



SNOWMAN LOGISTICS LIMITED
(Formerly Snowman Frozen Foods Limited)
Twentieth Annual Report
2012-13

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Board of Directors

Mr. Gopinath Pillai	– Chariman
Mr. PremKishan Gupta	– Vice Chairman
Mr. Shabbir Hassanbhai	– Independent Director
Mr. Saroosh Dinshaw	– Independent Director
Mr. M. P. Pinto	– Independent Director
Mr. Masakazu Sakakida	– Independent Director
Mr. A.K. T. Chari	– Independent Director
Mr. Ravi Kannan	– CEO and Director

Statutory Auditors

Price Waterhouse, Chartered Accountants

Internal Auditors

Varma & Varma, Chartered Accountants

Company Secretary & Chief Financial Officer

Mr. A.M. Sundar

Registered Office & Corporate Office

Sy.No. 36/1, Virgo Nagar,
Old Madras Road, Bandapura Village
Bidarehalli Hobli, Bangalore – 560 049
Karnataka

Bankers

HDFC Bank Limited
Indusind Bank Limited

DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting their Directors Report on the business and operations of the Company and the financial statements of the company for the year ended 31st March 2013.

Your Company has emerged as the leading cold chain management company in the country with a total temperature controlled warehousing capacity of 36,071 pallets as on March 31, 2013. The Company is in the process of expanding both its storage capacity as well as its refrigerated transport fleet across the country.

Financial Performance

(₹ in Million)

Particulars	2012-13	% Growth	2011-12
Income:			
Revenue from operations	1136.95		613.96
Other Income	4.08		28.01
Total Income	1141.03	78%	641.97
Expenditure:			
Operating Expenses	652.01		318.64
Purchase of stock in trade	8.23		3.87
Changes in inventories of stock in trade	0.54		(0.54)
Employee benefit expense	129.32		97.65
Finance Costs	23.99		0.53
Depreciation and Amortization expense	90.72		58.77
Other expenses	91.87		65.40
Total Expenses	996.68	83%	544.32
Profit before tax	144.35	48%	97.65
Tax Expenses			
Current Tax (MAT)	44.62		4.86
MAT credit entitlement	-		(4.86)
Deferred Tax charge/(credit)	(90.23)		34.09
Profit After Tax	189.95	199%	63.56
Earnings per share of face value of ₹10 each (Basic & Diluted)	1.85		0.62

Management & Operations

During the financial year 2012-13, the Company registered total revenue of ₹ 1141.03 Million as compared to ₹ 641.97 Million in the previous year showing an increase of 78% Y-O-Y. PAT has increased from ₹ 63.56 Million to ₹ 189.95 Million, an increase of 199%. This is after considering the deferred tax credit in Fiscal 2013 on account of the 150% deduction benefit, of the capital expenditure incurred, towards setting up of the cold chain facility, allowed under section 35AD of Income Tax Act, 1961.

During the year, the new warehouses at Chennai (1200 pallets), Bengaluru (2400 Pallets), Mumbai (7480 Pallets), Pune (2060 Pallets), Ballabgarh (2880 Pallets), Vishakapatnam (2080 Pallets) commenced operations.

Demand for cold chain logistics services (Cold stores and refrigerated transport) has shown strong growth due to increase in consumption of perishable products and due to the supply chain requirements of organized retail chains. Our cold chain logistics business provides services to large FMCG companies and organized retail chains. During FY 13, we have increased our capacity from 18,000 pallets to 36,071 pallets. As of July 31, 2013, our temperature controlled warehousing capacity stands at 46,751 pallets in addition to 3,000 ambient pallets. We are expanding the capacity to 70,000 pallets by end of FY 2014. The company has also expanded its platform to include new items such as pharmaceuticals and industrial products. We are also increasing the size and reach of our refrigerated transport services to cater for the increased demand.

In June 2013, your company received an investment of ₹ 60 Crores by way of preferential allotment of equity shares to Norwest Venture Partners VII-A, Mauritius (NVP) at ₹ 35/- per share, a venture and growth capital investor. The Company intends to raise further funds by issuing equity shares through the Initial Public Offer. The Draft Red Herring Prospectus will be filed with the Securities and Exchange Board of India in August 2013.

Directors

As on date, the Board of Directors of the Company comprises of eight Directors of which four are Independent Directors.

Mr. Keiichi Nakagaki resigned from the directorship of the Company with effect from March 20, 2013.

Mr. Masakazu Sakakida was appointed as Additional Director with effect from March 20, 2013, holds office upto the forthcoming Annual General Meeting and is eligible for reappointment.

Mr. Michael Philip Pinto was appointed as Additional Director with effect from May 08, 2013, holds office upto the forthcoming Annual General Meeting and is eligible for reappointment.

Mr. Alwarthirunagari Kuppuswamy Thiruvenkata Chari was appointed as Additional Director with effect from August 01, 2013, holds office upto the forthcoming Annual General Meeting and is eligible for reappointment.

Retiring by rotation

Mr. Gopinath Pillai, Chairman and Mr. Shabbir Hakimuddin Hassanbhai, Director are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

Board Committees

During the year under review, two committees of the Board were constituted. The Board of Directors in its meeting held on November 05, 2012 had constituted IPO Committee which is entrusted with the responsibility to monitor and effect the public issue activity.

The Board of Directors also constituted the Share Allotment and Transfer Committee on June 14, 2013 and later enhanced the scope to include investor grievance on August 01, 2013 and was renamed as Share Allotment, Transfer and Investor Grievance Committee.

Corporate Governance

Audit Committee Meetings of the Board of Directors were convened regularly to review the actions taken on Internal Audit Reports and suggestions made therein.

Auditors

M/s. Price Waterhouse, Firm Registration Number: 301112E, Chartered Accountants, Kolkatta, Statutory Auditors of the Company who have been appointed by the members of the Company cease their office at the ensuing Annual General Meeting. Being eligible they have offered themselves to be reappointed as the Statutory Auditors of the Company. The Board of Directors upon the recommendation of the Audit Committee proposes the re-appointment of Price Waterhouse as the statutory auditors of the Company subject to the approval of the members at the Annual General Meeting. Their comments on the accounts and notes to the accounts are self-explanatory.

