August 25, 2021

BSE Limited	**National Stock Exchange of India Ltd.**
Phiroze Jeejeebjoy Towers	Exchange Plaza, C-1, Block G,
Dalal Street	Bandra Kurla Complex, Bandra (East)
Mumbai 400 001	Mumbai – 400 051
Scrip Code: 532622	Trading Symbol: GDL

Company No.: 532622 / GDL

Deb Scrip Code: 958703 /958704 /958705 /958706 /958707 /958708 /958709 /958710 /958711 /958712 /958713 /958714 /958715

Dear Sir / Madam,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Notice of convening of a meeting of the equity shareholders of Gateway Distriparks Limited on Tuesday, 28 September 2021 at 11.30 a.m. (IST) pursuant to the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") in connection with the composite scheme of amalgamation (merger by absorption) ("Scheme") amongst Gateway Distriparks Limited ("Company"), Gateway East India Private Limited ("GEIPL") and Gateway Rail Freight Limited ("GRFL") and their respective shareholders under Sections 230 to 232 read with other applicable provisions of the Companies Act 2013 and rules framed thereunder ("Act")

This has reference to our letters dated 29 July 2021 and 17 August 2021.

In accordance with the order of the NCLT dated 28 July 2021 passed in the Company Application (CA (CAA) No. 54/MB/2021) ("**Order**"), the Company will be convening a meeting of its equity shareholders on Tuesday, 28 September 2021 at 11:30 a.m. (IST) through video conferencing ("**VC**") or other audio visual means ("**OAVM**") ("**Meeting**"), for the purpose of considering, and if thought fit, to approve, with or without modification(s), the proposed Composite Scheme of Amalgamation (merger by absorption) amongst the Company, GEIPL and GRFL under Sections 230 to 232 and other applicable provisions of the Act.

As per the directions of the NCLT, the notice of the Meeting, together with the explanatory statement and accompanying documents, is being sent through electronic means to the equity shareholders of the Company ("**Notice**"). The Company has considered Monday, 23 August 2021 as the '**cut-off date**' for sending the Notice of the Meeting to all the equity shareholders of the Company whose names appear in the register of members / register of beneficial owners, as maintained by the Depositories ("**Eligible Shareholders**"). No physical copies of the Notice of the Meeting are being sent to any Eligible Shareholder. The Meeting is being conducted through VC/OAVM, in compliance with the operating procedures, issued from time to time, by the Ministry of Corporate Affairs, Government of India and the Order.

GATEWAY DISTRIPARKS LTD.

GATEWAY
DISTRIPARKS LTD.

Please find enclosed a copy of the Notice dated 25 August 2021 which is being issued to the Eligible Shareholders of the Company in connection with convening the Meeting along with the Explanatory Statement and other Annexures for your information and records.

The Company will be offering postal ballot and remote e-voting facility (prior to as well as during the Meeting) to the Eligible Shareholders to cast their votes on the resolution for approving the Scheme as set forth in the Notice of the Meeting. The Company has appointed Link Intime India Private Limited for the purposes of providing remote e-voting facility (made available both prior to as well as during the Meeting) as well as to enable the Eligible Shareholders of the Company to attend and participate in the Meeting through VC/OAVM.

The voting period for postal ballot and remote e-voting prior to the Meeting will commence from Sunday, 29 August 2021 at 9:00 A.M. (IST) and will end on Monday, 27 September 2021 at 5:00 P.M. (IST).

The voting rights for the purposes of postal ballot or remote e-voting facility (made available both prior to as well as during the Meeting), shall be reckoned on the basis of the paid-up value of the equity shares registered in the name of the Eligible Shareholder(s) as on the Cut-Off Date i.e. Monday, 23 August 2021. The detailed instructions for joining the Meeting through VC/OAVM, manner of casting vote through postal ballot and remote e-voting (prior to as well as during the Meeting), are provided in the enclosed Notice of the Meeting.

The Notice is also being made available on the website of the Company – https://www.gateway-distriparks.com/SchemeOfArrangement.php.

Request you to kindly take note of the above.

Thanking you,

Yours faithfully,
For **Gateway Distriparks Limited**

VEENA NAIR
Company Secretary
Encl: as above

GATEWAY DISTRIPARKS LTD.

GATEWAY DISTRIPARKS LIMITED

CIN: L74899MH1994PLC164024

Registered Office: Sector 6, Dronagiri, Taluka Uran, District: Raigad Navi Mumbai – 400707, Maharashtra, India

Phone: +91 22 2724 6500 **Fax**: +91 22 2724 6538 **Email**: investor@gateway-distriparks.com

Website: https://www.gateway-distriparks.com

MEETING OF THE EQUITY SHAREHOLDERS OF GATEWAY DISTRIPARKS LIMITED

(convened pursuant to the order dated 28 July 2021 of the Hon'ble National Company Law Tribunal at Mumbai in Company Application No. CA (CAA) No. 54/MB/2021)

DETAILS OF THE MEETING:

Day	Tuesday
Date	28 September 2021
Time	11.30 A.M. to 12.30 P.M. (IST)
Mode*	Meeting to be held through video conferencing or other audio visual means

** Please note that there shall be no meeting requiring physical presence at a common venue in view of the present circumstances on account of the COVID-19 pandemic.*

POSTAL BALLOT AND REMOTE E-VOTING:

Commencing on	Sunday, 29 August 2021 at 9:00 A.M. (IST)
Ending on	Monday, 27 September 2021 at 5:00 P.M. (IST)

DOCUMENTS ENCLOSED:

S. NO.	CONTENTS	PAGE NOS.
1.	Notice of the meeting of the equity shareholders of Gateway Distriparks Limited ("**GDL**") convened pursuant to the directions of the Hon'ble National Company Law Tribunal at Mumbai ("**Tribunal**") in Company Application No. CA (CAA) No. 54/MB/2021.	4-20
2.	Explanatory Statement under Sections 230(3), 232(1), 232(2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.	21-45

S. NO.	CONTENTS	PAGE NOS.
3.	Composite scheme of amalgamation for: (i) amalgamation (merger by absorption) of Gateway East India Private Limited ("**GEIPL**") with GDL; and (ii) amalgamation (merger by absorption) of GDL (post amalgamation of GEIPL with GDL) with Gateway Rail Freight Limited ("**GRFL**") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "**Scheme**") as filed with the Tribunal, enclosed as **ANNEXURE 1**.	46-102
4.	Order dated 28 July 2021 passed by the Tribunal in Company Application No. CA (CAA) No. 54/MB/2021 directing, *inter alia*, convening the meeting of the equity shareholders of GDL, enclosed as **ANNEXURE 2**.	103-124
5.	Report on Recommendation of Fair Value dated 28 September 2020 issued by SSPA & Co., independent Chartered Accountants, enclosed as **ANNEXURE 3**.	125-135
6.	Fairness Opinion dated 28 September 2020 issued by Corporate Professionals Capital Private Limited, Category I Merchant Banker registered with the Securities and Exchange Board of India, enclosed as **ANNEXURE 4**.	136-144
7.	Complaint Report submitted by GDL on 2 March 2021 to BSE Limited, enclosed as **ANNEXURE 5**.	145-146
8.	Complaint Report submitted by GDL on 20 November 2020 to the National Stock Exchange of India Limited, enclosed as **ANNEXURE 6**.	147-148
9.	Observation Letter dated 12 March 2021 issued by BSE Limited to GDL, enclosed as **ANNEXURE 7**.	149-151
10.	Observation Letter dated 12 March 2021 issued by the National Stock Exchange of India Limited to GDL, enclosed as **ANNEXURE 8**.	152-154
11.	Report adopted by the Board of Directors of GDL pursuant to Section 232(2)(c) of the Companies Act, 2013, enclosed as **ANNEXURE 9**.	155-158
12.	Audited Financials of GDL for the period ended 31 March 2021, enclosed as **ANNEXURE 10**.	159-306
13.	Unaudited Financials of GDL for the period ended 30 June 2021, enclosed as **ANNEXURE 11**.	307-318
14.	Report adopted by the board of directors of GEIPL pursuant to Section 232(2)(c) of the Companies Act, 2013, enclosed as **ANNEXURE 12**.	319-323
15.	Audited Financials of GEIPL for the period ended 31 March 2021, enclosed as **ANNEXURE 13**.	324-371
16.	Unaudited Financials of GEIPL for the period ended 30 June 2021, enclosed as **ANNEXURE 14**.	372

S. NO.	CONTENTS	PAGE NOS.
17.	Report adopted by the board of directors of GRFL pursuant to Section 232(2)(c) of the Companies Act, 2013, enclosed as **ANNEXURE 15**.	373-376
18.	Audited Financials of GRFL for the period ended 31 March 2021, enclosed as **ANNEXURE 16**.	377-499
19.	Unaudited Financials of GRFL for the period ended 30 June 2021, enclosed as **ANNEXURE 17**.	500-502
20.	Applicable information of GRFL in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with due diligence certificate by Corporate Professionals Capital Private Limited, Merchant Banker, enclosed as **ANNEXURE 18.**	503-514
21.	Applicable information of GEIPL in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with due diligence certificate by Corporate Professionals Capital Private Limited, Merchant Banker, enclosed as **ANNEXURE 19.**	515-523
22.	Postal Ballot Form[#]	524-529

[#] In view of the present circumstances on account of the COVID-19 pandemic, the Postal Ballot Form in loose-leaf is not being provided in hard copy. Please refer to the Section titled "Voting Through Postal Ballot" for further details.

Since the meeting is being held through video conferencing or other audio-visual means mode, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the meeting and hence proxy form and attendance slip have not been annexed along with the notice of the meeting

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, AT MUMBAI
COMPANY APPLICATION NO. CA (CAA) No. 54/MB/2021

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013

And

In the matter of Gateway East India Private Limited, a company incorporated under the Companies Act 1956, having Company Identification Number: U51909MH1994PTC346843 and having its registered office at Sector 6, Dronagiri, Tal: Uran, Dt: Raigad, Navi Mumbai, Maharashtra- 400707.
… First Applicant Company/ Transferor Company 1

And

Gateway Distriparks Limited, a company incorporated under the Companies Act 1956 having Company Identification Number: L74899MH1994PLC164024 and having its registered office at Sector 6, Dronagiri, Tal: Uran, Dt: Raigad, Navi Mumbai, Maharashtra- 400707.
… Second Applicant Company / Transferee Company 1 / Transferor Company 2

And

Gateway Rail Freight Limited, a company incorporated under the Companies Act 1956 having Company Identification Number: U60231MH2005PLC344764, and having its registered office at Sector 6, Dronagiri, Tal: Uran, Dt: Raigad, Navi Mumbai, Maharashtra- 400707.
… Third Applicant Company / Transferee Company 2

And

In the matter of the Composite Scheme of Amalgamation amongst Gateway East India Private Limited and Gateway Distriparks Limited into Gateway Rail Freight Limited and their respective shareholders

NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF GATEWAY DISTRIPARKS LIMITED

Notice is hereby given that by an order dated 28 July 2021 in Company Application No. CA (CAA) No. 54/MB/2021 ("**Order**"), the Hon'ble National Company Law Tribunal at Mumbai ("**Tribunal**"), has directed a meeting to be held of the equity shareholders of Gateway Distriparks Limited ("**GDL**") for

the purpose of considering, and if thought fit, approving with or without modification(s), the proposed composite scheme of amalgamation ("**Scheme**") for: (i) amalgamation (merger by absorption) of Gateway East India Private Limited ("**GEIPL**") with GDL; and (ii) amalgamation (merger by absorption) of GDL (post amalgamation of GEIPL with GDL) with Gateway Rail Freight Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "**Act**").

In pursuance of the Order and as directed therein, further notice is hereby given that a meeting of the equity shareholders of GDL will be held on Tuesday, 28 September 2021 between 11.30 A.M. and 12.30 P.M. ("**Meeting**") through video conferencing ("**VC**") or other audio visual means ("**OAVM**"), following the operating procedures (with requisite modifications as may be required) referred to in Circular No.14/2020 dated 8 April 2020, Circular No. 17/2020 dated 13 April 2020, Circular No. 22/2020 dated 15 June 2020, Circular No. 33/2020 dated 28 September 2020, Circular No. 39/2020 dated 31 December 2020 and Circular No. 10/2021 dated 23 June 2021 issued by the Ministry of Corporate Affairs, Government of India. Further, there shall be no meeting requiring physical presence at a common venue in view of the present circumstances on account of the COVID-19 pandemic. At such day, date and time, the said equity shareholders of GDL are requested to attend the Meeting through VC / OAVM.

Persons entitled to attend and vote may vote through postal ballot, or through remote e-voting facility made available both prior to as well as during the Meeting through VC / OAVM. The facility of appointment of proxies by shareholders will not be available for such Meeting. However, a body corporate which is an equity shareholder is entitled to appoint a representative for the purposes of participating and / or voting during the Meeting.

Copy of the notice in relation to the Meeting, together with the documents accompanying the same, including the explanatory statement under Sections 230(3), 232(1), 232(2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Rules**") ("**Explanatory Statement**") and the Scheme can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of GDL, situated at Sector 6, Dronagiri, Taluka Uran, District: Raigad Navi Mumbai – 400707, Maharashtra, India, during business hours between 10:00 A.M. and 5:00 P.M. GDL is required to furnish a copy of the Scheme within one day of any requisition of the Scheme made by any equity shareholder, to GDL by e-mail at investor@gateway-distriparks.com.

The Tribunal has appointed Mr. Prem Kishan Dass Gupta, Chairman & Managing Director of GDL, as the Chairperson of the Meeting, and failing him, Mr Ishaan Gupta, Joint Managing Director of GDL, as the Alternate Chairperson of the Meeting, including for any adjournment(s) thereof. The Tribunal has also appointed Ms. Malati Kumar (Membership No.: 15508) and failing her, Ms. Aparna Gadgil (Membership No.: 14713) of M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries, as the Scrutinizer for the Meeting, including for any adjournment(s) thereof.

TAKE NOTICE that the following resolution is proposed under Section 230(3) of the Act and the provisions of the Memorandum of Association and the Articles of Association of GDL, for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme.

*"**RESOLVED THAT**, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**"), the applicable rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of Master Circular on Scheme of Arrangement by Listed Entities dated 22 December 2020, as amended from time to time, issued by the Securities and Exchange Board of India, the Securities and*

*Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the observation letters dated 12 March 2021 issued by BSE Limited and the National Stock Exchange of India Limited, respectively, and subject to the provisions of the memorandum of association and the articles of association of Gateway Distriparks Limited ("**GDL**") and subject to the approval of the Hon'ble National Company Law Tribunal at Mumbai ("**Tribunal**") and subject to such other approvals, permissions and sanctions of any regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the board of directors of GDL ("**Board**", which term shall be deemed to mean and include one or more committee(s) constituted/ to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the composite scheme of amalgamation for: (i) amalgamation (merger by absorption) of Gateway East India Private Limited ("**GEIPL**") with GDL; and (ii) amalgamation (merger by absorption) of GDL (post amalgamation of GEIPL with GDL) with Gateway Rail Freight Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Act ("**Scheme**") as enclosed to the notice of the Tribunal convened meeting of the equity shareholders of GDL and placed before this meeting, be and is hereby approved.*

***RESOLVED FURTHER THAT**, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the preceding resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/ or conditions, if any, which may be required and/ or imposed by the Tribunal while sanctioning the Scheme or by any authorities under applicable law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/ or making such adjustments in the books of accounts of GDL as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."*

TAKE FURTHER NOTICE that pursuant to the provisions of: (a) Section 230(4) read with Sections 108 and 110 of the Act; (b) Rule 6 (3)(xi) of the Rules; (c) Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof); (d) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"); and (e) Master Circular on Scheme of Arrangement by Listed Entities dated 22 December 2020 issued by the Securities and Exchange Board of India ("**SEBI**"), as amended from time to time ("**SEBI Circular**") and other relevant laws and regulations, as may be applicable, GDL has provided the facility of voting by postal ballot and remote e-voting so as to enable the Equity Shareholders (which includes the Public Shareholders) to consider and approve the Scheme by way of the aforesaid resolution. In addition, e-voting facility shall also be made available during the Meeting, as stated below. Accordingly, voting by equity shareholders on the proposed resolution shall be carried out through postal ballot or through e-voting facility made available both prior to as well as during the Meeting. GDL has appointed Link Intime India Private Limited ("**Link Intime**") for the purposes of providing e-voting facility both prior to as well as during the Meeting.

The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of the Hon'ble Tribunal.

A copy of the Explanatory Statement, the Scheme and other enclosures as indicated above are enclosed and form part of the notice.

Dated this 25th day of August, 2021.

For Gateway Distriparks Limited

Sd/-
Mr. Prem Kishan Dass Gupta
Chairman & Managing Director
(Authorized Signatory)
Chairperson appointed by Hon'ble NCLT for the Meeting of Equity Shareholders of Gateway Distriparks Limited

Registered Office: Sector 6, Dronagiri, Taluka Uran, District: Raigad Navi Mumbai – 400707, Maharashtra, India
CIN: L74899MH1994PLC164024
Email: investor@gateway-distriparks.com

NOTES:

1. The notice in relation to the Tribunal convened meeting of the Equity Shareholders of GDL ("**Meeting**"), together with the documents accompanying the same, including the Explanatory Statement and the Scheme (collectively, the "**Notice**") is being sent to all the Equity Shareholders of GDL as on Monday, 23 August 2021 by e-mail at the last known e-mail address.

   In case the e-mail address of a shareholder is not registered with GDL / Depositories, the instructions given below are to be followed for registering the same:

   (a) If shares are held in demat, the members have to register their email address with their respective Depositories, as per the process defined by them; and

   (b) If, however, shares are held in physical form, Members are advised to register their e-mail address with the Registrar and Transfer Agent by sending communication on rnt.helpdesk@linkintime.co.in along with their folio no. and valid e-mail address for registration.

2. Attending the Meeting through VC/ OAVM: In view of the outbreak of the COVID-19 pandemic, and in terms of the order dated 28 July 2021 of the Hon'ble National Company Law Tribunal at Mumbai ("**Order**"), GDL is convening the Meeting through VC / OAVM, and there shall be no meeting requiring physical presence at a common venue. The proceedings of the Meeting shall however be deemed to be conducted at the registered office of GDL which shall be the deemed venue of the Meeting.

3. A person / entity who is not an Equity Shareholder as on the cut-off date (i.e., Monday, 23 August 2021) should treat this notice for information purposes only and will not be entitled to vote.

4. The Notice will be displayed on the website of GDL at https://www.gateway-distriparks.com/SchemeOfArrangement.php.

5. The Equity Shareholders of GDL are entitled to vote through postal ballot, or through e-voting facility made available, both prior to as well as during the Meeting, which will be held through video conferencing ("**VC**") / other audio visual means ("**OAVM**"), as described below. Further,

since the meeting will be held through VC / OAVM, physical attendance of shareholders has been dispensed with.

6. The facility for appointment of proxies by the shareholders will not be available for the Meeting and hence the proxy form and attendance slip are not annexed to this notice.

7. A body corporate which is an equity shareholder of GDL is entitled to appoint an authorized representative for the purpose of participating and / or voting during the Meeting held through VC / OAVM. Further, such body corporates (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned certified copy (pdf file) of the relevant resolution/ authority letter / power of attorney together with attested specimen signature of the duly authorized representatives who are authorized to vote, to the Scrutinizer at scrutinizer@snaco.net from their registered email address with a copy marked to investor@gateway-distriparks.com, no later than 48 hours before the scheduled time of the Meeting.

8. The authorized representative of the equity shareholder (in case such equity shareholder is a corporate member) should additionally e-mail copy of their valid and legible identity proof (pdf file) issued by a statutory authority (i.e. Pan Card / Aadhaar Card / Passport / Driving License / Voter ID Card) to the Scrutinizer at scrutinizer@snaco.net from their registered email address with a copy marked to investor@gateway-distriparks.com, no later than 48 hours before the scheduled time of the Meeting.

9. Foreign Portfolio Investors or Foreign Institutional Investors, if any, who are registered equity shareholders of GDL would be required to share copies of deposit certified copies of custodial resolutions / power of attorney (pdf file), as the case may be, authorizing the individuals named therein, to attend and vote at the Meeting on its behalf. These documents must be sent by e-mail to the Scrutinizer at scrutinizer@snaco.net from their registered email address with a copy marked to investor@gateway-distriparks.com , no later than 48 hours before the scheduled time of the Meeting.

10. In case of joint holders attending the Meeting, only such joint holder whose name appears at the top in the hierarchy of names shall be entitled to vote.

11. In terms of the directions contained in the Order, "*the quorum of the meeting of the equity shareholders shall be as prescribed under Section 103 of the Companies Act, 2013.*" (i.e., 30 (thirty) equity shareholders of GDL). Further, the Order also directs that in case the required quorum for the Meeting is not present at the commencement of the Meeting, then the Meeting shall be adjourned by half an hour (i.e., 30 minutes) and thereafter, the persons present shall be deemed to constitute the quorum.

12. In terms of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the equity shareholders of GDL if the resolution mentioned above in the Notice has been approved at the Meeting by a majority of persons representing three-fourths in value of the equity shareholders of GDL, voting through postal ballot, or through e-voting facility made available both prior to as well as during the Meeting through VC / OAVM. The resolutions shall be deemed to be passed at the registered office of GDL on the date of the Meeting, subject to receipt of the requisite number of votes in favour of the resolutions as stated above.

13. The SEBI Circular, *inter alia*, provides that approval of Public Shareholders of GDL to the Scheme shall be obtained by way of voting through e-voting. Since, GDL is seeking the approval of its equity shareholders (which includes Public Shareholders) to the Scheme by way

of voting through postal ballot and e-voting, no separate procedure for voting through e-voting would be required to be carried out by GDL for seeking the approval to the Scheme by its Public Shareholders in terms of SEBI Circular. The aforesaid notice sent to the equity shareholders (which includes Public Shareholders) of GDL would be deemed to be the notice sent to the Public Shareholders of GDL. For this purpose, the term "Public" shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term "Public Shareholders" shall be construed accordingly.

14. In terms of the directions contained in the Order, the notice convening the Meeting will be published by GDL through advertisement in 'Business Standard' (Mumbai edition, in English) and 'Sakal' (Mumbai edition, in Marathi), both having wide circulation in the State of Maharashtra indicating the day, date, mode and time of the Meeting and stating that the copies of the notice together with the documents accompanying the same, including the Explanatory Statement and the Scheme can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of GDL, situated at Sector 6, Dronagiri, Taluka Uran, District: Raigad Navi Mumbai – 400707, Maharashtra, India, during business hours between 10:00 A.M. and 5:00 P.M.

15. Pursuant to the provisions of Section 230(4) read with Section 108 and Section 110 of the Act read with Rule 6(3)(xi) of the Rules read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time), Regulation 44 of the SEBI Listing Regulations and other applicable provisions, if any, of the Act and of SEBI Listing Regulations, and the SEBI Circular, GDL will be offering postal ballot and e-voting facility to the equity shareholders (including the Public Shareholders) to cast their votes (for or against) on the resolution set forth in this Notice.

