overheads and erosion of profit.	7,26,05,473 (with interest)	Received Claim Statement from the Claimant, KPL has to file Statement of Defence and Counter Claim, if any.



**KAMARAJAR PORT LIMITED**  
**23, RAJAJI SALAI, CHENNAI - 600 001**  
**BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2015**

PARTICULARS	Note No.	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
<b>EQUITY AND LIABILITIES</b>		₹	₹	₹	₹
<b>Shareholders' Funds</b>					
Share Capital	4	3,00,00,00,000		3,00,00,00,000	
Reserves and Surplus	5	7,63,74,38,654	10,63,74,38,654	5,45,21,89,319	8,45,21,89,319
<b>Non-Current Liabilities</b>					
Long Term Borrowings	6	7,13,25,87,957		7,36,27,12,953	
Other Long Term Liabilities	7	2,93,64,902	7,16,19,52,859	2,58,65,406	7,38,85,78,359
<b>Current Liabilities</b>					
Trade Payables	8	42,57,88,567		16,11,71,030	
Other Current Liabilities	9	93,66,30,789		1,75,42,15,738	
Short Term Provisions	10	3,89,54,22,016	5,25,78,41,372	2,99,77,37,077	4,91,31,23,845
<b>Total</b>			<b>23,05,72,32,885</b>		<b>20,75,38,91,524</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Fixed Assets	11				
Tangible Assets		15,26,61,54,196		13,88,60,40,834	
Intangible Assets		68,80,423		15,26,342	
Capital Work-in-Progress		28,36,40,853		1,51,47,55,089	
		15,55,66,75,472		15,40,23,22,265	
Non Current Investments	12	64,01,00,320		64,03,50,320	
Deferred Tax Assets (Net)	13	-		-	
Long Term Loans and Advances	14	74,87,43,758		73,88,65,657	
Other Non Current Assets		-	16,94,55,19,550	-	16,78,15,38,242
<b>Current Assets</b>					
Trade Receivables	15	49,88,23,996		36,62,72,614	
Cash and Cash Equivalents	16	2,87,61,30,571		1,88,99,68,161	
Short Term Loans and Advances	17	2,67,96,92,111		1,70,65,81,492	
Other Current Assets	18	5,70,66,658	6,11,17,13,335	95,31,014	3,97,23,53,282
<b>Total</b>			<b>23,05,72,32,885</b>		<b>20,75,38,91,524</b>
Significant Accounting Policies	3				

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

For **KAMARAJAR PORT LIMITED**

As per report of even date

**M.A. BHASKARACHAR**  
Chairman cum Managing Director

**SANJAY KUMAR**  
Director (Operations)

**For SANKARAN & KRISHNAN,**  
Chartered Accountants,  
Firm Regn. No. 003582S

**M. GUNASEKARAN**  
Chief Financial Officer

**JAYALAKSHMI SRINIVASAN**  
Company Secretary

**M. Balachandran**  
Partner  
M. No. 016271

Place : Chennai  
Date : 29-05-2015

Place : Chennai  
Date : 29-05-2015

# KAMARAJAR PORT LIMITED

23, RAJAJI SALAI, CHENNAI - 600 001

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

PARTICULARS	Note No.	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
<b>CONTINUING OPERATIONS</b>		₹	₹
<b>Income</b>			
Revenue from Operations	19	5,66,43,66,463	5,01,93,35,672
Other Income	20	31,06,96,594	15,27,95,688
<b>Total Revenue</b>		<b>5,97,50,63,057</b>	<b>5,17,21,31,360</b>
<b>Expenses</b>			
Employee Benefit Expenses	21	11,93,35,597	9,64,87,600
Finance Costs	22	77,19,53,992	43,18,54,239
Depreciation and Amortization	23	18,04,95,719	14,29,06,350
Other Expenses	24	46,84,00,216	47,44,77,649
<b>Total Expenses</b>		<b>1,54,01,85,525</b>	<b>1,14,57,25,838</b>
<b>Profit / (Loss) before exceptional and extraordinary items and tax</b>		4,43,48,77,532	4,02,64,05,521
<b>Add / (Less) : Exceptional Items</b>	25	(17,66,76,736)	(2,44,85,529)
<b>Profit / (Loss) before extraordinary items and tax</b>		<b>4,25,82,00,796</b>	<b>4,00,19,19,992</b>
<b>Add / (Less) : Extraordinary Items</b>		-	-
<b>Profit Before Tax</b>		<b>4,25,82,00,796</b>	<b>4,00,19,19,992</b>
<b>Add / (Less) : Tax Expense</b>			
(a) Current Tax		89,25,00,000	83,88,00,000
(b) Deferred Tax		-	-
<b>Profit / (Loss) for the year from continuing operations</b>		<b>3,36,57,00,796</b>	<b>3,16,31,19,992</b>
<b>EARNINGS PER EQUITY SHARE</b>			
Nominal value of share Rs. 10 (PY : Rs. 10 per share)			
<b>Basic</b>			
Computed on the basis of profit from continuing operations	26	11.22	10.54
Computed on the basis of total profit for the year	26	11.22	10.54
<b>Diluted</b>			
Computed on the basis of profit from continuing operations	26	11.22	10.54
Computed on the basis of total profit for the year	26	11.22	10.54
Significant Accounting Policies	3		

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

For **KAMARAJAR PORT LIMITED**

**M.A. BHASKARACHAR**  
Chairman cum Managing Director

**SANJAY KUMAR**  
Director (Operations)

**M. GUNASEKARAN**  
Chief Financial Officer

**JAYALAKSHMI SRINIVASAN**  
Company Secretary

As per report of even date

**For SANKARAN & KRISHNAN,**  
Chartered Accountants,  
Firm Regn. No. 003582S

Place : Chennai  
Date : 29-05-2015

Place : Chennai  
Date : 29-05-2015

**M. Balachandran**  
Partner  
M. No. 016271

# KAMARAJAR PORT LIMITED

23, RAJAJI SALAI, CHENNAI - 600 001

## CASH FLOW STATEMENT FOR THE YEAR ENDED - 31<sup>ST</sup> MARCH 2015

Sl. No.	Particulars	31.3.2015	31.3.2014
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit / (Loss) after tax	3,36,57,00,796	3,16,31,19,992
	Adjustment for:		
	a) Depreciation	18,04,95,719	14,29,06,350
	b) Interest Income	(22,50,94,207)	(16,16,35,720)
	c) Interest Expense	77,19,53,992	46,63,09,182
	d) Dividend and Dividend Tax	(1,15,19,42,400)	(1,12,31,52,000)
	<b>Operating Profit before working capital changes</b>	<b>2,94,11,13,900</b>	<b>2,48,75,47,804</b>
	Adjustment for:		
	(Increase)/Decrease Current Assets	(1,15,31,97,644)	(89,57,02,327)
	(Increase)/Decrease Non Current Assets	(98,78,101)	(22,46,82,528)
	Increase/(Decrease) Other long Term Current Liabilities	34,99,496	13,77,531
	Increase/(Decrease) Current Liabilities	34,47,17,527	1,23,27,15,022
	<b>Cash Generated From Operations</b>	<b>2,12,62,55,178</b>	<b>2,60,12,55,502</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets & WIP	(36,34,80,987)	(5,59,54,63,659)
	Sale of Fixed Assets	1,23,000	4,37,393
	Non Current Investment	2,50,000	(4,00,00,000)
	Interest Received	22,50,94,207	16,16,35,720
	<b>Net Cash used in Investing Activities</b>	<b>(13,80,13,780)</b>	<b>(5,47,33,90,546)</b>
<b>C.</b>	<b>Issue of Tax Free Bonds</b>		3,65,47,23,000
	Availment / (Repayment) of Loans	(23,01,24,996)	(23,01,24,996)
	Interest Paid	(77,19,53,992)	(46,63,09,182)
	<b>Net Cash Generated from Financing Activities</b>	<b>(1,00,20,78,988)</b>	<b>2,95,82,88,822</b>
	<b>Net Increase in cash and cash equivalents (A+B+C)</b>	<b>98,61,62,410</b>	<b>8,61,53,778</b>
	Cash and Cash equivalents as at (OB)	1,88,99,68,161	1,80,38,14,383
	Cash and Cash equivalents as at (CB)	2,87,61,30,571	1,88,99,68,161
		<b>98,61,62,410</b>	<b>8,61,53,778</b>