Dividends and transfer to reserves

Your directors are not recommending any dividends for the financial year ended 31st March 2013. There are no amounts that are being transferred to the reserves.

Particulars of Employees

Information in accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 read with Company's (Particulars of Employees) Rules, 1975 as amended forms part of this report.

However, as per the provisions of Section 219 of the Companies Act, 1956, the Report and Accounts are being send to all shareholders of the Company, excluding the aforesaid information. Any shareholders interested in obtaining such particulars may write to the Company Secretary and Compliance Officer at the Registered Office of the Company.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The particulars required to be included in terms of Section 217(1)(e) of the Companies Act, 1956 with regard to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in the Annexure attached herewith.

Employee Stock Option Scheme

Your Company has established ESOP Scheme pursuant to the resolution passed by the Shareholders at the Extraordinary General Meeting held on April 24, 2012, the Company had introduced new ESOP scheme for eligible Directors, employees of the Company. Under the scheme, options for 5,145,350 (Fifty One Lakh Forty Five Thousand Three Hundred and Fifty) shares would be available for being granted to eligible employees of the Company and each option (after it is vested) will be exercisable for one equity share of ₹ 10.60. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant. to which options to acquire shares have been granted to selected employees and directors of the company.

During the financial year stock options have been granted to employees and directors of the Company under this scheme. On exercise of the options so granted, the paid up equity share capital of the Company will increase in terms of the stock option scheme mentioned above. The details of the options granted by the Company during the year are given below

Particulars	ESOP Plan I
Date of meeting of Compensation Committee / Board of Directors/ Shareholders, granting the options	April 24, 2012 and February 05, 2013
First grant of options by Compensation Committee / Board of Directors (No. of Equity Shares of Face value ₹ 10 each)	28,90,000
Vesting period: The options would vest not earlier than one year and not later than 4th (forth) year from the date of grant i.e from	May 01, 2012 and February 05, 2013
Exercise Period	Within 5 years from the date of vesting
Exercise Price	₹ 10.60 per share
Options outstanding as on March 31, 2013 (No. of Equity Shares)	28,90,000
Date of Closing Market Price on National Stock Exchange for computation of Fair Value:	NA
Method of Accounting and Intrinsic Value:	The exercise price of ₹ 10.60 per share is based on the intrinsic value

Director's responsibility statement pursuant to the provisions of sub-section (2aa) of section 217 of the companies act, 1956

Your Directors hereby confirm that -

- all the applicable accounting standards have been followed in the preparation of annual accounts;
- accounting policies were adopted and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit of the Company for the year ended on that date;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities have been taken;
- the annual accounts have been prepared on a 'going concern' basis;

Internal Control and Internal Audit

The Company has in place adequate systems of Internal Control to ensure compliance with policies and procedures. The Company has a system of carrying out internal audit, covering all business processes to review the internal control systems. The internal control system and mechanism is reviewed periodically by the Audit Committee to make it robust so as to meet the challenges of the business.

Acknowledgements

The Board wishes to place on record its appreciation to the Company's customers, vendors and bankers for their continued support to the Company during the year. The Directors also wish to place on record their deep sense of appreciation to the contribution made by all employees at all levels for sustaining the organizational growth especially during the challenging times.

For and on behalf of the Board of Directors

Place: New Delhi
Date: August 01, 2013

Gopinath Pillai
Chairman

Annexure to the Directors Report for the year ended March 31, 2013

Conservation of energy, technology absorption and foreign exchange earnings and outgo

Conservation of Energy:

Energy Conservation measures taken	High quality insulation is used
Additional investments and proposal, in any being implemented for reduction of consumption of energy	No additional investment has been made for the specific purpose
Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods	As per Form A and Form B annexed
Technology	As per Form B annexed

Foreign Exchange Earnings and Outgo:

Total Foreign Exchange Used and Earned:

	Current Year (₹)	Previous Year (₹)
CIF Value of Imports	2,94,14,707	67,77,866
Expenditure	22,250	1,58,951

Conservation of Energy:

Form A

	Current Year	Previous Year
Purchased		
Unit	89,57,819	70,57,847
Total Amount	₹ 6,37,27,385	₹ 4,39,62,784
Rate/ Unit	₹ 7.11	₹ 6.23
Own Generation		
Through diesel generator:		
Unit	10,46,694	12,95,579
Unit per litre of diesel	₹ 2.98	₹ 2.80
Other forms of power generation – Not Applicable		

Form B
(See Rule 2)

Form of Disclosure of particulars with respect to absorption

Research and development (R & D)

- | | |
|---|-----|
| 1. Specific areas in which R & D carried out by the company: | Nil |
| 2. Benefits derived as a result of the above R&D | NA |
| 3. Future plan of action | NA |
| 4. Expenditure on R & D | |
| (a) Capital | Nil |
| (b) Recurring | Nil |
| (c) Total | Nil |
| (d) Total R & D expenditure as a percentage of total turnover | NA |

Technology, absorption, adaptation and innovation

- | | |
|---|----|
| 1. Efforts, in brief, made towards technology absorption, adaptation and innovation.
Not applicable; no external technology has been bought in. | |
| 2. Benefits derived as a result of the above efforts | NA |
| 3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished: | |
| (a) Technology imported. | |
| (b) Year of import. | |
| (c) Has technology been fully absorbed? | NA |
| (d) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action. | NA |

For and on behalf of the Board of Directors

Place: New Delhi
Date: August 01, 2013

Gopinath Pillai
Chairman

INDEPENDENT AUDITORS' REPORT

To the Members of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited)

Report on the Financial Statements

1. We have audited the accompanying financial statements of Snowman Logistics Limited (formerly Snowman Frozen Foods Limited) (the "Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's¹ Responsibility for the Financial Statements

2. The Company's Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying 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:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse

Firm Registration Number : 301112E

Chartered Accountants

Uday Shah

Partner

Membership Number 046061

Place: Mumbai

Date: May 08, 2013

Annexure to Auditors' Report

Referred to in paragraph 7 of the Auditors' Report of even date to the members of Snowman Logistics Limited (Formerly Snowman Frozen Foods Limited) on the financial statements as of and for the year ended March 31, 2013

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
 - (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii) (b),(c) and (d) of the said Order are not applicable to the Company.
 - (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)(f) and (g) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. (a) According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act.
 - (b) In our opinion, and according to the information and explanations given to us, there are no transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees Five Lakhs in respect of any party during the year.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.

- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employee's state insurance, professional tax, tax deducted at source, and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, sales tax, custom duty, wealth tax, and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of sales tax, wealth tax, service tax and custom duty as which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2013 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount(Rs.)*	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act	Income Tax	196,040	2006-07	Commissioner (Appeals)

* Net of amounts paid under protest.

- x The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company
- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company
- xvi. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.

- xvii. The Company has not raised any loans on short term basis. Accordingly, the provisions of Clause 4(xvii) of the Order are not applicable to the Company.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Place: Mumbai
Date: May 8 2013

Uday Shah: Partner
Membership Number 046061

Balance Sheet as at March 31, 2013

(Amount in ₹)

	Note	March 31,2013	March 31,2012
Equity and Liabilities			
Shareholder's Funds			
Share capital	3	1,029,070,000	1,029,070,000
Reserves and surplus	4	262,681,547	72,728,591
Non-current liabilities			
Long-term borrowings	5	909,000,000	-
Deferred tax liabilities (Net)	6	-	43,634,323
Long-term provisions	7	3,715,685	2,406,928
Current liabilities			
Trade payables	8	53,305,145	30,661,126
Other current liabilities	9	181,606,344	46,084,696
Short-term provisions	10	844,267	1,434,384
Total		2,440,222,988	1,226,020,048
Assets			
Non- Current Assets			
Fixed assets			
Tangible assets	11	1,566,649,699	738,061,007
Intangible assets	12	7,494,469	5,541,501
Capital work-in-progress		319,578,388	101,863,433
Intangible assets under development		920,004	3,317,376
Long term loans and advances	13	111,610,023	95,870,879
Other non current assets	14	1,226,994	2,107,290
Deferred tax asset (Net)	6	46,592,194	-
Current assets			
Inventories	15	-	536,670
Trade receivables	16	267,685,068	126,797,103
Cash and bank balances	17	73,303,907	140,544,962
Short-term loans and advances	18	44,043,686	10,118,727
Other current assets	19	1,118,556	1,261,100
Total		2,440,222,988	1,226,020,048
Summary of Significant Accounting Policies	2		

The notes are an integral part of these financial statements

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

For Price Waterhouse

Firm Registration Numer : 301112E
Chartered Accountants

Uday Shah

Partner

Membership Number 046061

Place: Mumbai

Date: May 08, 2013

For and on behalf of the Board

Gopinath Pillai
Chairman

Ravi Kannan
CEO and Director

Prem Kishan Gupta
Director

A.M. Sundar
CFO and Company Secretary

Place: Mumbai

Date: May 08, 2013

Statement of Profit and Loss for the year ended March 31, 2013

(Amount in ₹)

	Note	Year ended	
		March 31, 2013	March 31, 2012
Revenue from operations	22	1,136,951,177	613,956,192
Other Income	23	4,076,658	28,013,649
Total revenue		1,141,027,835	641,969,841
Expenses:			
Operating expenses	24	652,014,144	318,642,229
Purchases of Stock-in-Trade	33	8,231,067	3,873,000
Changes in inventories of Stock-in-Trade	25	536,670	(536,670)
Employee benefits expense	26	129,320,819	97,652,490
Finance costs	27	23,987,135	528,879
Depreciation and amortization expense	28	90,715,823	58,767,858
Other expenses	29	91,871,854	65,392,524
Total expenses		996,677,512	544,320,310
Profit before tax		144,350,323	97,649,531
Tax expense			
Current tax (MAT)	38	44,623,884	4,860,058
MAT Credit Entitlement	38	-	(4,860,058)
Deferred tax		(90,226,517)	34,093,411
Profit for the year		189,952,956	63,556,120
Earning per equity share (Nominal Value per Share:Rs.10 (2012:Rs.10))	32		
Basic and Diluted		1.85	0.62
Summary of Significant Accounting Policies	2		

The notes are an integral part of these financial statements

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

For Price Waterhouse

Firm Registration Numer : 301112E
Chartered Accountants

Uday Shah

Partner

Membership Number 046061

Place: Mumbai

Date: May 08 2013

For and on behalf of the Board

Gopinath Pillai
Chairman

Ravi Kannan
CEO and Director

Place: Mumbai

Date: May 08, 2013

Prem Kishan Gupta
Director

A.M. Sundar
CFO and Company Secretary

Cash Flow Statement for the year ended March 31, 2013

(Amount in ₹)

	March 31, 2013	March 31, 2012
Cash flow from operating activities		
Profit before tax	144,350,323	97,649,531
Adjustments for :		
Depreciation	90,715,823	58,767,858
Liabilities no longer required written back	(833,317)	(7,181,053)
Provision for Doubtful Debts and Advances	19,816,506	9,310,301
Assets written off	617,871	686,578
Bad Debts/Irrecoverable advances written off	-	7,917,727
(Profit) / Loss on sale of fixed assets	(1,209,568)	(759,665)
Interest received	(1,983,909)	(19,295,513)
Interest paid	23,026,122	286,219
Operating profit before working capital changes	274,499,851	147,381,983
Changes in Working Capital:		
(Increase) / decrease in inventories	536,670	(536,670)
(Increase) / decrease in trade receivables	(159,871,154)	(35,279,859)
(Increase) / decrease in loans and advances	(75,016,975)	(3,719,971)
Increase / (decrease) in current liabilities	117,882,531	22,528,065
Cash generated from operations	158,030,923	130,373,548
Direct taxes paid (net of refunds)	(18,390,714)	(10,898,398)
Net cash generated from operating activities	139,640,209	119,475,150
Cash flow from investing activities		
Purchase of tangible/intangible assets	(1,137,871,465)	(283,926,339)
Sale of Fixed Assets	1,889,870	3,107,350
Interest received	2,126,453	18,649,057
Net cash from / (used in) investing activities	(1,133,855,142)	(262,169,932)
Cash flow from financing activities		
Proceeds from long term borrowings	950,000,000	-
Interest paid	(23,026,122)	(286,219)
Net cash from / (used in) financing activities	926,973,878	(286,219)
Net increase/decrease in Cash and Cash Equivalents	(67,241,055)	(142,981,001)
Cash and Cash Equivalents at the beginning of the year	140,544,962	283,525,963
Cash and Cash Equivalents at the end of the year	73,303,907	140,544,962
Cash on Hand	1,489,730	275,825
Cheques on Hand	4,664,832	3,924,304
Balance with Banks		
In current Accounts	37,700,141	17,039,298
Deposit Accounts	20,000,000	110,216,331

