

INDIRA CONTAINER TERMINAL PRIVATE LIMITED

DIRECTORS' REPORT

To
The Members of
Indira Container Terminal Private Limited

Your Directors have pleasure in presenting the Twelfth Annual Report on the business and operations of the Company together with the Audited Financial Statements of the Company for the year ended March 31, 2019 ("**Financial Year**").

FINANCIAL HIGHLIGHTS

The financial highlights of the Company for the Financial Year ended are as under:

Particulars	(Rupees in Lakhs)	
	Financial Year ended March 31, 2019	Financial Year ended March 31, 2018
Income	4,027.22	4,458.78
Finance Expenses	9,604.58	8,572.78
Depreciation and Amortization	3,832.88	3,796.04
Profit / (Loss) before Taxes	(10,300.89)	(8,618.82)
Profit / (Loss) after Taxes	(10,309.21)	(8,649.38)

OPERATIONS

During the Financial Year, the Company was allowed by the Mumbai Port Trust ("**MbPT**") to continue the use of the two terminals for Roll-On-Roll-Off ("**RORO**") operations as an alternative utilization mode. The Company has handled 116 RORO vessels, 2 steel vessels, 1 passenger vessel, 203683 units and 22359 MT of steel and earned gross revenue of Rs. 89.10 Crores for the year ended March 31, 2019. The gross revenue from RORO operations is shared between MbPT, the Lenders and the Company.

PROJECT STATUS

Pursuant to detailed negotiation with MbPT on the Licence Agreement for the n Offshore Container Terminal ("**OCT**"), the Parties had agreed in- principle to enter into a joint supplementary agreement between the Board of Trustees of MbPT, your Company and the Lenders. The Project was proposed for re-bid and the draft supplementary agreement provides for a mix of cargo of containers, steel and RORO. The RORO operations at Mumbai Port which was allowed by MbPT as an interim alternative

Subsequently, the Lenders have issued a notice of financial default in July 2018 to the Company in terms of Substitution Agreement under intimation to MbPT. Post issue of the notice of financial default, your Company has filed a writ petition against the Ministry of Shipping (MoS), the Government of India, MbPT, and others, wherein the Lenders were also made a party, before the Hon'ble Delhi High Court in July



2018 seeking implementation of the rebid decision taken in Niti Aayog meeting held in March 2018. In the aforesaid writ petition filed by your Company, the Court has passed an Order in August 2018, permitting your Company to make detailed representation in this matter within 10 days with a direction to MbPT and MoS to consider the Company's representation in this regard and take an informed decision and dispose-off the same within a period of 4 weeks thereafter. In the meanwhile, the Court directed the Lenders not to implement the notice issued in July 2018 to the Company for a period of 6 weeks. Your Company had made a detailed representation on the proposal of settlement to MbPT and MoS, as per the directives of the Court. However, MbPT in September 2018 have not acceded to the representation on the revival plan made by your Company and the draft settlement agreement was rejected. The Parent Company and your Company are in discussions with MbPT and MoS to reconsider the above matter and find a solution given the significant efforts put in by the Parent Company and your Company in reviving the Project over the past 3 years.

On expiry of 6 weeks from the Court order, the Lenders had sent a notice in October 2018 to MbPT with a copy to your Company, intimating about initiation of substitution process and request for appointment of internationally approved valuer under the Licence Agreement. The Lenders request for appointment of internationally approved valuer is pending with MbPT.

Your Company has also issued a Dispute Notice for the Licensor's Event of Default against MbPT and called upon the Licensor to refer the disputes for amicable settlement. Accordingly, your Company has requested MbPT to initiate the arbitration process and has nominated its arbitrator, MbPT is yet to appoint its arbitrator

Your Company has submitted a One-Time Settlement (OTS) proposal to the consortium of Lenders in November 2018 and the Lenders have agreed to take the proposal to their respective sanctioning authority upon your company complying with certain conditions

Gammon Infrastructure Projects Limited holds 74% of the total equity shares of ICTPL.

SHARE CAPITAL

The paid-up share capital as at March 31, 2019 is Rs. 1,01,56,60,000/-. During the Financial Year, the Company has not issued any shares nor has granted any stock option or sweat equity.

DIVIDEND

On account of the loss incurred during the Financial Year, your Directors express their inability to recommend any dividend for the Financial Year.

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TRANSFER TO RESERVES

No amount is transferred to any reserves.

BOARD OF DIRECTORS

Mr. Pravin Marathe and Mr. Naresh Sasanwar were appointed as an additional directors w. e. f. 30th January 2019 and 13th August, 2019, respectively. Mr. Marathe and Mr. Sasanwar shall hold office as such up to the date of next Annual General Meeting ("AGM"). The Directors have, at their Meeting held on 13th August, 2019, recommended the appointment of Mr. Marathe and Mr. Sasanwar as a Director of the Company at the ensuing AGM of the Company.

In accordance with the provisions of the Companies Act, 2013, Ms. Poonam Sabnis retires by rotation at the next AGM and has offered herself for re-appointment.

Mr. Mineel Mali, Mr. Ragam Kishore and Mr. Chintamani Sangitrao resigned as Directors of the Company w. e. f. 30th January, 2019, 16th February, 2019 and 13th August, 2019 respectively.

Presently, the Board of Directors comprises Ms. Poonam Sabnis, Mr. Pravin Marathe and Mr. Naresh Sasanwar.

KEY MANAGERIAL PERSONNEL

There was no appointment of any Key Managerial Personnel during the Financial Year.

Mr. Nirav Shah was appointed as Company Secretary of the Company w.e.f. 17th April 2019 and resigned from his office w.e.f. 19th April 2019.

NUMBER OF MEETINGS OF THE BOARD

During the Financial Year, five (5) Board Meetings were duly convened and held on 29th May 2018, 5th September 2018, 17th December 2018, 30th January 2019 and 12th March 2019 and the intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

Details of attendance by each Director at the said Board meetings are as under:

Name of Director(s)	Board meetings attended
Mr. Chintamani Sangitrao*	4
Ms. Poonam Sabnis	5
Mr. Mineel Mali**	3
Mr. Pravin Marathe***	2
Mr. Ragam Kishore****	1
Mr. Naresh Sasanwar*****	0

*Mr. Chintamani Sangitrao resigned as director w. e. f. 13th August, 2019

**Mr. Mineel Mali resigned as director w. e. f. 30th January, 2019





***Mr. Pravin Marathe appointed as an additional director w. e. f. 30th January, 2019

***Mr. Ragam Kishore resigned as a director w. e. f. 16th February, 2019.

****Mr. Naresh Sasanwar appointed as an additional director w.e.f. 13th August, 219

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that –

- (i) in the preparation of annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) 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 loss of the Company for that period;
- (iii) 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;
- (iv) the Directors had prepared the annual accounts on a going concern basis; and
- (v) 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.

EXTRACT OF ANNUAL RETURN

The details forming part of the extracts of Annual Return in Form MGT-9 as per Section 92 of the Companies Act, 2013 is annexure herewith as **Annexure "A"**.

PARTICULARS OF EMPLOYEES

Being an unlisted company, provisions of Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 are not applicable to your Company.

DISCLOSURE ON WOMEN AT WORKPLACE

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. During the Financial Year, no case was reported in this regard.



STATUTORY AUDITORS

At the 8th AGM of the Company, M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration No.106971W), had been appointed as the Statutory Auditors of the Company until the conclusion of the 13th AGM of the Company.

Amended provisions of Section 139 of the Act vide Companies (Amendment) Act, 2017 notified from 7th May, 2018 no longer requires ratification of appointment of Auditors by members at every subsequent AGM. Therefore, ratification of the appointment of Auditors' is not proposed at the ensuing AGM.

AUDITORS REPORT:

The Auditors have made a qualified opinion in their Report, which reads as below:

According to the information and explanations given to us and based on the documents and records produced to us, the company has not serviced interest and principal of Rs.74,511.68 lacs for the entire year in respect of loans from banks and financial institutions. The details of the same are given in the financial statements under note no.9.2 Further, the company has not obtained any borrowings by way of debentures.

It is clarified that the above matters covered in the Auditors' Report together with relevant notes in the Notes to Accounts are self-explanatory.

SECRETARIAL AUDIT REPORT

Mr. Veeraraghavan. N, Practicing Company Secretary have, pursuant to section 203 of the Act, issued the Secretarial Audit Report for the Financial Year with the following qualifications:

The Company has not appointed any KMP, as envisaged in Section 203 of the Act.

It is clarified that the above matters covered in the Secretarial Audit Report are self-explanatory.

The Report of the Secretarial Auditor is given in Annexure B in the prescribed Form MR-3 which forms part of this Report.

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business during the year under review.

SUBSIDIARIES / ASSOCIATES / JOINT VENTURES

The Company does not have any subsidiary / associate or Joint Venture



DEPOSITS

During the Financial Year, your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company is yet to establish a vigil mechanism.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the Financial Year, the Company did not grant any loan or made any investments or provide any guarantee as covered under the provisions of section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Transactions with related parties in the ordinary course of the Company's business are detailed in Note no. 24 to the financial statements.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATIONS OR COURTS

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Provisions of the Companies Act, 2013 related to CSR do not apply to the Company as the Company does not meet profit, turnover or net worth criteria prescribed in this regard.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company does not have any amount / shares due to be transferred to Investor Education and Protection Fund.

SECRETARIAL STANDARDS

The Company has complied with all applicable Secretarial Standards.

MATERIAL CHANGES AND COMMITMENTS

No material change and commitments affecting financial position of the Company occurred between the end of financial year and the date of this report.

CONVERSION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

(A) Conservation of energy- Not Applicable

- (i) the steps taken or impact on conservation of energy;
- (ii) the steps taken by the company for utilising alternate sources of energy;
- (iii) the capital investment on energy conservation equipments;

(B) Technology absorption- Not Applicable

- (i) the efforts made towards technology absorption;
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development.

(C) Foreign exchange earnings and Outgo -

Foreign Exchange earned in terms of actual inflows during the year - NIL
Foreign Exchange outgo during the year in terms of actual outflows - NIL

COST AUDIT

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013

SECRETARIAL STANDARDS

The Company has complied with all applicable Secretarial Standards.