**M.A. BHASKARACHAR**

Chairman cum Managing Director

**M. GUNASEKARAN**

Chief Financial Officer

Place : Chennai

Date : 29-05-2015

**SANJAY KUMAR**

Director (Operations)

**JAYALAKSHMI SRINIVASAN**

Company Secretary

As per report of even date

**For Sankaran & Krishnan,**  
Chartered Accountants,  
Firm Regn. No. 003582S

**M. Balachandran**  
Partner  
M. No. 016271

Place : Chennai

Date : 29-05-2015

# Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March 2015

## 1. CORPORATE INFORMATION

Kamarajar Port Limited is a Public Limited Company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is operating mostly on landlord port model limiting its functions to overall planning, development, mobilization of investments for the development of port and common infrastructure facilities. The development and operations of the terminals are mostly entrusted to private operators / captive users.

## 2. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on mercantile basis and under the historical cost convention.

## 3. SIGNIFICANT ACCOUNTING POLICIES:

### a. GENERAL :

The financial statements are prepared on historical cost convention and on mercantile system of accounting in accordance with generally accepted accounting principles.

### b. REVENUE RECOGNITION :

Income is recognized upon completion of services rendered and no significant uncertainty exists regarding the amount of consideration that would be derived after rendering the service. Upfront fee received from the BOT operator is treated as Revenue in the year in which zero date of the Project is fixed. Interest income on the disputed revenue will be recognised on realisation basis.

### c. FIXED ASSETS :

#### (i) TANGIBLE ASSETS :

Fixed assets are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation. Expenses capitalised also include applicable borrowing costs. In respect

of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. All upgradation/enhancements are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

The amounts becoming payable by the Company on account of uncontested arbitral awards on project claims are capitalized in the year of award as additions during the year in the respective asset. The interest on such awards payable to the contractor is treated as revenue expenditure in the year of award.

#### (ii) INTANGIBLE ASSETS :

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any cost attributable for bringing the assets to its working condition for its intended use.

Amortisation is provided on Straight Line Method (SLM), which reflect the management's estimate of the useful life of the intangible assets.

### d. DEPRECIATION :

Depreciation is provided on Straight Line Method by taking the useful life as prescribed in the manner specified in the Schedule II of the Companies Act, 2013. In the case of port specific assets, the depreciation is charged at the rate as determined in accordance with the life of those assets as per the practice prevailing in Major Ports in India. Depreciation on addition in value of assets due to arbitral award is claimed over the remaining useful life of the assets from the start of the financial year in which such award is passed and accepted.

### e. INVESTMENTS :

Long Term Investments are stated at cost except where there is a diminution in value other than temporary, in which case the carrying value is reduced to recognize the decline. Current investments are stated at lower of cost or fair market value.

### f. DEFERRED REVENUE EXPENDITURE :

Preliminary Expenses and Deferred Revenue Expenses are written off over a period of five years equally.

**g. ACCOUNTING FOR TAXES ON INCOME :**

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

Deferred tax is recognized, on timing differences, being the differences 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 are not determined on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**h. RETIREMENT BENEFITS :**

Provisions for gratuity, pension and leave salary have been made as per the service conditions and on the basis of actuarial valuation and for those employees who are on deputation from other organizations as per the advice received from the respective organizations.

**i. FOREIGN CURRENCY TRANSACTIONS :**

Foreign currency transactions are recorded in Indian currency at the exchange rates prevailing on the respective dates of transactions. Monetary items are denominated in foreign currencies at the year-end are restated at year-end rates. Non-monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account.

**j. PREPAID EXPENSES :**

Revenue expenditure under each head are segregated into current year and prepaid wherever the amount exceeds Rs.20,000/-.

**k. PREMIA FOR FORECLOSURE :**

Premia for foreclosure of loans or any part thereof is charged to revenue in the year in which the foreclosure is effected.

**l. BORROWING COST :**

Borrowing Cost are capitalised as part of the cost of a qualifying asset when it will result in future economic benefits to the Company. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**m. MAINTENANCE DREDGING :**

Expenditure for the maintenance dredging is provided every year based on the estimated quantity as assessed from the Hydrographic Survey Report and as per market rate based cost of such maintenance dredging. The adjustment entries will be made in the year in which actual maintenance dredging expenditure was incurred.

**n. LIQUIDATED DAMAGES:**

Liquidated damages recovered on certainty basis. In respect of Capital Projects, the same will be reduced from the Capitalisation of Asset and on all other cases, recognized as Other Income.



# KAMARAJAR PORT LIMITED

23, RAJAJI SALAI, CHENNAI - 600 001

Notes forming part of the Financial Statements for the Year ended 31<sup>st</sup> March 2015

## 4 SHARE CAPITAL

Authorised Shares

500,000,000 Equity Shares of Rs. 10 each

(Previous year : 500,000,000 equity shares of Rs. 10 each)

**Issued, subscribed and fully paid up shares**

300,000,000 equity shares of Rs.10/- each fully paid up.

(Previous year: 300,000,000 equity shares of

Rs. 10 each fully paid up)

**Total**

As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
₹	₹
5,00,00,00,000	5,00,00,00,000
3,00,00,00,000	3,00,00,00,000
<b>3,00,00,00,000</b>	<b>3,00,00,00,000</b>

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

**Equity shares**

Outstanding at the beginning of the year

Add : Shares Issued during the year

Less: Shares bought Back during the year

Outstanding at the end of the year

31 <sup>st</sup> March 2014		31 <sup>st</sup> March 2015	
Nos.	₹	Nos.	₹
30,00,00,000	3,00,00,00,000	30,00,00,000	3,00,00,00,000
-	-	-	-
-	-	-	-
<b>30,00,00,000</b>	<b>3,00,00,00,000</b>	<b>30,00,00,000</b>	<b>3,00,00,00,000</b>

**b. Details of shareholders holding more than 5% of shares in the Company:**

Equity Shares of Rs. 10 each

Government of India (66.67%)

Chennai Port Trust (33.33%)

31 <sup>st</sup> March 2014		31 <sup>st</sup> March 2015	
Nos.	₹	Nos.	₹
20,00,00,000	2,00,00,00,000	20,00,00,000	2,00,00,00,000
10,00,00,000	1,00,00,00,000	10,00,00,000	1,00,00,00,000
<b>30,00,00,000</b>	<b>3,00,00,00,000</b>	<b>30,00,00,000</b>	<b>3,00,00,00,000</b>