16. The equity shareholders desiring to exercise their vote through postal ballot or by using remote e-voting facility are requested to carefully follow the instructions set out in the notes below under the headings "*Voting through Postal Ballot*" or "*Voting through Remote E-voting*", as the case may be.

17. The voting rights of an equity shareholder shall be in proportion to such equity shareholder's equity shareholding in GDL as on Monday, 23 August 2021.

18. Please note that each equity shareholder (including public shareholders) can opt for only one mode for voting i.e., through postal ballot or through e-voting prior to or at the Meeting (through VC/ OAVM). In case equity shareholders cast their vote via both the modes i.e., postal ballot as well as e-voting either prior to or at the Meeting, then voting done through e-voting mode shall prevail and voting by equity shareholder through other means shall be treated as invalid.

19. The details regarding E-voting Event Number, User ID and Password along with other instructions are set out below under the section "*Voting through Remote E- voting*".

20. It is clarified that casting of votes by remote e-voting (prior to the Meeting) or postal ballot does not disentitle an equity shareholder from attending the Meeting. However, any equity shareholder who has voted through e-voting prior to the Meeting or postal ballot cannot vote through remote e-voting during the Meeting. The equity shareholders of GDL attending the Meeting through VC / OAVM who have not cast their vote either through postal ballot or remote e-voting prior to the Meeting shall be entitled to exercise their vote using the e-voting facility made available during the Meeting through VC / OAVM.

21. The scrutinizer will submit his combined report to the Chairperson and/ or the alternate Chairperson (as the case may be) after completion of the scrutiny of the votes cast by the equity shareholders (including Public Shareholders) of GDL through postal ballot and remote e-voting (both prior to and during the Meeting). The Scrutinizer's decision on the validity of the votes shall be final. The results will be announced on or before Thursday, 30 September 2021. The results along with the report of the Scrutinizer shall be displayed at the registered office of GDL situated at Sector 6, Dronagiri, Taluka Uran, District: Raigad Navi Mumbai – 400707, Maharashtra, India and its website https://www.gateway-distriparks.com and Link Intime's website https://instavote.linkintime.co.in, besides being communicated to the stock exchanges namely, the National Stock Exchange of India Limited and BSE Limited (collectively, the "**Stock Exchanges**") where the equity shares of GDL are listed.

22. The voting period for postal ballot and remote e-voting (prior to the Meeting) commences on Sunday, 29 August 2021 at 9:00 A.M. (IST) and ends on Monday, 27 September 2021 at 5:00 P.M. (IST) During this period, the equity shareholders holding equity shares either in physical form or in dematerialized form, as on Monday, 23 August 2021, being the cut-off date, may cast their vote (for or against) electronically or by postal ballot. Once the vote on the resolution is cast by an equity shareholder and subject to Note 18 above, such equity shareholder will not be allowed to change it subsequently.

VOTING THROUGH POSTAL BALLOT

23. As mentioned above, the postal ballot form in loose leaf is not being sent separately in hard copy in view of the ongoing COVID-19 pandemic.

24. The equity shareholders desiring to exercise their votes by postal ballot are requested to carefully read the instructions printed in the enclosed postal ballot form and in the notice, and return scan (pdf file) of the duly completed postal ballot form, signed and authenticated by the person entitled to vote, alongwith the documents referred below (as applicable) by e-mail to the Scrutinizer at scrutinizer@snaco.net from their registered email address with a copy marked to investor@gateway-distriparks.com , no later than 5:00 P.M. on 27 September 2021. If any e-mail containing the postal ballot is received after 5:00 P.M. on 27 September 2021, it will be considered that no reply from the equity shareholder has been received.

25. Alternatively, the equity shareholder may send by registered post (if feasible / permissible under the present circumstances on account of COVID-19 pandemic), the duly completed postal ballot form, signed and authenticated by the person entitled to vote, alongwith the documents referred herein, in the sealed prepaid envelope to the registered office of GDL (to the kind attn. of Ms. Veena Nair). However, GDL encourages its equity shareholders to send copy of the duly completed postal ballot form and other documents via e-mail or avail the e-voting facility made available prior to or at the Meeting instead of sending physical copies under the present circumstances.

26. The postal ballot form can also be downloaded from the website https://www.gateway-distriparks.com/SchemeOfArrangement.php

27. The postal ballot form should be completed and signed by the equity shareholder (as per specimen signature registered with GDL and / or furnished by the Depositories). In case, shares are jointly held, this form should be completed and signed by the first named member and, in his/ her absence, by the next named member. Holder(s) of power of attorney ("**PoA**")

on behalf of an equity shareholder may vote on the postal ballot mentioning the registration number of the PoA with GDL and sending a scan of the PoA authenticated by a notary (if permissible under the present circumstances on account of COVID-19 pandemic) or alternatively self-attesting it, to the Scrutinizer at scrutinizer@snaco.net from their registered email address with a copy marked to investor@gateway-distriparks.com. Further, the body corporate holding equity shares of GDL and voting through postal ballot are required to send scanned certified true copy (PDF file) of the relevant resolution/ authority letter together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer at scrutinizer@snaco.net from their registered email address with a copy marked to investor@gateway-distriparks.com, no later than 48 hours before the scheduled time of the Meeting.

28. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected by the Scrutinizer. There will be only one postal ballot form for every registered folio / client ID irrespective of the number of joint equity shareholders and only the primary holder will be considered for voting.

29. The vote on postal ballot cannot be exercised through proxy.

VOTING THROUGH REMOTE E-VOTING

30. GDL has appointed Link Intime to provide remote e-voting facility as well as to enable the equity shareholders (or its authorized representatives, as the case may be) of GDL to attend and participate in the Meeting through VC / OAVM.

31. The equity shareholders of GDL are provided with the facility to cast their vote remotely on the resolution set-forth in this Notice through remote e-voting platform provided by Link Intime, accessible at https://instavote.linkintime.co.in.

32. Details of persons to be contacted for issues relating to e-voting (both prior to and during the Meeting):

Mr. Rajiv Ranjan
Assistant Vice President,
Link Intime India Private Limited Unit: Gateway Distriparks Limited
C 101, 247 Park, Lal Bahadur Shastri Rd, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083
Tel. No.: 022 – 4918 6000
Toll Free No.: 1800 1020 878
Fax No.: +91 22 49186060
E-mail: enotices@linkintime.co.in / insta.vote@linkintime.co.in
Website: https://www.linkintime.co.in.

EQUITY SHAREHOLDERS OF GDL AVAILING REMOTE E-VOTING FACILITY PRIOR TO THE MEETING

33. The remote e-voting period pertaining to the remote e-voting facility prior to the Meeting begins on Sunday, 29 August 2021 at 9:00 A.M. (IST) and ends on Monday, 27 September 2021 at 5:00 P.M. (IST). The remote e-voting module shall be disabled by Link Intime for voting thereafter.

34. Shareholders who have not cast their vote through postal ballot and who do not intend to cast

their vote during the Meeting through VC / OAVM platform, may cast their vote through the remote e-voting facility made available prior to the Meeting.

35. Any person who has acquired equity shares of GDL and is a member as on Monday, 23 August 2021, may obtain the notice and e-voting instructions by sending a request at enotices@linkintime.co.in / insta.vote@linkintime.co.in.

36. The procedure and instructions for remote e-voting facility are as follows:

(a) Pursuant to SEBI circular dated December 9, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through their respective demat account / website of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider.

(b) Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-voting facility.

(c) Login method for shareholders holding securities in demat mode/ physical mode is given below:

Individual shareholders holding securities in demat mode/ physical mode

TYPE OF MEMBERS	LOGIN METHOD
Members holding securities in demat mode with NSDL	**1. User already registered for NSDL IDeAS facility** (a) Please visit the e-Services website of NSDL at the URL: https://eservices.nsdl.com. (b) Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. (c) On the new screen, please enter your User ID and Password. (d) After successful authentication, you will be able to see e-voting services. Click on 'Access to e-voting' under e-voting services. (e) On the e-voting page, you will see Company's name or e-voting service provider's name. Click on Company name or that of the e-voting service provider. (f) You will be re-directed to e-voting service provider's website for casting your vote during the remote e-voting period or for joining virtual Meeting and voting during the Meeting. **2. User not registered for NSDL IDeAS facility** (a) Option to register is available at the link https://eservices.nsdl.com. (b) Select 'Register Online for IDeAS' or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.

TYPE OF MEMBERS	LOGIN METHOD
	(c) Visit the e-voting website of NSDL and follow the steps given in point 1 under this section. **3. Alternatively by directly accessing the e-voting** (a) Open web browser by typing the URL viz. https://www.evoting.nsdl.com. (b) Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. (c) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL starting with IN – DP ID and Client ID), password/OTP and a verification code as shown on the screen. (d) After successful authentication, you will be redirected to NSDL's website wherein you can see e-voting page. Click on the Company's name or e-voting service provider's name and you will be redirected to e-voting service provider's website for casting your vote during the remote e-voting period or for joining virtual Meeting and voting during the Meeting.
Members holding securities in demat mode with CDSL	**1. Existing users who have opted for Easi / Easiest** (a) Please visit the e-Services website of CSDL at the URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com, thereafter, please click on New System 'Myeasi'. (b) On the new screen, please enter your User ID and Password for accessing Easi / Easiest. (c) After successful login of Easi / Easiest you will also be able to see the e-voting menu. The menu will have links of e-voting service provider's i.e. Link Intime, NSDL, CDSL and KFinTech. Click on e-voting service provider's name to cast your vote. **2. If the user is not registered for Easi / Easiest** (a) An option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. (b) Then visit the e-voting website of CSDL and follow the steps given in point 1 under this section. **3. Alternatively, by directly accessing the e-voting page** (a) You can directly access e-voting page by providing demat Account Number and PAN from the link www.cdslindia.com. (b) The system will authenticate your details by sending OTP on registered mobile and email ID as recorded in the demat Account. (c) After successful authentication, you will enter the e-voting module of CDSL. Click on the e-voting link available against Company's

TYPE OF MEMBERS	LOGIN METHOD
	name or e-voting service provider's name and you will be re-directed to the e-voting page of service provider to cast your vote.
Members (holding securities in demat mode) and login through their Demat account	1. Members can also login using the login credentials of his/her demat account through their Depository Participant (DPs) registered with NSDL/CDSL for e-voting facility. 2. After logging in to the DPs portal, you will be able to see e-voting option. Upon clicking on e-voting option, you will be redirected to respective depository's website after successful authentication to the e-voting feature. 3. Click on the Company's name or e-voting service provider's name and you will be redirected to e-voting service provider's website for casting your vote during the remote e-voting period or for joining virtual Meeting and voting during the Meeting.
Members holding securities in Physical mode and e-voting service provider is LINKINTIME (RTA)	1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in. 2. Click on **'Sign Up'** under **'SHAREHOLDER'** tab and register with your following details: (a) **User ID:** Members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company. (b) **PAN:** Enter your 10-digit PAN (Members who have not updated their PAN with the RTA/ Company shall use the sequence number provided, if applicable). (c) **Date of Birth (DOB) / Date of Incorporation (DOI):** Enter the DOB/ DOI (as recorded with your RTA / Company - in DD/MM/YYYY format) (d) **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with the RTA/Company. Members holding shares in **physical form** but have not provided or updated the information at 'C' or 'D' with their RTA/ Company, should provide their Folio number in 'D' above. 3. Set the password of your choice (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter). 4. Click on "confirm" to generate your new password. 5. Click on 'Login' under '**SHAREHOLDER**' tab. 6. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'.** 7. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon**.** 8. E-voting page will appear on the screen.

TYPE OF MEMBERS	LOGIN METHOD
	9. Refer the resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'. 10. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. 11. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, Members can login any number of times till you have voted on the resolution(s) for a particular "Event"

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as **'Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

Members holding securities in Physical mode & have forgotten the password:

(a) Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**

(b) Enter **User ID,** select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **'Submit'**.

(c) In case Member is having valid email address, password will be sent to his/ her registered e-mail address. Else, Member can set the password of his/her choice by providing the information about the particulars of the security question & answer, PAN, DOB/ DOI, dividend bank details, etc. and confirm. (The password should contain minimum 8 characters, with at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

Important note:

- Please note that these details can only be used for voting on the resolutions contained in this Notice.
- It is strongly recommended not to share password with any other person and take utmost care to keep it confidential.

Members holding securities in demat mode with NSDL/ CDSL have forgotten the password:

Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

Important note:

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Contact details of helpdesk:

Members may contact the respective helpdesk, as per the details given below:

LOGIN TYPE	HELPDESK DETAILS
Members holding securities in demat mode with NSDL	(a) Please send a request at evoting@nsdl.co.in; or (b) Please call at toll free no.: 1800 1020 990 and 1800 22 44 30.
Members holding securities in demat mode with CDSL	(a) Please send a request at helpdesk.evoting@cdslindia.com or (b) Please contact at 022- 23058738 or 022-23058542-43
LINKINTIME	Members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at https://instavote.linkintime.co.in, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

EQUITY SHAREHOLDERS OF GDL ATTENDING THE MEETING THROUGH VC / OAVM AND AVAILING E-VOTING FACILITY DURING THE MEETING

37. Equity Shareholders will be provided with a facility to attend the meeting through video conferencing platform provided by Link Intime India Private Limited. Equity Shareholders are requested to visit https://instameet.linkintime.co.in.

(a) Open the internet browser and launch the URL for InstaMeet - https://instameet.linkintime.co.in and register with your following details:

(i) Demat Account No. or Folio No.: Enter your 16-digit Demat Account No. or Folio Number registered with the Company

(ii) PAN: Enter your 10 digit Permanent Account Number (PAN)

(iii) Mobile No.

(iv) Email ID

(b) Click "Go to Meeting" (The shareholder is now registered for InstaMeet and their attendance is marked for the meeting)

Note:

Shareholders/ Members may join the Meeting through Smartphones, Tablets or Laptops connected through broadband for better experience. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/ Video loss due to respective network connectivity. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case the members have any queries or issues regarding Instameet, you can write an email to instameet@ linkintime.co.in or Call us: - Tel : (022-49186175).

Guidelines to attend the meeting proceedings:

For a smooth experience of viewing the meeting proceedings through InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

(a) Please download and install the Webex application by clicking on the link https://www.webex.com / downloads.html/ or

(b) if you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

(i) Enter your First Name, Last Name and Email ID and click on Join Now.

- If you have already installed the Webex application on your device, join the meeting by clicking on Join Now

- If Webex application is not installed, a new page will appear giving you an option to either. Add Webex to chrome or Run a temporary application. Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

38. The remote e-voting window shall be activated upon instructions of the Chairperson during the Meeting.

39. The procedure for remote e-voting during the Meeting is same as the instructions mentioned above for remote e-voting prior to the Meeting.

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

(a) On the Shareholders VC page, click on the link for e-Voting "Cast your vote"

(b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.

(c) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

(d) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

(e) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

(f) Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently

Note:

Shareholders/ Members, who will be present in the Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Meeting will not be eligible to vote again during the meeting. However, they will be eligible to attend/participate in the Meeting through InstaMeet.

Once the vote on a resolution stated in this notice is cast by equity shareholder through remote e-voting, the equity shareholder shall not be allowed to change it subsequently and such e-vote shall be treated as final.

In case the shareholders/members have any queries or issues regarding e-voting, you can email at instameet@linkintime.co.in or Call at - Tel : (022-49186175)

40. The equity shareholders of GDL can join the Meeting 15 minutes before and after the scheduled time of commencement of the Meeting by following the procedure mentioned in this Notice.

41. Log-in to the VC / OAVM platform using the remote e- voting credentials by the equity shareholder shall be considered for record of attendance of such shareholder for the Meeting, and the attending of Meeting upon its commencement will be counted for the purpose of reckoning the quorum in terms of the Order.

42. Submission of Questions/ queries prior to the Meeting: Equity shareholders of GDL desiring any additional information or having any question or query are requested to e-mail GDL at investor@gateway-distriparks.com or to Link Intime at enotices@linkintime.co.in / insta.vote@linkintime.co.in, at least 2 days before the date of the Meeting so as to enable GDL to keep the information ready.

43. Speaker Registration before the Meeting**:** In addition to the above, speaker registration may also be allowed during the remote e-voting period prior to the Meeting. Shareholders may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at investor@gateway-distriparks.com from 20 September 2021 (9:00 A.M. IST) to 22 September 2021 (5:00 P.M. IST). Shareholders are requested to remember the same and wait for their turn to be called by the Chairperson of the Meeting during the Question & Answer Session. Due to inherent limitation of transmission and coordination during the Meeting, GDL may have to dispense with or curtail the Question & Answer Session. Hence, shareholders are encouraged to send their questions/ queries etc., in advance as provided in Note 42 above.

PROCEDURE FOR REGISTERING THE EMAIL ADDRESSES AND OBTAINING THE NOTICE AND E- VOTING INSTRUCTIONS BY THE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES (IN CASE OF MEMBERS HOLDING SHARES IN DEMAT FORM) OR WITH LINK INTIME (IN CASE OF MEMBERS HOLDING SHARES IN PHYSICAL FORM)

44. Shareholders whose email ids are not registered, can send an email to GDL at investor@gateway-distriparks.com or to Link Intime at enotices@linkintime.co.in / insta.vote@linkintime.co.in, to obtain the notice and e-voting instructions.

Shareholders:

(a) holding shares in Demat form can get their Email ID registered by contacting their respective Depository Participant / Depositories.

(b) holding shares in physical form may register their Email address and mobile number with GDL's Registrar and Transfer Agents, Link Intime India Private Limited by sending an email request at the email ID enotices@linkintime.co.in / insta.vote@linkintime.co.in along with signed scanned copy of the request letter providing the email address, mobile number, self-attested copy of the PAN card and copy of the Share Certificate for registering their email address and receiving the Notice and the e-voting instructions.

45. Those shareholders who have already registered their email addresses are requested to keep their email addresses validated/ updated with their Depository Participants / Link Intime to enable servicing of Notice and other related communications (if any) electronically to their email address in future.

46. All documents referred to in the Notice and the accompanying Explanatory Statement will be available for inspection by the equity shareholders at the registered office of GDL, situated at

Sector 6, Dronagiri, Taluka Uran, District: Raigad Navi Mumbai – 400707, Maharashtra, India, on all days, except Saturday, Sunday and public holidays, between 10:00 A.M. and 5:00 P.M

47. Any queries/ grievances in relation to the Notice may be addressed to the company secretary of GDL at the registered office of GDL or through e-mail at investor@gateway-distriparks.com.

Enclosures: As above

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1), 232(2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS GATEWAY DISTRIPARKS LIMITED

1. This explanatory statement is being furnished pursuant to Sections 230(3), 232(1), 232(2) and 102 of the Companies Act, 2013 ("**Act**") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**"Rules"**) ("**Explanatory Statement**").

2. Pursuant to the order dated 28 July 2021 under Section 230(1) of the Act in Company Application No. CA (CAA) No. 54/MB/2021 ("**Order**"), passed by the Hon'ble National Company Law Tribunal at Mumbai ("**Tribunal**"), a meeting of the equity shareholders of Gateway Distriparks Limited ("**GDL**" or **"Transferor Company 2**" or "**Transferee Company 1**") is being convened on Tuesday, 28 September, 2021 between 11.30 A.M. to 12.30 P.M. ("**Meeting**") through video conferencing ("**VC**") or other audio visual means ("**OAVM**"), for the purpose of considering and, if thought fit, approving with or without modification(s), the composite scheme of amalgamation between GDL, Gateway East India Private Limited ("**GEIPL**" or "**Transferor Company 1**") and Gateway Rail Freight Limited ("**GRFL**" or "**Transferee Company 2**") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Act ("**Scheme**"). The Scheme as filed with the Tribunal is enclosed as **ANNEXURE 1**. Please refer to note nos. 72 and 74 of this Explanatory Statement for the rationale and salient features of the Scheme, respectively.

3. GDL, GEIPL and GRFL are hereafter collectively referred to as the Companies.

4. Capitalized terms which are used in this Explanatory Statement but which are not defined herein shall have the meaning assigned to them in the Scheme, unless otherwise stated.

5. In terms of the directions contained in the Order, "*the quorum of the meeting of the equity shareholders shall be as prescribed under Section 103 of the Companies Act, 2013.*" (i.e., 30 (thirty) equity shareholders of GDL). Further, the Order also directs that in case the required quorum for the Meeting is not present at the commencement of the Meeting, then the Meeting shall be adjourned by half an hour (i.e. 30 minutes) and thereafter, the persons present shall be deemed to constitute the quorum.

6. For the purposes of computing the quorum, the authorized representatives shall also be considered, subject to requisite documents being submitted in the manner described above.

7. In terms of the Order, Mr. Prem Kishan Dass Gupta, Chairman & Managing Director of GDL, as the Chairperson of the Meeting, and failing him, Mr Ishaan Gupta, Joint Managing Director of GDL, as the Alternate Chairperson of the Meeting, including for any adjournment(s) thereof. The Tribunal has also appointed Ms. Malati Kumar (Membership No.: 15508) and failing her, Ms. Aparna Gadgil (Membership No.: 14713) of M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries, as the Scrutinizer for the Meeting, including for any adjournment(s) thereof.

8. The Scheme was placed before the Audit Committee of GDL ("**Audit Committee**") at its meeting held on 28 September 2020. On the basis of its evaluation and independent judgment and consideration of the report on recommendation of fair value dated 28 September 2020 issued by SSPA & Co., independent Chartered Accountants ("**Valuation Report**") and the fairness opinion dated 28 September 2020 issued by Corporate Professionals Capital Private

Limited, a Category-I merchant banker registered with the Securities and Exchange Board of India, the Audit Committee approved and recommended the Scheme to the board of directors ("**Board**") of GDL.

9. The Board of GDL, based on the independent recommendation of the Audit Committee, at its meeting held on 28 September 2020, approved the Scheme pursuant to resolution dated 28 September 2020.

10. The Board of GEIPL at its meeting held on 28 September 2020, approved the Scheme pursuant to its resolution dated 28 September 2020.

11. The Board of GRFL, based on the independent recommendation of the Audit Committee, at its meeting held on 28 September 2020, approved the Scheme pursuant to resolution dated 28 September 2020.

12. The Scheme is presented pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act, for (a) amalgamation (merger by absorption) of the Transferor Company 1 / GEIPL with the Transferee Company 1 / GDL; and (b) amalgamation (merger by absorption) of the Transferor Company 2 / GDL (post amalgamation of the Transferor Company 1 with the Transferee Company 1 / GDL) with the Transferee Company 2 / GRFL ("**Amalgamation**"). Additionally, the Scheme also provides for various other matters consequential or otherwise integrally connected with the Scheme.

13. In terms of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the equity shareholders of GDL if the resolution mentioned above in the Notice has been approved at the Meeting by a majority of persons representing three-fourths in value of the equity shareholders of GDL, voting through postal ballot, or remote e-voting facility made available both prior to and during the Meeting through VC / OAVM.