INTERNAL FINANCIAL CONTROLS & THEIR ADEQUACY

Your Company's internal control systems are commensurate with the nature and size of its business operations. Your Company has adequate internal financial controls in place to ensure safeguarding of its assets, prevention of frauds and errors, protection against loss from unauthorized use or disposition and the transactions are authorised, recorded and reported diligently in the Financial Statements.

RISK MANAGEMENT

The Company has not developed and implemented a formal risk management policy for the Company. However, the Board of Directors periodically as a part of its review of the business consider and discuss the external and internal risk factors like Government policies, macro and micro economy factors, Company financials and

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operations related specific factors, foreign currency rate fluctuations and related matters that may threaten the existence of the Company.

The Board is of the opinion that there are no major risks affecting the existence of the Company except in respect of the Company's Project as discussed above.


ACKNOWLEDGMENT

The Directors acknowledge with gratitude the co-operation and support received from the Company's Bankers and MbPT. They wish to place on record their sincere appreciation for the services rendered by all members of staff and employees of the Company.

**For and on behalf of the Board of
Indira Container Terminal Private Limited** *nd*



Pravin Marathe
Director
DIN: 07706235



Naresh Sasanwar
Director
DIN: 01861034

Place: Mumbai

Date: 30th August 2019

Annexure "A" to the Directors' Report

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019
[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

i	Corporate Identity Number (CIN)	U63032MH2007PTC174100
ii	Date of incorporation	13 th September 2007
iii	Name of the Company	Indira Container Terminal Private Limited
iv	Category	Company Limited By Shares
v	Sub-Category of the Company	Indian Non-Government Company
vi	Address of the Registered office and contact details	ICT Office, Indira Dock, Green Gate, Mumbai Port, Mumbai, Maharashtra-400038. India Contact No. -91-22-66254444
vii	Whether listed company Yes/No	No
viii	Name, Address and contact details of Registrar and transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Construction and maintenance of ports, roads, railways, utility projects.	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Gammon Infrastructure Projects Limited Reg. off.: Orbit Plaza CHS. Limited, 5th Floor, Plot No.952/954, New Prabhadevi Road, Prabhadevi, Mumbai – 400 025'	L45203MH2001 PLC131728	Holding Company	74.00	2 (87) (ii)

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

i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Individual/ HUF	-	-	-	-	-	-	-	-	-
Central Gov.	-	-	-	-	-	-	-	-	-
State Govt.	-	-	-	-	-	-	-	-	-
Bodies Corp.	75158840	0	75158840	74	75158840	0	75158840	74	-
Banks/ FI									
Any Other									
Sub-Total (A) (1)	75158840	0	75158840	74	75158840	0	75158840	74	0
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	26407160	-	26407160	26	26407160	-	26407160	26	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any Other									
Sub-total (A) (2)	26407160	-	26407160	26	26407160	-	26407160	26	0
Total Shareholding of Promoter (A)= (A)(1) + (A)(2)	101566000	0	101566000	100	101566000	0	101566000	100	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-

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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) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	101566000	0	101566000	100	101566000	0	101566000	100	0

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	Gammon Infrastructure Projects Limited	48751680	48.00	16.25	48751680	48.00	16.25	-
2	Gammon India Limited*	26407160	26.00	26.00	26407160	26.00	26.00	-
3	Noatum Ports, S. L.	26407160	26.00	25.50	26407160	26.00	25.50	-
		101566000	100.00	67.75	101566000	100.00	67.75	-

*Beneficial Interest in the equity shares held by Gammon Infrastructure Projects Limited

(iii) Change in Promoter's Shareholding (Please specify, if there is no change) THERE IS NO CHANGE

Sr. No.	Particulars	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
a	Gammon Infrastructure Projects Limited				
	At the beginning of the year	48751680	48	48751680	48

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	Date wise Increase/ Decrease in Promoters Shareholding during the year	Nil	Nil	Nil	Nil
	At the End of the year	48751680	48	48751680	48
b	Gammon India Limited				
	At the beginning of the year	26407160	26	26407160	26
	Date wise Increase/ Decrease in Promoters Shareholding during the year	Nil	Nil	Nil	Nil
	At the End of the year	26407160	26	26407160	26
c	Noatum Ports Sociedad Limitada				
	At the beginning of the year	26407160	26	26407160	26
	Date wise Increase/ Decrease in Promoters Shareholding during the year	Nil	Nil	Nil	Nil
	At the End of the year	26407160	26	26407160	26

(iv) Shareholding Pattern of top ten Shareholders (other than directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date-wise Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the End of the year	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date-wise Increase/ Decrease in Shareholding during the year	-	-	-	-
	At the End of the year	-	-	-	-

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V. INDEBTEDNESS

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

(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	47,711.25	-	-	47,711.25
ii) Interest due but not paid	20,954.62	-	-	20,954.62
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	68,665.87	-	-	68,665.87
Change in Indebtedness during the financial year				
- Addition	5,845.80	-	-	5,845.80
- Reduction	-	-	-	-
Net Change	5,845.80	-	-	5,845.80
Indebtedness at the end of the financial year				
i) Principal Amount	47,711.25	-	-	47,711.25
ii) Interest due but not paid	26,800.42	-	-	26,800.42
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	74,511.67	-	-	74,511.67

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
		Not Applicable	
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of Profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act		

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B. Remuneration to other directors :

			(Rs. In Lakhs)
Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
3.	Independent Directors	Not Applicable	-
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (1)	-	-
4.	Other Non-Executive Directors	Mr. C. S. Sangitrao	
	Fee for attending board committee meetings	-	-
	Commission	-	-
	Fees for Directorship Services	24.00	24.00
	Total (2)	24.00	24.00
	Total (B)=(1+2)		24.00
	Total Managerial Remuneration (A + B)		24.00
	Overall Ceiling as per the Act		121.25

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of Profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

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VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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

FOR AND ON BEHALF OF THE BOARD OF
INDIRA CONTAINER TERMINAL PRIVATE LIMITED *ns*



Pravin Marathe
Director
DIN - 07706235



Naresh Sasanwar
Director
DIN - 01861034

Place: Mumbai
Date: 30th August 2019

Veeraraghavan.N
Practising Company Secretary

First Maritime Private Limited
201, Gheewala Building
M.P. Road, Mulund – East
Mumbai 400081
Mob: 9821528844
Email : nvr54@ymail.com

Form No. MR – 3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2019**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members,
Indira Container Terminal Private Limited
(CIN : U63032MH2007PTC174100)

I, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indira Container Terminal Private Limited (CIN : U63032MH2007PTC174100) hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and return filed and other records maintained by the Company and also the information provided by the Company and its officers, during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019 complied with the statutory provisions listed hereunder (wherever applicable) 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 , 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). The 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;



- (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;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - (h) SEBI (Share Based Employee Benefits) Regulations, 2014.
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations , 2015

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

- (j) Secretarial Standard issued by The Institute of Company Secretaries of India.
- (k) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited. — *The Company being an unlisted public company, the listing agreements are not applicable to the Company.*

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

The Company has not appointed any KMP, as envisaged in Section 203 of the Act.



I further report that:

The Board of Directors of the Company is duly constituted

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and insure compliance with applicable laws, rules, regulations and guidelines.



Veeeraraghavan N.
ACS No: 6911
CP NO : 4334



Place : Mumbai
Date: 28th May 2019

Natvarlal Vepari & Co.

CHARTERED ACCOUNTANTS

Oricon House, 4th Floor, 12, K. Dubash Marg, Mumbai-400 023. • Tel : 6752 7100 • Fax : 6752 7101 • E-Mail : nvc@nvc.in

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Indira Container Terminal Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Indira Container Terminal Private Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of Significant Accounting Policies and other explanatory information (herein after referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of Affairs of the Company as at March 31, 2019, its loss (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

Attention is invited to Note no.32 relating to the going concern assumption and the status of the project. The said note details the status of the progress of the project and the various issues faced by the project and the company.



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The Lenders have issued a notice of financial default to the company in terms of Substitution Agreement under intimation to MbPT. The credit facilities are marked as NPA.

There is also no official extension to the RORO operations although the Company is not restricted in continuing the same.

The company has lodged a claim of Rs 904.04 crores along with interest at the rate of 18% p.a. in October 2018 with MbPT towards damages/losses on the Project. Post lodging of claim by the company, MbPT has raised a counter claim of Rs 1,850.78 crores on the company for the Licensee's Event of Default under the License Agreement.

The draft settlement agreement being negotiated between the Company, MoS and MBpT has been rejected by MbPT and the Parent Company and ICTPL are in discussions with MbPT & MoS to reconsider the matter relating to the extension of the project as per the mutually decided fresh terms and find a solution given the significant efforts put in by the Parent Company and ICTPL in reviving the Project over the past 3 years.

In the meantime, One Time Settlement (OTS) proposal of Rs 477.11 crores was submitted to the Consortium of Lenders on November 29, 2018. The Lenders in the consortium meeting held on March 19, 2019 have agreed to take the OTS proposal to their respective sanctioning authority, upon the company complying with certain conditions.

The above conditions and the status of the project including the inconclusive discussions indicate material uncertainties, which may affect the going concern assumption of the Company. The Management is hopeful of an amicable resolution in respect of the project. Our report is not qualified on this account.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for preparation of the Other Information. The "Other Information" comprises the Report of the Board of Directors but does not include the Standalone Financial Statements and our Independent Auditors' Report thereon. The Other Information as aforesaid is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the standalone



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financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and those Charged with Governance for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.



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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion the aforesaid Standalone 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. The matters described in Material Uncertainty relating to Going Concern paragraph, in our opinion, may have an adverse effect on the functioning of the Company.
 - f. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, remuneration paid by the Company to its



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director during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.

i. 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 in the financial statements. Refer Note 21 to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
- iii. There are no amounts that are required to be transferred to the Investor Education and Protection Fund.

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W

Ruchi Tamhankar

Ruchi Tamhankar
Partner
M. No. 136667



Mumbai ,Dated: May 28, 2019

Natvarlal Vepari & Co.