## 5 RESERVES AND SURPLUS

### 5.1 General Reserve

Balance at the beginning of the year

Transferred from surplus account during this year

31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
₹	₹
44,65,00,000	13,01,00,000
16,83,00,000	31,64,00,000
<b>61,48,00,000</b>	<b>44,65,00,000</b>

### 5.2 Debenture / Bond Redemption Reserve

Balance at the beginning of the year

Transferred from surplus account during this year

10,89,79,083	2,26,85,950
8,62,92,983	8,62,93,133
<b>19,52,72,066</b>	<b>10,89,79,083</b>

### 5.3 Profit and Loss Account

Balance at the beginning of the year

Profit for the year ended

4,89,67,10,236	3,25,94,35,375
3,36,57,00,796	3,16,31,19,992
<b>8,26,24,11,033</b>	<b>6,42,25,55,369</b>

**Less : Appropriations**

Transferred to General Reserve

Transferred to Debenture / Bond Redemption Reserve

Depreciation - Tfrd to Retained Earning

**Dividend**

Proposed equity dividend

Dividend distribution tax on equity shares

**Total appropriations**

**Balance at the end of the year**

**TOTAL**

16,83,00,000	31,64,00,000
8,62,92,983	8,62,93,133
2,85,09,061	-
96,00,00,000	96,00,00,000
19,19,42,400	16,31,52,000
<b>1,43,50,44,444</b>	<b>1,52,58,45,133</b>
<b>6,82,73,66,588</b>	<b>4,89,67,10,236</b>
<b>7,63,74,38,654</b>	<b>5,45,21,89,319</b>

- 5.1 The Company has created statutory reserve for distribution of dividend during the year for Rs.16,83,00,000/- of the current profit even though it is not mandatory to create a reserve as per the Companies Act, 2013.
- 5.2 Pursuant to Regulation 16 of the SEBI Debt Regulations and Section 71C of the Companies Act, 2013 the Company creates Debenture / Bond Redemption Reserve (DRR) upto 25% of the value of bonds/ debentures issued through public issue during the maturity period of such bonds/ debentures. Accordingly, during the year, the Company has created DRR amounting to Rs. 8,62,92,983/- (Previous year - Rs.8,26,93,133/-).

## 6. NON - CURRENT LIABILITIES

### LONG TERM BORROWINGS (Secured)

#### 6.1 Tax Free Bonds

- (i) Series 2012-13  
(ii) Series 2013-14

#### 6.2 Term Loan

Chennai Port Trust

31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
₹	₹
94,64,90,000	94,64,90,000
3,65,47,23,000	3,65,47,23,000
2,53,13,74,957	2,76,14,99,953
<b>7,13,25,87,957</b>	<b>7,36,27,12,953</b>

#### 6.1 Secured Redeemable Non-Convertible Bonds

(i) Redeemable at par, 829334 Nos of 10 Year Bonds of Face value - Rs.1000/- each amounting to Rs.82,93,34,000/- are due on 25.03.2023 and 117156 Nos of 15 Year bonds of Face Value - Rs.1000/- each amounting to Rs.11,71,56,000/- are due on 25.03.2028 with interest rates @ 7.51% and 7.67% to Retail Investors and 7.01% and 7.17% to others respectively, payable annually. The bonds are secured against the assets of the Company viz. Small Craft Jetty - 1, 2 and 3 and General Cargo Berth pursuant to the terms of the Bond Trust Deed registered on 25.03.2013.

(ii) Redeemable at par, 794951 Nos of 10 Year Bonds of Face value - Rs.1000/- each amounting to Rs.79,49,51,000/- are due on 25.03.2024 and 1916630 Nos of 15 Year bonds of Face Value - Rs.1000/- each amounting to Rs.191,66,30,000/- are due on 25.03.2029 and 943142 Nos of 20 Year Bonds of Face Value - Rs.1000/- each amount to Rs.94,31,42,000/- are due on 25.03.2034 with interest rates @ 8.61%, 9% and 9% respectively to Retail Investors and 8.36%, 8.75% and 8.75% respectively to others, payable annually. The bonds are secured against the assets of the Company viz. North Break Water pursuant to the terms of the Bond Trust Deed registered on 19.03.2014.

#### 6.2 Term Loan - Chennai Port Trust

Term Loan due to Chennai Port Trust Rs.345,18,74,941/- converted at the time of taken over of assets & liabilities in the year 2001-02 and is repayable in 60 Equated Quarterly installments commencing from 30.06.2012. The installments are paid up to date during this period. The above loan is secured by hypothecation of specifically earmarked immovable fixed assets of the Company.

## 7. OTHER LONG TERM LIABILITIES

Others

Security Deposit payable

### CURRENT LIABILITIES

## 8. TRADE PAYABLES

#### 8.1 Advance from Customers

31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
₹	₹
2,93,64,902	2,58,65,406
<b>2,93,64,902</b>	<b>2,58,65,406</b>
31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
₹	₹
42,57,88,567	16,11,71,030
<b>42,57,88,567</b>	<b>16,11,71,030</b>

- 8.1 Includes Rs. 1,23,68,748/- paid under protest by the BOT Operator and Rs.6,00,00,000/- deposit received from the BOT operator as per the Interim award, suitable accounting treatment will be made on finalising the dispute.

Includes the balance Rs. 28,09,84,109/- payable to TANGEDCO being Credit Note issued for Discount of 50% share of composite tariff payable to TANGEDCO handled above 10 MT as per Minutes of Meetings dated 6th November, 2014.

## 9 OTHER CURRENT LIABILITIES

	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹	₹
9.1 Current maturities of long term debt		
Others - Chennai Port Trust (Related Party)	23,01,24,996	23,01,24,996
9.2 Income billed but not accrued	4,76,85,683	1,50,83,174
9.3 ECPP Liabilities	28,69,96,804	62,43,34,705
9.4 Creditors for Expenses	13,18,84,663	26,10,27,226
9.5 Creditors for Contract Liabilities	21,70,53,119	42,72,84,396
9.6 Statutory dues payable	1,77,67,373	4,58,18,661
9.7 Other Payables	51,18,151	15,05,42,581
	<b>93,66,30,788</b>	<b>1,75,42,15,738</b>

## 10 SHORT TERM PROVISIONS

	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹	₹
<b>Provisions</b>		
10.1 - Terminal Benefits	53,97,064	21,71,547
10.2 - Income Tax	2,65,47,00,000	1,76,22,00,000
10.3 - Proposed Dividend	96,00,00,000	96,00,00,000
10.4 - Tax on Dividend	19,19,42,400	16,31,52,000
10.5 - Taxes Performance Related Pay	2,28,56,374	2,20,70,373
10.6 - Maintenance Dredging	4,95,00,000	2,97,00,000
10.7 - Expenses	1,10,26,178	3,39,64,853
10.8 - Common Road Maintenance	-	2,44,78,304
	<b>3,89,54,22,016</b>	<b>2,99,77,37,077</b>

- 10.1 Provision for Terminal Benefits includes amount payable to Life Insurance Corporation of India towards Gratuity and Leave Encashment as per Actuarial valuation and the Terminal Benefits payable for employees on deputation.
- 10.2 Provision for tax has been made u/s. 115 JB on Book profit of the Company, as the Company is entitled for Tax Holiday upto Financial Year 2016-17 u/s. 80 IA of the Income Tax Act, 1961.
- 10.5 Payment of Bonus Act, 1965 is not applicable to this Company. However, Performance Related Pay provided on estimate basis for the year 2014-15 as per DPE Guidelines.
- 10.7 Includes Rs.17,51,094/- & Rs.53,02,705/- being interest accrued on Secured Redeemable Tax Free Bonds issued during the year 2012-13 and 2013-14 respectively.