Cash Flow Statement for the year ended March 31, 2013

(Amount in ₹)

	March 31, 2013	March 31, 2012
Other bank balance		
- Long term deposits with maturity more than 3 months but less than 12 months (Refer Note 2 below)	9,449,204	9,089,204
Total	73,303,907	140,544,962

Notes:

- 1 The above Cash Flow Statement has been prepared in consonance with the requirements of Accounting Standard (AS) - 3 on Cash Flow Statements as notified under Section 211(3C) and the relevant provisions of the companies Act, 1956 and the reallocations required for the purpose are as made by the Company.
2. Held as lien by bank against bank guarantee
3. Previous year's figures have been regrouped / reclassified wherever necessary to conform with current year's classification

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

For and on behalf of the Board

Gopinath Pillai
Chairman

Prem Kishan Gupta
Director

Ravi Kannan
CEO and Director

A.M. Sundar
CFO and Company Secretary

Place: Mumbai
Date: May 08, 2013

For Price Waterhouse

Firm Registration Numer : 301112E
Chartered Accountants

Uday Shah

Partner

Membership Number 046061

Place: Mumbai

Date: May 08 2013

SNOWMAN LOGISTICS LIMITED (Formerly Snowman Frozen Foods Limited)

Notes forming part of the Financial Statements

1. General Information

Snowman Logistics Limited (the 'Company') is engaged in cold chain business in India. Snowman offers a range of complete and unique facilities for transportation, storage, handling and retail distribution of frozen and chilled products.

The Company has changed its name from Snowman Frozen Foods Limited to Snowman Logistics Limited and obtained a fresh certificate of incorporation dated March 17, 2011.

2. Summary of significant accounting policies

a) Basis of Preparation of Accounts

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the applicable accounting standards notified under section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) Tangible Assets

Tangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any, except in case of land. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. The company capitalises all costs relating to the acquisition, installation and construction of fixed assets, up to the date when the assets are ready for commercial use.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognised in the Statement of Profit and Loss, losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Depreciation on additions/ deletions to fixed assets is calculated on pro-rata basis from/upto the date of such additions/ deletions. The Company provides depreciation on straight-line basis method at the rates specified under Schedule XIV to the Act. Assets individually costing less than Rs. 5,000 are fully depreciated in the year of purchase.

Leasehold land including building constructed thereon is being amortized over the lease period.

d) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on straight-line basis over a period of 5 years, based on management estimate. The amortization period and the amortization method are reviewed at the end of each financial year.

e) Inventories

Inventories are stated at lower of cost and net realisable value. Cost means only the purchase cost of the goods. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to record the sale.

f) Revenue Recognition

Income from Transportation, Storage and Handling activities are accrued on completion of the service. Income from commission on consignment sales is recognised on the completion of consignment sales.

g) Other income

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

h) Foreign Currency Transactions

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency is reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. With respect to long-term foreign currency monetary items, from April 1, 2011 onwards, the Company has adopted the following policy:

- Foreign exchange difference on account of a depreciable asset, is adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset.

- In other cases, the foreign exchange difference is accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortised over the balance period of such long term asset/ liability.

A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

i) Employee Benefits

(a) Defined Contribution Plan

Contribution towards provident fund and pension scheme for employees is made to the regulatory authorities which are recognised by the Income Tax Authorities and administered through appropriate authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

(b) Defined Benefit Plan

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

(c) Other Employee Benefits

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

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

j) Borrowing Cost

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

k) Current and Deferred Tax

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

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

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

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

l) Leases

Assets acquired under operating leases, where a significant portion of the risk and rewards of ownership are retained by the lessor, are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

m) Employees' Stock Option Scheme

Equity settled stock options granted under "ESOP Scheme" are accounted for as per the accounting treatment prescribed by the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India. The intrinsic value of the option being excess of market value of the underlying share immediately prior to date of grant over its exercise price is recognised as deferred employee compensation with a credit to employee stock option outstanding account. The deferred employee compensation is charged to Statement of Profit and Loss on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to employee compensation expense, equal to the amortised portion of value of lapsed portion and credit to deferred employee compensation expense equal to the unamortised portion.

n) Impairment of Assets

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

o) Provisions and Contingent Liabilities

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

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

p) Cash and Cash Equivalents

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

q) Segment Reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under 'Unallocable corporate expenses'.

r) Earnings per share

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

Notes forming part of the Financial Statements

(Amount in ₹)

	March 31, 2013	March 31, 2012
3 Share Capital		
Authorised 125,000,000 (2012: 125,000,000) equity shares of Rs.10 each	1,250,000,000	1,250,000,000
Issued 102,907,000 (2012: 102,907,000 Shares) equity share of Rs.10 each	1,029,070,000	1,029,070,000
Subscribed and Paid Up 102,907,000 (2012: 102,907,000 Shares) equity share of Rs.10 each	1,029,070,000	1,029,070,000
	1,029,070,000	1,029,070,000

(a) Reconciliation of number of shares

Equity Shares:

	March 31, 2013		March 31, 2012	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	102,907,000	1,029,070,000	102,907,000	1,029,070,000
Add: Number of shares issued during the year	-	-	-	-
Balance at the end of the year	102,907,000	1,029,070,000	102,907,000	1,029,070,000

(b) Rights, preferences and restrictions attached to shares:

Equity shares :The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their share holding.

(c) Shares held by holding company and subsidiary of holding company

Equity Shares:

	March 31, 2013	March 31, 2012
54,711,619 (2012:53,711,619) equity shares held by Gateway Distriparks Ltd.,the holding company	547,116,190	537,116,190

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Equity Shares

	March 31, 2013	March 31, 2012
Gateway Distriparks Ltd.,the holding company	54,711,619 53.17%	53,711,619 52.19%
International Finance Corporation	20,570,000 19.99%	20,570,000 19.99%
Mitsubishi Corporation	15,641,000 15.20%	15,641,000 15.20%
Nichirei Logistics Corporation	7,400,000 7.19%	7,400,000 7.19%

(e) Shares reserved for issues under options

Refer note 35 for details of shares to be issued under the Employees Stock Option Plan.