CHARTERED ACCOUNTANTS

Oricon House, 4th Floor, 12, K. Dubash Marg, Mumbai-400 023. • Tel : 6752 7100 • Fax : 6752 7101 • E-Mail : nvc@nvc.in

ANNEXURE A

To the Independent Auditors' Report on the Standalone IND AS Financial Statements of Indra Container Terminal Private Limited

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant & Equipment.
- (b) Property, Plant & Equipment have been physically verified by the management during the year at reasonable intervals and no material discrepancies were identified on such verification.
- (c) We have verified the title deeds of the immovable property forming part of the schedule of Property, Plant & Equipment produced before us by the Management and the same are in compliance of clause 3(i)(c) of Companies (Auditors Report) Order 2016.
- (ii) The company does not hold any inventory during the year, and hence clause 3(ii)(a) and 3(ii)(b) of Companies (Auditors Report) Order 2016 are not applicable.
- (iii) The Company has not granted any loans to entities covered in the register maintained u/s 189 of the Companies Act 2013 and hence clauses 3(iii)(a), 3(iii)(b) & 3(iii)(c) of Companies (Auditors Report) Order 2016 are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to loan given to the extent applicable.
- (v) The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to port operations, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.



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- (vii) (a) According to information and explanation given to us and on the basis of our examination of records of the Company, amount deducted or accrued in the books of accounts in respect of undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, Goods and Service Tax, Cess, Goods and Service tax and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there were slight delays .

According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2019 for a period of more than six months from the date of becoming payable

(b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Service Tax, or Value Added Tax which have not been deposited on account of any dispute.

- (viii) *According to the information and explanations given to us and based on the documents and records produced to us, the company has not serviced interest and principal of Rs.74,511.68 lacs for the entire year in respect of loans from banks and financial institutions. The details of the same are given in the financial statements under note no. 9.2. Further, the company has not obtained any borrowings by way of debentures.*

- (ix) The Company has not raised any money by way of initial public offer and further public offer (including debt instrument). According to the information and explanations given to us and based on the documents and records produced to us, the Company has not taken any term loan during the year and therefore provision of clause 3(ix) of Companies (Auditors Report) Order 2016 is not applicable to the Company.

- (x) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

- (xi) The managerial remuneration has been paid / provided in accordance with the provisions of section 197 read with schedule V to the Companies Act, 2013.

- (xii) The Company is not a Nidhi Company hence clause 3(xii) of Companies (Auditors Report) Order 2016 is not applicable to the Company.

- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the



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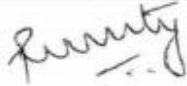
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proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the Ind AS Financial Statements as required by the applicable Indian Accounting Standard.

- (xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and hence the clause 3(xiv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him and hence the clause 3(xv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- (xvi) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934.

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No.106971W



Ruchi Tamhankar
Partner
Membership No. 136667
Mumbai, Dated: May 28, 2019



Natvarlal Vepari & Co.
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Annexure - B to the Auditors' Report

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Financial Statements of Indra Container Terminal Private Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls



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with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements.

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal

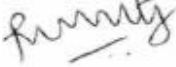


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financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W


Ruchi Tamhankar
Partner
M. No. 136667
Mumbai, Dated: May 28, 2019



INDIRA CONTAINER TERMINAL PRIVATE LIMITED

CIN: U63032MH2007PTC174100

BALANCE SHEET AS AT MARCH 31, 2019

(Rs. In lakhs)

Particulars	Note Ref	As at March 31, 2019	As at March 31, 2018
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	50.85	70.22
(b) Other intangible assets	3	65,943.63	69,793.25
(d) Financial Assets	4	-	-
(i) Trade receivables	4.1	-	-
(ii) Loans	4.2	105.25	105.20
(iii) Others	4.3	30.50	29.10
(e) Other Non-current assets	5	1,894.27	1,760.34
Total Non-current Assets (A)		68,024.50	71,758.11
(2) Current Assets			
(a) Financial Assets	4	648.89	685.86
(i) Trade receivables	4.1	0.08	0.08
(ii) Cash and cash equivalents	4.4	1,255.80	2,412.31
(iii) Bank balances	4.4	-	-
(iv) Loans	4.2	-	-
(v) Others	4.3	300.65	11.90
(b) Other current assets	5	225.56	103.16
Total Current Assets (B)		2,430.98	3,213.31
Total Assets (A + B)		70,455.48	74,971.43
EQUITY & LIABILITIES			
(1) Equity			
(a) Equity Share capital	6	10,156.60	10,156.60
(b) Other Equity	7	(23,574.97)	(13,268.85)
Total Equity (A)		(13,418.37)	(3,112.23)
(2) Liabilities			
Non-current liabilities			
(a) Financial Liabilities	8	35.13	15.55
(b) Provisions		-	-
Total Non-Current liabilities (B)		35.13	15.55
(3) Current liabilities			
(a) Financial Liabilities	9	-	-
(ii) Trade payables	9.1	-	-
Total outstanding dues of Micro enterprises and small enterprises		6,759.14	6,320.14
Total outstanding dues of creditors other than Micro enterprises and small enterprises		-	-
(iii) Other financial liabilities	9.2	76,774.62	71,671.24
(b) Other current liabilities	10	303.16	74.20
(c) Provisions	8	1.80	2.54
Total Current liabilities (C)		83,838.72	78,068.12
Total Equity and Liabilities (A + B + C)		70,455.48	74,971.43

As per our report of even date attached
For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W

Ruchi Tamhankar
Partner
M.No. 136667

Place: Mumbai
Date: May 28, 2019



For and behalf of the Board of Directors
Indira Container Terminal Private Limited

Pravin Marathe
Director
DIN: 07706235

Poonam Sabnis
Director
DIN: 07706230

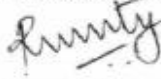
INDIRA CONTAINER TERMINAL PRIVATE LIMITED

CIN: U63032MH2007PTC174100

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2019

Particulars	Note Ref	(Rs. In lakhs)	
		For the year ended March 31, 2019	For the year ended March 31, 2018
I Revenue from Operations			
a) Revenue from Operations	11	4,009.69	4,451.03
Revenue from Operations		4,009.69	4,451.03
II Other Income:	12	17.53	7.75
III Total Revenue (I + II)		4,027.22	4,458.78
IV Expenses:			
Personnel Expenses	13	147.25	131.63
Finance Expenses	14	9,604.58	8,572.78
Depreciation & amortization	15	3,832.88	3,796.04
Other Expenses	16	743.40	577.14
Total Expenses		14,328.11	13,077.60
V Profit Before Tax (III-IV)		(10,300.89)	(8,618.82)
VI Tax Expense			
1. Current Tax		8.32	30.57
2. Short Provision for Tax		-	-
		8.32	30.57
VII Profit for the period (XIV+XI)		(10,309.21)	(8,649.39)
VIII Other Comprehensive Income			
Items that will not be reclassified to Profit and Loss			
Remeasurement of defined benefit plans		3.08	0.24
IX Total Comprehensive Income		(10,306.13)	(8,649.15)
X Earnings per Equity Share:			
Basic & Diluted	18	(10.15)	(8.52)
Par Value		10.00	10.00

As per our report of even date attached
For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W


Ruchi Tamhankar
Partner
M.No. 136667



Place: Mumbai
Date: May 28, 2019

For and behalf of the Board of Directors
Indira Container Terminal Private Limited


Pravin Marathe
Director
DIN: 07706235


Poonam Sabnis
Director
DIN: 07706230

INDIRA CONTAINER TERMINAL PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2019

Statement of Changes in Equity for the period ended

A. Equity Share Capital

	March 31, 2019		March 31, 2018	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Equity Share Capital				
Equity shares of INR 10 each issued, subscribed and fully paid				
Balance at the beginning of the reporting period	10,15,66,000	10,157	10,15,66,000	10,157
Add: Issue during the reporting period	-	-	-	-
Balance at end of the reporting period	10,15,66,000	10,157	10,15,66,000	10,156.60

B. Other Equity

Particulars	Retained Earnings	Capital Contribution	Other Comprehensive Income	Total
Balance as at April 1, 2017	(8,342.17)	3,722.47	-	(4,619.70)
Profit for the year	(8,649.39)	-	-	(8,649.39)
Items that will not be reclassified to Profit and Loss	0.24	-	-	0.24
-Actuarial gain transferred to OCI				
Balance as at March 31, 2018	(16,991.32)	3,722.47	-	(13,268.85)
Profit for the year	(10,309.21)	-	-	(10,309.21)
Items that will not be reclassified to Profit and Loss	3.08	-	-	3.08
-Actuarial gain transferred to OCI				
Balance as at March 31, 2019	(27,297.44)	3,722.47	-	(23,574.97)

As per our report of even date attached
For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W



Ruchi Tamhankar
Partner
M.No. 136667
Place: Mumbai
Date: May 28, 2019

For and behalf of the Board of Directors
Indira Container Terminal Private Limited

Pravara
Pravin Marathe
Director
DIN: 07706235

PSC/2019
Poonam Sabnis
Director
DIN:07706230

INDIRA CONTAINER TERMINAL PRIVATE LIMITED

CIN: U63032MH2007PTC174100

Note : Significant Accounting Policies and Related Disclosures

A Corporate Information

Indira Container Terminal Private Limited ('ICTPL', or 'the Company') is domiciled in India having registered office located at Indira Dock Green Gate, Mumbai Port, Mumbai 400 038 and incorporated under the Companies Act, 1956 on September 13, 2007. The Company is promoted by Gammon India Limited ('GIL') with Gammon Infrastructure Projects Limited ('GIPL') and Noatum Ports Sociedad Limitada Unipersonal SLU ('NPSL') formerly known as Dragados Servicios Portuarios Y Logísticos S.L., Spain ('DSPL').

GIPL a listed subsidiary of GIL, has beneficial, controlling interest and voting rights in respect of 26,407,160 equity shares. Due to this, GIPL was a 50% joint venture in this Company. On 6th April, 2017 GIPL acquired further stake of 26,407,160 equity shares and gained control over the Company. Therefore, GIPL is the Holding Company.