## 11 FIXED ASSETS

(Refer Fixed Assets schedule given separately)

## 12 NON CURRENT INVESTMENTS

Long Term - Other investments (valued at cost unless stated otherwise)

	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹	₹
12.1 Equity Shares of Sethusamudram Corporation Limited	30,00,00,000	30,00,00,000
12.2 Equity Shares of Chennai Ennore Port Road Company Limited	30,00,00,000	13,75,00,000
12.3 Investments in Renewable Energy Certificate	1,00,320	1,00,320

Other non-current investments		
12.4 Advance given to Ennore SEZ Company Limited for Equity Contribution	-	2,50,000
12.5 Advance given to Chennai Ennore Port Road Company Limited for Equity Contribution pending allotment	4,00,00,000	20,25,00,000
	<b>64,01,00,320</b>	<b>64,03,50,320</b>
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	60,01,00,320	43,76,00,320
Aggregate provision for diminution in value of investments	-	-
12.1 The Project is still under active consideration of the Government of India.		

### 13 DEFERRED TAX :

Deferred Tax has not been recognised since the Company is entitled to exempt under Sec. 80 IA till the Financial Year 2016-17 as per explanation under clause 13 of AS-22 issued by ICAI.

### LONG TERM LOANS AND ADVANCES

#### 14 Capital Advances:

	31 <sup>st</sup> March 2015 ₹	31 <sup>st</sup> March 2014 ₹
14.1 Secured, considered good	-	-
14.2 Unsecured, considered good	67,02,31,579	66,62,13,157
14.3 Doubtful	-	-
	<b>67,02,31,579</b>	<b>66,62,13,157</b>
Provision for bad and doubtful advances	-	-
	<b>67,02,31,579</b>	<b>66,62,13,157</b>

14.2 Capital advance includes Rs.45,09,49,975/- being excess payment to Project contractors referred to Dispute Redressal Mechanism at the time of taken over the Assets and liabilities from Chennai Port Trust. Awaiting final outcome of the dispute, necessary accounting treatment will be made upon cristalisation of the same.

#### Security Deposits:

	31 <sup>st</sup> March 2015 ₹	31 <sup>st</sup> March 2014 ₹
14.3 Secured, considered good	-	-
14.4 Unsecured, considered good	4,90,13,650	4,88,73,649
14.5 Doubtful	-	-
	<b>4,90,13,650</b>	<b>4,88,73,649</b>
Provision for bad and doubtful advances	-	-
	<b>4,90,13,650</b>	<b>4,88,73,649</b>

14.4 Includes Rs.1,17,42,000/- paid to Service Tax under protest is pending with Central Excise Service Tax Appellate Tribunal (CESTAT) and Rs.2,31,00,000/- paid to Bombay Stock Exchange Ltd for the issue of Tax Free Bonds being 50% of the Security deposit towards issue of Tax Free Bonds.

#### Other loans and advances (specify nature)

14.6 Secured, considered good	-	-
Staff Advance (HBA & Vehicle)	2,94,98,529	2,37,78,851
14.7 Unsecured, considered good	-	-
14.8 Doubtful	-	-
	<b>2,94,98,529</b>	<b>2,37,78,851</b>
Provision for bad and doubtful advances	-	-
	<b>2,94,98,529</b>	<b>2,37,78,851</b>
	<b>74,87,43,758</b>	<b>73,88,65,657</b>

14.6 Secured by hypothecation of vehicles for Vehicle Advance and deposit of title deeds in respect of House Building Advance.

## 15 TRADE RECEIVABLES

### (i) Receivables outstanding for a period exceeding six months from the due date of payment

15.1	Secured, considered good	-	-
15.2	Unsecured, considered good	20,14,04,206	16,39,63,466
15.3	Doubtful	-	-
		20,14,04,206	16,39,63,466
	Provision for doubtful receivables	-	-
		<b>20,14,04,206</b>	<b>16,39,63,466</b>

### (ii) Other receivables

15.4	Secured, considered good	-	-
15.5	Unsecured, considered good	29,74,19,790	20,23,09,148
15.6	Doubtful	-	-
		29,74,19,790	20,23,09,148
	Provision for doubtful receivables	-	-
		29,74,19,790	20,23,09,148
		<b>49,88,23,996</b>	<b>36,62,72,614</b>

15.2 Includes Rs.14,27,43,452/- referred under dispute under various redressal forums

15.2 Included Rs.12,99,67,060/- receivable from M/s. SICAL Ironore Terminals, a BOT operator as the construction of Iron ore berth is yet to be commissioned. The Terminal was non-operation due to ban on Iron ore export /mines located & in the hinterland area of the port Company and the Company is considering change of cargo with the approval of the Government. Hence, the due is certainly receivable once the project is revived.

## 16 CASH AND CASH EQUIVALENTS

16.1	Balances with banks	2,87,60,75,982	1,88,99,37,280
16.2	Cash on hand	54,589	30,881
		<b>2,87,61,30,571</b>	<b>1,88,99,68,161</b>
16.1	Balances with banks include :		
	Held as Margin Money		
	Guarantee - BSE Limited	2,31,00,000	2,31,00,000
	Letter of Credit - VTMS	2,40,77,345	-

## 17 SHORT TERM LOANS AND ADVANCES

### Secured considered good

17.1	Current maturities of Staff Advance	47,15,112	36,32,893
	Unsecured considered good		
17.2	Other Advances	65,18,777	51,11,336
17.3	Service Tax Credit	89,42,347	82,09,503
17.4	Income Tax Paid	2,65,95,15,875	1,68,96,27,760
		<b>2,67,96,92,111</b>	<b>1,70,65,81,492</b>

17.1 Secured by hypothecation of vehicles for Vehicle Advance and deposit of title deeds in respect of House Building Advance.