Notes forming part of the Financial Statements

(Amount in ₹)

	March 31, 2013	March 31, 2012
4 Reserves And Surplus		
Capital Subsidy from National Horticulture board	1,815,000	1,815,000
Securities premium	88,851,504	88,851,504
Surplus in the statement of profit and loss		
Balance at the beginning of the year	(17,937,913)	(81,494,033)
Profit for the year	189,952,956	63,556,120
Balance as at the end of the year	172,015,043	(17,937,913)
	262,681,547	72,728,591
5. Long -Term Borrowings		
Secured term loans:		
From Banks	609,000,000	
From International Finance Corporation	300,000,000	
	909,000,000	-
Nature of security and terms of repayment for secured borrowings:		
Nature of security		
i) Term loan from Bank [HDFC Bank] amounting to Rs.650,000,000 [2012:Nil] are secured by paripassu charge on all assets namely fixed and current assets present and future of the company and corporate guarantee from Gateway Distriparks Limited, the Holding Company.		
ii) Term loan from International Finance corporation [IFC] amounting to Rs.300,000,000 [2012:Nil] are secured by paripassu charge on all assets namely, fixed and current assets present and future of the company and corporate guarantee from Gateway Distriparks Limited, the Holding Company.		
Terms of Repayment		
Principal is repayable (for each disbursement) in 20 equal quarterly instalments starting from August 2013.		
Principal is repayable in 12 half yearly instalments starting from January 2015.		
6 Deferred Tax (Assets)/ Liabilities (Net)		
Deferred tax liabilities		
Depreciation	386,045,266	68,321,943
Deferred tax assets		
Additional deduction under section 35AD of the Income Tax Act,1961	(406,737,163)	
Unabsorbed depreciations	(16,913,123)	(18,703,657)
Other timing differences	(8,987,174)	(5,983,963)
	(432,637,460)	(24,687,620)
	(46,592,194)	43,634,323

Notes forming part of the Financial Statements

(Amount in ₹)

	March 31, 2013	March 31, 2012
7 Long Term Provisions		
Provision for employee benefits: (Refer Note 34)		
Provision for gratuity	1,110,904	227,088
Provision for compensated absences	2,604,781	2,179,840
	3,715,685	2,406,928
8 Trade Payables		
Trade payables	53,305,145	30,661,126
	53,305,145	30,661,126
9 Other Current Liabilities		
Current maturities of long term debt (Refer note 5)	41,000,000	-
Interest accrued but not due on borrowings	11,820,302	-
Capital creditors	76,085,557	8,770,012
Advance from customers	8,727,043	4,907,052
Statutory dues (Including provident fund and tax deducted at source)	6,222,213	6,110,713
Employee benefits payable	7,371,858	6,900,416
Other payables towards contractual obligations	30,379,371	19,396,503
	181,606,344	46,084,696
10 Short- Term Provisions		
Provision for employee benefits: (Refer Note 34)		
Provision for Gratuity	584,023	1,250,000
Provision for compensated absences	260,244	184,384
	844,267	1,434,384

Notes forming part of the Financial Statements

(Amount in ₹)

11 Tangible Assets

	Gross Block				Depreciation				Net Block	
	April 01, 2012	Additions	(Disposals)/ Adjustments	March 31, 2013	April 01, 2012	For the Year	(Disposals)/ Adjustments	March 31, 2013	March 31, 2013	March 31, 2012
Own Assets:										
Land [Note 1(a)below]	74,021,631	252,280	-	74,273,911	-	-	-	-	74,273,911	74,021,631
Buildings [Note 2 below]	211,159,475	384,779,744	-	595,939,219	30,984,795	15,393,898	-	46,378,693	549,560,526	180,174,680
Plant and Equipment	652,786,852	438,117,911	(2,233,851)	1,088,670,912	290,131,039	47,819,533	(1,503,565)	336,447,007	752,223,905	362,655,813
Furniture and Fixtures	19,512,284	13,721,726	(238,120)	32,995,890	1,925,799	1,594,530	(191,709)	3,328,620	29,667,270	17,586,485
Vehicles [Note 3 below]	127,978,456	73,645,480	(10,924,451)	190,699,485	53,137,287	21,261,749	(10,605,357)	63,793,679	126,905,806	74,841,169
Office equipment	4,111,279	1,662,929	(139,598)	5,634,610	1,140,864	215,966	(78,207)	1,278,623	4,355,987	2,970,415
Computer Equipment	12,357,104	4,353,827	(2,180,616)	14,530,315	5,226,831	2,020,045	(2,041,400)	5,205,476	9,324,839	7,130,273
	1,101,927,081	916,533,897	(15,716,636)	2,002,744,342	382,546,615	88,305,721	(14,420,238)	456,432,098	1,546,312,244	719,380,466
Assets Under Lease										
Land on lease [Note 1(b) below]	20,877,814	2,376,100	-	23,253,914	2,197,273	719,186	-	2,916,459	20,337,455	18,680,541
	20,877,814	2,376,100	-	23,253,914	2,197,273	719,186	-	2,916,459	20,337,455	18,680,541
Total	1,122,804,895	918,909,997	(15,716,636)	2,025,998,256	384,743,888	89,024,907	(14,420,238)	459,348,557	1,566,649,699	738,061,007
March 31, 2012	910,751,752	232,223,070	(20,169,927)	1,122,804,895	344,567,969	57,145,843	(16,969,924)	384,743,888	738,061,007	

Notes:

1(a) Includes land with book value Rs.1,028,400 (2012: Rs.1,028,400) pending registration with concerned authorities.

(b) Represents payment made for acquiring land on lease at various locations for periods ranging from 20-99 years.

2. Includes Building with Gross Block value of Rs.263,200,484 (2012: 86,074,432) on lease hold land.

3. Vehicles include "Trucks" used for cold chain transportation purposes, with gross book value of Rs.185,565,131 (2012:Rs.123,587,749) and net book value Rs.123,404,201 (2012: Rs.74,182,157).