14. In terms of the SEBI Circular, the Scheme shall be acted upon only if the votes cast by the public shareholders of the Second Applicant Company in favour of the resolution for approval of Scheme are more than the number of votes cast by the public shareholders of the Second Applicant Company against it.

15. If the entries in the records/registers of the Second Applicant Company in relation to the number or value, as the case may be, of the equity shares are disputed, the Chairperson of the Meeting shall determine the number or value, as the case may be, for the purposes of the said Meeting.

DETAILS OF GDL AS PER RULE 6(3) OF THE RULES

16. Details of GDL (i.e., Transferor Company 2)

GATEWAY DISTRIPARKS LIMITED	
Corporate Identification No. (CIN)	L74899MH1994PLC164024
Permanent Account No. (PAN)	AAACG3425C
Incorporation Date	6 April 1994

GATEWAY DISTRIPARKS LIMITED	
Type of Company	Public Limited Company
Registered Office Address	Sector-6, Dronagiri, Taluka Uran, Raigad, Navi Mumbai – 400 707, India
Email	investor@gateway-distriparks.com
Stock Exchange(s) where securities of GDL are listed	GDL's equity shares are listed on the BSE Limited and the National Stock Exchange of India Limited. Non-Convertible Debentures issued by GDL are listed on Wholesale Debt Market Segment of BSE Limited.

17. Summary of the main objects as per the memorandum of association of GDL:

The objects for which GDL has been established are set out in its memorandum of association. The main objects as set out in the memorandum of association are as under:

"1. To develop, equip, manage, acquire, establish or otherwise to acquire on case and bounded warehouses container freight station, container depot and transportation facilities, to provide bonded and general warehousing container repair, container storage, packing, unpacking and transport facilities for all kinds of goods, merchandise, commodities, link stock and all kinds of things and materials, machinery, equipment and vehicles.

2. To act as commission agent, consultant and liaison agent in respect of services referred to in sub cause (1) above and for the development and maintenance of these services.

3. To carry on business clearing and forwarding agent, shipping agents and cargo agents whether within or outside the territories of India or to appoint clearing agents, shipping agents and cargo agents on commission basis or on behalf of other parties."

18. Main business carried on by GDL: GDL is an integrated inter-modal logistics facilitator in India and operates two Container Freight Stations at Navi Mumbai, one at Chennai and one at Krishnapatnam.

19. Details of the capital structure of GDL including authorized, issued, subscribed and paid-up share capital:

PARTICULARS	AMOUNT (IN RS.)
Authorized Share Capital as on 31 July 2021	
12,50,00,000 Equity Shares of Rs. 10 each	125,00,00,000
Issued, Subscribed and Fully Paid-up Share Capital as on 31 July 2021	
12,48,35,908 Equity Shares of Rs. 10 each	124,83,59,080

20. Details of change of name of GDL during the last five years: There has been no change in the name of GDL during the last five years.

21. Details of change in registered office of GDL during the last five years: There has been no change in GDL's registered office during the last five years.

22. Details of change in objects of GDL during the last five years: There has been no change in GDL's objects during the last five years.

23. Names of the Promoter and Promoter group of GDL along with their addresses:

S. NO.	NAME	ADDRESS
1.	Prem Kishan Dass Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
2.	Mamta Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
3.	Ishaan Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
4.	Samvid Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
5.	Prism International Private Limited	206, Southern Park, Saket District Centre, Saket New Delhi - 110017
6.	Perfect Communications Private Limited	206, Southern Park, Saket District Centre, Saket New Delhi – 110017

24. Names of the directors of GDL as on 31 July 2021 along with their addresses:

S. NO.	NAME OF THE DIRECTOR	DESIGNATION	ADDRESS
1.	Prem Kishan Dass Gupta	Chairman and Managing Director	94 Sainik Farm, Khanpur, New Delhi 110062
2.	Ishaan Gupta	Joint Managing Director	94 Sainik Farm, Khanpur, New Delhi 110062
3.	Shabbir Hakimuddin Hassanbhai	Non-Executive - Independent Director	36, Keppel Bay Drive #05-78, Caribbean At Keppel Bay, Singapore 098653
4.	Mamta Gupta	Non-Executive - Non-Independent Director	94 Sainik Farm, Khanpur, New Delhi 110062
5.	Arun Kumar Gupta	Non-Executive - Independent Director	S 131, First Floor, Greater Kailash 2, New Delhi 110048
6.	Samvid Gupta	Non-Executive – Non-	94 Sainik Farm, Khanpur, New

S. NO.	NAME OF THE DIRECTOR	DESIGNATION	ADDRESS
		Independent Director	Delhi 110062
7.	Shukla Wassan	Non-Executive - Independent Director	Bld 214, The Belaire, DLF City Phase-V, Gurgaon 122011
8.	Anil Aggarwal	Additional Director (Independent)	13, Ground floor, Paschimi Marg, Vasant Vihar – 1, South West, Delhi 110057

25. The date of the board meeting at which the Scheme was approved by the Board of GDL including the names of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Scheme was unanimously approved by the Board of GDL on 28 September 2020. The details of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution are as under:

S. NO.	NAMES OF THE DIRECTORS (PRESENT AT THE BOARD MEETING)	VOTE
1.	Prem Kishan Dass Gupta	For the resolution
2.	Ishaan Gupta	For the resolution
3.	Shabbir Hakimuddin Hassanbhai	For the resolution
4.	Bhaskar Avula Reddy	For the resolution
5.	Mamta Gupta	For the resolution
6.	Arun Kumar Gupta	For the resolution
7.	Samvid Gupta	For the resolution
8.	Shukla Wassan	For the resolution

All directors present at the meeting participated and voted in favour of the resolution approving the Scheme. No director voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

26. As on 28 February 2021, the amount due to the unsecured creditors of GDL was Rs. 31,73,54,035.

27. Disclosure about the effect of the Scheme on the material interests of directors and key managerial personnel of GDL:

None of the directors, the "Key Managerial Personnel" (as defined under the Act and rules formed thereunder) of GDL and their respective "Relatives" (as defined under the Act and

rules formed thereunder) have any material interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Companies, if any.

28. Disclosure about the effect of the Scheme on the following persons in relation to GDL:

S. NO.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
1.	Promoter & Non-Promoter Shareholders	Upon the Scheme becoming effective, in consideration for the Amalgamation of the Transferor Company 2 with the Transferee Company 2, the Transferee Company 2 shall without any further application or deed, issue and allot to the equity shareholders of the Transferor Company 2 (whose names appear in the register of members or register of beneficial owners maintained by the registrar and transfer agent as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be), the equity shares of the Transferee Company 2 in accordance with their respective entitlement in the ratio of 4:1 ("**Share Exchange Ratio**"), meaning thereby that upon this Scheme becoming effective, for 1 fully paid equity share(s) of Rs. 10 each held by such shareholder in Transferor Company 2 as on the Record Date, the holder thereof shall be entitled to receive 4 fully paid up equity share(s) of the Transferee Company 2 of Rs. 10 each
2.	Creditors	In terms of Clause 19.4 of Part D of the Scheme, all Liabilities of the Transferor Company 2 of every kind, nature and description whatsoever, whether provided for or not in the books of accounts of the Transferor Company 2, as on the Appointed Date 2 and all other liabilities which may accrue or arise after the Appointed Date 2 but which relate to the period on or up to the Appointed Date 2 (including all liabilities of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme) shall also without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company 2 and the same shall be assumed by the Transferee Company 2 to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date 2, the Liabilities of the Transferee Company 2 on the same terms and conditions as were applicable to the Transferor Company 2 or Transferor Company 1
3.	Depositors/ Deposit Trustee	Not Applicable. As on date, GDL does not have any outstanding public deposits and therefore there is no effect of the Scheme on any such depositors and deposit trustee.
4.	Debenture Holders/	In terms of Clause 19.4.2 of Part D of the Scheme, all NCDs issued by the Transferor Company 2, and the related

S. NO.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
	Debenture Trustee	obligations (to the extent any such NCDs are outstanding as on the Effective Date), shall stand transferred to and vested in the Transferee Company 2 on the same terms and conditions Upon the Scheme becoming effective, subject to the requirement, if any, imposed or concession, if any, by BSE Limited, and other terms and conditions agreed with BSE Limited, the outstanding NCDs issued by Transferor Company 2 as of the date of effectiveness of the Scheme, which shall stand transferred to Transferee Company 2 pursuant to the Scheme shall be listed and admitted to trading on the Wholesale Debt Market Segment of BSE Limited, where the debentures are currently listed.
5.	Employees/ Key Managerial Personnel	The employees and KMPs of GDL shall be transferred to GRFL without any interruption in their service in terms of the Scheme.
6.	Directors	Upon the Scheme coming into effect, the Board of GDL shall be dissolved with the dissolution of GDL.

29. In compliance with the provisions of section 232(2)(c) of the Act, the Board of GDL, has adopted a report, *inter- alia*, explaining the effect of the Scheme on their shareholders. A copy of the report adopted by the Board of GDL is enclosed as **ANNEXURE 9**.

30. The audited financials for the financial year ended 31 March 2021 and the unaudited financials for the period ended 30 June 2021 of GDL are enclosed as **ANNEXURE 10** and **ANNEXURE 11**, respectively.

31. No investigation proceedings are pending in relation to GDL under Sections 235 to 251 of the Companies Act, 1956 or under Sections 210 to 227 of the Act.

32. To the knowledge of GDL no winding-up petition (including under Section 433 read with Section 434 of the Companies Act, 1956) and/ or insolvency proceedings under the Insolvency and Bankruptcy Code, 2016 are pending against GDL.

33. GDL has filed a copy of the Scheme with the Registrar of Companies, Mumbai, pursuant to Section 232(2)(b) of the Act.

DETAILS OF GEIPL AS PER RULE 6(3) OF THE RULES

34. Details of GEIPL (i.e., Transferor Company 1)

GATEWAY EAST INDIA PRIVATE LIMITED	
Corporate Identification No. (CIN)	U51909MH1994PTC346843
Permanent Account No. (PAN)	AABCV1938N

GATEWAY EAST INDIA PRIVATE LIMITED	
Incorporation Date	11 May 1994
Type of Company	Private Limited Company
Registered Office Address	Sector 6, Dronagiri, Taluka Uran Navi Mumbai Raigarh, Maharashtra - 400707
Email	srikanth.m@gateway-distriparks.com
Stock Exchange(s) where securities of GEIPL are listed	The shares of GEIPL are not listed on any Stock Exchange.

35. Summary of the main objects as per the memorandum of association of GEIPL:

The objects for which GEIPL has been established are set out in its memorandum of association. The main objects as set out in of the memorandum of association are as under:

"(i) To carry on the business of exporters, importers, buyers, sellers, and dealers of goods of every description and to do all incidental or ancillary to the business aforesaid.

(ii) To develop, equip, manage, acquire, establish or otherwise to acquire on lease bonded warehouses, container freight station, container depot and transportation facilities, to provide bonded and general warehousing, container repair, container storage, packing, unpacking and transport facilities for all kinds of goods, merchandise, commodities, bulk stock and all kinds of things and materials, machinery, equipment and vehicles and to act as commission agent, consultant and liaison agent in respect of services referred herein and for the development and maintenance of these services.

(iii) To carry on the business of clearing and forwarding agent, shipping agents and cargo agents whether within or outside the territories of India or to appoint clearing agents, shipping agents and cargo agents on commission basis or on behalf of other parties.".

36. Main business carried on by GEIPL: GEIPL operates a Container Freight Station at Visakhapatanam.

37. Details of change of name of GEIPL during the last five years: There has been no change in the name of GEIPL during the last five years.

38. Details of change in registered office of GEIPL during the last five years: The registered office clause of the MOA of Transferor Company 1 was altered from the state of Andhra Pradesh to the state of Maharashtra and the said alteration was approved by an order dated 29 July 2020 issued by the Regional Director, South Eastern Region, Hyderabad and a fresh certificate of incorporation dated 28 September 2020 was issued by the Registrar of Companies, Mumbai.

39. Details of change in objects of GEIPL during the last five years: The objects clause of the MOA of Transferor Company 1 was amended vide special resolution dated 10 November 2020 which was approved by the Registrar of Companies, Mumbai on 3 December 2020.

40. Details of the capital structure of GEIPL including authorized, issued, subscribed and paid-up

share capital

PARTICULARS	AMOUNT (IN RS.)
Authorized Share Capital as on 31 July 2021	
1,00,00,000 Equity Shares of Rs. 10 each	10,00,00,000
Total	10,00,00,000
Issued, Subscribed and Fully Paid-up Share Capital as on 31 July 2021	
80,00,000 fully paid-up equity shares of Rs. 10/- each.	8,00,00,000
Total	**8,00,00,000**

41. Names of the promoters of GEIPL along with their addresses:

S. NO.	NAME OF THE PROMOTER	ADDRESS
1.	Gateway Distriparks Limited	Sector-6, Dronagiri, Taluka Uran, Raigad, Navi Mumbai – 400 707, India

42. Names of the directors of GEIPL as on 31 July 2021 along with their addresses:

S. NO.	NAME OF THE DIRECTOR	DESIGNATION	ADDRESS
1.	Prem Kishan Dass Gupta	Director	94 Sainik Farm Khanpur, New Delhi – 110062
2.	Shabbir Hakimuddin Hassanbhai	Director	36 Keppel Bay Drive #05-78 Caribbean At Keppel Bay Singapore 098653 Sg
3.	Ishaan Gupta	Director	94 Sainik Farm Khanpur, New Delhi – 110062

43. The date of the board meeting at which the Scheme was approved by the Board of GEIPL including the names of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Scheme was unanimously approved by the Board of GEIPL on 28 September 2020. The details of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution are as under:

S. NO.	NAMES OF THE DIRECTORS (PRESENT AT THE BOARD MEETING)	VOTE
1.	Prem Kishan Dass Gupta	For the resolution

S. NO.	NAMES OF THE DIRECTORS (PRESENT AT THE BOARD MEETING)	VOTE
2.	Ishaan Gupta	For the resolution
3.	Shabbir Hakimuddin Hassanbhai	For the resolution

All directors were present at the meeting.

All directors present at the meeting participated and voted in favour of the resolution approving the Scheme. No director voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

44. As on 28 February 2021, the amount due to the unsecured creditors of GEIPL was Rs. 2,67,75,783.

45. Disclosure about the effect of the Scheme on the material interests of directors and key managerial personnel of GEIPL:

None of the directors, the "Key Managerial Personnel" (as defined under the Act and rules formed thereunder) of GEIPL and their respective "Relatives" (as defined under the Act and rules formed thereunder) have any material interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Companies, if any.

46. Disclosure about the effect of the Scheme on the following persons in relation to GEIPL:

S. NO.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
1.	Promoter & Non-Promoter Shareholders	Since the entire paid-up equity share capital of Transferor Company 1 is held directly by Transferee Company 1, no shares of Transferee Company 1 will be issued or allotted to the shareholders of the Transferor Company 1 in consideration for Amalgamation of Transferor Company 1 with Transferee Company 1. Upon this Scheme becoming effective, the entire issued, subscribed and paid up share capital of Transferor Company 1 (whether through a nominee) shall, *ipso facto*, without any further application, act or deed stand cancelled. The investments in the shares of the Transferor Company 1, appearing in the books of account of Transferee Company 1 shall without any further act or deed, stand cancelled, in terms of Clause 15 of Part C of the Scheme.
2.	Creditors	In terms of Clause 10.4.1 of Part C of the Scheme, all Liabilities of the Transferor Company 1 of every kind, nature and description whatsoever, whether provided for or not in the books of accounts of the Transferor Company 1, as on the Appointed Date 1 and all other

S. NO.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
		liabilities which may accrue or arise after the Appointed Date 1 but which relate to the period on or up to the Appointed Date 1 shall also without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company 1 and the same shall be assumed by the Transferee Company 1 to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date 1, the Liabilities of the Transferee Company 1 on the same terms and conditions as were applicable to the Transferor Company 1.
3.	Depositors/ Deposit Trustee	Not Applicable. As on date, GEIPL does not have any outstanding public deposits and therefore there is no effect of the Scheme on any such depositors and deposit trustee.
4.	Debenture Holders/ Debenture Trustee	Not Applicable. As on date, GEIPL does not have any outstanding debentures and therefore there is no effect of the Scheme on any such debenture holders and debenture trustees.
5.	Employees/ Key Managerial Personnel	The employees and KMPs of GEIPL shall be transferred to GDL (and thereafter to GRFL) without any interruption in their service in terms of the Scheme.
6.	Directors	Upon the Scheme coming into effect, the Board of GEIPL shall be dissolved with the dissolution of GEIPL.

47. In compliance with the provisions of section 232(2)(c) of the Act, the Board of GEIPL, has adopted a report, *inter- alia*, explaining the effect of the Scheme on their shareholders. A copy of the report adopted by the Board of GEIPL is enclosed as **ANNEXURE 12**.

48. The audited financials for the financial year ended 31 March 2021 and the unaudited financials for the period ended 30 June 2021 of GEIPL are enclosed as **ANNEXURE 13** and **ANNEXURE 14**, respectively.

49. No investigation proceedings are pending in relation to GEIPL under Sections 235 to 251 of the Companies Act, 1956 or under Sections 210 to 227 of the Act.

50. To the knowledge of GEIPL, no winding-up petition (including under Section 433 read with Section 434 of the Companies Act, 1956) and/ or insolvency proceedings under the Insolvency and Bankruptcy Code, 2016 are pending against GEIPL.

51. GEIPL has filed a copy of the Scheme with the Registrar of Companies, Mumbai pursuant to Section 232(2)(b) of the Act.

DETAILS OF GRFL AS PER RULE 6(3) OF THE RULES

52. Details of GRFL (i.e., Transferee Company 2)

GATEWAY RAIL FREIGHT LIMITED	
Corporate Identification No. (CIN)	U60231MH2005PLC344764
Permanent Account No. (PAN)	AADCR3132N
Incorporation Date	12 July 2005
Type of Company	Unlisted Public Company
Registered Office Address	Sector-6, Dronagiri, Taluka Uran, Raigad, Navi Mumbai – 400 707
Email	secretarial@gatewayrail.in
Stock Exchange(s) where securities of GRFL are listed	The shares of GRFL are not listed on any Stock Exchange.

53. Summary of the main objects as per the memorandum of association of GRFL:

The objects for which GRFL has been established are set out in its memorandum of association. The main objects as set out in the memorandum of association are as under:

"1. To carry on all or any of the business of transport, cartage and handling contractors, garage proprietors owners and charterers of road vehicles ships and aircrafts of every description, carries of goods and passengers from place to place by road, rail, water, air, animal drawn vehicles and cartage contractors and agents to carry on all or any of the following business of general carriers, transporters, railways and forwarding and clearing agents, warehousing, storekeepers, bonder caremen, common caremen and Cargo Superintendts.

2. To take, permits for playing trucks, tankers, buses, vars, boats, ships and stammers and other services with a view to run buses lorries or other services as the case may be on any route in India.

3. To take on lease, hire-purchase, instalment basis trucks, lorries and other vehicles of any description.

4. To carry on the business of general carriers baggage transporters forwarding, supply chain Management and clearing agents, consolidation of cargo of any kind of carriage or storage contract-men for cargo, charters of vessels, air crafts and or automobiles removers, wharmfinners, loading and unloading agents.

5. To carry on business of Courier Services.

6. To carry on business of booking and Ticketing of Domestics and International Air tickets."

54. Main business carried on by GRFL: GRFL is a private container train operator. It provides intermodal rail transportation service for EXIM containers between its rail-linked inland container depots at Gurugram, Ludhiana, Faridabad and Viramgam and maritime ports at Nhava Sheva, Mundra and Pipavav. It also provides logistics service from a domestic terminal at Navi Mumbai.

55. Details of change of name of GRFL during the last five years: There has been no change in the name of GRFL during the last five years.

56. Details of change in registered office of GRFL during the last five years: The registered office clause of the MOA of Transferee Company 2 was altered from the NCT of Delhi to the state of Maharashtra and the said alteration was approved by an order dated 30 June 2020 issued by the Regional Director, Northern Region, New Delhi and a fresh certificate of incorporation dated 27 August 2020 was issued by the Registrar of Companies, Mumbai.

57. Details of change in objects of GRFL during the last five years: There has been no change in GRFL's objects during the last five years.

58. Details of the capital structure of GRFL including authorized, issued, subscribed and paid-up share capital

PARTICULARS	**AMOUNT (IN RS.)**
Authorized Share Capital as on 31 July 2021	
40,27,00,000 Equity Shares of Rs. 10 each	402,70,00,000
100 Equity Shares of Rs. 25 each	2,500
12,00,00,000 of compulsorily convertible preference shares of Rs. 24.65 each	295,80,00,000
11,50,00,000 zero coupon redeemable preference shares of Rs. 10 each	115,00,00,000
Total	813,50,02,500
Issued, Subscribed and Fully Paid-up Share Capital as on 31 July 2021	
20,15,00,000 Equity Shares of Rs. 10 each	201,50,00,000
100 Equity Shares of Rs. 25 each	2,500
12,00,00,000 of compulsorily convertible preference shares of Rs. 24.65 each	295,80,00,000
Total	497,30,02,500

59. Names of the promoters of GRFL along with their addresses:

S. NO.	NAME OF THE PROMOTER	ADDRESS
1.	Gateway Distriparks Limited	Sector-6, Dronagiri, Taluka Uran, Raigad, Navi Mumbai – 400 707, India
2.	Prem Kishan Dass Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
3.	Ishaan Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
4.	Mamta Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
5.	Samvid Gupta	94 Sainik Farm, Khanpur, New Delhi 110062

60. Names of the directors of GRFL as on 31 July 2021 along with their addresses:

S. NO.	NAME OF THE DIRECTOR	DESIGNATION	ADDRESS
1.	Prem Kishan Dass Gupta	Managing Director	94 Sainik Farm Khanpur, New Delhi – 110062
2.	Mamta Gupta	Director	94 Sainik Farm Khanpur, New Delhi – 110062
3.	Anil Aggarwal	Independent Director	13, Ground Floor, Paschimi Marg, Vasant Vihar, New Delhi 110057
4.	Sachin Surendra Bhanushali	Whole time Director	D-70, Second Floor, Saket, South Delhi, Delhi 110017
5.	Ishaan Gupta	Director	94 Sainik Farm Khanpur, New Delhi – 110062
6.	Samvid Gupta	Joint Managing Director	94 Sainik Farm Khanpur, New Delhi – 110062
7.	Arun Kumar Gupta	Independent Director	S 131 First Floor Greater Kailash 2 New Delhi 110048

61. The date of the board meeting at which the Scheme was approved by the Board of GRFL including the names of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Scheme was unanimously approved by the Board of GRFL on 28 September 2020. The details of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution are as under:

S. NO.	NAMES OF THE DIRECTORS (PRESENT AT THE BOARD MEETING)	VOTE
1.	Prem Kishan Dass Gupta	For the resolution
2.	Ishaan Gupta	For the resolution
3.	Samvid Gupta	For the resolution
4.	Mamta Gupta	For the resolution
5.	Sachin Surendra Bhanushali	For the resolution
6.	Anil Aggarwal	For the resolution
7.	Arun Kumar Gupta	For the resolution

All directors were present at the meeting.