Project Details:

ICTPL has signed a Licence Agreement (LA) dated December 03, 2007 with Mumbai Port Trust (MbPT) for the following:

- Designing, engineering, financing, constructing, equipping, operating, maintaining, repairing, replacing the Project Facilities and Services of Offshore Container Terminal (OCT) during the License Period and
- Operating, and managing the Ballard Pier Station Container Terminal (BPS) with necessary development, modifications and augmentation of project facilities and services for BPS during the License Period

Based on the foregoing, the status of construction is as follows:

- (a) The required two offshore berths with a total length of 700 meters have been constructed
- (b) The required connection from the mainland to the offshore berths in the form of a Y shaped Trestle of approximate length of 1000 m as per the terms of the Licence Agreement (LA) has been constructed
- (c) The Project is delayed as MbPT till date has not completed the dredging in the Channel and Turning circle to the required depth as laid down in the LA
- (d) MbPT has till date not completed the filling of the Princess and Victoria Docks so that the same can be made available for development of the Container Yard.
- (e) Delays in providing approvals for purchase of cargo handling equipment.
- (f) The Project has been delayed for more than 8 years

Project Cost and Financing of the Project

- (a) The original Project Cost was estimated at Rs 1,015 crores, to be funded by Equity Rs 203 crores, and Term Loan Rs 812 crores;
- (b) A consortium of 5 banks, led by Canara Bank have sanctioned term loans aggregating to Rs 812 crores;
- (c) The Project achieved financial closure on November 14, 2008 in accordance with LA.
- (d) The loan project has been classified as a Non-Performing Asset since March 31, 2014

Current Status:

- a) Pursuant to detailed negotiations with MbPT on the LA for the Offshore Container Terminal, the Parties had agreed in-principle to enter into a joint settlement agreement between the Board of Trustees of MbPT, SPV and the Lenders. The Project was proposed for rebid and the draft agreement provides for a mix of cargo of containers, steel and Roll-On Roll-Off (RORO).
- b) The RORO operations at Mumbai Port which was allowed by MbPT as an interim measure for alternate use of the two berths is continuing. The gross revenue from RORO operations is shared between MbPT, the Lenders and the SPV in the ratio of 55:25:20. However, the revenue amount shared with the Lenders is inadequate for repayment of principal and interest of the Lenders.
- c) Subsequently, the Lenders have issued a notice of financial default to the SPV in terms of Substitution Agreement under intimation to MbPT. Post issue of the notice of financial default, the SPV has filed a writ petition before Hon'ble Delhi High Court in July 2018 seeking implementation of rebid decision taken in Niti Aayog meeting held on 20th March 2018. The captioned writ Petition was filed against the Ministry of Shipping (MoS), the Government of India, MbPT and others wherein lenders were also made party defendant(s). The Court has passed an order on 14th August 2018 in the aforesaid writ petition, permitting the SPV to make detailed representation in this matter within 10 days with a direction to MbPT & MoS to consider the SPV's representation in this regard and take an informed decision and dispose-off the same within a period of 4 (four) weeks thereafter. In the meanwhile, the Court directed the Lenders not to implement the notice dated 26th July 2018 issued to the SPV for a period of 6 (six) weeks. The SPV had made a detailed representation on the proposal of settlement (the proposal) to MbPT & MoS, as per the directives of the Court. However, MbPT vide their letter dated 27th September 2018 have not acceded to the representation on the revival proposal made by the SPV and the draft settlement agreement was rejected. The Parent Company and the SPV is in discussions with MbPT & MoS to reconsider the above matter and find a solution given the significant efforts put in by the Parent Company and the SPV in reviving the Project over the past 3 years.
- d) On expiry of 6 (six) weeks from the date of the court order, the Lenders have sent a notice vide their letter dated 09th October 2018 to MbPT with a copy to the SPV, intimating about initiation of substitution process and request for appointment of internationally approved valuer under the LA. The Lenders' request for appointment of internationally approved valuer under the LA is pending with MbPT.
The SPV has issued a Dispute Notice for the Licensor's Event of Default against MbPT and called upon the Licensor to refer the disputes for amicable settlement under the LA. Based on the foregoing, the SPV has requested MbPT to initiate the arbitration process and has nominated its arbitrator, MbPT is yet to appoint their arbitrator.
The Parent Company has received notice dated December 24, 2018 from the Security Trustee on behalf of the Lenders of SPV to make pledged shares of SPV to the extent of 51% on account of the default under the Common Loan Agreement, against which Parent Company is in active discussions with banks.



- g) The Parent Company has provided its response to the Security Trustee's notice vide their letter dated January 11, 2019 updating the Trustee about the developments that have taken place with respect to amicable settlement with MbPT/Lenders over the last quarter including a One-Time Settlement (OTS) proposal submitted by the SPV which is under consideration with the Lenders, and requested the Trustee not to proceed with the invocation of pledge of shares. In view of the foregoing, the Security Trustee has not acted upon the invocation of pledge of shares and the Parent Company and the SPV has not received any further communication on the matter.
- h) The SPV has lodged a claim of Rs 904.04 crores along with interest at the rate of 18% p.a. in October 2018 with MbPT towards damages/losses on the Project. In addition to the above claim amount, the SPV has intimated MbPT that they shall be liable to release Termination payment in terms of the LA on account of the Licensor's Event of Default under the LA
- i) Post lodging of claim by the SPV, MbPT has raised a counter claim of Rs 1,850.78 crores on the SPV for the Licensee's Event of Default under the LA
- j) One Time Settlement (OTS) proposal of Rs 477.11 crores was submitted to the Consortium of Lenders on November 29, 2018. The Lenders in the consortium meeting held on March 19, 2019 have agreed to take the OTS proposal to their respective sanctioning authority, upon the SPV complying with the following:
- (i) Details of the investors and the sources of funds, who would be supporting the OTS proposal submitted to the Lenders
- (ii) Deposit 10% of the OTS amount in no-lien account with the Lead Bank.

The financial statements were authorised for issue in accordance with the resolution passed at the meeting of the board of directors on May 28, 2019

B New standards and interpretations not yet adopted

a) Ind AS 116 - Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

The standard permits two possible methods of transition:

- i Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
 - ii Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.
- Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted.

The Company is currently evaluating the effect of this amendment on the standalone financial statements.

The effect of adoption as on transition date would result in an increase in Right of use asset and an increase in lease liability.

b) Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.



Amendment to Ind AS 12 – Income taxes:

–On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

c) Amendment to Ind AS 19 Plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

1. To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
2. To recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

d) Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The company does not expect this amendment to have any impact on its financial statements.

e) Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The company does not expect any impact from this amendment.

f) Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The company does not currently have any long-term interests in associates and joint ventures.

g) Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

The Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2014 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.

The standalone financial statements are presented in INR and all values are rounded to the nearest lacs, except otherwise stated.

C Basis of preparation

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

D Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements



E Summary of significant accounting policies

The operating cycle of the business of the Company is twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

a) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when :

- It is expected to be realised or intended to be sold or consumed in normal operating cycle or
 - It is held primarily for the purpose of trading or
 - It is expected to be realised within twelve months after the reporting period, or
 - It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months
- All other assets are classified as non-current.

A liability is current when :

- It is expected to be settled in normal operating cycle or
 - It is held primarily for the purpose of trading or
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

b) Property, Plant and Equipment (PPE)

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. upto the date the asset is ready for its intended use.

Significant spares which have a usage period in excess of one year are also considered as part of Property, Plant and Equipment and are depreciated over their useful life.

Decommissioning costs, if any, on Property, Plant and Equipment are estimated at their present value and capitalised as part of such assets.

Borrowing costs on Property, Plant and Equipments are capitalised when the relevant recognition criteria specified in Ind AS 23 Borrowing Costs is met

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as per schedule II of the Companies Act, 2013

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) Intangible assets

Intangible assets are recorded at the consideration paid for cost of acquisition or development less amortization. The cost of an internally generated asset comprises all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to create, produce and make the asset ready for its intended use. Intangible assets under development are capitalized only if the Company is able to establish control over such assets and expects future economic benefit will flow to the Company.

Intangible assets are amortised over the concession period from the date of capitalization

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Service Concession Agreements - The Company recognises an intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognition of such an intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition the intangible asset is measure at cost, less any accumulated amortisation and accumulated impairment losses.

d) Intangible Asset under development

Intangible asset under development comprises entirely of the cost of 'Project BPS' being developed by the Company to be operated on a BOT basis.

Intangible asset under development is stated at cost of development less accumulated impairment losses, if any. Costs include direct costs of development of the project road and costs incidental and related to the development activity. Costs incidental to the development activity, including financing costs on borrowings attributable to development of the project road, are capitalised to the project road till the date of completion of development.

e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



f) **Impairment of Assets**

Assets with an indefinite useful life and goodwill are not amortized/ depreciated and are tested annually for impairment. Assets subject to amortization/depreciation are tested for impairment provided that an event or change in circumstances indicates that their carrying amount might not be recoverable. An impairment loss is recognized in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher between an asset's fair value less sale costs and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest level for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill for which impairment losses have been recognized are tested at each balance sheet date in the amount that the loss has occurred.

g) **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities on the balance sheet.

h) **Provisions and contingent liabilities**
Provisions

The Company recognizes a provision when it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Contingent liabilities

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

i) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected Unit Credit Method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The current and non-current bifurcation is done as per Actuarial report.

Termination Benefits

Termination benefits are payable as a result of the company's decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognizes these benefits when it has demonstrably undertaken to terminate current employees' employment in accordance with a formal detailed plan that cannot be withdrawn, or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within 12 months of the balance sheet date are discounted to their present value.

j) **Foreign Currencies**
Transactions and Balances

Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date of transaction. The Company's functional currency and reporting currency is same i.e. INR.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.



k) **Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

l) **Financial Instruments**

Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

A **Non-derivative financial instruments**

Subsequent measurement

i) **Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii) **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

iv) **Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

m) **Revenue Recognition**

The company earns revenue primarily from integrated terminal services, berth hire charges, wharfage and miscellaneous income.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative catch up method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is recognised at point in time when the performance obligation with respect to RORO operations is being rendered to the Customers which is the point in time when the customer receives the service. Revenue from cargo handling service is recognized on output basis measured from cargo discharge to dispatch cycle.

The billing schedules agreed with customers include periodic performance-based payments. Invoices are payable within contractually agreed credit period.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, price concessions if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.