4. Incidental expenditure capitalised during the year Rs. 35,755,372 (2012: Rs. 1,594,465) [Refer Note29]

12 Intangible Assets

	Gross Block				Depreciation				Net Block	
	April 01, 2012	Additions	(Disposals)/ Adjustments	March 31, 2013	April 01, 2012	For the Year	(Disposals)/ Adjustments	March 31, 2013	March 31, 2013	March 31, 2012
Computer Software	8,110,060	3,643,885	-	11,753,945	2,568,559	1,690,917	-	4,259,476	7,494,469	5,541,501
Total	8,110,060	3,643,885	-	11,753,945	2,568,559	1,690,917	-	4,259,476	7,494,469	5,541,501
March 31, 2012	10,163,125	-	(2,053,065)	8,110,060	2,999,609	1,622,015	(2,053,065)	2,568,559	5,541,501	

Notes forming part of the Financial Statements

(Amount in ₹)

	March 31, 2013	March 31, 2012
13 Long Term Loans And Advances		
Unsecured, considered good		
Capital advances	40,195,057	24,238,220
Security deposits	47,472,416	20,867,418
Advances recoverable in cash or kind	1,846,282	2,435,804
	89,513,755	47,541,442
Other loans and advances		
Advance income tax (Net of Provisions)	21,470,697	47,703,866
Others	625,571	625,571
	22,096,268	48,329,437
	111,610,023	95,870,879
14 Other Non Current Assets		
Others		
Long term deposits with bank with maturity period more than 12 months [Refer Note below]	1,226,994	2,107,290
	1,226,994	2,107,290
Note: Held as lien by bank against bank guarantee.		
15 Inventories		
Traded Goods		
Fruits	-	536,670
	-	536,670
16 Trade Receivables		
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	4,365,909	1,384,577
Others	263,319,159	125,412,526
	267,685,068	126,797,103
Unsecured, considered doubtful		
Outstanding for a period exceeding six months from the date they are due for payment	12,860,334	10,278,722
Others	9,012,578	4,320,528
	21,872,912	14,599,250
Less: Provision for doubtful debts	(21,872,912)	(14,599,250)
	267,685,068	126,797,103
17 Cash and Bank Balances		
Cash and Cash equivalents		
Cash on hand	1,489,730	275,825
Cheques on hand	4,664,832	3,924,304
Bank Balances :		

Notes forming part of the Financial Statements

(Amount in ₹)

	March 31, 2013	March 31, 2012
In current accounts	37,700,141	17,039,298
demand deposits (less than 3 months maturity)	20,000,000	110,216,331
	63,854,703	131,455,758
Other bank balance		
- Long term deposits with maturity more than 3 months but less than 12 months [Refer Note below]	9,449,204	9,089,204
	9,449,204	9,089,204
	73,303,907	140,544,962
Note: Held as lien by bank against bank guarantee.		
18 Short Term Loans and Advances		
Unsecured, considered good		
Advance to suppliers	16,961,389	5,959,113
Balances with government authorities	21,855,967	-
Prepaid expenses	5,226,330	4,159,614
	44,043,686	10,118,727
Other Current Assets		
Interest accrued on fixed deposit	1,118,556	1,261,100
	1,118,556	1,261,100
20 Contingent Liabilities		
Bank Guarantees	6,210,212	6,245,978
Income Tax Matters (Amount paid under protest Rs. 574,603) (2012 : Rs. 574,603)	770,643	770,643
Wealth Tax Matters (Amount paid under protest Rs. 301,833) (2012: Rs. 301,833)	301,833	301,833
	7,282,688	7,318,454
Note		
It is not practicable for the Company to estimate the timings of cash inflows, if any, in respect of the above pending resolution of the respective proceedings		
21 Commitments		
(a) Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	152,719,081	264,405,504
	152,719,081	264,405,504
(b) Other Commitments		
The company has non- cancellable operating leases for land used for construction of warehouses	768,760,846	313,922,574
22 Revenue		
Sale of traded goods	8,773,390	3,385,912

Notes forming part of the Financial Statements

(Amount in ₹)

	March 31, 2013	March 31, 2012
Sale of Services :		
Income from temperature controlled services	915,980,085	585,375,414
Income from ambient services	201,427,500	14,122,970
Income from consignment agency services	10,770,202	11,071,896
	1,136,951,177	613,956,192
Details of Sales (Traded goods)		
Fruits	8,773,390	3,385,912
	8,773,390	3,385,912
23 Other Income		
Interest income	1,983,909	19,295,513
Profit on sale of assets	1,209,568	759,665
Provision no longer required written back	833,317	7,181,053
Miscellaneous income	49,864	777,418
	4,076,658	28,013,649
24 Operating Expenses		
Power charges	80,454,646	55,817,353
Cold storage rent	35,687,938	21,507,571
Labour charges	36,335,794	30,201,247
Repair and maintenance	9,338,126	11,438,460
Security and other charges	15,185,276	14,061,649
Vehicle running expenses	67,412,134	29,732,870
Vehicle fuel expenses	145,529,937	82,272,576
Hire charges- vehicles and containers	242,492,011	57,695,816
Vehicle repair and maintenance	19,578,282	15,914,687
	652,014,144	318,642,229
25 Changes in Inventory		
(Increase)/decrease in stocks		
Stock at the end of the year:		
Traded goods	-	536,670
	-	536,670
Stock at the beginning of the year:		
Traded goods	536,670	-
	536,670	-
Change in stocks	536,670	(536,670)
26 Employee Benefit Expense		
Salaries and wages,	106,858,985	79,838,792
Contribution to provident and other funds (Refer Note 34)	8,270,048	7,254,511
Staff welfare expenses	14,191,786	10,559,187
	129,320,819	97,652,490

Notes forming part of the Financial Statements

(Amount in ₹)