All directors present in the meeting participated and voted in favour of the resolution approving the Scheme. No director voted against the Scheme. Thus, the Scheme was approved unanimously by the directors who attended and voted at the meeting.

62. As on 28 February 2021, the amount due to the unsecured creditors of GRFL was Rs 11,51,58,133.

63. Disclosure about the effect of the Scheme on the material interests of directors and key managerial personnel of GRFL:

None of the directors, the "Key Managerial Personnel" (as defined under the Act and rules formed thereunder) of GRFL and their respective "Relatives" (as defined under the Act and rules formed thereunder) have any material interests, financial or otherwise in the Scheme, except to the extent of their respective shareholding in the Companies, if any.

64. Disclosure about the effect of the Scheme on the following persons in relation to GRFL:

S. NO.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
1.	Promoter & Non-Promoter Shareholders	Upon the Scheme becoming effective, in consideration for the Amalgamation of the Transferor Company 2 with the Transferee Company 2, the Transferee Company 2 shall without any further application or deed, issue and allot to the equity shareholders of the Transferor Company 2 (whose names appear in the register of members or register of beneficial owners maintained by the registrar and transfer agent as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be), the equity shares of the Transferee Company 2 in accordance with their respective entitlement in the ratio of 4:1 ("**Share Exchange Ratio**"), meaning thereby that

S. NO.	CATEGORY OF STAKEHOLDER	EFFECT OF THE SCHEME ON STAKEHOLDERS
		upon this Scheme becoming effective, for 1 fully paid equity share(s) of Rs. 10 each held by such shareholder in Transferor Company 2 as on the Record Date, the holder thereof shall be entitled to receive 4 fully paid up equity share(s) of the Transferee Company 2 of Rs. 10 each
2.	Creditors	In terms of Part C and Pard D of the Scheme, all Liabilities of Transferor Company 1 and Transferor Company 2 shall stand transferred or be deemed to have been transferred to Transferee Company 2 so as to become from the Appointed Date 2, the Liabilities of Transferee Company 2.
3.	Depositors/ Deposit Trustee	Not Applicable. As on date, GRFL does not have any outstanding public deposits and therefore there is no effect of the Scheme on any such depositors and deposit trustee.
4.	Debenture Holders/ Debenture Trustee	Not Applicable. As on date, GRFL does not have any outstanding debentures and therefore there is no effect of the Scheme on any such debenture holders and debenture trustees.
5.	Employees/ Key Managerial Personnel	The employees and KMPs of GRFL shall continue as employees and KMPs of GRFL after the Effective Date.
6.	Directors	The directors of GRFL shall continue as directors of GRFL after the Effective Date.

65. In compliance with the provisions of section 232(2)(c) of the Act, the Board of GRFL, has adopted a report, *inter- alia*, explaining the effect of the Scheme on their shareholders. A copy of the report adopted by the Board of GRFL is enclosed as **ANNEXURE 15**.

66. The audited financials for the financial year ended 31 March 2021 and the unaudited financials for the period ended 30 June 2021 of GRFL are enclosed as **ANNEXURE 16** and **ANNEXURE 17**, respectively.

67. No investigation proceedings are pending in relation to GRFL under Sections 235 to 251 of the Companies Act, 1956 or under Sections 210 to 227 of the Act.

68. To the knowledge of GRFL, no winding-up petition (including under Section 433 read with Section 434 of the Companies Act, 1956) and/ or insolvency proceedings under the Insolvency and Bankruptcy Code, 2016 are pending against GRFL.

69. GRFL has filed a copy of the Scheme with the Registrar of Companies, Mumbai pursuant to Section 232(2)(b) of the Act.

70. **Relationship between the Companies:**

GDL / Transferor Company 2 holds the entire paid-up equity share capital of GEIPL / Transferor Company 1. GEIPL / Transferor Company 1 is a wholly owned subsidiary of GDL / Transferor Company 2.

Transferee Company 2 is a subsidiary of the Transferor Company 2. GRFL / Transferee Company 2 has the following kinds of equity shares: (a) equity shares of face value Rs. 10 each wherein approximately 99.85% of the paid-up equity share capital is held by GDL / Transferor Company 2, and the remaining 0.15% (approximately) is held by the directors, employees and ex-employees of GRFL; (b) equity shares of face value Rs. 25 each wherein 100% of the paid-up equity share capital is held by GDL / Transferor Company 2. Further GRFL / Transferee Company 2 has also issued compulsory convertible preference shares which are completely held by GDL / Transferor Company 2.

71. **Description of the Scheme**

The Scheme *inter alia*, provides for (i) amalgamation (merger by absorption) of the Transferor Company 1 / GEIPL with the Transferee Company 1 / GDL; and (ii) amalgamation (merger by absorption) of GDL / the Transferor Company 2 (post amalgamation of the Transferor Company 1 / GEIPL with the Transferee Company 1 / GDL) with the Transferee Company 2 / GRFL, pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in the Scheme. GDL, GEIPL and GRFL have approved the Scheme *vide* their respective board resolutions, dated 28 September 2020.

72. **Rationale of the Scheme and the benefits of the Scheme**

The rationale for, and the benefits of the Scheme are, *inter alia*, as follows:

(a) to enable better realization of potential of the businesses of the Companies in the form of amalgamated Transferee Company 2 which will yield beneficial results and enhanced value creation for their respective shareholders and better security and protection for their lenders and employees.

(b) This Scheme shall have the following benefits:

(i) Consolidation of businesses presently being carried on by the Transferor Companies and the Transferee Company 2, which shall create greater operational synergies and efficiencies at multiple levels of business operations and shall provide significant impetus to their growth;

(ii) Improved earnings, cash flow and debt servicing abilities of the amalgamated Transferee Company 2;

(iii) The amalgamation would result in financial resources of the Companies being efficiently pooled, leading to centralized and more efficient management of funds, greater economies of scale and a bigger and stronger resource base for future growth, which are presently divided amongst multiple corporate entities within the group;

(iv) Creation of value for shareholders of the Companies and other stakeholders, by way of creation of a large asset base, facilitating access to better financial resources, stronger consolidated revenue and profitability, diversification in product portfolio and thereby reducing business risks;

(v) Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the Companies, thereby contributing to the future growth of the merged entity;

(vi) Consolidating and improving the internal systems, procedures and controls will also bring greater management and operational efficiency due to integration of various similar functions presently being carried out in each individual entity within the group such as information technology, human resources, finance, legal and general management, and this will lead to the organization becoming more efficient and capable of responding swiftly to volatile and rapidly changing market scenarios;

(vii) Simplicity in working, reducing various statutory and regulatory compliances and related costs, which presently have to be duplicated in the Companies, reduction in operational and administrative expenses and overheads, better cost and operational efficiencies and it would also result in coordinated optimum utilization of resources;

(viii) The Transferor Companies and the Transferee Company 2 operate businesses that complement each other and therefore, can be conveniently combined for mutual benefit of the shareholders of the Companies; and

(ix) This Scheme shall be in the beneficial interest of all the stakeholders and the shareholders of the Companies.

73. **Appointed Date, Effective Date, Record Date and Share Exchange Ratio and Other Considerations:**

Appointed Date 1: means opening of business hours on **1 April 2020,** as assented to and approved by the Board of Directors of the Transferor Company 1 and Transferee Company 1 or such other date as may be directed by the NCLT or other Appropriate Authority, as may be applicable, being the date from which the provisions of Part C of this Scheme shall become operational;

Appointed Date 2: means opening of business hours on **1 April 2020,** as assented to and approved by the Board of Directors of the Transferor Company 2 and Transferee Company 2 or such other date as may be directed by the NCLT or other Appropriate Authority, as may be applicable, being the date from which the provisions of Part D of this Scheme shall become operational immediately after giving effect to the amalgamation of Transferor Company 1 / GEIPL with Transferee Company 1 / GDL as set out in Part C of this Scheme;

Effective Date: The effective date for the Scheme is the end of the day when the certified copy of the NCLT's order sanctioning this Scheme is filed by all the Companies with the Registrar of Companies, Mumbai, or the end of the day mutually agreed in writing between the Companies upon the completion of all conditions precedent that are mutually agreed in writing between the Companies, whichever is later; and

Record Date: means the date fixed by the Board of Directors of the Transferor Company 2 / GDL or committee thereof, if any, in consultation with the Board of Directors of the Transferee Company 2 for the purpose of determining the shareholders of Transferor Company 2 / GDL who shall be entitled to receive equity shares of the Transferee Company 2, as consideration as per Clause 24 of the Scheme.

Share Exchange Ratio/ Consideration for the Transfer of Undertakings:

Upon the Scheme becoming effective, in consideration for the Amalgamation of the Transferor Company 2 with the Transferee Company 2, the Transferee Company 2 shall without any further application or deed, issue and allot to the equity shareholders of the Transferor Company 2 (whose names appear in the register of members or register of beneficial owners maintained by the registrar and transfer agent as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be), the equity shares of the Transferee Company 2 in accordance with their respective entitlement in the ratio of 4:1 ("**Share Exchange Ratio**"), meaning thereby that upon this Scheme becoming effective, for 1 fully paid equity share(s) of Rs. 10 each held by such shareholder in Transferor Company 2 as on the Record Date, the holder thereof shall be entitled to receive 4 fully paid up equity share(s) of the Transferee Company 2 of Rs. 10 each.

74. **Salient Features of the Scheme:**

The Scheme is divided into the following parts:

Part A contains definitions and interpretations used in the Scheme;

Part B contains particulars of share capital of the Companies, details of directors and promoters;

Part C contains provisions relating to amalgamation of the Transferor Company 1 / GEIPL with the Transferee Company 1 / GDL, consideration and accounting treatment;

Part D contains provisions relating to amalgamation of the Transferor Company 2 / GDL (post amalgamation of the Transferor Company 1 / GEIPL with the Transferee Company 1 / GDL) with the Transferee Company 2 / GRFL, consideration, accounting treatment, aggregation and increase of authorized share capital of Transferee Company 2, change of name of Transferee Company 2 and change of main objects clause contained in the MOA of Transferee Company 2;

Part E contains the general terms and conditions applicable to this Scheme

S. NO.	CLAUSE REFERENCE OF THE SCHEME	DESCRIPTION
1.	Clauses 5.1.3, 14 and 23	GEIPL shall be amalgamated (merger by absorption) with GDL in terms of Part C of the Scheme. Post amalgamation of GEIPL with GDL, GDL shall be amalgamated (merger by absorption) with GRFL, in terms of Part D of the Scheme

S. NO.	CLAUSE REFERENCE OF THE SCHEME	DESCRIPTION
2.	Clauses 5.1.5 and 5.1.6	The appointed date of merger of GEIPL with GDL in terms of Part C of the Scheme shall be opening of business hours on 1 April 2020 ("**Appointed Date 1**"). The appointed date of merger of GDL (post amalgamation of GEIPL with GDL) with GRFL in terms of Part D of the Scheme shall be opening of business hours on 1 April 2020 immediately after giving effect to the amalgamation of GEIPL with GDL in terms of Part C of the Scheme ("**Appointed Date 2**").
3.	Clauses 10.1 and 19.1	Upon the Scheme becoming effective, with effect from the Appointed Date 1, all assets, properties, licenses, contracts, rights, litigations, intellectual property rights, insurance policies, liabilities and obligations of GEIPL shall stand transferred to GDL, as a going concern, in accordance with Part C of the Scheme. Further, with effect from the Appointed Date 2, all assets, properties, licenses, contracts, rights, litigations, intellectual property rights, insurance policies, liabilities and obligations of GDL (including assets and liabilities of GEIPL transferred to GDL in terms of Part C of the Scheme) shall stand transferred to GRFL, as a going concern, in accordance with Part D of the Scheme.
4.	Clauses 15.1 and 24.12	Upon the Scheme becoming effective, the entire issued, subscribed and paid up share capital of GEIPL shall stand cancelled. Further, all the equity shares and all compulsorily convertible preference shares of GRFL held by GDL shall stand cancelled.
5.	Clauses 16.1 and 25.1	Upon the Scheme becoming effective, GDL shall account for the amalgamation of GEIPL in accordance with "Pooling of Interest Method" as laid down in Appendix C of Ind AS-103 (Business Combinations of entities under common control) notified under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts. Upon the Scheme becoming effective, GRFL shall account for the amalgamation of GDL in accordance with "Pooling of Interest Method" (after giving effect to amalgamation of GEIPL with GDL pursuant to Part C of the Scheme) as laid down in Appendix C of Ind AS-103 (Business Combinations of entities under common control) notified under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts.
6.	Clauses 18 and 30	Upon the Scheme becoming effective, GDL and GEIPL shall

S. NO.	CLAUSE REFERENCE OF THE SCHEME	DESCRIPTION
		be dissolved without being wound-up.
7.	Clause 15.1 and 24.1	In consideration of the Amalgamation of GEIPL with GDL, no shares of GDL will be issued to the shareholders of GEIPL since the entire paid-up equity share capital of GEIPL is held directly by GDL. In consideration of the amalgamation of GDL with GRFL, GRFL shall allot and issue to the shareholders of GDL (whose names appear in the register of members or register of beneficial owners maintained by the registrar and transfer agent as on the Record Date (as defined in the Scheme)), the equity shares of GRFL in the ratio of 4:1 (Share Exchange Ratio), meaning thereby that GRFL shall issue and allot 4 (Four) fully paid up equity shares of Rs. 10 each, for 1 (One) fully paid equity share of Rs. 10 each held by such shareholder in GDL as on the Record Date, the holder thereof shall be entitled to receive 4 (four) fully paid up equity shares of GRFL of Rs. 10 each.
8.	Clause 24.2	In case any member of GDL is entitled to a fraction of share, on issue and allotment of the shares in GRFL pursuant to the approval of this Scheme, then GRFL shall not issue any fractional shares to such member but such fraction shall be rounded off to the nearest integer.
9.	Clause 24.11	The equity shares of GRFL including but not limited to the equity shares issued by GRFL pursuant to the Scheme shall after the relevant approvals be listed /admitted to trading on BSE Limited and the National Stock Exchange of India Limited ("**Stock Exchanges**") where equity shares of GDL are listed and/or admitted to trading. The shares issued by GRFL pursuant to the Scheme, shall remain frozen in the depository system until the receipt of trading permission from the Stock Exchanges.
10.	Clause 26.1	Upon the Scheme becoming effective, pursuant to amalgamation of GEIPL with GDL as per Part C of the Scheme and amalgamation of GDL with GRFL as per Part D of the Scheme, the authorized share capital of GEIPL and GDL as on the Effective Date (as defined in the Scheme) shall get combined with the authorized share capital of GRFL.
11.	Clause 28	Upon the Scheme becoming effective, the outstanding non-convertible debentures of face value of Rs. 10,00,000 issued by GDL as of the date of effectiveness of the Scheme, which shall stand transferred to GRFL pursuant to the Scheme shall be listed and admitted to trading on the Wholesale Debt Market Segment of BSE Limited, where the

S. NO.	CLAUSE REFERENCE OF THE SCHEME	DESCRIPTION
		debentures are currently listed.
12.	Clause 31	Upon allotment of equity shares of GRFL to the promoters of GDL, the promoters of GDL shall be deemed to be the promoters of GRFL.
13.	Clause 32.1	Upon the Scheme becoming effective, the name of GRFL shall be deemed to have been changed from "Gateway Rail Freight Limited" to "Gateway Distriparks Limited" or "Gateway Rail Distriparks Limited", or such other name which is available and approved by the Registrar of Companies, in accordance with Sections 13 and 14 of the Companies Act and read with other relevant provisions of the Companies Act, as applicable.
14.	Clause 33.1	Upon the Scheme becoming effective, the main objects of the MOA of GRFL shall be altered and amended to include the objects as required for the purpose of carrying on the business activities of GDL (including the business of GEIPL transferred to GDL pursuant to Part C of the Scheme).
15.	Clause 34.1	With effect from the Appointed Date 1 and Appointed Date 2, as the case may be, and up to and including the Effective Date, GEIPL and GDL shall, respectively, carry on, continue carrying on and/or deemed to be carrying on their business and activities and shall hold possession of all of their properties and assets in trust for GRFL.
16.	Clause 36	The shares of GDL shall continue to be traded on the Stock Exchanges until the Record Date.
17.	Clause 39	The Scheme is conditional on the following: (i) observation letter or no objection letter being received from stock exchanges in relation to the Scheme under Regulation 37 of the LODR Regulations; (ii) the Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors and/or debenture holders (if applicable) of GDL, GEIPL and GRFL as may be directed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("**NCLT**"); (iii) the Scheme being approved by the Public Shareholders of GDL in terms of the SEBI Circular; (iv) the sanction of the Scheme by the NCLT; (v) requisite consent, approval or permission of any Appropriate Authority which by law may be necessary for the implementation of this Scheme; and (vi) certified copy of the order of the NCLT sanctioning the Scheme being filed with the Registrar of Companies, Mumbai by GDL, GEIPL and GRFL.

S. NO.	CLAUSE REFERENCE OF THE SCHEME	DESCRIPTION
18.	Clause 42.2	The stamp duty costs arising out of the Scheme shall be borne by GRFL.

YOU ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME TO GET FULLY ACQUAINTED WITH THE PROVISIONS THEREOF. THE AFORESAID ARE ONLY SOME OF THE SALIENT EXTRACTS THEREOF.

75. **Observations of SEBI / Stock Exchanges**: The SEBI / Stock Exchanges through their respective letters dated 12 March 2021 have advised the Companies to separately and prominently disclose to the shareholders as follows:

"(i) GRFL will issue equity share to the shareholders of GDL in the ratio 4:1 and will seek listing on NSE and BSE where the shares of GDL are listed. In regard, it has observed that for valuation of GDL and GRFL market approach and income approach methods have been used whereas asset approach method has not been used.

(ii) Disclose the rationale for rights issue, the purpose of raising funds and the immediate need for restructuring to all the shareholders of GDL."

With reference to observation (i), GRFL will issue shares to the shareholders of GDL in the ratio of 4:1. Details of the share exchange ratio are set out in Paragraph 24 of the Scheme.

With reference to observation (ii), the rationale and purpose of raising funds for the rights issue was to enable GDL to undertake repayment / prepayment in full or in part of certain borrowings availed of by GDL. The rationale and the benefits of the Scheme has been set out above in Note nos. 72 to 74 of the Explanatory Statement.

76. **Inspection of Documents:** Copies of the following documents will be open for inspection to the equity shareholders of GDL at its registered office, situated at Sector 6, Dronagiri, Taluka Uran, District: Raigad Navi Mumbai – 400707, Maharashtra, India, on all days except Saturday, Sunday and public holidays during business hours between 10:00 A.M. and 5:00 P.M. up to the date of the Meeting:

(a) Order dated 28 July 2021 passed by the Tribunal in Company Application No. CA (CAA) No. 54/MB/2021, directing *inter alia*, the convening of the Meeting;

(b) Scheme, as filed before the Tribunal;

(c) Report on Recommendation of Fair Value dated 28 September 2020 issued by SSPA & Co., independent Chartered Accountants;

(d) Fairness Opinion dated 28 September 2020 issued by Corporate Professionals Capital Private Limited, a merchant banker registered with the Securities and Exchange Board of India;

(e) Complaint Report submitted by GDL on 2 March 2021 to BSE Limited;

(f) Complaint Report submitted by GDL on 20 November 2020 to the National Stock

Exchange of India Limited;

(g) Observation Letter dated 12 March 2021 issued by BSE Limited to GDL;

(h) Observation Letter dated 12 March 2021 issued by the National Stock Exchange of India Limited to GDL;

(i) Certificate of incorporation along with copies of the memorandum of association and articles of association of GDL;

(j) Certificate of incorporation along with copies of the memorandum of association and articles of association of GEIPL;

(k) Certificate of incorporation along with copies of the memorandum of association and articles of association of the of GRFL;

(l) Certificate dated 28 September 2020 issued by S.R. Batliboi & Co. LLP, Chartered accountants, statutory auditor of GDL in terms of the provisos to Sections 230(7) and 232(3) of the Act, certifying that the accounting treatment provided for in the Scheme is in conformity with applicable accounting standards;

(m) Certificate dated 28 September 2020 issued by S.R. Batliboi & Co. LLP, Chartered accountants, statutory auditor of GEIPL in terms of the provisos to Sections 230(7) and 232(3) of the Act, certifying that the accounting treatment provided for in the Scheme is in conformity with applicable accounting standards;

(n) Certificate dated 28 September 2020 issued by S.R. Batliboi & Co. LLP, Chartered accountants, statutory auditor of GRFL in terms of the provisos to Sections 230(7) and 232(3) of the Act, certifying that the accounting treatment provided for in the Scheme is in conformity with applicable accounting standards;

(o) Annual reports of the Companies for the last three financial years ended 31 March 2018, 31 March 2019 and 31 March 2020;

(p) Audited financial statements of GDL for the period ended 31 March 2021;

(q) Unaudited financial statements of GDL for the period ended 30 June 2021;

(r) Audited financial statements of GEIPL for the financial year ended 31 March 2021;

(s) Unaudited financial statements of GEIPL for the period ended 30 June 2021;

(t) Audited financial statements of GRFL for the period ended 31 March 2021;

(u) Unaudited financial statements of GRFL for the period ended 30 June 2021;

(v) Extract of the resolution dated 28 September 2020 passed by the board of directors of GDL, *inter alia*, approving the Scheme;

(w) Extract of the resolution dated 28 September 2020 passed by the board of directors of GEIPL, *inter alia*, approving the Scheme;

(x) Extract of the resolution dated 28 September 2020 passed by the board of directors of GRFL, *inter alia*, approving the Scheme;

(y) Report of the Audit Committee of GRFL dated 28 September 2020 recommending the Scheme to the Board of GRFL;

(z) Report of the Audit Committee of GDL dated 28 September 2020 recommending the Scheme to the Board of GDL;

(aa) Reports adopted by the respective Boards of the Companies pursuant to Section 232(2)(c) of the Act;

(bb) Abridged prospectus for GRFL as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with due diligence certificate by Corporate Professionals Capital Private Limited, Merchant Banker;

(cc) Abridged prospectus for GEIPL as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 along with due diligence certificate by Corporate Professionals Capital Private Limited, Merchant Banker; and

(dd) Paper books filed in Company Application No. CA (CAA) No. 54/MB/2021 including the application along with annexures.

Dated this 25th August, 2021.