Use of significant judgements in revenue recognition

- i. The Company's contracts with customers include promises to provide cargo handling services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- ii. Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, price concessions. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.
- iii. The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct service promised in the contract. Where standalone selling price is not observable, the Company uses the guidelines of Tariff Authority of Major Ports (TAMP) to allocate the transaction price to each distinct performance obligation.
- iv. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- v. Contract fulfilment costs are generally expensed as incurred except for certain costs which meet the criteria for capitalisation. Such costs are amortised over the service concession period or useful life of asset wherever applicable. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Interest Income

Interest income from financial asset is recognised using effective interest rate method.

n) Taxes

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum Alternative Tax ("MAT") 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. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

o) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

p) Leases

Operating lease

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating lease. Operating lease payments, as per terms of the agreement, are recognised as an expense in the statement of profit and loss on a straight line basis.

q) Earning per share

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Dividend Distribution

Dividend distribution to the Company's equity holders is recognized as a liability in the Company's annual accounts in the year in which the dividends are approved by the Company's equity holders.



INDIRA CONTAINER TERMINAL PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2019

2 Property, Plant & Equipment

	(Rs. in lakhs)									
	Land	Container yard	Office Premises	Furniture and Fixtures	Motor Car	Data Processing Equipment	Plant and Machinery	Office Equipment	Total	
Tangible assets										
At cost										
At 1 April 2017	5.80	135.57	357.45	25.00	29.98	58.68	12.15	49.74	674.36	30.17
Additions	-	-	-	1.98	17.35	12.82	-	-	3.71	5.69
Disposals / adjustments	5.80	135.57	357.45	23.02	47.33	71.50	12.15	46.03	698.84	2.04
At 31 March 2018	-	-	-	-	-	0.12	-	1.92	-	-
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March 2019	5.80	135.57	357.45	23.02	47.33	71.62	12.15	47.95	700.88	-
Depreciation										
At 1 April 2017	-	135.57	307.70	20.36	23.53	58.68	0.75	43.01	589.50	44.69
Charge for the year	-	-	35.71	2.36	2.41	1.62	1.21	1.37	3.71	5.58
Disposals	-	-	-	1.96	-	-	-	-	-	-
At 31 March 2018	-	135.57	343.41	20.76	25.94	60.30	1.97	40.67	628.62	21.41
Charge for the year	-	-	9.83	0.76	3.21	4.29	1.21	2.11	2.11	-
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March 2019	-	135.57	353.24	21.52	29.15	64.58	3.18	42.78	650.03	-
Net Block										
At 31 March 2018	5.80	-	14.04	2.25	21.39	11.70	10.18	5.36	70.22	-
At 31 March 2019	5.80	-	4.21	1.49	18.18	7.04	8.97	5.17	50.85	-



3 Other Intangible assets Particulars	(Rs. in lacs)		
	Software	Port Rights	Total
At cost			
At 1 April 2017	48.65	76,229.37	76,278.02
Additions	-	38.15	38.15
Disposals / adjustments	-	-	-
At 31 March 2018	48.65	76,267.52	76,316.17
Additions	-	-	-
Disposals / adjustments	-	(38.15)	(38.15)
At 31 March 2019	48.65	76,229.37	76,278.02
Amortization			
At 1 April 2017	48.65	2,722.93	2,771.58
Charge for the year	-	3,751.35	3,751.35
Disposals	-	-	-
At 31 March 2018	48.65	6,474.28	6,522.93
Charge for the period	-	3,811.47	3,811.47
Disposals	-	-	-
At 31 March 2019	48.65	10,285.74	10,334.39
Net Block			
At 31 March 2018	0.00	69,793.24	69,793.25
At 31 March 2019	0.00	65,943.62	65,943.63

The Company has carried out the exercise of assessment of any indications of impairment to its fixed assets as on the Balance Sheet date. Pursuant to such exercise it is determined that there has been no impairment to its fixed assets during the year.



INDIRA CONTAINER TERMINAL PRIVATE LIMITED
CIN: U63032MH2007PTCL74100
Notes to Financial Statements for the year ended March 31, 2019
(All the amounts are Rs. in lakhs unless otherwise stated)

4 Financial Assets

4.1 Trade Receivables

Particulars	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	2019	2018	2019	2018
	Non - Current		Current	
Unsecured				
Considered Good	-	-	648.89	685.86
Considered Doubtful	-	-	11.07	11.07
Less: Lifetime credit loss	-	-	(11.07)	(11.07)
Total Trade Receivables	-	-	648.89	685.86

Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. Periodically, the Company evaluates all customer dues to the Company for collectability. The need for impairment is assessed based on various factors including collectability of specific dues, risk perceptions of the industry in which the customers operates, general economic factors, which could affect the customer's ability to settle. An impairment analysis is performed at each reporting date on invoice wise receivable balances. The Company has no history of defaults after it started the RORO operations and therefore no provision towards expected credit loss is made. The Life time credit loss write off during the year arises more out of the disputes or charges rather than credit impairment.

Since the Company Calculates impairment under the simplified approach the Company does not track the changes in credit risk of trade receivables. The impairment amount represents lifetime expected credit loss. Hence the additional disclosures in trade receivables for changes in credit risk and credit impaired trade receivable are not disclosed.

Movement in the expected credit loss allowance

Particulars	As at March 31,	As at March 31,
	2019	2018
Balance at the beginning of the period	11.07	11.07
Impairment loss recognised	-	-
Amount written off during the period	-	-
Provision at the end of the period	11.07	11.07

4.2 Financial Assets - Loans

Particulars	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	2019	2018	2019	2018
	Non- Current		Current	
Margin Money Deposit	100.00	100.00	-	-
Deposits	5.25	5.20	-	-
Total	105.25	105.20	-	-

Margin money deposit of 100 lakhs (Previous year 100 lakhs) was given towards a Performance Bank Guarantee issued on behalf of the Company from the non-fund based limits of Gammon Infrastructure Projects Limited in favour of MbPT as required in the L.A. The margin money deposit carries an interest of 6% p.a.

4.3 Financial Assets - Others

Particulars	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	2019	2018	2019	2018
	Non - Current		Current	
Deposits with scheduled bank (including accrued interest)	30.50	29.10	-	-
Amounts recoverable form related parties				
Gammon Infrastructure Projects Limited	-	-	283.36	-
Interest Accrued & receivable from:				
Gammon Engineers & Contractors Private Limited (GECPL)	-	-	11.90	11.90
Gammon Infrastructure Projects Limited	-	-	5.40	-
Total	30.50	29.10	300.65	11.90



4.4 Cash and Bank Balances

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
		Non - current	Current	Current
A Cash and cash equivalents				
Cash on hand	-	-	0.08	0.08
Total	-	-	0.08	0.08
B Other bank balances*				
Balances with scheduled banks in current account	-	-	1,255.80	2,412.31
Total	-	-	1,255.80	2,412.31
Grand Total	-	-	1,255.88	2,412.39

*Free use of bank balance is restricted as it is monitored by consortium of lenders, hence it is disclosed as other bank balances

5 Other Assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
	Non - Current	Non - Current	Current	Current
Advance taxes (net of provisions)	509.52	347.29	-	-
Capital Advance to GECPL	1,326.94	1,326.94	-	-
Prepaid Expenses	0.17	-	37.79	37.49
Prepaid Upfront Fees	57.64	86.12	28.48	33.53
Advances to statutory authorities	-	-	89.72	12.67
Advance paid to creditors	-	-	38.08	19.47
Other advances	-	-	31.50	-
Total	1,894.27	1,760.34	225.56	103.16

As required in the contract the Company is required to pay mobilisation advance towards the said contract which is to be recovered progressively from the bills presented by the EPC contractor. The balance amount of the said mobilisation advance to be recovered from Gammon Engineers & Contractors Private Limited stands at 1326.95 lakhs (Previous year 1326.95 lakhs).

6 Equity Share Capital

Particulars	As at March 31, 2019	As at March 31, 2018		
Authorised Shares:				
March 31, 2019: 12,00,00,000 shares March 31, 2018: 12,00,00,000 shares Rs.10/- each	12,000.00	12,000.00		
Issued, Subscribed & Paid-up:				
March 31, 2019: 10,15,66,000 shares March 31, 2018: 10,15,66,000 shares Rs.10/- each	10,156.60	10,156.60		
Reconciliation of the equity shares outstanding at the beginning and at the end of the period				
Particulars	March 31,2019 Number	March 31,2019 Amount	March 31,2018 Number	March 31,2018 Amount
Balance at beginning of the period	10,15,66,000	10,156.60	10,15,66,000	10,156.60
Issued during the period	-	-	-	-
Balance at end of the period	10,15,66,000	10,156.60	10,15,66,000	10,156.60

i. Terms/rights attached to equity shares:

The Company has only one class of shares i.e equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.



ii. Details of registered shareholders holding more than 5% equity shares in the Company:

Shareholders	March 31,2019	March 31,2019	March 31,2018	March 31,2018
	Number	% of holding	Number	% of holding
Equity shares of Rs 10 each paid up				
Gammon India Limited	2,64,07,160	26%	2,64,07,160	26%
Gammon Infrastructure Projects Limited	4,87,51,680	48%	4,87,51,680	48%
Noatum Ports Sociedad Limitada	2,64,07,160	26%	2,64,07,160	26%
Total	10,15,66,000	100%	10,15,66,000	100%

In addition to the registered holding described above, Gammon Infrastructure Projects Limited also holds beneficial interest in shares of the Company as described in note B(iii) below.

On April 6, 2017, the holding company, Gammon Infrastructure Projects Limited has purchased the company's shares from M/s Noatum Ports Sociedad Unipersonal SLU, thus increasing its holding from 50% to 74%. Therefore, GIPL is the holding company from the year ended March 31, 2018.

iii. Beneficial interest in equity shares held by Gammon Infrastructure Projects Limited from registered share holders:

Name of registered holder	March 31,2019	March 31,2019	March 31,2018	March 31,2018
	Number	Amount	Number	Amount
Equity shares of Rs 10 each paid up				
Gammon India Limited	2,64,07,160	2,640.72	2,64,07,160	2,640.72
Total	2,64,07,160	2,640.72	2,64,07,160	2,640.72

7 Other Equity

Name of registered holder	As at March 31, 2019	As at March 31, 2018
	i) Retained Earnings	(27,297.44)
ii) Capital Contribution Inter-Corporate Loan received from GIPL	3,722.47	3,722.47
Balance at the end of the year	(23,574.97)	(13,268.85)

8 Provisions

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
	Non - current		Current	
Provision for gratuity	16.24	8.05	0.32	1.92
Provision for leave encashment	18.89	7.50	1.49	0.62
Total	35.13	15.55	1.80	2.54

Disclosure in accordance with Ind AS – 19 "Employee Benefits", of the Companies (Indian Accounting Standards) Rules, 2015.

a) Gratuity:

The company has carried out the actuarial valuation of Gratuity and Leave Encashment liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last drawn salary) for each completed year of service restricted to Rs 20 lakhs (previous year Rs 20 lakhs). The Company's gratuity liability is unfunded.