	March 31, 2013	March 31, 2012
27 Finance Costs		
Interest expense	23,026,122	286,219
Interest on shortfall of advance tax	961,013	242,660
	23,987,135	528,879
28 Depreciation and Amortisation Expense		
Depreciation on tangible assets	89,024,906	57,145,843
Amortisation on intangible assets	1,690,917	1,622,015
	90,715,823	58,767,858
29 Other Expenses		
Rent	3,782,950	3,015,596
Electricity charges	177,261	501,359
Printing and stationary	4,239,522	2,951,547
Insurance	5,929,476	3,787,017
Rates and taxes	3,581,612	4,184,426
Legal and professional charges	5,714,716	3,372,750
Auditors remuneration		
Audit Fee	1,485,000	1,485,000
Other services	-	-
Out of pocket expenses	82,288	34,932
Communication	6,300,198	5,395,712
Travelling and conveyance	17,806,512	12,451,653
Recruitment and Training	613,642	926,517
Bad debts/advances written off	-	7,917,727
Provision for doubtful debts and advances	19,816,506	9,310,301
Assets written off	617,871	686,578
Selling and distribution	7,048,336	2,998,865
Repair and maintenance others	3,587,722	1,776,579
Miscellaneous expense	11,088,242	4,595,965
	91,871,854	65,392,524
Expenses capitalised during the year		
Buildings and Plant and Machinery		
Salaries	3,102,734	311,220
Travelling	4,574,712	273,347
Consultancy Charges	6,723,293	-
Others	470,121	536,629
Borrowing Cost	20,068,266	-
Vehicles		
Others	816,247	473,269
Capital Work in Progress		
Consultancy Charges	6,023,619	-

Notes forming part of the Financial Statements

(Amount in ₹)

	March 31, 2013	March 31, 2012
Salaries	1,641,482	677,406
30 CIF value of imports		
Capital Goods	29,414,707	6,777,866
	29,414,707	6,777,866
31 Expenditure in Foreign Currency		
Foreign Travel Expenses	22,250	158,951
	22,250	158,951
32 Earnings Per Share		
Basic and Diluted		
Profit after tax	A 189,952,956	63,556,120
Weighted average number of shares outstanding	B 102,907,000	102,907,000
Basic and Diluted EPS	A/B 1.85	0.62
33 Details of Consumption and Purchases		
Purchases of Stock in Trade		
Fruits	8,231,067	3,873,000
34 Disclosures under Accounting Standard 15		
<p>a) Post Retirement Benefit- Defined Contribution Plans The Company has recognised an amount of Rs.6,374,100 (2012: Rs 4,399,582) as expenses under the defined contribution plans in the Statement of Profit and Loss in respect of contribution to Provident Fund for the year ended March 31, 2013.</p> <p>b) Post Retirement Benefit- Defined Benefit Plan The Company makes provision for gratuity based on actuarial valuation done on projected unit credit method at each balance sheet date.</p> <p>The Company makes annual contribution to the Gratuity Fund Trust which is maintained by LIC of India, a defined benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment as per provisions of Payment of Gratuity Act, 1972.</p> <p>The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method with actuarial valuation being carried out at the balance sheet date.</p>		
(i) Present Value of Defined Benefit Obligation - Gratuity		
	March 31, 2013	March 31, 2012
Balance at the beginning of the year	5,680,354	3,282,029
Current service cost	2,106,435	2,074,613
Interest Cost	460,635	246,927
Actuarial (Gain)/Loss	(76,439)	830,807
Benefits Paid	(193,806)	(754,022)
Balance at the end of the year	7,977,179	5,680,354

Notes forming part of the Financial Statements

(Amount in ₹)

	March 31, 2013	March 31, 2012			
(ii) Fair value of Plan Assets					
Balance at the beginning of the year	4,203,266	3,427,991			
Expected return on plan assets (Estimated)	402,113	311,688			
Actuarial Gain/(Loss)	30,589	(14,270)			
Contribution by the company	1,840,090	1,231,879			
Benefits Paid	(193,806)	(754,022)			
Balance at the end of the year	6,282,252	4,203,266			
(iii) Assets and liabilities recognised in the Balance Sheet					
Present Value of Defined Benefit Obligation	7,977,179	5,680,354			
Present Value of Plan assets	6,282,252	4,203,266			
Amount recognised as assets/(liability)	(1,694,927)	(1,477,088)			
Recognised under:					
Long term Provision (Refer Note 7)	(1,110,904)	(227,088)			
Short term Provision (Refer Note 10)	(584,023)	(1,250,000)			
Total	(1,694,927)	(1,477,088)			
(iv) Expenses recognised in the Statement of Profit and Loss					
Current Service Cost	2,106,435	2,074,613			
Interest Cost	460,635	246,927			
Expected return Plan Assets	(402,113)	(311,688)			
Actuarial (Gain)/Loss	(269,009)	845,077			
Total Expenses	1,895,948	2,854,929			
(v) Major Category of Plan Assets as % of total Plan Assets					
Insurer Managed Funds	100%	100%			
(vi) Actuarial Assumptions					
Discount Rate	8.25%	8.50%			
Salary Growth	9.00%	10.00%			
Attrition Rate	9.00%	8.00%			
(vii) Amounts recognised in current year and previous three years					
	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Present value of obligation	7,977,179	5,680,354	3,282,029	2,651,317	2,363,298
Present value of plan assets	6,282,252	4,203,266	3,427,991	2,239,791	1,692,315
Amount recognised in Balance Sheet (Liability)/asset	(1,694,927)	(1,477,088)	145,962	(411,526)	(670,983)
Experience adjustments on present value of obligations	(76,439)	830,807	(139,106)	(178,205)	(21,609)
Experience adjustment of plan assets	30,589	(14,270)	10,482	9,430	1,951

Notes forming part of the Financial Statements

(Amount in ₹)