For Gateway Distriparks Limited

Sd/-

Mr. Prem Kishan Dass Gupta
Chairman & Managing Director
(Authorized Signatory)
Chairperson appointed by Hon'ble NCLT for the Meeting of Equity Shareholders of Gateway Distriparks Limited

Registered Office: Sector-6, Dronagiri, Taluka Uran, Raigad, Navi Mumbai – 400 707, India
CIN: L74899MH1994PLC164024
Email: investor@gateway-distriparks.com

COMPOSITE SCHEME OF AMALGAMATION

(Pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder)

AMONGST

GATEWAY DISTRIPARKS LIMITED

AND

GATEWAY EAST INDIA PRIVATE LIMITED

AND

GATEWAY RAIL FREIGHT LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

FOR

AMALGAMATION OF GATEWAY EAST INDIA PRIVATE LIMITED AND GATEWAY DISTRIPARKS LIMITED INTO GATEWAY RAIL FREIGHT LIMITED IN ACCORDANCE WITH THIS SCHEME

GATEWAY EAST INDIA PRIVATE LIMITED

Gateway Distriparks Limited

Gateway Rail Freight Limited

PREAMBLE

1. **OVERVIEW OF THE SCHEME**

1.1 This composite scheme of amalgamation ("**Scheme**") is presented for: (i) amalgamation (merger by absorption) of the Transferor Company 1 (*defined hereinafter*) with the Transferee Company 1 / GDL (*defined hereinafter*); and (ii) amalgamation (merger by absorption) of the Transferor Company 2 / GDL (post amalgamation of the Transferor Company 1 with the Transferee Company 1 / GDL) with the Transferee Company 2 (*defined hereinafter*) ("**Amalgamation**") under the provisions of Sections 230 to 232 and other applicable provisions of the Act (*defined hereinafter*).

1.2 The respective Board of Directors (*defined hereinafter*) of the Transferor Company 1 (*defined hereinafter*), the Transferor Company 2 (*defined hereinafter*) and the Transferee Company 2 (*defined hereinafter*), after detailed deliberations and consideration, have propounded this Scheme.

1.3 This Scheme is proposed to be presented before the NCLT (*defined hereinafter*) by the Transferor Company 1, the Transferor Company 2 and the Transferee Company 2 for getting the same sanctioned by the NCLT.

2. **BACKGROUND OF THE COMPANIES**

2.1 **Gateway Distriparks Limited** (CIN: L74899MH1994PLC164024) is a listed public company limited by shares, incorporated on 6 April 1994 under the provisions of the Companies Act, 1956, having its registered office at Sector-6, Dronagiri, Uran, Raigad, Navi Mumbai – 400 707, India ("**GDL**" or "**Transferor Company 2**" or "**Transferee Company 1**").

Approximately 32.14% of the paid-up equity share capital of GDL is held by the promoter and promoter group and the remaining approximately 67.86% is held by the public shareholders. The equity shares of Transferor Company 2 are listed on the Stock Exchanges (*defined hereinafter*). Further, Transferor Company 2 has allotted 5,500 secured redeemable non-convertible debentures of face value of INR 10,00,000 that are listed on the Wholesale Debt Market Segment of BSE Limited ("**NCDs**"). Transferor Company 2 is an integrated inter-modal logistics facilitator in India and operates two Container Freight Stations at Navi Mumbai, one at Chennai and one at Krishnapatnam. The main objects of the Transferor Company 2 as per its MOA (*defined hereinafter*) are as follows:

"1. To develop, equip, manage, acquire, establish or otherwise to acquire on case and bounded warehouses container freight station, container depot and transportation facilities, to provide bonded and general warehousing container repair, container storage, packing, unpacking and transport facilities for all kinds of goods, merchandise, commodities, link stock and all kinds of things and materials, machinery, equipment and vehicles.

2. To act as commission agent, consultant and liaison agent in respect of services referred to in sub cause (1) above and for the development and maintenance of these services.

GATEWAY EAST INDIA PRIVATE LIMITED

Gateway Distriparks Limited

Gateway Rail Freight Limited

3. To carry on business clearing and forwarding agent, shipping agents and cargo agents whether within or outside the territories of India or to appoint clearing agents, shipping agents and cargo agents on commission basis or on behalf of other parties."

2.2 **Gateway East India Private Limited** (CIN: U51909MH1994PTC346843) is a private company limited by shares, incorporated on 11 May 1994 under the provisions of the Companies Act, 1956, having its registered office at Sector 6, Dronagiri, Taluka Uran Navi Mumbai Raigarh, Maharashtra - 400707 ("**GEIPL**" or "**Transferor Company 1**"). Transferor Company 1 was originally incorporated as Viking Exim Ventures Private Limited, and its name was subsequently changed to its current name and a fresh certificate of incorporation dated 15 June 2004 was issued by the Registrar of Companies, Andhra Pradesh. The registered office clause of the MOA of Transferor Company 1 was altered from the state of Andhra Pradesh to the state of Maharashtra and the said alteration was approved by an order dated 29 July 2020 issued by the Regional Director, South Eastern Region, Hyderabad and a fresh certificate of incorporation dated 28 September 2020 was issued by the Registrar of Companies, Mumbai.

Transferor Company 2 holds the entire paid-up equity share capital of Transferor Company 1. Transferor Company 1 is a wholly owned subsidiary of the Transferor Company 2. Transferor Company 1 operates a Container Freight Station at Visakhapatanam. The main objects of the Transferor Company 1 as per its MOA are as follows:

"(i) To carry on the business of exporters, importers, buyers, sellers, and dealers of goods of every description and to do all incidental or ancillary to the business aforesaid.

(ii) To develop, equip, manage, acquire, establish or otherwise to acquire on lease bonded warehouses, container freight station, container depot and transportation facilities, to provide bonded and general warehousing, container repair, container storage, packing, unpacking and transport facilities for all kinds of goods, merchandise, commodities, bulk stock and all kinds of things and materials, machinery, equipment and vehicles and to act as commission agent, consultant and liaison agent in respect of services referred herein and for the development and maintenance of these services.

(iii) To carry on the business of clearing and forwarding agent, shipping agents and cargo agents whether within or outside the territories of India or to appoint clearing agents, shipping agents and cargo agents on commission basis or on behalf of other parties."

Transferor Company 2 and Transferor Company 1 hereinafter together referred to as the "**Transferor Companies**".

2.3 **Gateway Rail Freight Limited** (CIN: U60231MH2005PLC344764), is an unlisted public company limited by shares, incorporated on 12 July 2005, under the provisions of the Companies Act, 1956, having its registered office at Sector-6, Dronagiri, Uran, Raigad, Navi Mumbai – 400 707, India ("**GRFL**" or "**Transferee Company 2**"). Transferee Company 2 was originally incorporated as Rag Freight Services Private Limited, and its name was subsequently changed to Gateway Rail Freight Private Limited and a fresh certificate of incorporation dated 17 August 2006 was issued by the Registrar of Companies, NCT of Delhi and Haryana. Thereafter, Transferee Company 2 was converted from a private limited company to a public company and consequently renamed as Gateway Rail Freight Limited and a fresh certificate of incorporation dated 16 April 2007 was

issued by the Registrar of Companies, NCT of Delhi and Haryana. The registered office clause of the MOA of Transferee Company 2 was altered from the NCT of Delhi to the state of Maharashtra and the said alteration was approved by an order dated 30 June 2020 issued by the Regional Director, Northern Region, New Delhi and a fresh certificate of incorporation dated 27 August 2020 was issued by the Registrar of Companies, Mumbai.

GRFL/Transferee Company 2 has the following kinds of equity shares: (a) Equity shares of face value INR 10 each wherein approximately 99.85% of the paid-up equity share capital is held by GDL/ Transferor Company 2, and the remaining 0.15% (approximately) is held by the directors, employees and ex-employees of GRFL; (b) Equity shares of face value INR 25 each wherein 100% of the paid-up equity share capital is held by GDL/ Transferor Company 2. Further GRFL/Transferee Company 2 has also issued compulsory convertible preference shares which are completely held by GDL/Transferor Company 2. Transferee Company 2 is a subsidiary of the Transferor Company 2. Transferee Company 2 is a private container train operator. It provides intermodal rail transportation service for EXIM containers between its rail-linked inland container depots at Gurugram, Ludhiana, Faridabad and Viramgam and maritime ports at Nhava Sheva, Mundra and Pipavav. It also provides logistics service from a domestic terminal at Navi Mumbai. The main objects of the Transferee Company 2 as per its MOA are as follows:

"1. To carry on all or any of the business of transport, cartage and handling contractors, garage proprietors owners and charterers of road vehicles ships and aircrafts of every description, carries of goods and passengers from place to place by road, rail, water, air, animal drawn vehicles and cartage contractors and agents to carry on all or any of the following business of general carriers, transporters, railways and forwarding and clearing agents, warehousing, storekeepers, bonder caremen, common caremen and Cargo Superintendts.

2. To take, permits for playing trucks, tankers, buses, vars, boats, ships and stammers and other services with a view to run buses lorries or other services as the case may be on any route in India.

3. To take on lease, hire-purchase, instalment basis trucks, lorries and other vehicles of any description.

4. To carry on the business of general carriers baggage transporters forwarding, supply chain Management and clearing agents, consolidation of cargo of any kind of carriage or storage contract-men for cargo, charters of vessels, air crafts and or automobiles removers, wharmfinners, loading and unloading agents.

5. To carry on business of Courier Services.

6. To carry on business of booking and Ticketing of Domestics and International Air tickets."

Transferor Company 1, Transferor Company 2 and the Transferee Company 2 hereinafter together referred to as the **"Companies"**.

2.4 The Companies are part of the same group of companies.

3. **OBJECTS AND RATIONALE FOR THE PROPOSED SCHEME**

GATEWAY ... PRIVATE LIMITED

Gateway Distriparks Limited

Gateway Rail Freight Limited 3

This Scheme provides for: (i) amalgamation (merger by absorption) of the Transferor Company 1 / GEIPL with the Transferee Company 1 / GDL; and (ii) amalgamation (merger by absorption) of GDL / the Transferor Company 2 (post amalgamation of the Transferor Company 1 / GEIPL with the Transferee Company 1 / GDL) with the Transferee Company 2 / GRFL, to enable better realization of potential of the businesses of the Companies in the form of amalgamated Transferee Company 2 which will yield beneficial results and enhanced value creation for their respective shareholders and better security and protection for their lenders and employees. This Scheme shall have the following benefits:

3.1 Consolidation of businesses presently being carried on by the Transferor Companies and the Transferee Company 2, which shall create greater operational synergies and efficiencies at multiple levels of business operations and shall provide significant impetus to their growth;

3.2 Improved earnings, cash flow and debt servicing abilities of the amalgamated Transferee Company 2;

3.3 The amalgamation would result in financial resources of the Companies being efficiently pooled, leading to centralized and more efficient management of funds, greater economies of scale and a bigger and stronger resource base for future growth, which are presently divided amongst multiple corporate entities within the group;

3.4 Creation of value for shareholders of the Companies and other stakeholders, by way of creation of a large asset base, facilitating access to better financial resources, stronger consolidated revenue and profitability, diversification in product portfolio and thereby reducing business risks;

3.5 Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the Companies, thereby contributing to the future growth of the merged entity;

3.6 Consolidating and improving the internal systems, procedures and controls will also bring greater management and operational efficiency due to integration of various similar functions presently being carried out in each individual entity within the group such as information technology, human resources, finance, legal and general management, and this will lead to the organization becoming more efficient and capable of responding swiftly to volatile and rapidly changing market scenarios;

3.7 Simplicity in working, reducing various statutory and regulatory compliances and related costs, which presently have to be duplicated in the Companies, reduction in operational and administrative expenses and overheads, better cost and operational efficiencies and it would also result in coordinated optimum utilization of resources;

3.8 The Transferor Companies and the Transferee Company 2 operate businesses that complement each other and therefore, can be conveniently combined for mutual benefit of the shareholders of the Companies; and

3.9 This Scheme shall be in the beneficial interest of all the stakeholders and the shareholders of the Companies.

In these circumstances, it is considered desirable and expedient to amalgamate the Transferor Companies with the Transferee Company 2 in the manner and on the terms and conditions stated in this Scheme.

4. **THIS SCHEME IS DIVIDED INTO FOLLOWING PARTS:**

4.1 **Part A** contains definitions and interpretations used in this Scheme;

4.2 **Part B** contains particulars of share capital of the Companies, details of directors and promoters;

4.3 **Part C** contains provisions relating to amalgamation of the Transferor Company 1 / GEIPL with the Transferee Company 1 / GDL, consideration and accounting treatment;

4.4 **Part D** contains provisions relating to amalgamation of the Transferor Company 2 / GDL (post amalgamation of the Transferor Company 1 / GEIPL with the Transferee Company 1 / GDL) with the Transferee Company 2 / GRFL, consideration, accounting treatment, aggregation and increase of authorized share capital of Transferee Company 2, change of name of Transferee Company 2 and change of main objects clause contained in the MOA of Transferee Company 2;

4.5 **Part E** contains the general terms and conditions applicable to this Scheme.

PART A
DEFINITIONS AND INTERPRETATIONS

5. **DEFINITIONS**

5.1 In this Scheme, unless repugnant to or inconsistent with the subject or context, the following expressions shall have the meaning ascribed hereunder:

5.1.1 **"Act"** means the Companies Act, 2013, as amended, to the extent of the provisions notified and rules and regulations made thereunder and shall include any statutory modifications, amendments or re-enactment thereof for the time being in force;

5.1.2 **"AOA"** shall mean the articles of association of the relevant company (Transferor Company 1, Transferor Company 2 or the Transferee Company 2), as the case may be, in each case as amended from time to time;

5.1.3 **"Amalgamation"** means the respective amalgamation of (i) Transferor Company 1 / GEIPL with Transferee Company 1 / GDL in terms of Part C of the Scheme; and (ii) Transferor Company 2 / GDL (post amalgamation of Transferor Company 1 / GEIPL with Transferee Company 1 / GDL in terms of Part C of the Scheme) with the Transferee Company 2 / GRFL in terms of Part D of the Scheme, both these amalgamations being in terms of Section 2(1B) of the Income Tax Act and to be implemented in terms of Parts C and D of the Scheme, respectively;

5.1.4 **"Applicable Laws"** means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Companies; (b) approvals; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Companies as may be in force from time to time;

5.1.5 **"Appointed Date 1"** means opening of business hours on **1 April 2020,** as assented to and approved by the Board of Directors of the Transferor Company 1 and Transferee Company 1 or such other date as may be directed by the NCLT or other Appropriate Authority, as may be applicable, being the date from which the provisions of Part C of this Scheme shall become operational;

5.1.6 **"Appointed Date 2"** means opening of business hours on **1 April 2020,** as assented to and approved by the Board of Directors of the Transferor Company 2 and Transferee Company 2 or such other date as may be directed by the NCLT or other Appropriate Authority, as may be applicable, being the date from which the provisions of Part D of this Scheme shall become operational immediately after giving effect to the amalgamation of Transferor Company 1 / GEIPL with Transferee Company 1 / GDL as set out in Part C of this Scheme;

5.1.7 **"Appropriate Authority"** means and includes government or political subdivision thereof; any department, agency or instrumentality of any Government or political subdivision

thereof; any court or arbitral tribunal and any regulatory authority of competent jurisdiction including any tax authorities, the Reserve Bank of India, Registrar of Companies, Regional Director, Official Liquidator, SEBI, Stock Exchanges and NCLT;

5.1.8 **"Board"** or **"Board of Directors"** means the Board of Directors of Transferor Company 1, Transferor Company 2 or Transferee Company 2 as the context may require and shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person(s) authorized by the Board of Directors or such committee of directors duly constituted and authorized, *inter alia*, for the purposes of the Amalgamation, this Scheme and/ or any other matter relating thereto;

5.1.9 **"Companies"** shall together mean the Transferor Companies and the Transferee Company 2;

5.1.10 **"Effective Date"** or **"upon this Scheme becoming effective"** means the last date on which the certified copy of the order of the NCLT sanctioning this Scheme is filed with the Registrar of Companies, Mumbai by the Transferor Company 1, Transferor Company 2 and the Transferee Company 2, as required under the provisions of the Act;

5.1.11 **"Funds"** shall have the meaning ascribed to it in Clause 13.2 of this Scheme;

5.1.12 **"Income Tax Act"** means the Income- tax Act, 1961, as amended, to the extent of the provisions notified and rules and regulations made thereunder and shall include any statutory modifications, amendments or re-enactment thereof for the time being in force;

5.1.13 "**Rs**", "**INR**", "**Rupee**" or "**Rupees**" means Indian Rupees, the lawful currency and legal tender of the Republic of India;

5.1.14 **"LODR Regulations"** means SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended from time to time;

5.1.15 **"MOA"** shall mean memorandum of association of the relevant company (the Transferor Company 1, the Transferor Company 2 or the Transferee Company 2), as the case may be, in each case as amended from time to time;

5.1.16 **"NCLT"** means the Hon'ble National Company Law Tribunal, Mumbai Bench, having jurisdiction over the Companies;

5.1.17 **"Public Shareholder"** shall have the meaning ascribed to it in the SEBI Circular;

5.1.18 "**Record Date**" means the date fixed by the Board of Directors of the Transferor Company 2 / GDL or committee thereof, if any, in consultation with the Board of Directors of the Transferee Company 2 for the purpose of determining the shareholders of Transferor Company 2 / GDL who shall be entitled to receive equity shares of the Transferee Company 2, as consideration as per Clause 24 of this Scheme;

5.1.19 **"Sanction of this Scheme"** shall have the meaning ascribed to it in Clause 10.1 of Part C;

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5.1.20 "**Scheme**" or "**the Scheme**" or "**this Scheme**" means this composite scheme of Amalgamation in its present form (along with any annexures, schedules etc., annexed / attached hereto) or with any modification(s)/ amendment(s) made under Clause 38 of this Scheme as approved or directed by the NCLT;

5.1.21 "**SEBI**" means Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

5.1.22 "**SEBI Circular**" means circular no CFD/D1L3/CIR/2017/21 issued by SEBI on 10 March 2017, as amended in accordance with any subsequent circulars and amendments, if any, that may be issued by SEBI from time to time;

5.1.23 "**Stock Exchanges**" shall mean BSE Limited and the National Stock Exchange of India Limited, collectively;

5.1.24 "**Transferee Company 2**" **or** "**GRFL**" has the meaning ascribed to it in Clause 2.3 of Preamble to this Scheme;

5.1.25 "**Transferor Company 1**" **or** "**GEIPL**" has the meaning ascribed to it in Clause 2.2 of Preamble to this Scheme; and

5.1.26 "**Transferor Company 2**" **or** "**Transferee Company 1**" **or** "**GDL**" has the meaning ascribed to it in Clause 2.1 of Preamble to this Scheme.

5.2 Capitalized terms defined by inclusion in quotations and / or parenthesis have the meanings so ascribed herein. Capitalized terms which are not otherwise defined shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the rules, regulations made thereunder), the Depositories Act, 1996, the Income Tax Act and other Applicable Laws.

6. **INTERPRETATION**

6.1 References to statutory provisions shall be construed as references to the statutory provisions under laws of India unless otherwise specified, and in any event to those provisions as respectively amended, superseded or re-enacted or as their application is modified by any other provisions (whether made before or after the date of this Scheme) from time to time, to the extent in force;

6.2 References to clauses or sub-clause are to the clauses or sub-clauses of specific parts in which they appear of this Scheme;

6.3 The headings, sub-headings and bold typeface are for information only and shall not affect the construction or interpretation of this Scheme;

6.4 References to a person include any individual, firm, body corporate (whether incorporated or not), Government, state or agency of a state or any joint venture, association, partnership, works council or employees' representative body (whether or not having separate legal personality);

6.5 References to any of the terms such as taxes, duty, levy, cess in this Scheme shall be construed as reference to all of them whether jointly or severally;

6.6 The singular shall include the plural and vice versa; and reference to one gender shall include all genders; and

6.7 Any phrase introduced by the terms "including", "include" or any similar expression shall be construed as illustrative and shall not limit the sense or scope of the word(s) preceding those terms.

PART B
DETAILS OF SHARE CAPITAL, DIRECTORS AND PROMOTERS

7. GATEWAY DISTRIPARKS LIMITED

7.1 Share Capital

The share capital of the Transferor Company 2 as on 1 September 2020 is as under:

Authorised Share Capital		**Amount (Rs.)**
12,50,00,000 Equity Shares of Rs. 10 each		125,00,00,000
	Total	125,00,00,000

Issued, Subscribed and Fully Paid Up Share Capital		**Amount (Rs.)**
12,48,35,908 Equity Shares of Rs. 10 each		124,83,59,080
	Total	124,83,59,080

Subsequent to 15 September 2020 and till the approval of this Scheme by the Board of Directors of the Transferor Company 2, there have been no changes in the authorized, issued, subscribed and paid-up share capital of the Transferor Company 2.

7.2 Directors

As of the date of the approval of this Scheme by the Board of Directors of the Transferor Company 2, the list of directors of Transferor Company 2 is as follows:

S. No	Name of the Director	Designation	DIN	Address
1	Prem Kishan Dass Gupta	Chairman and Managing Director	00011670	94 Sainik Farm, Khanpur, New Delhi 110062
2	Ishaan Gupta	Joint Managing Director	05298583	94 Sainik Farm, Khanpur, New Delhi 110062
3	Shabbir Hakimuddin Hassanbhai	Non-Executive - Independent Director	00268133	36, Keppel Bay Drive #05-78, Caribbean At Keppel Bay, Singapore 098653
4	Bhaskar Avula Reddy	Non-Executive - Independent Director	06554896	H. No: 1-60/B/6/E-7,Rolling Hills, Opposite Ramky Towers, Gachibowli, Serilingampally, KV Rangareddy Hyderabad 500032
5	Mamta Gupta	Non-Executive - Non-Independent Director	00160916	94 Sainik Farm, Khanpur, New Delhi 110062
6	Arun Kumar Gupta	Non-Executive - Independent Director	06571270	S 131, First Floor, Greater Kailash 2, New Delhi 110048
7	Samvid Gupta	Non-Executive – Non-Independent	05320765	94 Sainik Farm, Khanpur, New Delhi 110062

S. No	Name of the Director	Designation	DIN	Address
		Director		
8	Shukla Wassan	Non-Executive - Independent Director	02770898	Bld 214, The Belaire, DLF City Phase-V, Gurgaon 122011

7.3 Promoters

As of the date of the approval of this Scheme by the Board of Directors of the Transferor Company 2, the list of promoters of Transferor Company 2 is as follows:

S. No	Name of the Promoter	Address
1	Prem Kishan Dass Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
2	Mamta Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
3	Ishaan Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
4	Samvid Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
5	Prism International Private Limited	206, Southern Park, Saket District Centre, Saket New Delhi - 110017
6	Perfect Communications Private Limited	206, Southern Park, Saket District Centre, Saket New Delhi - 110017

8. GATEWAY EAST INDIA PRIVATE LIMITED

8.1 Share Capital

The share capital of the Transferor Company 1 as on 15 September 2020 is as under:

Authorised Share Capital		**Amount (Rs.)**
1,00,00,000 Equity Shares of Rs. 10 each		10,00,00,000
	Total	10,00,00,000

Issued, Subscribed and Fully Paid Up Share Capital		**Amount (Rs.)**
80,00,000 Equity Shares of Rs. 10 each		8,00,00,000
	Total	8,00,00,000

Subsequent to 15 September 2020 and till the approval of this Scheme by the Board of Directors of the Transferor Company 1, there have been no changes in the authorized, issued, subscribed and paid-up share capital of the Transferor Company 1.