## 18 OTHER CURRENT ASSETS

	Interest accrued on Bank Deposits	5,07,73,471	17,91,938
	Interest accrued on Staff Advances	62,77,448	46,19,581
	Income accrued but not received	-	31,19,495
	Others	15,739	-
		<b>5,70,66,658</b>	<b>95,31,014</b>



11. FIXED ASSETS

SL. No.		Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK AS AT				
		As at 01.04.2014	Additions	Deletions/ Adjustments	As at 31.03.2015	Rate in %	As at 01.04.2014	Transferred to Reserve	For the Opening Balance	Additions/ Adjustments	Depreciation for the Year	Impairment Loss	Deletions	As at 31.03.2015	31.03.2015	31.03.2014
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A. TANGIBLE ASSETS																
1	Land	5,44,25,24,726				-	-									
2	Buildings,Sheds & Other Structures		2,23,76,278													
	Administrative Building	5,46,40,895			5,46,40,895	1.63	1,13,78,237		8,58,301		8,58,301			1,22,36,538	4,24,04,357	4,32,62,658
	Security Cabins	1,15,125			1,15,125	100.00	1,15,125							1,15,125		-
	Rest House	8,78,229			8,78,229	1.63	1,57,465		13,813		13,813			1,71,278	7,06,951	7,20,764
	Electrical Substation	23,15,345			23,15,345	1.63	4,69,914		36,626		36,626			5,06,540	18,08,805	18,45,431
	Substation Building - GCB & Parking Yard	81,19,490			81,19,490	1.63	15,592		1,28,551		1,28,551			1,44,143	79,75,347	81,03,898
	Security Watch Tower	91,303			91,303	1.63	12,878		1,438		1,438			14,316	76,987	78,425
	Security Watch Towers	33,36,201	14,28,683		47,64,884	1.63	67,938		52,790	9,251	62,041			1,29,979	46,34,905	32,68,263
	Tide Gauge	7,45,870			7,45,870	1.63	92,634		11,759		11,759			1,04,393	6,41,477	6,53,236
	Fire Station Building	17,01,443			17,01,443	1.63	1,99,333		26,835		26,835			2,26,188	14,75,255	15,02,090
	Temporary Shed	3,41,260			3,41,260	100.00	3,41,260							3,41,260		-
	Temporary Vehicle Shed	10,28,742			10,28,742	100.00	10,28,742							10,28,742		-
	Toilet Block	8,49,452	5,43,514		13,92,966	1.63	37,745		13,431	5,267	18,698			56,443	13,36,523	8,11,707
	Switch Room - RMG Unit	3,76,080			3,76,080	1.63	33,119		5,937		5,937			39,056	3,37,024	3,42,961
	Pre-fabricated Pass section Building	8,38,220			8,38,220	100.00	8,38,220							8,38,220		-
3	Wharves, Roads and Boundaries															
	Port Access Roads	22,03,88,719			22,03,88,719	2.50	4,52,47,735		60,29,022		60,29,022			5,12,76,757	16,91,11,962	17,51,40,984
	Port Access Roads	68,59,698			68,59,698	2.50	14,11,725		1,54,709		1,54,709			15,66,434	52,93,264	54,47,973
	Road - South to North & West Gate	8,41,85,646			8,41,85,646	2.50	20,92,554		20,92,554		20,92,554			91,79,255	7,50,06,391	7,70,98,945
	Road - Extn of Tank farm & Security Road	7,80,52,735			7,80,52,735	2.50	46,67,277		19,12,612		19,12,612			65,79,889	7,14,72,846	7,33,85,458
	Coal Wharves	80,38,14,126			80,38,14,126	2.50	25,65,81,068		1,86,27,191		1,86,27,191			27,52,08,259	52,86,05,867	54,72,33,058
	Boundary Walls	3,29,86,171			3,29,86,171	2.50	64,94,491		9,12,495		9,12,495			74,06,986	2,55,79,185	2,64,91,680
	R.R. Masonary Wall & Widening of West Gate	83,62,419			83,62,419	2.50	4,41,835		2,04,114		2,04,114			6,45,949	77,16,470	79,20,584
	Parking Yard including Buildings	18,92,81,499			18,92,81,499	2.50	93,22,359		46,10,876		46,10,876			1,39,33,235	17,53,48,264	17,99,59,140
4	Railway and Rolling Stocks															
	Rail Connectivity - 2.3 Km	6,70,91,272			6,70,91,272	4.75	1,07,56,660		45,57,558		45,57,558			1,53,14,218	5,17,77,054	5,63,34,612
	Rail Connectivity - 6.56 Km	24,54,86,061			24,54,86,061	4.75	27,15,479		1,56,08,746		1,56,08,746			1,83,24,225	22,71,61,836	24,27,70,582
5	Docks, Seawalls, Piers & Nav. Aids															
	Breakwater & Coastal Protection	4,52,49,98,100			4,52,49,98,100	1.33	75,60,69,651		5,69,41,199		5,69,41,199			81,30,10,850	3,71,19,87,250	3,76,89,28,449
	General Cargo Berth	48,79,79,229			48,79,79,229	1.33	2,07,66,951		61,72,756		61,72,756			2,69,39,707	46,10,39,522	46,72,12,278
	Navigational Aids	2,77,27,162			2,77,27,162	10.00	2,77,27,162							2,77,27,162		-
	Channel Buoys	49,29,001			49,29,001	6.67	8,25,232		3,08,836		3,08,836			11,34,068	37,94,933	41,03,769
6	Cranes & Vehicles															
	Vehicles - Motor Cars	65,91,968		12,99,422	52,92,546	9.50	30,10,737	2,38,666	8,29,399		8,29,399		12,99,422	27,79,380	25,13,166	35,81,232
	Vehicles - Two wheelers	3,33,324	92,939		4,26,263	9.50	1,83,883		30,699	798	31,497			2,15,380	2,10,883	1,49,441
	Bicycles	23,244			23,244	100.00	23,244							23,244		-
7	Installation of Water, Elec, Telecom & Fire															
	Water & Communication Facilities	1,17,12,370			1,17,12,370	4.75	58,64,666	52,62,089						1,11,26,755	5,85,615	58,47,704
	Pipelines - Water - GCB & MLT		1,46,45,437		1,46,45,437	4.75	1,66,60,350		1,40,308	2,78,556	2,78,556			2,78,556	1,43,66,881	-
	Internal Electrical Facilities	2,80,85,664			2,80,85,664	4.75	2,80,85,664		1,40,308		1,40,308			2,61,93,572	18,92,092	1,14,25,314
	Internal Electrical - Street Lights	99,64,172	32,09,314		1,31,73,486	4.75	17,51,851		12,24,728	41,765	12,66,493			30,18,344	1,01,55,142	82,12,321
	Lighting - GCB & Parking Yard	1,43,38,262			1,43,38,262	4.75	19,42,441		16,33,883		16,33,883			35,76,324	1,07,61,938	1,23,95,821
	Sub Station		3,08,81,594		3,08,81,594	4.75	3,08,81,594			22,34,474	22,34,474			22,34,474	2,86,47,120	-
	Solar Lighting - 1000 Nos	15,73,440			15,73,440	4.75	1,60,124		1,69,855		1,69,855			3,29,979	12,43,461	14,13,316
	Solar Lighting	46,20,000			46,20,000	4.75	2,24,260		4,63,879		4,63,879			6,88,139	39,31,861	43,95,740
	External Electrical Facilities	1,70,04,396			1,70,04,396	4.75	99,43,130	54,21,706						1,55,73,460	14,30,936	70,61,266