	March 31, 2013	March 31, 2012
(viii) Expected contribution to the fund next year		
Gratuity	584,023	1,250,000
Notes:		
1) The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligation.		
2) Expected rate of return on plan assets is based on our expectation of the average long term rate of return expected on investment of the fund during the estimated term of the obligations.		
3) The salary escalation rate is the estimate of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.		
Other Employee Benefit Plan : The liability for leave encashment and compensated absences as at year end is Rs. 9,698,321 (2012: Rs. 8,287,663).		
35 Employee Stock Option Plan		
Snowman Logistics Limited Stock Option Plan 2012 (ESOP 2012):		
Pursuant to the resolution passed by the Shareholders at the Extraordinary General Meeting held on April 24, 2012, the Company had introduced new ESOP scheme for eligible Directors, employees of the Company and its Subsidiary Companies Under the scheme, options for 5,145,350 (fifty one lakh forty five thousand three hundred and fifty) shares would be available for being granted to eligible employees of the Company and each option (after it is vested) will be exercisable for one equity share of Rs. 10.60. Committee finalises the specific number of options to be granted to the employees. Vesting of the options shall take place over a maximum period of 3 years with a minimum vesting period of 1 year from the date of grant.		
Particulars	ESOP Plan I	
Date of meeting of Compensation Committee / Board of Directors/ Shareholders, granting the options	April 24, 2012 and February 05, 2013	
First grant of options by Compensation Committee / Board of Directors	2,890,000	
Vesting period: The options would vest not earlier than one year and not later than 4th (forth) year from the date of grant i.e from	May 01, 2012 and February 05, 2013	
Exercise Period	Within 5 years from the date of vesting	
Exercise Price	Rs. 10.60 per share	
Options outstanding as on March 31, 2013 (No. of Equity Shares)	2,890,000	
Date of Closing Market Price on National Stock Exchange for computation of Fair Value:	NA	
Method of Accounting and Intrinsic Value :	The exercise price of Rs.10.60 per share is based on the intrinsic value	
	March 31, 2013	March 31, 2012
Outstanding at the beginning of the year	-	-
Granted during the year	2,890,000	-
Forfeited /Expired during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	2,890,000	-
Exercisable at the end of the year	2,890,000	-

Notes forming part of the Financial Statements

36 Segment Reporting

(Amount in ₹)

Business Segment	Temperature Controlled Services		Ambient Distribution		Total	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Revenue						
External Sales	926,750,287	596,447,310	201,427,500	14,122,970	1,128,177,787	610,570,280
Unidentified segments					8,773,390	3,385,912
Total Revenue	926,750,287	596,447,310	201,427,500	14,122,970	1,136,951,177	613,956,192
Result						
Segment Result	238,316,776	167,590,751	(4,030,422)	458,842	234,286,354	168,049,593
Unallocated Corporate expenses (less income)	-	-	-	-	67,932,805	89,166,696
Operating Profit	-	-	-	-	166,353,549	78,882,897
Add: Interest Income	-	-	-	-	1,983,909	19,295,513
Less: Interest Expenses	-	-	-	-	23,987,135	528,879
Less: Income Taxes (Net)	-	-	-	-	(45,602,633)	(34,093,411)
Net Profit					189,952,956	63,556,120
Other Information						
Segment Assets	2,188,660,836	1,012,330,111	65,659,118	8,099,356	2,254,319,954	1,020,429,467
Unallocated Corporate Assets					185,903,034	205,590,581
Total Assets	2,188,660,836	1,012,330,111	65,659,118	8,099,356	2,440,222,988	1,226,020,048
Segment Liabilities	1,046,343,216	62,300,918	5,821,140	196,938	1,052,164,356	62,497,856
Unallocated Corporate Liabilities					96,307,085	61,723,601
Total Liabilities	1,046,343,216	62,300,918	5,821,140	196,938	1,148,471,441	124,221,457
Capital Expenditure	922,553,882	232,223,070	-	-	-	-
Depreciation	90,715,824	58,767,858	-	-	-	-
Non Cash Expenses other than Depreciation	16,760,323	17,823,356	3,674,054	91,250		
<p>The Company is into the business of "Cold Chain and Related Logistics" as primary segment which includes providing transportation, cold storage and consignment agency facilities. based on the risk, rewards and nature, the Company has considered "Temperature Controlled Services" and "Ambient Transportation" as reportable segments. The Company's operation are such that all activities are confined only to India and hence there is no secondary reportable segment relating to the Company's business.</p> <p>During the year the Company has reclassified its revenue, results and capital expenditure to the above mentioned segments, having regard to the nature of such items. Consequently previous year figures have been reclassified to confirm to the current years figures.</p>						

Notes forming part of the Financial Statements

March 31, 2013 March 31, 2012

37 Related Party Disclosures

(a) Names of related parties and nature of relationship:

Holding Company	Gateway Distriparks Limited
Fellow Subsidiary Companies:	1. Gateway East India Private Limited 2. Gateway Distriparks (South) Private Ltd. 3. Gateway Distriparks (Kerala) Limited 4. Gateway Rail Freight Limited.
Key Management Personnel: (KMP)	Mr. Ravi Kannan, CEO and Director

(b) Transactions/Balances

(Amount in ₹)

Particulars	Holding Company		Fellow Subsidiaries		KMP	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Reimbursement of Expenses Gateway Distriparks Limited	192,411	-	-	-	-	-
Reimbursement of Expenses Gateway Rail Freight Limited	-	-	-	203,913	-	-
Remuneration and advances paid to Mr. Ravi Kannan Remuneration and advance paid to Mr. Ravi Kannan (Note 2)	-	-	-	-	8,338,680	7,953,540

Note:

1. The information disclosed above is based on the names of the parties as identified by the management, which has been relied upon by the auditors.

2. Provision for leave encashment and group gratuity, which is based on actuarial valuation done on overall company basis, is excluded.

Notes forming part of the Financial Statements

(Amount in ₹)

	March 31, 2013	March 31, 2012
38 Tax Expense		
Current year tax (MAT)	30,528,826	13,738,012
Add/(Less): Liability related to earlier years	14,095,058	(8,877,954)
	44,623,884	4,860,058
MAT Credit Entitlement		
Current year MAT entitlement	-	13,738,012
Less: MAT credit from earlier years written off	14,095,058	8,877,954
	(14,095,058)	4,860,058
39 Micro Small and Medium Enterprises		
There are no micro, small and medium enterprises, to which the company owes dues, or with which the company had transactions during the year, based on the information available with the company, which has been relied upon by the auditors.		
40 Previous Year Figures		
The previous year figures have also been reclassified to conform to this year's classification.		

For and on behalf of the Board

Gopinath Pillai
Chairman

Prem Kishan Gupta
Director

Ravi Kannan
CEO and Director

A.M. Sundar
CFO and Company Secretary

Place: Mumbai

Date: May 08, 2013

For Price Waterhouse

Firm Registration Number : 301112E
Chartered Accountants

Uday Shah

Partner

Membership Number 046061

Place: Mumbai

Date: May 08, 2013