8.2 Directors

As of the date of the approval of this Scheme by the Board of Directors of the Transferor Company 1, the list of directors of Transferor Company 1 is as follows:

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S. No	Name of the Director	Designation	DIN	Address
1	Prem Kishan Dass Gupta	Director	00011670	94 Sainik Farm Khanpur, New Delhi – 110062
2	Shabbir Hakimuddin Hassanbhai	Director	00268133	36 Keppel Bay Drive #05-78 Caribbean At Keppel Bay Singapore 098653 Sg
3	Ishaan Gupta	Director	05298583	94 Sainik Farm Khanpur, New Delhi – 110062

8.3 Promoters

As of the date of the approval of this Scheme by the Board of Directors of the Transferor Company 1, the details of the promoter of the Transferor Company 1 is as follows:

S. No	Name of the Promoter	Address
1	Gateway Distriparks Limited	Sector-6, Dronagiri, Uran, Raigad, Navi Mumbai – 400 707, India

9. **GATEWAY RAIL FREIGHT LIMITED**

9.1 Share Capital

The share capital of the Transferee Company 2 as on 15 September 2020 is as under:

Authorised Share Capital	**Amount (Rs.)**
40,27,00,000 Equity Shares of Rs. 10 each	402,70,00,000
100 Equity Shares of Rs. 25 each	2,500
12,00,00,000 of compulsorily convertible preference shares of Rs. 24.65 each	295,80,00,000
11,50,00,000 zero coupon redeemable preference shares of Rs. 10 each	115,00,00,000
Total	**813,50,02,500**

Issued, Subscribed and Fully Paid Up Share Capital	**Amount (Rs.)**
20,15,00,000 Equity Shares of Rs. 10 each	201,50,00,000
100 Equity Shares of Rs. 25 each	2,500
12,00,00,000 of compulsorily convertible preference shares of Rs. 24.65 each	295,80,00,000
Total	**497,30,02,500**

Subsequent to 15 September 2020 and till the approval of this Scheme by the Board of Directors of the Transferee Company 2, there have been no changes in the authorized, issued, subscribed and paid-up share capital of the Transferee Company 2.

9.2 Directors

As of the date of the approval of this Scheme by the Board of Directors of the Transferee Company 2, the list of directors of Transferee Company 2 is as follows:

S. No	Name of the Director	Designation	DIN	Address
1	Prem Kishan Dass Gupta	Managing Director	00011670	94 Sainik Farm Khanpur, New Delhi – 110062
2	Mamta Gupta	Director	00160916	94 Sainik Farm Khanpur, New Delhi – 110062
3	Anil Aggarwal	Independent Director	01385684	13, Ground Floor, Paschimi Marg, Vasant Vihar, New Delhi 110057
4	Sachin Surendra Bhanushali	Whole time Director	01479918	D-70, Second Floor, Saket, South Delhi, Delhi 110017
5	Ishaan Gupta	Director	05298583	94 Sainik Farm Khanpur, New Delhi – 110062
6	Samvid Gupta	Joint Managing Director	05320765	94 Sainik Farm Khanpur, New Delhi – 110062
7	Arun Kumar Gupta	Independent Director	06571270	S 131 First Floor Greater Kailash 2 New Delhi 110048

9.3 Promoters

As of the date of the approval of this Scheme by the Board of Directors of the Transferee Company 2, the details of the promoter of Transferee Company 2 is as follows:

S. No	Name of the Promoter	Address
1	Gateway Distriparks Limited	Sector-6, Dronagiri, Uran, Raigad, Navi Mumbai – 400 707, India
2	Prem Kishan Dass Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
3	Ishaan Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
4	Mamta Gupta	94 Sainik Farm, Khanpur, New Delhi 110062
5	Samvid Gupta	94 Sainik Farm, Khanpur, New Delhi 110062

GATEWAY EAST INDIA PRIVATE LIMITED

Prem Kishan

Ishaan Gupta

Gateway Distriparks Limited

Gateway Rail Freight Limited

PART C
AMALGAMATION OF TRANSFEROR COMPANY 1 / GEIPL WITH TRANSFEREE COMPANY 1 / GDL

10. TRANSFER AND VESTING

10.1 Pursuant to the sanction of this Scheme by the NCLT in accordance with the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act (**"Sanction of this Scheme"**), and upon this Scheme becoming effective, the entire business and undertaking of the Transferor Company 1 shall be and stand transferred to and be vested in or be deemed to have been transferred to and be vested in the Transferee Company 1 with effect from the Appointed Date 1, as a going concern, together with all assets, properties, estate, rights, title and authorities, benefits, claims, liabilities and interest therein of every description, subject to existing charges thereon in favour of the banks and financial institutions or otherwise, as the case may be, whether or not included in the books of accounts of the Transferor Company 1 without any further act, instrument or deed, matter or thing to be made, done or executed so as to become, as and from the Appointed Date 1, business and undertaking of the Transferee Company 1 together with all assets, properties, estate, rights, title and authorities, benefits, claims, liabilities and interest therein of every description, by virtue of and in the manner provided in this Scheme.

10.2 This Scheme is in compliance with the provisions relating to "Amalgamation" as specified under Section 2(1B) and other relevant provisions of the Income Tax Act. If any terms or provisions of this Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income Tax Act, the provisions of Section 2(1B) of the Income Tax Act shall prevail and this Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income Tax Act and such modification shall not affect other terms or provisions of this Scheme.

10.3 **Transfer of assets**

10.3.1 Without prejudice to the generality of the preceding clauses, upon this Scheme becoming effective and with effect from the Appointed Date 1:

(a) Without limitation, all the immovable properties of every kind, nature and description (whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto), together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company 1, including floor space index, transferable development rights shall be and stand transferred to and be vested in or be deemed to have been transferred to and be vested in the Transferee Company 1, as a going concern, automatically upon this Scheme becoming effective with effect from the Appointed Date 1 without any further act, instrument or deed, matter or thing to be made, done or executed for registering the name of the Transferee Company 1 as owner, lessor/lessee, license holder or otherwise, as the case may be thereof and the Appropriate Authorities, including Sub-registrar of Assurances, Tehsildar etc. may rely on this Scheme along with the copy of the order passed by the NCLT, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Transferee Company 1 as owner of the immovable properties.

Without prejudice to the aforesaid, the Transferee Company 1 shall be entitled to and exercise all rights and privileges attached to the immovable properties and shall be liable to pay rent, taxes and to fulfill all obligations in relation to or applicable to such immovable properties. Furthermore, no duty (including stamp duty), levy, cess of any nature will be payable by the Transferee Company 1 at the time of transfer of the encumbrance, charge and/or right covered above with respect to the immovable properties.

Any inchoate title or possessory title of the Transferor Company 1, together with security deposits and advance / prepaid lease / license fee, etc., as the case may be, shall stand transferred and vested in favour of the Transferee Company 1 on same terms and condition without any further act, instrument, deed, matter or thing being made, done or executed. It is clarified for the removal of doubt that if any document is required to be executed by the Transferee Company 1 for the purpose of transfer of immovable properties, then the Transferee Company 1 shall be entitled to execute such deeds, agreements, conveyance and/or documents as may be required to ensure mutation of the title to the immovable properties in favour of the Transferee Company 1 by the Appropriate Authorities upon this Scheme becoming effective, provided that, the immovable properties in respect of which the Transferor Company 1 has executed a duly stamped and registered agreement to sell / purchase or development agreement or similar agreement and a conveyance deed/sale deed has to be re-executed in favour of the Transferee Company 1, then the Transferee Company 1 shall be entitled to avail credit to the stamp duty (if any) already paid on the respective agreements;

(b) All movable assets of the Transferor Company 1 of every kind, nature and description wherever located, whether real, personal or mixed, tangible or intangible, present or future, actual or contingent, comprising amongst others all plant and machinery, investments of all kinds (i.e., shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), inventories, vehicles, furniture and fixtures, computers, computer softwares (including ERP license) office equipment, electrical installations, water connections, rights, titles, interests, benefits and advantages of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company 1, or assets that are otherwise capable of being transferred by physical or constructive delivery and/or endorsement and delivery including cash in hand, shall be so transferred (along with the encumbrance, charges and /or rights thereon) and/or deemed to have been physically handed over by delivery or by endorsement delivery, as the case may be, to the Transferee Company 1 to the end and intent that the property rights and benefit therein passes to the Transferee Company 1 upon this Scheme becoming effective with effect from the Appointed Date 1, without requiring any further act, deed or instrument or any other formality or endorsement for the transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly;

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(c) All rights or titles or interest in any other properties by virtue of any court or tribunal decree or order, all records, files, papers, contracts, intimation of disapproval, development right certificate, no objection certificate obtained from any authorities, including lease, tenancy rights, letter of intents, permissions, incentives and all other contracts determining rights, title, interest including but not limited to development agreements, conveyances, agreement for sale etc. shall be and stand transferred to and be vested in or be deemed to have been transferred to and be vested in the Transferee Company 1 upon this Scheme becoming effective with effect from the Appointed Date 1 without any further act, instrument or deed, matter or thing to be made, done or executed;

(d) All telephones, telex, facsimile, cell phones and other communication facilities, electricity, water and other utility connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities to the Transferor Company 1 together with security deposits and all other advances paid, shall stand transferred in favour of the Transferee Company 1 on the same terms and conditions upon this Scheme becoming effective with effect from the Appointed Date 1 without requiring any further act, deed or instrument for the transfer of the same;

(e) All other assets of the Transferor Company 1 of every kind, nature and description other than those mentioned above, including but not limited to actionable claims, sundry debtors, receivables, bills, credits, outstanding loans, advances (if any) recoverable in cash or kind or for value to be received, bank balances, investments, earnest money and deposits with any governmental or quasi-governmental authority, other authorities and bodies, or with any other company or person, or customers (along with the encumbrance, charges and /or rights thereon), suppliers or vendors, shall without any further act or deed, cost or charge and without any notice or other intimation to any third party be transferred to and be vested in the Transferee Company 1 upon this Scheme becoming effective with effect from the Appointed Date 1.

It is clarified that the Transferor Company 1 shall if so required by the Transferee Company 1, issue notices in such form as the Transferee Company 1 may deem fit and proper, and/ or the Transferee Company 1 may, in its sole discretion, without being obliged to do so, issue notices in such form as the Transferee Company 1 may deem fit and proper stating that pursuant to the Sanction of this Scheme, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Transferee Company 1, as the person entitled thereto, to the end and intent that the right of the Transferor Company 1 to recover or realize the same stands transferred to the Transferee Company 1 and that appropriate entries should be passed in their respective books to record the aforesaid changes;

(f) All consents, permissions, statutory or other licenses, approvals, sanctions, permits, registrations, authorizations, consents to operate, certificates, environment or other clearances and authorities, leases, tenancies, assignment,

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allotments, power of attorney given by, issued to or executed in favour of the Transferor Company 1, claims, powers, allotments, approvals, contracts, enactments, arrangements, rights, titles, interests, benefits, privileges and other intangible rights issued to or executed in favour of the Transferor Company 1, arrangements of all kinds, shall stand transferred to the Transferee Company 1 as if the same were originally given by, issued to or executed in favour of the Transferee Company 1, and the rights and benefits under the same shall be available to the Transferee Company 1 and shall remain valid, effective and enforceable on the same terms and conditions. In so far as the special incentive schemes and various other incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Appropriate Authority or by any other person including Service Export from India Scheme, or availed of by the Transferor Company 1 are concerned, the same shall vest with and be available to the Transferee Company 1 on the same terms and conditions upon this Scheme becoming effective with effect from the Appointed Date 1 without requiring any further act, deed or instrument for the transfer of the same. Any registration fees, charges etc. paid by the Transferor Company 1 in relation to the aforementioned consents, permissions, licenses, approvals, certificates, clearances and authorities, etc. shall be deemed to have been paid by the Transferee Company 1 and consequently, the concerned Appropriate Authority shall carry out necessary mutations in favour and in name of the Transferee Company 1, where applicable. Upon the Effective Date and until the licenses, permit, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, schemes, special status are transferred, vested, recorded effected and or perfected, in the record of the Appropriate Authority, in favour of the Transferee Company 1, the Transferee Company 1 is authorized to carry on business, transferred pursuant to this Scheme, in the name and style of the Transferor Company 1, as the case may be, and under the relevant license and or permit and/or approval, as the case may be, and the Transferee Company 1 shall keep a record and/or account of such transactions;

Any third party or Appropriate Authority required to give effect to the provisions of this clause shall take on record the order of the NCLT sanctioning this Scheme on its file and make and duly record the necessary substitution or endorsement in the name of the Transferee Company 1 as successor in interest. Without prejudice to the foregoing, it is clarified for the avoidance of doubt that all the licenses/ permits/ approvals/ consents/ registrations/ applications for registrations of the Transferee Company 1 shall continue to be valid and effective in the name of the Transferee Company 1 and shall not be in any manner whatsoever deemed to be affected by the transfer of the licenses of the Transferor Company 1 to the Transferee Company 1 upon this Scheme becoming effective.

(g) Without prejudice to Clauses 10.3.1 (e) and (f) of this Scheme, with effect from the Effective Date, the Transferee Company 1 shall commence and carry on and shall be authorized to carry on the businesses carried on by the Transferor Company 1. For this purpose, the Transferee Company 1 and/or the Transferor Company 1, as the case may be, shall apply for transition of all licenses,

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registrations, approvals, consents, permits, and quotas of or re-rating to the Transferor Company 1 including but not limited to registrations, licenses, etc., with the municipal authorities, goods and service tax authorities, any other statutory or other authorities (including authorities outside India established under respective governments) required for the business. The period between the Effective Date and the last date on which transfer of all such aforementioned registrations, licenses, etc. have occurred is hereinafter referred to as "**Transition Period**" for the purpose of this Part C. With a view to avoiding any disruption to the businesses and to ensure continuity of operations, the Transferee Company 1 may, during the Transition Period, continue to procure or use or undertake or dispatch or sell, all materials, products and services including the raw material, packing materials, labels, samples, other publicity material, make payment of appropriate taxes and avail tax credits, and generally carry on the business in the name and form /format of the Transferor Company 1;

(h) All the intangible property of the Transferor Company 1 including any or all goodwill, website domain names, patents, trademarks, trade names, service names, marks, logos, brands, copyrights, know-how, technical know-how, descriptions, trading style, franchise, labels, label designs, colour schemes, utility models, holograms, bar codes, pricelists, customers lists, catalogues, advertisement materials, selvedges, designs, drawings, maps, technical or any other manuals, books or documents, marketing authorizations, approvals, marketing tangibles, licenses, registrations, or consents or any right in any intellectual property, whether registered or not and any application for registration of any intellectual property whether or not recorded in the books of the Transferor Company 1 pertaining to or enjoyed by the Transferor Company 1 shall stand vested in or transferred to or be deemed to have been transferred to and vested in and be available to the Transferee Company 1 upon this Scheme becoming effective with effect from the Appointed Date 1, subject to any encumbrances, charge or lien thereon, without any further act, instrument or deed and shall be appropriately mutated by the Appropriate Authority or party concerned, if and as may be required, in favour of the Transferee Company 1;

(i) It is hereby provided that all documents executed and/or filed including but not limited to documents related to charges, encumbrance or right, whether or not registered with any Appropriate Authority (including Registrar of Companies) or any other person as regards the transfer and vesting of assets of the Transferor Company 1 shall be deemed to have been executed and/or filed and/or registered by the Transferee Company 1, and the Transferee Company 1 shall not be required to execute and/or perform any further act, instrument or deed separately. Further, where any document in case any encumbrance, charge and/or right created by the Transferor Company 1 with respect to the assets mentioned in this clause, is transferred to or replaced by the Transferee Company 1, no duty (including stamp duty), levy and/or cess of any nature will be payable by the Transferee Company 1 at the time of transfer of the encumbrance, charge and/or right and the duty and other levies already paid by the Transferor Company 1 shall be deemed to have been paid by the Transferee Company 1;

(j) All the assets and properties which are acquired by the Transferor Company 1 on or after the Appointed Date 1 but prior to the Effective Date shall be deemed to be and shall become the assets and properties of the Transferee Company 1 and shall upon this Scheme becoming effective, without any further act, instrument or deed, be assets and properties acquired by the Transferee Company 1;

(k) For avoidance of doubt and without prejudice to the generality of the applicable provisions of this Scheme, it is clarified that from the Effective Date and till such time that the names of the bank accounts of the Transferor Company 1 are replaced with that of the Transferee Company 1, the Transferee Company 1 shall be entitled to operate the bank accounts of the Transferor Company 1 in its name, in so far as may be necessary;

All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 1 after the Effective Date shall be accepted by the bankers of the Transferee Company 1 and credited to the account of the Transferee Company 1, if presented by the Transferee Company 1. The Transferee Company 1 shall be allowed to maintain bank accounts in the name of the Transferor Company 1 for such time as may be determined to be necessary by the Transferee Company 1 for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company 1.

10.4 **Transfer of liabilities**

Upon this Scheme becoming effective and with effect from the Appointed Date 1:

10.4.1 All debts, liabilities, contingent liabilities, duties and obligations of the Transferor Company 1 of every kind, nature and description whatsoever, whether provided for or not in the books of accounts of the Transferor Company 1, as on the Appointed Date 1 and all other liabilities which may accrue or arise after the Appointed Date 1 but which relate to the period on or up to the Appointed Date 1 (hereinafter collectively referred to as the "**Liabilities**") shall also without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company 1 and the same shall be assumed by the Transferee Company 1 to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date 1, the Liabilities of the Transferee Company 1 on the same terms and conditions as were applicable to the Transferor Company 1 and further it shall not be necessary to obtain the consent of any bank, financial institution, third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this clause. It is clarified that the Transferor Company 1 shall, if so required by the Transferee Company 1, and/ or the Transferee Company 1 may issue notices/execute documents with such third party in such form as the Transferee Company 1 may deem fit and proper, without being obliged to do so in order to give effect to the provisions of this clause.

10.4.2 All credit facilities, sanctioned by banks or any other party of the Transferor Company 1, whether utilized or not, as on the Effective Date shall stand transferred to and vested in

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or be deemed to have been transferred to and vested in the Transferee Company 1 as if the same were sanctioned to the Transferee Company 1.

10.4.3 Where any such Liabilities as on the Appointed Date 1 have been discharged or satisfied by the Transferor Company 1 after the Appointed Date 1 and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company 1.

10.4.4 All the existing securities, mortgages, charges, encumbrances, if any, as on the Appointed Date 1 and those created by the Transferor Company 1 after the Appointed Date 1, over its own assets, transferred to the Transferee Company 1 shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend to any of the other assets of the Transferee Company 1. The Transferee Company 1 shall not be obliged to create any further or additional securities after the Effective Date for any of the Liabilities of the Transferor Company 1. Without prejudice to the foregoing provisions, the Transferee Company 1 may execute any instruments or documents or do all such acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

10.4.5 The Liabilities of the Transferor Company 1, if any, due or which may at any time in the future become due only *inter-se* the Transferor Company 1 and the Transferee Company 1, shall stand discharged and there shall be no liability in that behalf on any party and corresponding effect shall be given in the books of account and records of the Transferee Company 1, in accordance with Clause 16 of Part C this Scheme.

10.5 **Taxes**

Upon this Scheme becoming effective and with effect from the Appointed Date 1:

10.5.1 Any tax liabilities under the Income Tax Act, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956, Goods and Service Tax Act, 2017 ("**GST**"), any other state sales tax / value added tax ("**VAT**") laws, service tax, stamp laws or other Applicable Laws (hereinafter referred to as "**Tax Laws**") dealing with taxes/ duties/ levies of the Transferor Company 1 to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date 1 shall be transferred to the Transferee Company 1. Similarly, all credits for taxes available under applicable Tax Laws including Minimum Alternate Tax, Sales Tax/ VAT and Service Tax, GST Act to the Transferor Company 1 or obligation for deduction/collection of tax at source on any payment made by or to be made by the Transferor Company 1 shall be made or deemed to have been made and duly complied with by the Transferee Company 1 and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company 1 upon this Scheme becoming effective and upon relevant proof and documents being provided to the authorities. Similarly, any advance tax, self-assessment tax payment made by the Transferor Company 1 shall also be deemed to have been made by the Transferee Company 1.

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10.5.2 All taxes (including income tax, wealth tax, GST, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.) paid or payable by the Transferor Company 1 in respect of the operations and/or the profits of the business on and from the Appointed Date 1, shall be on account of the Transferee Company 1 and, insofar as it relates to the payment of such taxes, whether by way of deduction/ collection at source, advance tax or otherwise howsoever, by the Transferor Company 1 in respect of the profits or activities or operation of the business on and from the Appointed Date 1, the same shall be deemed to be the corresponding item paid by the Transferee Company 1, and shall, in all proceedings, be dealt with accordingly. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company 1 upon this Scheme becoming effective and upon relevant proof and documents being provided to the said authorities.

10.5.3 Upon this Scheme becoming effective, the Transferee Company 1 is expressly permitted to revise and file its statutory returns and / or forms including income tax returns, GST returns, service tax returns, sales tax, value added tax returns, withholding tax returns, and any other tax returns (including revised returns) and any other tax forms (including revised forms), as may be necessary and expressly reserves the right to make such provisions in its statutory returns and / or forms, and to claim refunds and credits etc. pertaining to the Transferor Company 1 notwithstanding that the statutory period for such revision and filing may have lapsed.

10.5.4 The Transferee Company 1 shall be entitled to claim and be allowed credit or benefits of all tax deduction certificates, advance tax, self-assessment tax or other tax payments, credits or drawbacks or any other credit or benefit of any tax, duty, cenvat, incentive etc. relating to the Transferor Company 1 notwithstanding that such certificates or challans or any other documents for tax payments or credits/benefits etc. may have been issued or made in the name of the Transferor Company 1. Such credit/ benefit shall be allowed without any further act or deed by the Transferee Company 1 or the need for any endorsements on such certificates, challans, documents etc. to be done by the issuers or any Appropriate Authority. Further any taxes paid and taxes deducted at source ("**TDS**") and deposited by the Transferee Company 1 on *inter se* transactions during the period between the Appointed Date 1 and the Effective Date shall be treated as advance tax paid by the Transferee Company 1 and shall be available to the Transferee Company 1 for set-off against its liability under the Income Tax Act, and excess tax so paid shall be eligible for refund together with interest.