II. FIXED ASSETS Contd													
Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK AS AT			
		As at 01.04.2014	Additions	Deletions / Adjustments	As at 31.03.2015	Rate in %	As at 01.04.2014	Transferred to Reserve	For the Opening Balance	Additions/ Adjustments	Depreciation for the Year	Impairment Loss	Deletions
8	<b>Other Assets</b>												
	Electrical Appliances	1,37,27,405	12,36,623	-	1,49,64,028	4.75	31,16,053	8,94,079	16,08,644	48,787	16,57,431	-	-
	Office Equipments	1,81,71,018	5,68,709	1,23,000	1,86,16,727	4.75	42,82,202	50,79,925	36,33,865	50,672	36,84,537	-	-
	Furniture & Fittings	2,37,89,874	11,07,214	-	2,48,97,088	6.33	1,15,67,725	20,15,579	18,55,054	10,05,311	28,60,365	-	-
	Computers	99,30,260	17,40,394	-	1,16,70,654	16.21	65,13,318	2,04,103	16,92,145	2,47,064	19,39,209	-	-
9	<b>Port Basin and Entrance Channel</b>												
	Port Basin and Entrance Channel	1,04,03,99,618	-	-	1,04,03,99,618	1.00	13,24,27,156	-	98,13,194	-	98,13,194	-	-
	Port Basin and Entrance Channel	8,42,71,396	-	-	8,42,71,396	1.04	78,87,807	-	8,28,076	-	8,28,076	-	-
	Port Basin and Entrance Channel	28,31,957	-	-	28,31,957	1.09	1,54,340	-	29,236	-	29,236	-	-
	Capital Dredging - Stage I	92,01,62,758	-	-	92,01,62,758	1.00	4,75,20,736	-	87,16,492	-	87,16,492	-	-
	Capital Dredging - General Cargo Berth	81,37,23,699	1,50,90,23,244	-	2,32,27,46,943	1.00	1,71,21,639	-	77,21,630	1,43,04,713	2,20,26,343	-	-
	<b>Total (A)</b>	15,32,12,99,043	1,58,68,53,943	14,22,422	16,90,67,30,564		1,43,52,58,209	2,85,09,061	15,98,81,862	1,82,26,658	17,81,08,220	-	12,99,422
10	<b>B. INTANGIBLE ASSETS</b>												
	Computers Software	67,88,331	3,71,280	-	71,59,611		52,61,989	-	8,58,880	54,319	9,13,199	-	-
	ERP - Software	-	73,70,000	-	73,70,000		-	-	-	14,74,000	14,74,000	-	-
	<b>Total (B)</b>	67,88,331	77,41,280	-	1,45,29,611		52,61,989	-	8,58,880	15,28,319	23,87,199	-	-
	<b>Total (A + B)</b>	15,32,80,87,374	1,59,45,95,223	14,22,422	16,92,12,60,175		1,44,05,20,198	2,85,09,061	16,07,40,742	1,97,54,977	18,04,95,719	-	12,99,422
	Previous Year figures	9,96,13,64,387	5,36,78,41,910	11,18,923	15,32,80,87,374		1,29,94,34,897	-	13,74,92,819	72,74,012	14,47,66,831	-	6,81,530
II	<b>C. Capital Work In Progress</b>												
	Previous Year figures	1,51,47,55,089	41,05,27,770	1,64,16,42,006	28,36,40,853		-	-	-	-	-	-	-
	Previous Year figures	1,28,52,72,860	82,50,23,737	59,55,41,508	1,51,47,55,089		-	-	-	-	-	-	-

11.1 Land: (a) Land represents the Company is in possession of 2816.42 acres of land acquired from TNEB, TIDCO and Salt Department, Ministry of Commerce, GoI. Out of which, 11.78 acres of patta land retained by TANGEDCO and 35 acres of Salt land and 34.06 acres of patta land is not yet handed over by TIDCO.

(b) Includes leased land measuring about 33 acres, 128 acres and 116 acres to BOT operators viz., M/s. Enmore Tank Terminals Private Limited, M/s. Chettinad International Coal Terminal Private Limited and M/s. Sical Iron ore Terminals Limited respectively. The Company would be signing the required land lease agreement, wherever applicable, with BOT operators on receipt of title transfer in favour of the Company from the competent authority.

(c) The Additions to Land represents the Registration charges of DIPP Land of Rs.1,02,74,590/- and interim compensation paid to Revenue Divisional Officer, Ponneri of Rs.1,21,01,688/- for 0.69 acres of land.

Depreciation :

Transfer to Reserve of Rs.2,85,09,061/- represents the amount of depreciation on assets where the remaining useful life of an asset is Nil as per the Para 7(b) of Schedule II of Companies Act, 2013.

## Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March 2015

### 19 REVENUE FROM OPERATIONS (Net of Service Tax)

	For the year ended 31 <sup>st</sup> March 2015	For the year ended 31 <sup>st</sup> March 2014
	₹	₹
19.1 Composite Tariff on Coal	2,07,38,37,915	2,04,90,29,418
19.2 Estate Income	13,99,50,527	6,71,14,160
19.3 Revenue Share	1,67,27,20,468	1,30,51,19,804
19.4 Vessel Related Income	1,38,04,88,418	1,21,56,01,954
19.5 Wharfage	38,46,04,802	37,39,36,598
<b>Other operating revenue</b>		
19.6 Other Services	1,27,64,333	85,33,738
<b>Revenue from operations (Net)</b>	<b>5,66,43,66,463</b>	<b>5,01,93,35,672</b>

19.3 In view of the uncertainty of the revenue receipt, Augmentation charges amounting to Rs.23,59,58,873/- for the year 2014-15 (Previous Year - Rs.21,80,68,268/-) not recognized as Income as per the accounting policy of the Company.

### 20 OTHER INCOME

	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹	₹
Interest from Banks	22,50,94,207	16,16,35,720
Other Interest	1,18,27,773	98,91,447
Short Term Gain from Mutual Fund	82,70,530	-
Foreign Exchange Fluctuation - Cr	3,87,63,451	(3,44,54,943)
<b>Other non operating income</b>		
Sale of Tender Documents	12,54,635	43,62,871
Personnel & Vehicle Entry Pass	37,14,899	27,55,574
Profit on sale of Fixed Assets	1,83,789	76,817
Others	2,15,87,310	85,28,202
	<b>31,06,96,594</b>	<b>15,27,95,688</b>

### 21 EMPLOYEE BENEFITS EXPENSE

	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹	₹
Salaries and Wages	7,44,85,431	6,65,59,307
Staff welfare expenses	7,25,102	1,85,893
Superannuation - Contribution	60,54,958	53,99,430
Performance Related Pay	1,20,00,000	1,10,00,000
Employee Medical expenses	89,46,483	18,52,892
Terminal Benefits	1,71,23,623	1,14,90,078
	<b>11,93,35,597</b>	<b>9,64,87,600</b>

### 22 FINANCE COSTS

	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹	₹
Interest Expense :		
22.1 - From Banks	-	1,62,73,973
22.2 - Tax Free Bonds - 2012-13	6,73,09,914	6,75,19,525
22.3 - Tax Free Bonds - 2013-14	32,16,95,726	61,88,198
22.4 - Others	31,96,20,990	34,02,22,312

Other Borrowing Costs :		
22.5 - ECPP Liabilities	6,21,07,217	(5,40,16,332)
22.6 - Guarantee Fees	1,50,215	10,90,397
22.7 - Tax Free Bonds Expenses	8,69,931	2,40,124
22.8 - Processing Charges	2,00,000	-
22.9 <b>Public Issue Expenses</b>	-	5,43,36,042
	<b>77,19,53,992</b>	<b>43,18,54,239</b>

22.4 Includes Rs.31,96,12,095/- paid to Chennai Port Trust for Secured borrowings (Refer Note No. 6.2)

## 23 DEPRECIATION AND AMORTIZATION EXPENSE

### Depreciation

- Tangible Assets

- Intangible Assets

31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
₹	₹
17,81,08,520	14,18,56,003
23,87,199	10,50,347
<b>18,04,95,719</b>	<b>14,29,06,350</b>