I The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year is as follow:

Particulars	As at March 31, 2019 Gratuity (Un- Funded)	As at March 31, 2018 Gratuity (Un- Funded)
a) Reconciliation of opening and closing balances of Defined benefit Obligation		
Defined Benefit obligation at the beginning of the year	9.96	8.10
Current Service Cost	2.16	1.50
Interest Cost	0.77	0.61
Actuarial (Gain) /Loss	(3.08)	(0.24)
Liability transferred in on account of transfer of employees	6.74	-
Benefits paid	-	-
Defined Benefit obligation at the year end	16.56	9.96
b) Reconciliation of opening and closing balances of fair value of plan assets		
Fair Value of plan assets at the beginning of the year	-	-
Expected return on Plan Assets	-	-
Actuarial Gain/ (Loss)	-	-
Employer Contribution	-	-
Benefits Paid	-	-
Fair Value of Plan Assets at the year end	-	-
Actual Return on Plan Assets	-	-
c) Reconciliation of fair value of assets and obligations		
Fair Value of Plan Assets	16.56	9.96
Present value of Defined Benefit obligation	-	-
Liability recognized in Balance Sheet	16.56	9.96
d) Expenses recognized during the year (Under the head " Employees Benefit Expenses)		
Current Service Cost	2.16	1.50
Interest Cost	0.77	0.61
Expected Rate of return on Plan Assets	-	-
Past employees Service	-	-
Actuarial (Gain)/Loss	(3.08)	(0.24)
Net Cost	(0.15)	1.86

ii Actuarial assumptions

Particulars	As at March 31, 2019 Gratuity 2006-08 (Ultimate)	As at March 31, 2018 Gratuity 2006-08 (Ultimate)
Mortality Table (LIC)		
Discount rate (per annum)	7.50%	7.75%
Expected rate of return on Plan assets (per annum)	NA	NA
Rate of escalation in salary (per annum)	6%	5%
Withdrawal rate:		
- upto age of 34	3%	3%
- upto age of 35-44	2%	2%
- upto age 45 & above	1%	1%
Retirement age	60 years	60 years

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

There is no minimum funding requirement for a gratuity plan in India and there is no compulsion on the part of the company fully or partially pre-fund the liabilities under the plan. Since the liabilities are un funded there is no asset liability matching strategy devised for the plan.



iii Sensitivity analysis

A quantitative Sensitivity analysis for significant assumption as at March 31, 2019

	Discount rate	Salary growth
Change in assumption		
March 31, 2019	1%	1%
March 31, 2018	1%	1%
Increase in assumption		
March 31, 2019	1.19	1.19
March 31, 2018	0.78	0.92
Decrease in assumption		
March 31, 2019	(1.06)	(1.08)
March 31, 2018	(0.90)	(0.81)

9 Financial Liabilities

9.1 Trade Payables

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
	Non - current		Current	
Trade Payables				
- Micro, Small and Medium Enterprises	-	-	-	-
- Other	-	-	6,759.14	6,320.14
Total	-	-	6,759.14	6,320.14

Details of dues to micro and small

As per the information available with the Company, there are no micro, small, and medium enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal or interest.

The above information regarding micro, small, and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

9.2 Other Financial Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
	Non - current		Current	
Loan recalled by lenders (including Interest accrued)			74,511.68	68,665.87
Amounts payable to related parties				
Gammon Infrastructure Projects Limited	-	-	-	53.98
Noatum Ports Sociedad Limitada Unipersonal SLU	-	-	47.13	47.13
Staff Liabilities payable	-	-	16.02	4.46
Accrued Expenses			2,199.79	2,899.81
Total	-	-	76,774.62	71,671.24

- a) The above term loan is secured by:
 - i) first mortgage and charge by way of English mortgage on the immovable property, both present and future;
 - ii) first charge by way of hypothecation on all tangible movable assets, both present and future;
 - iii) a first floating charge on receivables;
 - iv) first charge on all intangible assets, both present and future;
 - v) pledge of equity share of the company aggregating to 16.24% of the paid up and voting equity share capital.
- b) The interest rate applicable to the Company is the highest of the rates individually determined by each member of the lenders consortium. All lenders determine the interest rate at their respective Bank Prime Lending rate less 100-125 basis points. The interest rate as on the date of these financials was 13.25% p.a. (PY - 13.25% p.a.)
- c) On account of the company being marked as non performing assets by the lenders no interest has been debited by majority of the lenders. The company has made provision for interest on the basis of the last sanction and last revision of terms. Therefore the loan balances and finance cost are subject to confirmation and consequent reconciliation, if any.



- d) The lenders have charged penal interest amounting to Rs.9265.64 Lakhs till March 31, 2019 (Rs.1664.88 lakhs till March 31, 2018), which the company has disputed and not accounted. The same is disclosed in contingent liabilities
- e) The facility is marked as a Non-Performing Asset (NPA) on December 3, 2013. The Company is defaulting in repayment of term loan to the banks and financial institutions. The company has also received a recall notice from the lenders. Therefore the loan is treated as current.
- f) Subsequently, the Lenders have issued a notice of financial default to the SPV in terms of Substitution Agreement under intimation to MbPT. Post issue of the notice of financial default, the SPV has filed a writ petition before Hon'ble Delhi High Court in July 2018 seeking implementation of rebid decision taken in Niti Aayog meeting held on 20th March 2018. The captioned writ Petition was filed against the Ministry of Shipping (MoS), the Government of India, MbPT and others wherein lenders were also made party defendant(s). The Court has passed an order on 14th August 2018 in the aforesaid writ petition, permitting the SPV to make detailed representation in this matter within 10 days with a direction to MbPT & MoS to consider the SPV's representation in this regard and take an informed decision and dispose-off the same within a period of 4 (four) weeks thereafter. In the meanwhile, the Court directed the Lenders not to implement the notice dated 26th July 2018 issued to the SPV for a period of 6 (six) weeks. The SPV had made a detailed representation on the proposal of settlement (the proposal) to MbPT & MoS, as per the directives of the Court. However, MbPT vide their letter dated 27th September 2018 have not acceded to the representation on the revival proposal made by the SPV and the draft settlement agreement was rejected. The Parent Company and the SPV is in discussions with MbPT & MoS to reconsider the above matter and find a solution given the significant efforts put in by the Parent Company and the SPV in reviving the Project over the past 3 years.

On expiry of 6 (six) weeks from the date of the court order, the Lenders have sent a notice vide their letter dated 09th October 2018 to MbPT with a copy to the SPV, intimating about initiation of substitution process and request for appointment of internationally approved valuer under the LA. The Lenders' request for appointment of internationally approved valuer under the LA is pending with MbPT.

The SPV has issued a Dispute Notice for the Licensor's Event of Default against MbPT and called upon the Licensor to refer the disputes for amicable settlement under the LA. Based on the foregoing, the SPV has requested MbPT to initiate the arbitration process and has nominated its arbitrator, MbPT is yet to appoint their arbitrator.

The Parent Company has received notice dated December 24, 2018 from the Security Trustee on behalf of the Lenders of SPV to invoke pledged shares of SPV to the extent of 51% on account of the default under the Common Loan Agreement, against which Parent Company is in active discussions with banks.

One Time Settlement (OTS) proposal of Rs 477.11 crores was submitted to the Consortium of Lenders on November 29, 2018. The Lenders in the consortium meeting held on March 19, 2019 have agreed to take the OTS proposal to their respective sanctioning authority, upon the SPV complying with the following:

- (i) Details of the Investors and the sources of funds, who would be supporting the OTS proposal submitted to the Lenders
(ii) Deposit 10% of the OTS amount in no-lien account with the Lead Bank.

e) **Continuing Default Disclosure**
As at March 31, 2019

Since loan is recalled by lenders during the year, entire outstanding balance of 74,511.68/- shall be considered as continuing default.

As on March 31, 2018

Name of the Bank	Ageing	Principal*	Interest	Facility
Canara Bank	1 - 90 days	498.75	564.27	Term Loan
Canara Bank	91 - 180 days	333.29	563.32	Term Loan
Canara Bank	181 - 365 days	1,069.44	1,086.65	Term Loan
Canara Bank	> 365 days	3,990.00	2,703.58	Term Loan
Punjab National Bank	1 - 90 days	475.00	553.68	Term Loan
Punjab National Bank	91 - 180 days	317.42	552.59	Term Loan
Punjab National Bank	181 - 365 days	1,018.51	1,065.37	Term Loan
Punjab National Bank	> 365 days	4,082.03	3,260.10	Term Loan
Central Bank	1 - 90 days	434.63	489.77	Term Loan
Central Bank	91 - 180 days	290.44	488.96	Term Loan
Central Bank	181 - 365 days	931.94	943.28	Term Loan
Central Bank	> 365 days	3,477.00	3,014.26	Term Loan
United Bank of India	1 - 90 days	141.56	165.74	Term Loan
United Bank of India	91 - 180 days	94.11	165.40	Term Loan
United Bank of India	181 - 365 days	303.32	318.86	Term Loan
United Bank of India	> 365 days	1,215.12	1,099.20	Term Loan
IIIFCL	1 - 90 days	75.29	411.24	Term Loan
IIIFCL	91 - 180 days	894.12	410.72	Term Loan
IIIFCL	181 - 365 days	536.47	792.94	Term Loan
IIIFCL	> 365 days	3,040.00	2,304.69	Term Loan
		23,218.46	20,954.62	

*Due as per the sanctioned repayment schedule of the loan.