10.5.5 Upon this Scheme becoming effective, any TDS deposited, TDS certificates issued, or TDS returns filed by the Transferor Company 1 shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued, and TDS returns were filed by the Transferee Company 1.

10.5.6 All expenses incurred by the Transferor Company 1 under Section 43B of the Income Tax Act, shall be claimed as a deduction by the Transferee Company 1 and the transfer of the entire business shall be considered as succession of business by the Transferee Company 1.

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10.5.7 Any refund under the Tax Laws due to the Transferor Company 1 consequent to the assessments made on the Transferor Company 1 and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date 1 shall also belong to and be received by the Transferee Company 1. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company 1 upon the passing of the orders on this Scheme by the NCLT upon relevant proof and documents being provided to the said authorities.

10.5.8 Subject to the provisions of Section 170 of the Income Tax Act, all tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company 1 pending and/ or arising after the Appointed Date 1, if any, shall be continued and / or enforced until the Effective Date by or against the Transferor Company 1. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company 1 in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company 1.

10.5.9 Without prejudice to the generality of the above, all benefits, exemptions, incentives or concessions including under the Income Tax Act including Minimum Alternate Tax credit, GST, sales tax, excise duty, customs duty, service tax, VAT, etc., to which the Transferor Company 1 is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company 1. It is clarified for the removal of doubt that there shall be no impact on the benefits available under above laws to the Transferee Company 1.

10.5.10 Without prejudice to the foregoing, with effect from the Appointed Date 1 till the Effective Date, all inter-company transactions between the Transferee Company 1 and the Transferor Company 1 shall be considered as intra-company transactions of the Transferee Company 1 for all purposes and any contracts between the Transferee Company 1 and the Transferor Company 1 shall stand cancelled in accordance with Clause 12 of this Scheme.

10.5.11 All the expenses incurred by the Transferee Company 1 and/or Transferor Company 1 in relation to the amalgamation of the Transferor Company 1 with the Transferee Company 1 in accordance with this Scheme, including stamp duty expenses, if any shall be allowed as deduction to the Transferee Company 1 in accordance with section 35DD of the Income Tax Act over a period of 5 (five) years beginning with the financial year in which Part C of the Scheme becomes effective.

10.6 **Corporate approvals**

Upon this Scheme becoming effective and with effect from the Appointed Date 1:

10.6.1 Benefits of any and all corporate approvals as may have already been taken by the Transferor Company 1 whether being in the nature of compliances or otherwise, shall without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company 1 by operation of law, and the said corporate

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approvals and compliances shall be deemed to have originally been taken/complied with by the Transferee Company 1.

10.6.2 The resolutions, if any, of the Transferor Company 1 which are valid and subsisting on the Effective Date, shall without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, continue to be valid and subsisting and be considered as resolutions of the Transferee Company 1 and if any such resolutions have any monetary limits approved under the provisions of the Act, or other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company 1 and shall constitute the aggregate of the said limits in the Transferee Company 1. For purposes of clarity, upon this Scheme becoming effective, the borrowing limits of the Transferee Company 1 in terms of Section 180 of the Act shall without any further act or deed, stand enhanced by the Liabilities of the Transferor Company 1, such limits being incremental to the existing limits of the Transferee Company 1, with effect from the Appointed Date 1.

10.7 **Books and records**

Upon this Scheme becoming effective and with effect from the Appointed Date 1, all books, records, files, papers, registers, returns, other information, databases, catalogues, quotations, advertising materials, whether in physical or electronic form, which pertain to the Transferor Company 1 shall stand transferred to and be vested in the Transferee Company 1 without any further act, instrument or deed by the Transferor Company 1. The Transferor Company 1 shall hand over such books, records etc. to the Transferee Company 1.

11. **LEGAL PROCEEDINGS**

11.1 All suits, actions, appeals, arbitrations, execution proceedings and other proceedings of whatsoever nature including legal and taxation proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company 1 shall not abate, be discontinued or be in any way prejudicially affected by reason of the Amalgamation of the Transferor Company 1 with the Transferee Company 1 or anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against the Transferor Company 1, as if this Scheme had not been made.

11.2 Upon this Scheme becoming effective and with effect from the Appointed Date 1, all suits, actions, appeals, arbitrations, execution proceedings and other proceedings of whatsoever nature including legal and taxation proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company 1, whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against the Transferee Company 1 as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company 1.

11.3 The Transferee Company 1 undertakes to have accepted on behalf of itself, all suits, claims, actions and legal proceedings initiated by or against the Transferor Company 1 transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 1.

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12. **CONTRACTS, DEEDS AND OTHER INSTRUMENTS**

12.1 Upon this Scheme becoming effective and with effect from the Appointed Date 1, all contracts, agreements, memoranda of understanding, memoranda of agreements, memoranda of agreed points, letters of agreed points, agreed term sheets, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders, job orders, assurances, insurance policies, guarantees and other instruments (including powers or authorities granted by or to the Transferor Company 1) of whatsoever nature to which the Transferor Company 1 is a party, or the benefit to which the Transferor Company 1 is or would be eligible, subsisting or operative immediately on or before the Effective Date, shall continue to be in full force and effect against or in favour of the Transferee Company 1 and may be enforced as fully and effectively as if instead of the Transferor Company 1, the Transferee Company 1 had been a party or beneficiary thereto.

12.2 The Transferee Company 1 shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company 1 and the name of the Transferee Company 1 shall be substituted as 'Insured' in the insurance policies as if the Transferee Company 1 was initially a party to such insurance policies.

12.3 The Transferee Company 1 shall enter into and/or issue and/or execute deeds, in writings or confirmation or enter into any tripartite agreement, confirmations or novation to which the Transferor Company 1 will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. Further, the Transferee Company 1 shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company 1 and to implement or carry out all formalities required on the part of the Transferor Company 1 to give effect to the provisions of this Scheme.

12.4 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Transferor Company 1 occurs by virtue of this Scheme itself upon sanction by the NCLT, the Transferee Company 1 may at any time after coming into effect of this Scheme and in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, give notice in such form as may be required, or as it may deem fit and proper or enter into or execute deeds (including deeds of adherence), confirmations, novations, declarations or other writings or documents as may be necessary, in order to give formal effect to the provisions of this Scheme, including, with or in favour of and carry out and perform all such formalities and compliances required by: (i) any party under a contract, to which the Transferor Company 1 is a party and is required to undertake any of the aforesaid actions in order to give formal effect to the provisions of this Scheme; or (ii) any Appropriate Authority, in order to give formal effect to the provisions of this Scheme, however that the execution of any confirmation or novation or other writings or arrangements shall in no event postpone the giving effect to this Scheme. The Transferee Company 1 shall under the provisions of this Scheme be deemed to be authorized to execute any such documents on behalf of the Transferor Company 1 and to carry out or perform all such above mentioned formalities or compliances that are to be carried out or performed by the Transferor Company 1.

12.5 All guarantees provided by any bank in favour of the Transferor Company 1 outstanding as on the Effective Date, shall vest in the Transferee Company 1 and shall inure to the benefit of the

Transferee Company 1 and all guarantees issued by the bankers of the Transferor Company 1 at the request of the Transferor Company 1 favouring any third party shall be deemed to have been issued at the request of the Transferee Company 1 and continue in favour of such third party till its maturity or earlier termination.

12.6 Upon this Scheme coming into effect, the experience, past track record, qualification criteria and credentials of the Transferor Company 1 including *inter alia*, profitability, volume, market share etc. for all commercial and regulatory purposes including for the purpose of the eligibility, standing, evaluation and participation in all existing and future bids, tender, contracts of all authorities, agencies, departments, customers and clients shall be deemed to be the experience, track record, qualification criteria and credentials of the Transferee Company 1.

12.7 With effect from the Appointed Date 1 and upon this Scheme becoming effective, any inter-se contracts between the Transferee Company 1 and the Transferor Company 1, where there is no other party to such contract, shall stand cancelled and cease to operate and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company 1.

13. **TREATMENT OF STAFF, WORKMEN AND EMPLOYEES**

13.1 Upon this Scheme becoming effective and with effect from the Appointed Date 1, all staff, workmen and employees whether permanent or temporary, including employees/personnel engaged on contract basis and contract labourers, apprentices, interns/ trainees, both on-shore and offshore of the Transferor Company 1, who are in service on the date immediately preceding the Effective Date, shall be transferred to the Transferee Company 1, without any break or interruption in their services, on terms and conditions which are not less favourable than those applicable immediately prior to the Effective Date. The Transferee Company 1 further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Transferor Company 1 shall also be taken into account and such benefits shall be reckoned from the date of their respective appointment in the Transferor Company 1.

13.2 It is expressly provided that, the provident fund, gratuity fund, superannuation fund, leave encashment, employees' state insurance corporation contribution, labour welfare fund or any other special fund or trusts created or existing for the benefit of the staff, workmen and employees of the Transferor Company 1 (collectively referred to as "**Funds**") shall, as on the Effective Date, stand transferred to the Transferee Company 1. The Transferee Company 1 shall substitute, for all the purposes whatsoever, the Transferor Company 1 in relation to the Funds, mainly in terms of administration/operation of such Funds in accordance with provisions of such Funds, the terms provided in the respective trust deeds, and/or other documents. As on the Effective Date, all the rights, duties, powers and obligations of the Transferor Company 1 to the extent applicable in relation to such Funds shall become those of the Transferee Company 1. The trustees of these Funds, the Board of Directors of the Transferee Company 1 and Transferor Company 1 shall be entitled to adopt such course in this regard as will be necessary for the purpose of giving effect to this Scheme, and provided however that, there shall be no discontinuation or breakage in the services of the employees of the Transferor Company 1. Pending such transfer, the contributions required to be made in respect of such transferred

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employees of the Transferor Company 1 shall continue to be made by the Transferee Company 1 to the existing Funds maintained by the Transferor Company 1.

13.3 Upon this Scheme becoming effective, the Transferor Company 1 shall transfer/handover to the Transferee Company 1, copies of employment information of all such transferred employees of the Transferor Company 1, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this clause.

13.4 The contributions made by the Transferor Company 1 in respect of its employees under Applicable Laws, to the Funds created for the period after the Appointed Date 1 shall be deemed to be contributions made by the Transferee Company 1.

14. EFFECTING TRANSFERS PURSUANT TO PART C OF THIS SCHEME

Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of all assets, properties, liabilities, licenses, contracts, employees, intellectual property etc. of the Transferor Company 1 to the Transferee Company 1 occurs by virtue of this Scheme itself, the Transferee Company 1 may, at any time after this Scheme becoming effective, if so required under any contract, law or otherwise, take such actions and execute such deeds (including deeds of adherence), documents, confirmations or other writings or enter into any arrangements with any party to any contract or arrangement to which the Transferor Company 1 is a party in respect of any matter pertaining to Amalgamation or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Scheme, the said third party or authority shall be obligated to, and shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company 1 pursuant to the Sanction of this Scheme, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company 1 shall, as required, file appropriate applications / documents with Appropriate Authorities concerned for information and record purposes. The Transferee Company 1 shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company 1 and to carry out or perform all such formalities or compliances referred to above for and on behalf of the Transferor Company 1 to be carried out or performed.

15. CONSIDERATION

15.1 Since the entire paid-up equity share capital of Transferor Company 1 is held directly by Transferee Company 1, no shares of Transferee Company 1 will be issued or allotted to the shareholders of the Transferor Company 1 in consideration for Amalgamation of Transferor Company 1 with Transferee Company 1. Upon this Scheme becoming effective, the entire issued, subscribed and paid up share capital of Transferor Company 1 (whether through a nominee) shall, *ipso facto*, without any further application, act or deed stand cancelled. Consequently, due to nil consideration, there shall not be any stamp duty payable. The investments in the shares of the

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Transferor Company 1, appearing in the books of account of Transferee Company 1 shall without any further act or deed, stand cancelled.

16. **ACCOUNTING TREATMENT**

16.1 Upon this Scheme becoming effective, the Transferee Company 1 shall account for the amalgamation of the Transferor Company 1 in accordance with "Pooling of Interest Method" as laid down in Appendix C of Ind AS-103 (Business Combinations of entities under common control) notified under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts such that:

16.1.1 The Transferee Company 1 shall record the assets and liabilities, if any, of the Transferor Company 1 vested in it pursuant to Part C of this Scheme, at the carrying values as appearing in the consolidated financial statements of the Transferee Company 1.

16.1.2 The identity of the reserves shall be preserved and the Transferee Company 1 shall record the reserves of the Transferor Company 1, at the carrying amount as appearing in the consolidated financial statements of the Transferee Company 1.

16.1.3 Pursuant to the Amalgamation of the Transferor Company 1 with the Transferee Company 1, inter-company balances between Transferee Company 1 and the Transferor Company 1, if any, appearing in the books of the Transferee Company 1 shall stand cancelled.

16.1.4 The value of all investments held by the Transferee Company 1 in the Transferor Company 1 shall stand cancelled pursuant to Amalgamation.

16.1.5 The surplus / deficit, if any arising after taking the effect of clauses 16.1.1, 16.1.2 and 16.1.4 after giving the effect of the adjustments referred to in clause 16.1.3, shall be adjusted in "Capital Reserve Account" in the financial statements of the Transferee Company 1 and should be presented separately from other capital reserves.

16.1.6 In case of any differences in accounting policies between the Transferor Company 1 and the Transferee Company 1, the accounting policies followed by the Transferee Company 1 shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

16.1.7 Comparative financial information in the financial statements of the Transferee Company 1 shall be restated for the accounting impact of Amalgamation, as stated above, as if the Amalgamation had occurred from the beginning of the comparative period.

16.1.8 For accounting purpose, the Scheme will be given effect from the date when all substantial conditions for the transfer of business are completed, i.e., the control is transferred in accordance with the requirements of Ind AS 103.

17. **SAVING OF CONCLUDED TRANSACTIONS**

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The transfer and vesting of business and the continuance of proceedings by or against the Transferor Company 1 above shall not affect any transaction or proceedings already concluded by the Transferor Company 1 before the Effective Date, to the end and intent that the Transferee Company 1 accepts and adopts all acts, deeds and things done and executed by the Transferor Company 1 in respect thereto as done and executed on behalf of itself.

18. **DISSOLUTION OF THE TRANSFEROR COMPANY 1**

On the Effective Date, the Transferor Company 1 shall be automatically dissolved without being wound up. Consequently, the name of Transferor Company 1 shall be struck off from the records of the relevant Registrar of Companies. Upon this Scheme becoming effective and after dissolution of the Transferor Company 1, the Board of Directors of the Transferee Company 1 or any committee thereof is hereby authorized to take all steps as may be necessary or desirable or proper on behalf of the Transferor Company 1 from the Effective Date to resolve any question, doubts, or difficulty whether by reason of any order(s) of the court(s) or any directive, order or sanction of any Appropriate Authority or otherwise arising out of or under this Scheme or any matter therewith.

PART D
AMALGAMATION OF TRANSFEROR COMPANY 2 / GDL WITH TRANSFEREE COMPANY 2 / GRFL

19. **TRANSFER AND VESTING**

19.1 Pursuant to the Sanction of this Scheme and upon this Scheme becoming effective, with effect from the Appointed Date 2 (after the Amalgamation of Transferor Company 1 / GEIPL with Transferee Company 1 / GDL under this Scheme is deemed to have taken effect), the entire business and undertaking of the Transferor Company 2 (after the Amalgamation of Transferor Company 1 with Transferee Company 1 under this Scheme is deemed to have taken effect), shall be and stand transferred to and be vested in or be deemed to have been transferred to and be vested in the Transferee Company 2, as a going concern, together with all assets, properties, estate, rights, title and authorities, benefits, claims, liabilities and interest therein of every description, (including all assets, properties, estate, rights, title and authorities, benefits, claims, liabilities and interest therein of every description of Transferor Company 1 transferred to and vested in the Transferee Company 1 pursuant to this Scheme becoming effective) subject to existing charges thereon in favour of the banks and financial institutions or otherwise, as the case may be, whether or not included in the books of accounts of the Transferor Company 2 without any further act, instrument or deed, matter or thing to be made, done or executed so as to become, as and from the Appointed Date 2, business and undertaking of the Transferee Company 2 together with all assets, properties, estate, rights, title and authorities, benefits, claims, liabilities and interest therein of every description, by virtue of and in the manner provided in this Scheme.

19.2 This Scheme is in compliance with the provisions relating to "Amalgamation" as specified under Section 2(1B) and other relevant provisions of the Income Tax Act. If any terms or provisions of this Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income Tax Act, the provisions of Section 2(1B) of the Income Tax Act shall prevail and this Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income Tax Act and such modification shall not affect other terms or provisions of this Scheme.

19.3 **Transfer of assets**

19.3.1 Without prejudice to the generality of the preceding clauses, upon this Scheme becoming effective and with effect from the Appointed Date 2:

(a) Without limitation, all the immovable properties of every kind, nature and description (whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto), together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company 2 (including all immovable properties of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme), including floor space index, transferable development rights shall be and stand transferred to and be vested in or be deemed to have been transferred to and be vested in the Transferee Company 2, as a going concern, automatically upon this Scheme becoming effective with effect from the Appointed Date 2 without any further act, instrument or deed, matter or thing to be made, done or executed for registering the name of the Transferee Company

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2 as owner, lessor/lessee, license holder or otherwise, as the case may be thereof and the Appropriate Authorities, including Sub-registrar of Assurances, Tehsildar etc. may rely on this Scheme along with the copy of the order passed by the NCLT, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Transferee Company 2 as owner of the immovable properties.

Without prejudice to the aforesaid, the Transferee Company 2 shall be entitled to and exercise all rights and privileges attached to the immovable properties and shall be liable to pay rent, taxes and to fulfill all obligations in relation to or applicable to such immovable properties. Furthermore, no duty (including stamp duty), levy, cess of any nature will be payable by the Transferee Company 2 at the time of transfer of the encumbrance, charge and/or right covered above with respect to the immovable properties.

Any inchoate title or possessory title of the Transferor Company 2, together with security deposits and advance / prepaid lease / license fee, etc., as the case may be, shall stand transferred and vested in favour of the Transferee Company 2 on same terms and condition without any further act, instrument, deed, matter or thing being made, done or executed. It is clarified for the removal of doubt that if any document is required to be executed by the Transferee Company 2 for the purpose of transfer of immovable properties, then the Transferee Company 2 shall be entitled to execute such deeds, agreements, conveyance and/or documents as may be required to ensure mutation of the title to the immovable properties in favour of the Transferee Company 2 by the Appropriate Authorities upon this Scheme becoming effective, provided that, the immovable properties in respect of which the Transferor Company 2 has executed a duly stamped and registered agreement to sell / purchase or development agreement or similar agreement and a conveyance deed/sale deed has to be re-executed in favour of the Transferee Company 2, then the Transferee Company 2 shall be entitled to avail credit to the stamp duty (if any) already paid on the respective agreements;

(b) All movable assets of the Transferor Company 2 of every kind, nature and description wherever located, whether real, personal or mixed, tangible or intangible, present or future, actual or contingent, comprising amongst others all plant and machinery, investments of all kinds (i.e., shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), inventories, vehicles, furniture and fixtures, computers, computer softwares (including ERP license), office equipment, electrical installations, water connections, rights, titles, interests, benefits and advantages of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company 2 (including all movable assets of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme), or assets that are otherwise capable of being transferred by physical or constructive delivery and/or endorsement and delivery including cash in hand, shall be so transferred (along with the encumbrance, charges and /or rights thereon) and/or deemed to have been physically handed over by delivery or by endorsement delivery, as the case

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may be, to the Transferee Company 2 to the end and intent that the property rights and benefit therein passes to the Transferee Company 2 upon this Scheme becoming effective with effect from the Appointed Date 2, without requiring any further act, deed or instrument or any other formality or endorsement for the transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly;

(c) All rights or titles or interest in any other properties by virtue of any court or tribunal decree or order, all records, files, papers, contracts, intimation of disapproval, development right certificate, no objection certificate obtained from any authorities, including lease, tenancy rights, letter of intents, permissions, incentives and all other contracts determining rights, title, interest including but not limited to development agreements, conveyances, agreement for sale etc. shall be and stand transferred to and be vested in or be deemed to have been transferred to and be vested in the Transferee Company 2 upon this Scheme becoming effective with effect from the Appointed Date 2 without any further act, instrument or deed, matter or thing to be made, done or executed;

(d) All telephones, telex, facsimile, cell phones and other communication facilities, electricity, water and other utility connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities to the Transferor Company 2 together with security deposits and all other advances paid (including all such properties of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme), shall stand transferred in favour of the Transferee Company 2 on the same terms and conditions upon this Scheme becoming effective with effect from the Appointed Date 2 without requiring any further act, deed or instrument for the transfer of the same;

(e) All other assets of the Transferor Company 2 of every kind, nature and description other than those mentioned above, including but not limited to actionable claims, sundry debtors, receivables, bills, credits, outstanding loans, advances (if any) recoverable in cash or kind or for value to be received, bank balances, investments, earnest money and deposits with any governmental or quasi-governmental authority, other authorities and bodies, or with any other company or person, or customers (along with the encumbrance, charges and /or rights thereon), suppliers or vendors (including all other asset of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme), shall without any further act or deed, cost or charge and without any notice or other intimation to any third party be transferred to and be vested in the Transferee Company 2 upon this Scheme becoming effective with effect from the Appointed Date 2.