## 24 OTHER EXPENSES

### Port Operating Expenses

Time Charter Crafts

Consultancy Services - Operations

Power & Water charges

Environment

Research & Development Expenses

Fuel Expense

Manning Services

Maintenance Dredging

Pilotage Expense

Repairs and Maintenance

### Administration Expenses

AMC - Software Expenses

Auditors' remuneration

Statutory audit

Tax Audit Fees

Payment for other Services

Reimbursement of expenses

Books and periodicals

Directors sitting fees

Electricity & Water Charges

Insurance

Legal & professional charges

Miscellaneous Expense

Printing and stationery

Rent, Rates & Taxes

Safety & security expenses

Seminars & conference expenses

31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
₹	₹
7,33,77,045	7,72,46,415
2,58,71,220	1,65,85,211
1,21,16,603	95,41,985
47,21,592	38,99,364
1,08,91,519	1,37,78,790
5,18,36,495	4,25,47,826
2,66,93,001	2,09,69,905
2,16,76,339	1,97,00,000
1,28,41,632	1,06,34,528
4,88,58,690	6,10,84,910
13,22,796	-
3,00,000	2,00,000
50,000	50,000
1,45,000	2,54,720
30,000	20,000
1,53,945	1,06,665
-	8,98,000
39,98,388	19,76,495
99,945	93,595
86,46,819	1,11,87,595
62,64,773	78,20,077
27,76,438	24,39,567
44,44,872	83,64,510
6,98,56,431	6,40,45,340
15,14,963	5,86,797

Corporate Social Responsibility Expenses	3,19,50,482	4,65,76,843
Subscription & Membership fees	80,41,523	40,65,095
Communication Expenses	31,23,350	24,62,250
Travelling and conveyance	46,08,834	63,55,332
Vehicle running expenses	1,82,34,524	1,50,31,891
Advertising and promotional expenses	1,39,52,996	2,59,53,942
	<b>46,84,00,216</b>	<b>47,44,77,648</b>

#### Corporate Social Responsibility Expenses

- (a) Gross amount required to be spent by the Company during the year Rs. 4.92 Crores
- (b) Amount spent during the year on :

S. No.	Particulars	In Cash	Yet to be paid in cash	Total
(i)	Construction / acquisition of any asset	1,53,92,307		1,53,92,307
(ii)	on purposes other than (i) above	1,65,58,175		1,65,58,175
		3,19,50,482	-	3,19,50,482

## 25 EXCEPTIONAL ITEMS

#### Expenses

	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹	₹
25.1 Prior Period Expense / (Income)	(3,88,35,337)	(5,39,93,579)
25.2 Interest to ChPT	21,55,12,073	7,84,79,108
	<b>17,66,76,736</b>	<b>2,44,85,529</b>

- 25.2 Includes Rs.21,22,46,879/- paid to Chennai Port Trust being claim made by them during the year on reversal of benefits under Sec. 10 (23 G) of Income Tax Act availed earlier periods by the Company.

# KAMARAJAR PORT LIMITED

23, RAJAJI SALAI, CHENNAI - 600 001

## Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March 2015

### 26 Basic & Diluted Earnings Per Share :

Particulars	For the year ended 31 <sup>st</sup> , March 2015	For the year ended 31 <sup>st</sup> , March 2014
Nominal value of Equity Shares	10/-	10/-
Profit After Tax	3,36,57,00,796	3,16,31,19,992
Profit attributable to Equity Shareholders	3,36,57,00,796	3,16,31,19,992
Weighted average number of Equity Shares outstanding during the year	30,00,00,000	30,00,00,000
Basic Earnings Per Share	11.22	10.54
Diluted Earnings Per Share	11.22	10.54

### 27. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

#### CONTINGENT LIABILITIES

	31 <sup>st</sup> March 2015 ₹	31 <sup>st</sup> March 2014 ₹
27.1 Service tax dues not acknowledged as debt	67,52,975	67,52,975
27.2 Claims against the Company not acknowledged as debt	2,45,59,65,530	2,48,45,87,631
27.3 Guarantees	2,31,00,000	2,31,00,000
	<b>2,48,58,18,505</b>	<b>2,51,44,40,606</b>

27.2. Claims includes Disputed Arbitration awards and others.

#### CAPITAL COMMITMENTS

	31 <sup>st</sup> March 2015 ₹	31 <sup>st</sup> March 2014 ₹
27.4 Estimated amount of contracts remaining to be executed on Capital Expenditure (net of advances) and not provided for	2,84,52,23,325	2,74,32,64,720
27.5 Equity Commitments		
Chennai Ennore Port Road Company Limited	2,00,000	2,00,000
Sethusamudram Corporation Limited	20,00,00,000	20,00,00,000
	<b>3,04,54,23,325</b>	<b>2,94,34,64,720</b>

### 28. Expenditure in Foreign Currency (in Accrual basis)

Travelling Expenses	2,66,199	6,29,097
Nagivational Aids	-	10,82,676

### 29. Earnings in Foreign Currency (on accrual basis)

Exchange Rate difference		
- On Contract Liabilities	3,87,63,451	(3,44,54,943)

### 30. As per the requirement of Section 22 of the The Micro, Small and Medium Enterprises Development Act, 2006, the following information are disclosed

The principal amount remaining unpaid to supplier as at the end of the year	Nil	Nil
The interest due thereon remaining unpaid to supplier as at the end of the year	Nil	Nil
The amount of interest paid in terms of Sections 16, along with the amount of payment made to the supplier beyond the appointment day during the year.	Nil	Nil
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	Nil
The amount of interest accrued during the year and remaining unpaid at the end of the year.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil



## 31. EMPLOYEE BENEFITS

Disclosures required under Accounting Standard 15 ‘Employee Benefits’ notified in the Companies (Accounting Standards) Rules 2006, are given below :

### 1. Defined Contribution Schemes :

Contributions to Defined Contribution Schemes charged off for the year are as under :

Employer's Contribution to Provident Fund	57,04,446	46,05,152
Employer's Contribution to Family Pension Fund	8,53,215	6,42,708

## 2. Defined Benefit Plans

The present value of obligation in respect of Provision for Payment of Gratuity and Leave encashment is determined, based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation, recognized and charged off during the year as under :

### Reconciliation of opening and closing balances of Defined Benefit

Reconciliation of opening and closing balances of Defined Benefit	2014-15	2013-14
	Gratuity (Unfunded)	
	₹	₹
Defined Benefit Obligation at the beginning	83,10,945	61,36,193
Current Service Cost	14,35,016	11,64,513
Interest Cost	6,64,876	4,90,895
Actuarial gain/Loss	18,81,100	5,19,344
Defined Benefit Obligation at the end	1,22,91,937	83,10,945
i) Expenses recognized during the year :		
Current Service Cost	14,35,016	11,64,513
Interest Cost on benefit obligation	6,64,876	4,90,895
Expected return on plan assets	6,88,289	5,32,688
Actuarial gain / Loss recognized in the year	18,81,100	5,19,344
Net Benefit Expenses	32,92,703	16,42,064
ii) Actuarial assumptions :		
Mortality Table (L.I.C)		
Discount Rate (per annum)	8%	8%
Attrition Rate (per annum)	1-3%	1-3%
Rate of escalation in salary (per annum)	5%	5%
Reconciliation of opening and closing balances of Defined Benefit	Leave encashment (Unfunded)	
Defined Benefit Obligation at the beginning	1,00,65,760	73,79,776
Current Service Cost	14,84,673	12,11,884
Interest Cost	8,05,261	5,90,382
Actuarial gain/Loss	25,690	8,83,718
Defined Benefit Obligation at the end	1,21,77,763	1,00,65,760
i) Expenses recognized during the year		
Current Service Cost	14,84,673	5,90,382
Interest Cost on benefit obligation	8,05,261	12,11,884
Expected return on plan assets	8,34,489	6,69,852
Actuarial gain / Loss recognized in the year	25,690	8,83,718
Net Benefit Expenses	14,81,135	20,16,132
ii) Actuarial assumptions :		
Mortality Table (L.I.C)		
Discount Rate (per annum)	8%	8%
Attrition Rate (per annum)	1-3%	1-3%
Rate of escalation in salary (per annum)	5%	5%