10 Other Non-Financial Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
	Non - current		Current	
Advance from customers	-	-	287.84	37.66
Duties & taxes payable	-	-	13.87	35.34
Other Statutory Liabilities	-	-	1.46	1.20
Total	-	-	303.16	74.20

11 Revenue from operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	Income from RORO operations and Wharfage charges	4,009.69
Total	4,009.69	4,451.03

The company has entered into a revenue sharing agreement with Mumbai Port Trust (MbPT) wherein it is required to share 55% of the revenue earned during the year with MbPT and retain the balance 45% of the revenue share. Accordingly, the revenue of 4,009.69 lakhs (P.Y. 4,451.03 lakhs) booked during the year is after netting out the revenue share of 4900.74 lakhs (P.Y. 5,440.14 lakhs) payable to MbPT.

I Disclosures as required by Appendix D of Ind AS 115 relating to "Service Concession Arrangements: Disclosures"

(a) Description of the Arrangement along with salient features of the project:

The Company has signed a License Agreement ('LA') with the Board of Trustees of the Port of the Mumbai ('MbPT') on December 3, 2007 for operation and management including necessary developments, modifications and augmentation of facilities, of the Ballard Pier Station Container Terminal ('BPS') and development, construction, operation and management of an Offshore Container Terminal ('OCT') in the Mumbai harbour to be implemented in accordance with the Major Port Trusts Act, 1963 and the Guidelines for Private Sector Participation through Build, Operate & Transfer (BOT) basis. Pursuant to detailed negotiation with MbPT on the concession agreement for the Offshore Container Terminal, the parties have finally agreed in principle to enter into a settlement agreement between Board of Trustees of MbPT, Company and the lenders. Highlights of the draft supplementary agreement are provided in the para under Corporate Information.

(b) Obligations of Operations and maintenance

The Company is required to carry out operations and maintenance on the berth annually with an obligation to carry out Periodic maintenance in terms of the Concession at regular intervals.

(c) Changes to the Concession during the period

During the previous year, the Company has finally decided to capitalize the expenditure as intangible asset being the right to operate the berth facility for a fee. This was done pursuant to the ongoing negotiations and discussions around the fact that the project could not be commissioned as per the original plan. The concession period may get revived after the finalization of the Supplementary Agreement.

(d) Classification of the Concession

The Company has applied the principles enumerated in Appendix C of Ind AS 115 and has classified the arrangement as a DCT arrangement resulting in recognition of an Intangible Asset. Revenue is recognised during the construction period as revenue from construction services with the corresponding debit to Intangible assets under development. Revenue is recognised on cost plus margin basis.

II Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

i) Revenue disaggregation by type of Service is as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	Major Service Type is as follows:	
Berth Hire Charges	802.22	860.25
Wharfage	3,207.47	3,590.78
	4,009.69	4,451.03
Revenue disaggregation by Customer Type is as follows:		
Government Companies	-	-
Non Government Companies	4,009.69	4,451.03
	4,009.69	4,451.03



ii) Movement in Contract Balances

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Advance From customers :		
Opening	37.66	14.25
Billed during the year	(18.28)	(6.49)
Addition during the year	268.45	29.90
Closing	287.84	37.66

iii) Types of contracts
All the contracts with the customers are fixed priced contract based on the tariff rate as per MBPT

12 Other Income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Income on Financial Asset at amortised cost		
- From GIPL	6.00	6.00
- On Fixed Deposit	1.53	0.82
Sundry Balances written back	9.72	0.91
Profit on Sale of Assets	-	0.01
Miscellaneous Income	0.28	-
Total	17.53	7.75

13 Personnel Expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, allowances and bonus	122.75	107.20
Contribution to provident fund	6.50	6.14
Other benefits including Gratuity, Leave encashment, superannuation and other funds.	7.70	7.22
Staff welfare expenses	10.29	11.07
Total	147.25	131.63

14 Finance Cost

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on financial liabilities at amortised cost	9,521.11	8,572.78
Other finance charges	83.48	-
Total	9,604.58	8,572.78

Since the loan account is NPA and bank has stopped charging interest, the company has accrued interest cost on the basis of last agreed terms.

15 Depreciation & Amortization

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation	21.41	44.69
Amortization	3,811.47	3,751.35
Total	3,832.88	3,796.04



16 Other Expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Repairs and maintenance	262.61	224.91
Stevedoring charges	127.55	55.80
Operational expenses	40.22	11.12
Vehicle Expenses	9.53	8.29
Insurance expense	16.06	17.29
Safety equipments	-	0.15
Business promotion	2.42	13.02
Electricity expenses	23.24	17.15
Office expenses	19.20	22.31
Printing and stationery	4.37	4.10
House keeping	3.85	2.45
Water charges	8.71	6.76
Security charges	15.30	17.64
Swatchh Bharat cess	-	7.66
Communication costs	5.03	3.94
Legal and professional fees	80.28	49.73
Fees to Director	24.00	24.00
Motor car expenses	2.00	1.68
Travelling expenses	8.85	12.55
Bank guarantee charges	64.89	32.85
Bank charges	0.18	0.27
Recruitment expenses	-	3.00
Loss on discarding/ Sale of asset	-	0.02
Service Tax paid	-	19.23
Software License Charges	0.48	-
Sponsorship / Advertisement Expenses	12.18	-
Sundry balances write off	1.86	11.40
Remuneration to Auditor:		
Audit fees incl. tax audit	9.50	9.50
Certification and Other services	0.08	0.25
Other Miscellaneous Expenses	1.02	0.08
Total	743.40	577.14

17 Reconciliation of statutory rate of tax and effective rate of tax:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current taxes	-	-
Minimum Alternate Tax	-	-
Accounting profit before income tax	(10,300.89)	(8,618.82)
At India's statutory income tax rate	26.00%	30.90%
Tax rate as per 115JB	19.24%	19.06%
Tax on above	(2,678.23)	(2,663.21)
i.e.	-	-
Tax on profit as per 115JB	(1,981.89)	(1,642.32)
Tax as per MAT	(381.32)	(312.94)
i.e.	-	-



18 Earnings per share ('EPS')

Net Profit / (loss) attributable to equity shareholders and the weighted number of shares outstanding for basic and diluted earnings per share are as summarized below:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	Profit during the year	(10,309.21)
Outstanding number of equity shares (Nos.)	10,15,66,000	10,15,66,000
Weighted average number of equity shares in calculated EPS (Nos)	10,15,66,000	10,15,66,000
Nominal value of equity share	10.00	10.00
Basic EPS -(Rs)	(10.15)	(8.52)
Diluted EPS -(Rs)	(10.15)	(8.52)

Reconciliation of weighted number of outstanding during the period:

Particulars	Year ended March 31, 2019 (Rs. in lakhs)	Year ended March 31, 2018 (Rs. in lakhs)
	Nominal Value of Equity Shares (Rs per share)	10.00
For Basic EPS :		
Total number of equity shares outstanding at the beginning of the period	10,15,66,000	10,15,66,000
Add : Issue of Equity Shares	-	-
Total number of equity shares outstanding at the end of the period	10,15,66,000	10,15,66,000
Weighted average number of equity shares at the end of the period	10,15,66,000	10,15,66,000

Company has not issued any instrument which will dilute the earning belong to equity shareholders, therefore Basic EPS and Diluted EPS both are the same.

19 Deferred Tax

The company has not recognized Deferred Tax Asset arising on account of timing difference of losses carried forward under the Income Tax Act, 1961, in the books of accounts because there is no reasonable certainty that sufficient future taxable income will be available against which such deferred tax can be realised. As a matter of prudence, the company has not recognized deferred tax asset on such losses. The Company will review the same in future years once the terms of concession agreements are renegotiated.

20 Capital and other commitments

Particulars	As on 31.03.2019 (Rs.)	As on 31.03.2018 (Rs.)
	Commitments :	
Capital commitment	-	46,323.14
	-	46,323.14

21 Contingent Liabilities

- The Board of Trustees of MbPT have allowed alternate use of the OCT for Ro-Ro operations on trial basis with the assumption that the company will charge 1.3 times the rate of MbPT Schedule of Rates (SOR) for alternate use of the OCT berth. The company has however, charged 1.3 times for berth hire charges and the wharfage is being charged as per MbPT SOR. The contingent liability on account of these wharfage charges is Rs.4356.74 lakhs (Previous Year: 2929.24 lakhs)
- Lease rentals payable to MbPT are Rs.1460.96 lakhs (Previous year Rs.976.56 lakhs) have not been provided based on the draft supplementary agreement being entered into by the Company with MbPT and the lenders
- During the Previous year, Service Tax Audit was conducted by the Service Tax Department. Total demand of Rs239.29 lakhs was raised. The company has paid Rs.25.45 lakhs. The assessment is under process and accordingly there is a contingent liability on account of the balance demand of Rs.87.20 lakhs.
- The lenders have charged penal interest amounting to Rs.9265.64 Lakhs till March 31, 2019 (Rs.1664.88 lakhs till March 31, 2018), which the company has disputed and not accounted.
- During the year MBPT has raised a claim of Rs. 1,85,078.00 lakhs on the company on account of company's events of defaults arising as per the licence agreement. Company has duly replied to the counter claim. The company is now in process of filing petitions against the claim made by MBPT.

22 Disclosure in accordance with Ind AS – 17 "Leases", of the Companies (Indian Accounting Standards) Rules, 2015.

Operating Lease:

The Company has taken offices premises under leave and license agreements. It is under 3 years leave and license basis. These arrangements are renewable by mutual consent on mutually agreed terms. Under some of these arrangements the Company has given refundable security deposits. The lease payments are recognized in the Statement of Profit and Loss under Rent account.

Disclosure in accordance with Ind AS – 108 "Operating Segments", of the Companies (Indian Accounting Standards) Rules, 2015.

The Company's operations comprise only a single business and geographical segment, namely the port services in Maharashtra, India as per Ind AS 108, hence no segment disclosure is required.

The top two customers account for 37.54% of the total revenue earned during the year ended March 31,2019 (Previous period: Top three customers accounted for 46.30% of the total revenue earned).