## 32. SEGMENT REPORTING

Since the Company primarily operates in one segment - Port Services, Segment reporting as required under Accounting Standard 17 on Segment Reporting issued by Institute of Chartered Accountants of India is not applicable. There is no reportable Geographical Segment either.

### 33. RELATED PARTY DISCLOSURE

As per Accounting Standard - 18 on 'Related Party Disclosure' related parties of the Company are disclosed below:

#### A. List of related parties :

##### Key Management Personnel (KMP)

Mr. M.A. Bhaskarachar - Chairman Cum Managing Director  
 Mr. Sanjay Kumar - Director (Operations)  
 Mr. M. Gunasekaran - Chief Financial Officer  
 Mr. Sudarsan Pahi - Company Secretary (Upto 22.01.2015)

##### Joint Ventures (JVs)

M/s. Sethusamudram Corporation Limited  
 M/s. Chennai Ennore Port Road Company Limited

#### B. Transaction with related parties (Previous figures are in brackets) :

S. No.	Nature of Transactions	Joint Venture	Key Managerial Personnel	Total
		₹	₹	₹
	<b>Transactions with JV</b>			
1	Investments - Sethusamudram Corporation Limited	30,00,00,000		30,00,00,000
		(300000000)		(300000000)
2	Investments - Chennai Ennore Port Road Company Limited	30,00,00,000		30,00,00,000
		(137500000)		(137500000)
3	Equity Advance - Chennai Ennore Port Road Company Limited	4,00,00,000		4,00,00,000
		(202500000)		(202500000)
	<b>Transactions with KMP</b>			
	Payment to Key Management Personnel		1,15,39,785	1,15,39,785
			(7037226)	(7037226)

### 34. A. Operating Lease : As a Lessee

The Company has entered into operating lease for Motor Cars ranging from

Particulars	Not later than one year	Later than one year but not later than five years	Later than five years
	₹	₹	₹
Minimum Lease payments	31,30,440	-	-

Lease payments amounting to Rs.26,08,812/- (Previous Year - Rs.26,36,413/-) are included in Vehicle Running Expenses in the Statement of Profit and Loss during the year.

### 35. Impairment of Assets

During the year the Company has reviewed its assets as per As-28 on 'Impairment of Assets', no provision for impairment is required to be recognised during the year.

### 36. Confirmation of balances :

Trade Receivables, Loans & Advances and Deposits are subject to confirmation.

#### For Kamarajar Port Limited

**M.A. BHASKARACHAR**  
 Chairman cum Managing Director

**SANJAY KUMAR**  
 Director (Operations)

**M. GUNASEKARAN**  
 Chief Financial Officer

**JAYALAKSHMI SRINIVASAN**  
 Company Secretary

Place : Chennai

Date : 29-05-2015

As per report of even date

**For SANKARAN & KRISHNAN,**  
 Chartered Accountants,  
 Firm Regn. No. 003582S

**M. Balachandran**  
 Partner  
 M. No. 016271

Place : Chennai  
 Date : 29-05-2015



## Proxy Form

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

CIN : U45203TN1999GOI043322  
 Name of the Company : KAMARAJAR PORT LIMITED  
 Registered Office : 4<sup>th</sup> Floor, Super Speciality Diabetic Centre (erstwhile DLB Building)  
 Near Clive Battery Bus Stop, Rajaji Salai, Chennai - 600 001.

Name of the member(s):

Registered address:

E-mail Id:

Folio No./Client Id:

DP ID :

I/We, being the member(s) of ..... shares of the above named Company, hereby appoint

1. Name : .....  
 Address : .....  
 E-mail Id : .....  
 Signature : ..... or failing him
2. Name : .....  
 Address : .....  
 E-mail Id : .....  
 Signature : ..... or failing him
3. Name : .....  
 Address : .....  
 E-mail Id : .....  
 Signature : ..... or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 15<sup>th</sup> Annual general meeting of the Company, to be held on Monday, the 28<sup>th</sup> day of September 2015 at 11.30 a.m. at Port Administrative Office, Vallur Post, Chennai – 600 120 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
<b>Ordinary Business</b>	
1	To receive, consider and adopt the financial statements of the Company for the year ended 31 <sup>st</sup> March 2015, including the audited Balance Sheet as at 31 <sup>st</sup> March, 2015, the Statement of Profit & Loss Account for the year ended on that date and the reports of the Board of Directors' and the Auditors' thereon.
2	To declare dividend for the year 2014-15.
3	To appoint a Director in place of Shri N. Muruganandam (DIN No. 00540135), who retires by rotation and being eligible, offers himself for re-appointment.

Signed this ..... day of ..... 2015

Signature of shareholder

Signature of Proxy holder(s)

Revenue  
Stamp

Note: This form or proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



## **KAMARAJAR PORT LIMITED**

**(erstwhile Ennore Port Limited)**

**(CIN: U45203TN1999GOI043322)**

**(A Mini Ratna Government of India Undertaking)**

Regd Office: 4<sup>th</sup> Floor, Super Speciality Diabetic Centre (erstwhile DLB Building)  
Near Clive Battery Bus Stop, Rajaji Salai, Chennai - 600 001.

Phone: 044 - 25251666 -70 Fax No: 044 - 25251665.

Website: [www.ennoreport.gov.in](http://www.ennoreport.gov.in) Email: [info@epl.gov.in](mailto:info@epl.gov.in)

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Name of Shareholder	
Address	
Folio No.	
No. Shares	

I hereby record my presence at the **15<sup>th</sup> ANNUAL GENERAL MEETING** of the Company held on **Monday, the 28<sup>th</sup> September 2015** at **11.30 a.m.** at **Port Administrative Office, Vallur Post, Chennai – 600 120.**

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Signature of Shareholder / Proxy

## **Panoramic View of Kamarajar Port**







*Environment  
Friendly Port*



## KAMARAJAR PORT LIMITED

### Regd. Office :

4<sup>th</sup> Floor, Super Speciality Diabetic Centre, (erstwhile DLB Building)  
Near Clive Battery Bus Stop, Rajaji Salai, Chennai - 600 001.  
Ph : + 91-44-2525 1666 Fax : + 91-44-2525 1665

### Port Office :

Vallur (PO) Chennai - 600 120, Ph : + 91-44-2795 0030 - 40  
e-mail : [info@epl.gov.in](mailto:info@epl.gov.in) / website : [www.ennoreport.gov.in](http://www.ennoreport.gov.in)