2.4 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

a) Names of the related parties and related party relationships

Related parties where control exists :

1. Gammon India Limited, joint venture partner upto September 7, 2017
2. Gammon Infrastructure Projects Limited, joint venture partner (upto 05.04.2017)
3. Gammon Infrastructure Projects Limited, Holding Company (w.e.f. 06.04.2017)
4. Noatum Ports Sociedad Limitada Unipersonal SLU, joint venture partner

b) Related party transactions and outstanding balance

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year and the outstanding balances at year end:

c) Key Managerial Personnel

C. S. Sangitrao Director

EPC and other costs		Transactions during the year		Closing Balance	
Related party	Year Ended	Contract expenses	Reimbursement of expenses	Mobilization Advances Given	Amount Payable
Gammon Infrastructure Projects Limited	March 31, 2019	-	739.34		283.36
	March 31, 2018	-	(81.74)		(53.98)
Noatum Ports Sociedad Limitada Unipersonal SLU	March 31, 2019	-	-	-	47.13
	March 31, 2018	-	-	-	(47.13)

Deposits Given		Interest Income during the year	Total Deposit and interest outstanding
Related Party	Year ended		
Gammon Infrastructure Projects Limited	March 31, 2019	6.00	105.40
	March 31, 2018	(6.00)	(100.00)



iii) Borrowings - Related Party	Year ended	Loan Taken during the year	Loan Repaid during the year	Interest Expense during the year	Total Loan and Interest outstanding
	March 31, 2019	-	-	-	3,722.47
Gammon Infrastructure Projects Limited	March 31, 2018	-	-	-	(3,722.47)

iv) Interest Expense	Related party	Year ended	Payment during the year	Outstanding Balance payable
		March 31, 2019	-	-
Gammon Infrastructure Projects Limited		March 31, 2018	(247.50)	-

v) Guarantee Given by Gammon Infrastructure Projects Limited on behalf of the company	Related party	Year ended	Amt (Rs.)
		March 31, 2019	3,576.25
Gammon Infrastructure Projects Limited		March 31, 2018	(3,576.25)

vi) Director Fees paid to C. S. Sangitrao	Related party	Year ended	Amt (Rs.)
		March 31, 2019	24.00
C. S. Sangitrao		March 31, 2018	24.00

All the above transactions are made on terms equivalent to those that prevail in arm's length transactions.

25 Derivative Instruments and Unhedged Foreign Currency Exposure

There are no derivative instruments outstanding as on March 31, 2019 and as on March 31, 2018. The Company has no foreign currency exposure towards liability outstanding as on March 31, 2019 and as on March 31, 2018.

26 Significant Accounting judgements, estimates & assumptions

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the separate financial statements.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.



27 Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2019 & March 31, 2018 is as follows:

Particulars	Carrying value		Fair Value	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial Assets				
Amortized Cost				
Loans and advances	105.25	105.20	105.25	105.20
Trade receivables	648.89	685.86	648.89	685.86
Cash and bank balances	0.08	0.08	0.08	0.08
Others	331.15	41.00	331.15	41.00
	<u>1,085.37</u>	<u>832.14</u>	<u>1,085.37</u>	<u>832.14</u>
Financial Liabilities				
Amortized cost				
Trade payable	6,759.14	6,320.14	6,759.14	6,320.14
Others	76,774.62	71,671.24	76,774.62	71,671.24
	<u>83,533.75</u>	<u>77,991.38</u>	<u>83,533.75</u>	<u>77,991.38</u>

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

28 Fair value hierarchy

During the year, the Company has no financial assets and liabilities which are measured at fair value.

29 Financial risk management objectives and policies

Financial risk factors

The Company's activities are exposed to a variety of financial risks: credit risk, liquidity risk, and interest rate risk, regulatory risk and business risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market Risk

Business/ Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Objective of market risk management is to manage and limit exposure of the Company's earnings and equity to losses

The company is exposed to cargo volume risk from its port operations and it has to compete with other operators of MBPT. The timely conclusion of the concession and second supplementary agreement in favour of the company in a major risk faced by the company

Exchange risk

Since the operations of the company are within the country, the company is not exposed to any exchange risk directly. The company also does not take any foreign currency borrowings to fund its project and therefore the exposure directly to exchange rate changes is minimal.

However there are indirect effects on account of exchange risk changes, as the price of bitumen, which is a by-product of the crude, is dependent upon the landed price of crude in the country.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its obligations associated with its functional liabilities that are settled by delivering cash or another financial asset as they fall due. The company is exposed to this risk from its operating and financing activities. The Company's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both, normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The company is already a NPA with the lenders and is in the process of negotiating OTS proposal



Interest Rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long term and short term debt obligations.

Particulars	Increase/ Decrease in basis points	Effects on Profit before tax. (Rs in lakhs)
March 31, 2019	+100 -100	(745.12) 745.12
March 31, 2018	+100 -100	(686.66) 686.66

30 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Particulars	As on March 31, 2019 (Rs.)	As on March 31, 2018 (Rs.)
Loan recalled by lenders (including Interest accrued)	74,511.68	68,665.87
Less: cash and cash equivalents	0.08	0.08
Net debt	74,511.60	68,665.79
Equity including reserve	(13,418.37)	(3,112.25)
Gearing ratio	0.00	0.00

31 Disclosure pursuant to Ind AS 7 "Statement of Cash Flows" - Changes in liabilities arising from financing activities:

Particulars	Non-current borrowings	Current borrowings	Loan recalled by lenders (Note 10.2)	Total
Opening balance	-	-	68,665.87	68,665.87
Changes from financing cash flows	-	-	(3,675.30)	(3,675.30)
Interest paid	-	-	9,521.11	9,521.11
Interest accrued	-	-	74,511.68	74,511.68
Closing balance	-	-	74,511.68	74,511.68



32 **Material Uncertainty related to Going Concern**

Pursuant to detailed negotiations with MbPT on the LA for the Offshore Container Terminal, the Parties had agreed in-principle to enter into a joint settlement agreement between the Board of Trustees of MbPT, SPV and the Lenders. The Project was proposed for re-bid and the draft agreement provides for a mix of cargo of containers, steel and Roll-On Roll-Off (RORO).

The RORO operations at Mumbai Port which was allowed by MbPT as an interim measure for alternate use of the two berths is continuing. The gross revenue from RORO operations is shared between MbPT, the Lenders and the SPV in the ratio of 55:25:20. However, the revenue amount shared with the Lenders is inadequate for repayment of principal and interest of the Lenders.

Subsequently, the Lenders have issued a notice of financial default to the SPV in terms of Substitution Agreement under intimation to MbPT. Post issue of the notice of financial default, the SPV has filed a writ petition before Hon'ble Delhi High Court in July 2018 seeking implementation of rebid decision taken in Niti Aayog meeting held on 20th March 2018. The captioned writ Petition was filed against the Ministry of Shipping (MoS), the Government of India, MbPT and others wherein lenders were also made party defendant(s). The Court has passed an order on 14th August 2018 in the aforesaid writ petition, permitting the SPV to make detailed representation in this matter within 10 days with a direction to MbPT & MoS to consider the SPV's representation in this regard and take an informed decision and dispose-off the same within a period of 4 (four) weeks thereafter. In the meanwhile, the Court directed the Lenders not to implement the notice dated 26th July 2018 issued to the SPV for a period of 6 (six) weeks. The SPV had made a detailed representation on the proposal of settlement (the proposal) to MbPT & MoS, as per the directives of the Court. However, MbPT vide their letter dated 27th September 2018 have not acceded to the representation on the revival proposal made by the SPV and the draft settlement agreement was rejected. The Parent Company and the SPV is in discussions with MbPT & MoS to reconsider the above matter and find a solution given the significant efforts put in by the Parent Company and the SPV in reviving the Project over the past 3 years.

On expiry of 6 (six) weeks from the date of the court order, the Lenders have sent a notice vide their letter dated 09th October 2018 to MbPT with a copy to the SPV, intimating about initiation of substitution process and request for appointment of internationally approved valuer under the LA. The Lenders' request for appointment of internationally approved valuer under the LA is pending with MbPT.

The SPV has issued a Dispute Notice for the Licensor's Event of Default against MbPT and called upon the Licensor to refer the disputes for amicable settlement under the LA. Based on the foregoing, the SPV has requested MbPT to initiate the arbitration process and has nominated its arbitrator, MbPT is yet to appoint their arbitrator.

The Parent Company has received notice dated December 24, 2018 from the Security Trustee on behalf of the Lenders of SPV to invoke pledged shares of SPV to the extent of 51% on account of the default under the Common Loan Agreement, against which Parent Company is in active discussions with banks.

The Parent Company has provided its response to the Security Trustee's notice vide their letter dated January 11, 2019 updating the Trustee about the developments that have taken place with respect to amicable settlement with MbPT/Lenders over the last quarter including a One-Time Settlement (OTS) proposal submitted by the SPV which is under consideration with the Lenders, and requested the Trustee not to proceed with the invocation of pledge of shares. In view of the foregoing, the Security Trustee has not acted upon the invocation of pledge of shares and the Parent Company and the SPV has not received any further communication on the matter.

The SPV has lodged a claim of Rs 904.04 crores along with interest at the rate of 18% p.a. in October 2018 with MbPT towards damages/losses on the Project. In addition to the above claim amount, the SPV has intimated MbPT that they shall be liable to release Termination payment in terms of the LA on account of the Licensor's Event of Default under the licence agreement.

Post lodging of claim by the SPV, MbPT has raised a counter claim of Rs 1,850.78 crores on the SPV for the Licensee's Event of Default under the licence agreement.

One Time Settlement (OTS) proposal of Rs 477.11 crores was submitted to the Consortium of Lenders on November 29, 2018. The Lenders in the consortium meeting held on March 19, 2019 have agreed to take the OTS proposal to their respective sanctioning authority, upon the SPV complying with the following:

(i) Details of the investors and the sources of funds, who would be supporting the OTS proposal submitted to the Lenders

(ii) Deposit 10% of the OTS amount in no-lien account with the Lead Bank.

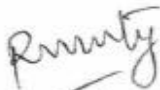
There are significant uncertainties relating to revival of the project which ultimately has an impact on the going concern assumption of the company. The Management is hopeful of amicable resolution in respect of the project.

33 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2019.

34 Previous year figures are regrouped / re-classified wherever necessary.

As per our report of even date attached
For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W

For and on behalf of the Board of Directors
Indira Container Terminal Private Limited


Ruchi Tamhankar
Partner
M.No. 136667




Pravin Marathe
Director
DIN: 07706235


Poonam Sabnis
Director
DIN: 07706230

Place: Mumbai
Date: May 28, 2019