It is clarified that the Transferor Company 2 or Transferor Company 1, shall if so required by the Transferee Company 2, issue notices in such form as the

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Transferee Company 2 may deem fit and proper, and/ or the Transferee Company 2 may, in its sole discretion, without being obliged to do so, issue notices in such form as the Transferee Company 2 may deem fit and proper stating that pursuant to the Sanction of this Scheme, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Transferee Company 2, as the person entitled thereto, to the end and intent that the right of the Transferor Company 2 or Transferor Company 1 to recover or realize the same stands transferred to the Transferee Company 2 and that appropriate entries should be passed in their respective books to record the aforesaid changes;

(f) All consents, permissions, statutory or other licenses, approvals, sanctions, permits, registrations, authorizations, consents to operate, certificates, environment or other clearances and authorities, leases, tenancies, assignment, allotments, power of attorney given by, issued to or executed in favour of the Transferor Company 2, claims, powers, allotments, approvals, contracts, enactments, arrangements, rights, titles, interests, benefits, privileges and other intangible rights issued to or executed in favour of the Transferor Company 2 (including all consents, licenses and approvals of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme), arrangements of all kinds, shall stand transferred to the Transferee Company 2 as if the same were originally given by, issued to or executed in favour of the Transferee Company 2, and the rights and benefits under the same shall be available to the Transferee Company 2 and shall remain valid, effective and enforceable on the same terms and conditions. In so far as the special incentive schemes and various other incentives, subsidies, special status and other benefits or privileges enjoyed, granted by any Appropriate Authority or by any other person including Service Export from India Scheme, or availed of by the Transferor Company 2 are concerned (including all incentives and subsidies of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme), the same shall vest with and be available to the Transferee Company 2 on the same terms and conditions upon this Scheme becoming effective with effect from the Appointed Date 2 without requiring any further act, deed or instrument for the transfer of the same. Any registration fees, charges etc. paid by the Transferor Company 2 in relation to the aforementioned consents, permissions, licenses, approvals, certificates, clearances and authorities, etc. shall be deemed to have been paid by the Transferee Company 2 and consequently, the concerned Appropriate Authority shall carry out necessary mutations in favour and in name of the Transferee Company 2, where applicable. Upon the Effective Date and until the licenses, permit, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, schemes, special status are transferred, vested, recorded effected and or perfected, in the record of the Appropriate Authority, in favour of the Transferee Company 2, the Transferee Company 2 is authorized to carry on business, transferred pursuant to this Scheme, in the name and style of the Transferor Company 2 or Transferor Company 1, as the case may be, and under the relevant license and or permit and/or approval, as the case may be, and the Transferee Company 2 shall keep a record and/or account of such transactions;

Any third party or Appropriate Authority required to give effect to the provisions of this clause shall take on record the order of the NCLT sanctioning this Scheme on its file and make and duly record the necessary substitution or endorsement in the name of the Transferee Company 2 as successor in interest. Without prejudice to the foregoing, it is clarified for the avoidance of doubt that all the licenses/ permits/ approvals/ consents/ registrations/ applications for registrations of the Transferee Company 2 shall continue to be valid and effective in the name of the Transferee Company 2 and shall not be in any manner whatsoever deemed to be affected by the transfer of the licenses of the Transferor Company 2 or Transferor Company 1 to the Transferee Company 2 upon this Scheme becoming effective.

(g) Without prejudice to Clauses 19.3.1(e) and (f) of this Scheme, with effect from the Effective Date, the Transferee Company 2 shall commence and carry on and shall be authorized to carry on the businesses carried on by the Transferor Company 2 and Transferor Company 1. For this purpose, the Transferee Company 2 and/or the Transferor Company 2 and/or the Transferor Company 1, as the case may be, shall apply for transition of all licenses, registrations, approvals, consents, permits, and quotas of or re-rating to the Transferor Company 2 or Transferor Company 1 including but not limited to registrations, licenses, etc., with the municipal authorities, goods and service tax authorities, any other statutory or other authorities (including authorities outside India established under respective governments) required for the business. The period between the Effective Date and the last date on which transfer of all such aforementioned registrations, licenses, etc. have occurred is hereinafter referred to as "**Transition Period**" for the purpose of this Part D. With a view to avoiding any disruption to the businesses and to ensure continuity of operations, the Transferee Company 2 may, during the Transition Period, continue to procure or use or undertake or dispatch or sell, all materials, products and services including the raw material, packing materials, labels, samples, other publicity material, make payment of appropriate taxes and avail tax credits, and generally carry on the business in the name and form /format of the Transferor Company 2 or Transferor Company 1;

(h) All the intangible property of the Transferor Company 2 including any or all goodwill, website domain names, patents, trademarks, trade names, service names, marks, logos, brands, copyrights, know-how, technical know-how, descriptions, trading style, franchise, labels, label designs, colour schemes, utility models, holograms, bar codes, pricelists, customers lists, catalogues, advertisement materials, selvedges, designs, drawings, maps, technical or any other manuals, books or documents, marketing authorizations, approvals, marketing tangibles, licenses, registrations, or consents or any right in any intellectual property, whether registered or not and any application for registration of any intellectual property whether or not recorded in the books of the Transferor Company 2 pertaining to or enjoyed by the Transferor Company 2 (including all intellectual property rights of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme) shall stand vested in or transferred to or be deemed to have been transferred to and vested in and be available to the Transferee Company 2 upon this Scheme becoming effective with

effect from the Appointed Date 2, subject to any encumbrances, charge or lien thereon, without any further act, instrument or deed and shall be appropriately mutated by the Appropriate Authority or party concerned, if and as may be required, in favour of the Transferee Company 2;

(i) It is hereby provided that all documents executed and/or filed including but not limited to documents related to charges, encumbrance or right, whether or not registered with any Appropriate Authority (including Registrar of Companies) or any other person as regards the transfer and vesting of assets of the Transferor Company 2 (including assets of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme) shall be deemed to have been executed and/or filed and/or registered by the Transferee Company 2, and the Transferee Company 2 shall not be required to execute and/or perform any further act, instrument or deed separately. Further, where any document in case any encumbrance, charge and/or right created by the Transferor Company 2 or Transferor Company 1 with respect to the assets mentioned in this clause, is transferred to or replaced by the Transferee Company 2, no duty (including stamp duty), levy and/or cess of any nature will be payable by the Transferee Company 2 at the time of transfer of the encumbrance, charge and/or right and the duty and other levies already paid by the Transferor Company 2 or Transferor Company 1 shall be deemed to have been paid by the Transferee Company 2;

(j) All the assets and properties which are acquired by the Transferor Company 2 on or after the Appointed Date 2 but prior to the Effective Date (including all assets of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme) shall be deemed to be and shall become the assets and properties of the Transferee Company 2 and shall upon this Scheme becoming effective, without any further act, instrument or deed, be assets and properties acquired by the Transferee Company 2;

(k) For avoidance of doubt and without prejudice to the generality of the applicable provisions of this Scheme, it is clarified that from the Effective Date and till such time that the names of the bank accounts of the Transferor Company 2 or Transferor Company 1 are replaced with that of the Transferee Company 2, the Transferee Company 2 shall be entitled to operate the bank accounts of the Transferor Company 2 and Transferor Company 1 in its name, in so far as may be necessary;

All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 2 or Transferor Company 1 after the Effective Date shall be accepted by the bankers of the Transferee Company 2 and credited to the account of the Transferee Company 2, if presented by the Transferee Company 2. The Transferee Company 2 shall be allowed to maintain bank accounts in the name of the Transferor Company 2 or Transferor Company 1 for such time as may be determined to be necessary by the Transferee Company 2 for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company 2 or Transferor Company 1.

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19.4 **Transfer of liabilities**

Upon this Scheme becoming effective and with effect from the Appointed Date 2:

19.4.1 All Liabilities of the Transferor Company 2 of every kind, nature and description whatsoever, whether provided for or not in the books of accounts of the Transferor Company 2, as on the Appointed Date 2 and all other liabilities which may accrue or arise after the Appointed Date 2 but which relate to the period on or up to the Appointed Date 2 (including all liabilities of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme) shall also without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company 2 and the same shall be assumed by the Transferee Company 2 to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date 2, the Liabilities of the Transferee Company 2 on the same terms and conditions as were applicable to the Transferor Company 2 or Transferor Company 1 and further it shall not be necessary to obtain the consent of any bank, financial institution, third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this clause. It is clarified that the Transferor Company 2 or Transferor Company 1 shall, if so required by the Transferee Company 2, and/ or the Transferee Company 2 may issue notices/execute documents with such third party in such form as the Transferee Company 2 may deem fit and proper, without being obliged to do so in order to give effect to the provisions of this clause.

19.4.2 All NCDs issued by the Transferor Company 2, and the related obligations, duties, rights, claims, title and interest, whether or not provided and/or recorded in the books of accounts, of the Transferor Company 2 (to the extent any such NCDs are outstanding as on the Effective Date), shall, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, but subject to regulatory approval, if any, stand transferred to and vested in the Transferee Company 2 and/or be deemed to be transferred to and vested in the Transferee Company 2 so as to become the Transferee Company 2's right and liability, pursuant to this Scheme on the same terms and conditions and all the rights, power, duties and obligations in relation thereto shall be and stand transferred to and shall vest in and / or be deemed be vested in and shall be exercised by or against the Transferee Company 2, as if it was the issuer of such NCDs. It is clarified that where any NCDs have been redeemed by Transferor Company 2 after the Appointed Date 2, then such discharge shall be deemed to have been for and on behalf of Transferee Company 2.

19.4.3 All credit facilities, sanctioned by banks or any other party of the Transferor Company 2 (including all credit facilities of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme), whether utilized or not, as on the Effective Date shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company 2 as if the same were sanctioned to the Transferee Company 2.

19.4.4 Where any such Liabilities as on the Appointed Date 2 have been discharged or satisfied by the Transferor Company 2 after the Appointed Date 2 and prior to the Effective Date,

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such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company 2.

19.4.5 All the existing securities, mortgages, charges, encumbrances, if any, as on the Appointed Date 2 and those created by the Transferor Company 2 after the Appointed Date 2, over its own assets, transferred to the Transferee Company 2 shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend to any of the other assets of the Transferee Company 2. The Transferee Company 2 shall not be obliged to create any further or additional securities after the Effective Date for any of the Liabilities of the Transferor Company 2 or Transferor Company 1. Without prejudice to the foregoing provisions, the Transferee Company 2 may execute any instruments or documents or do all such acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

19.4.6 The Liabilities of the Transferor Company 2 or Transferor Company 1, if any, due or which may at any time in the future become due only *inter-se* the Transferor Company 2, Transferor Company 1 and the Transferee Company 2, shall stand discharged and there shall be no liability in that behalf on any party and corresponding effect shall be given in the books of account and records of the Transferee Company 2, in accordance with Clause 25 of Part D this Scheme.

19.5 **Taxes**

Upon this Scheme becoming effective and with effect from the Appointed Date 2:

19.5.1 Any tax liabilities under the Tax Laws dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company 2, or deemed to have been liabilities of Transferor Company 2 pursuant to Part C of this Scheme, to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date 2 shall be transferred to the Transferee Company 2. Similarly, all credits for taxes available under applicable Tax Laws including Minimum Alternate Tax, Sales Tax/ VAT and Service Tax, GST Act to the Transferor Company 2 or deemed to be available to Transferor Company 2 pursuant to Part C of this Scheme or obligation for deduction/collection of tax at source on any payment made by or to be made by or deemed to be made by Transferor Company 2 shall be made or deemed to have been made and duly complied with by the Transferee Company 2 and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company 2 upon this Scheme becoming effective and upon relevant proof and documents being provided to the said authorities. Similarly, any advance tax, self-assessment tax payment made by the Transferor Company 2 or deemed to be made by Transferor Company 2 pursuant to Part C of this Scheme shall also be deemed to have been made by the Transferee Company 2.

19.5.2 All taxes (including income tax, wealth tax, GST, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.) paid or payable by the Transferor Company 2 or deemed

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to be paid or payable by the Transferor Company 2 pursuant to Part C of this Scheme in respect of the operations and/or the profits of the business on and from the Appointed Date 2, shall be on account of the Transferee Company 2 and, insofar as it relates to the payment of such taxes, whether by way of deduction/ collection at source, advance tax or otherwise howsoever, by the Transferor Company 2 in respect of the profits or activities or operation of the business on and from the Appointed Date 2, the same shall be deemed to be the corresponding item paid by the Transferee Company 2, and shall, in all proceedings, be dealt with accordingly. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company 2 upon this Scheme becoming effective and upon relevant proof and documents being provided to the said authorities.

19.5.3 Upon this Scheme becoming effective, the Transferee Company 2 is expressly permitted to revise and file its statutory returns and / or forms including income tax returns GST returns, service tax returns, sales tax, value added tax returns, withholding tax returns, any other tax returns (including revised returns) and any other tax forms (including revised forms), as may be necessary and expressly reserves the right to make such provisions in its statutory returns and / or forms, and to claim refunds and credits etc. pertaining to the Transferor Company 2 notwithstanding that the statutory period for such revision and filing may have lapsed.

19.5.4 The Transferee Company 2 shall be entitled to claim and be allowed credit or benefits of all tax deduction certificates, advance tax, self-assessment tax or other tax payments, credits or drawbacks or any other credit or benefit of any tax, duty, cenvat, incentive etc. relating or deemed to be relating to the Transferor Company 2 notwithstanding that such certificates or challans or any other documents for tax payments or credits/benefits etc. may have been issued or made in the name of the Transferor Company 2 or Transferor Company 1. Such credit/ benefit shall be allowed without any further act or deed by the Transferee Company 2 or the need for any endorsements on such certificates, challans, documents etc. to be done by the issuers or any Appropriate Authority. Further any taxes paid and TDS deposited by the Transferee Company 2 on *inter se* transactions during the period between the Appointed Date 2 and the Effective Date shall be treated as advance tax paid by the Transferee Company 2 and shall be available to the Transferee Company 2 for set-off against its liability under the Income Tax Act, and excess tax so paid shall be eligible for refund together with interest.

19.5.5 Upon this Scheme becoming effective, any TDS deposited or deemed to be deposited pursuant to Part C of the Scheme, TDS certificates issued or deemed to be issued pursuant to Part C of the Scheme, or TDS returns filed or deemed to be filed pursuant to Part C of the Scheme by the Transferor Company 2 shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued, and TDS returns were filed by the Transferee Company 2.

19.5.6 All expenses incurred by the Transferor Company 2 under Section 43B of the Income Tax Act or allowed to be claimed as a deduction by Transferor Company 2 pursuant to Part C of this Scheme, shall be claimed as a deduction by the Transferee Company 2 and the transfer of the entire business shall be considered as succession of business by the Transferee Company 2.

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19.5.7 Any refund under the Tax Laws due to the Transferor Company 2 consequent to the assessments made on the Transferor Company 2 or consequent to Clause 10.5 of Part C of this Scheme and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date 2 shall also belong to and be received by the Transferee Company 2. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company 2 upon the passing of the orders on this Scheme by the NCLT upon relevant proof and documents being provided to the said authorities.

19.5.8 Subject to the provisions of Section 170 of the Income Tax Act, all tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company 2 pending and/ or arising after the Appointed Date 2, if any, shall be continued and / or enforced until the Effective Date by or against the Transferor Company 2. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company 2 in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company 2.

19.5.9 Without prejudice to the generality of the above, all benefits, exemptions, incentives or concessions including under the Income Tax Act including Minimum Alternate Tax credit, GST, sales tax, excise duty, customs duty, service tax, VAT, etc., to which the Transferor Company 2 is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company 2. It is clarified for the removal of doubt that there shall be no impact on the benefits available under above laws to the Transferee Company 2.

19.5.10 Without prejudice to the foregoing, with effect from the Appointed Date 2 till the Effective Date, all inter-company transactions between the Transferee Company 2 and the Transferor Company 2 shall be considered as intra-company transactions of the Transferee Company 2 for all purposes and any contracts between the Transferee Company 2 and the Transferor Company 2 shall stand cancelled in accordance with Clause 21 of this Scheme.

19.5.11 All the expenses incurred by the Transferee Company 2 and/or Transferor Company 2 in relation to the amalgamation of the Transferor Company 2 with the Transferee Company 2 or all expenses allowed to Transferor Company 2 in accordance with section 35DD pursuant to Part C of this Scheme, including stamp duty expenses, if any shall be allowed as deduction to the Transferee Company 2 in accordance with section 35DD of the Income Tax Act over a period of 5 (five) years beginning with the financial year in which Part D of the Scheme becomes effective.

19.6 **Corporate approvals**

Upon this Scheme becoming effective and with effect from the Appointed Date 2:

19.6.1 Benefits of any and all corporate approvals as may have already been taken by the Transferor Company 2 or Transferor Company 1 whether being in the nature of compliances or otherwise, shall without any further act, instrument or deed, cost or

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charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company 2 by operation of law, and the said corporate approvals and compliances shall be deemed to have originally been taken/complied with by the Transferee Company 2.

19.6.2 The resolutions, if any, of the Transferor Company 2 or Transferor Company 1 which are valid and subsisting on the Effective Date, shall without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, continue to be valid and subsisting and be considered as resolutions of the Transferee Company 2 and if any such resolutions have any monetary limits approved under the provisions of the Act, or other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company 2 and shall constitute the aggregate of the said limits in the Transferee Company 2. For purposes of clarity, upon this Scheme becoming effective, the borrowing limits of the Transferee Company 2 in terms of Section 180 of the Act shall without any further act or deed, stand enhanced by the Liabilities of the Transferor Company 2 and Transferor Company 1, such limits being incremental to the existing limits of the Transferee Company 2, with effect from the Appointed Date 2.

19.7 **Books and records**

Upon this Scheme becoming effective and with effect from the Appointed Date 2, all books, records, files, papers, registers, returns, other information, databases, catalogues, quotations, advertising materials, whether in physical or electronic form, which pertain to the Transferor Company 2 or Transferor Company 1 shall stand transferred to and be vested in the Transferee Company 2 without any further act, instrument or deed by the Transferor Company 2 or Transferor Company 1. The Transferor Company 2 shall hand over such books, records etc. including books and records of Transferor Company 1 to the Transferee Company 2.

20. **LEGAL PROCEEDINGS**

20.1 All suits, actions, appeals, arbitrations, execution proceedings and other proceedings of whatsoever nature including legal and taxation proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company 2 shall not abate, be discontinued or be in any way prejudicially affected by reason of the Amalgamation of the Transferor Company 2 with the Transferee Company 2 or anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against the Transferor Company 2, as if this Scheme had not been made.

20.2 Upon this Scheme becoming effective and with effect from the Appointed Date 2, all suits, actions, appeals, arbitrations, execution proceedings and other proceedings of whatsoever nature including legal and taxation proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company 2 (including all litigations of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme), whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against the Transferee Company 2 as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company 2.

20.3 The Transferee Company 2 undertakes to have accepted on behalf of itself, all suits, claims, actions and legal proceedings initiated by or against the Transferor Company 2 or Transferor Company 1 transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 2.

21. **CONTRACTS, DEEDS AND OTHER INSTRUMENTS**

21.1 Upon this Scheme becoming effective and with effect from the Appointed Date 2, all contracts, agreements, memoranda of understanding, memoranda of agreements, memoranda of agreed points, letters of agreed points, agreed term sheets, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders, job orders, assurances, insurance policies, guarantees and other instruments (including powers or authorities granted by or to the Transferor Company 2) of whatsoever nature to which the Transferor Company 2 is a party, or the benefit to which the Transferor Company 2 is or would be eligible, subsisting or operative immediately on or before the Effective Date (including all contracts and arrangements of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme), shall continue to be in full force and effect against or in favour of the Transferee Company 2 and may be enforced as fully and effectively as if instead of the Transferor Company 2 or Transferor Company 1, the Transferee Company 2 had been a party or beneficiary thereto.

21.2 The Transferee Company 2 shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company 2 (including all insurance policies of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme) and the name of the Transferee Company 2 shall be substituted as 'Insured' in the insurance policies as if the Transferee Company 2 was initially a party to such insurance policies.

21.3 The Transferee Company 2 shall enter into and/or issue and/or execute deeds, in writings or confirmation or enter into any tripartite agreement, confirmations or novation to which the Transferor Company 2 or Transferor Company 1 will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. Further, the Transferee Company 2 shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company 2 or Transferor Company 1 and to implement or carry out all formalities required on the part of the Transferor Company 2 or Transferor Company 1 to give effect to the provisions of this Scheme.

21.4 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Transferor Company 2 occurs by virtue of this Scheme itself upon sanction by the NCLT, the Transferee Company 2 may at any time after coming into effect of this Scheme and in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, give notice in such form as may be required, or as it may deem fit and proper or enter into or execute deeds (including deeds of adherence), confirmations, novations, declarations or other writings or documents as may be necessary, in order to give formal effect to the provisions of this Scheme, including, with or in favour of and carry out and perform all such formalities and compliances required by: (i) any party under a contract, to which the Transferor Company 2 or Transferor Company 1 is a party and is required to undertake any of the aforesaid actions in order to give formal effect to the provisions of this Scheme; or (ii) any Appropriate Authority, in order to give

formal effect to the provisions of this Scheme, however that the execution of any confirmation or novation or other writings or arrangements shall in no event postpone the giving effect to this Scheme. The Transferee Company 2 shall under the provisions of this Scheme be deemed to be authorized to execute any such documents on behalf of the Transferor Company 2 or Transferor Company 1 and to carry out or perform all such above mentioned formalities or compliances that are to be carried out or performed by the Transferor Company 2 or Transferor Company 1.

21.5 All guarantees provided by any bank in favour of the Transferor Company 2 outstanding as on the Effective Date (including all bank guarantees of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme), shall vest in the Transferee Company 2 and shall inure to the benefit of the Transferee Company 2 and all guarantees issued by the bankers of the Transferor Company 2 or Transferor Company 1 at the request of the Transferor Company 2 or Transferor Company 1 favouring any third party shall be deemed to have been issued at the request of the Transferee Company 2 and continue in favour of such third party till its maturity or earlier termination.

21.6 Upon this Scheme coming into effect, the experience, past track record, qualification criteria and credentials of the Transferor Company 2 or Transferor Company 1 including *inter alia*, profitability, volume, market share etc. for all commercial and regulatory purposes including for the purpose of the eligibility, standing, evaluation and participation in all existing and future bids, tender, contracts of all authorities, agencies, departments, customers and clients shall be deemed to be the experience, track record, qualification criteria and credentials of the Transferee Company 2.

21.7 With effect from the Appointed Date 2 and upon this Scheme becoming effective, any inter-se contracts between the Transferee Company 2, the Transferor Company 2 or Transferor Company 1, where there is no other party to such contract, shall stand cancelled and cease to operate and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company 2.

22. TREATMENT OF STAFF, WORKMEN AND EMPLOYEES

22.1 Upon this Scheme becoming effective and with effect from the Appointed Date 2, all staff, workmen and employees whether permanent or temporary, including employees/personnel engaged on contract basis and contract labourers, apprentices, interns/ trainees, both on-shore and offshore of the Transferor Company 2 (including all employees, staff and workmen of Transferor Company 1 vested in the Transferee Company 1 pursuant to Part C of this Scheme), who are in service on the date immediately preceding the Effective Date, shall be transferred to the Transferee Company 2, without any break or interruption in their services, on terms and conditions which are not less favourable than those applicable immediately prior to the Effective Date. The Transferee Company 2 further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Transferor Company 2 or Transferor Company 1 shall also be taken into account and such benefits shall be reckoned from the date of their respective appointment in the Transferor Company 2 or Transferor Company 1, as the case may be.

22.2 It is expressly provided that, the Funds created or existing for the benefit of the staff, workmen and employees of the Transferor Company 2 (including all Funds of Transferor Company 1 vested

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in the Transferee Company 1 pursuant to Part C of this Scheme)shall, as on the Effective Date, stand transferred to the Transferee Company 2. The Transferee Company 2 shall substitute, for all the purposes whatsoever, the Transferor Company 2 or Transferor Company 1 in relation to the Funds, mainly in terms of administration/operation of such Funds in accordance with provisions of such Funds, the terms provided in the respective trust deeds, and/or other documents. As on the Effective Date, all the rights, duties, powers and obligations of the Transferor Company 2 or Transferor Company 1 to the extent applicable in relation to such Funds shall become those of the Transferee Company 2. The trustees of these Funds, the Board of Directors of the Transferee Company 2, Transferor Company 2 and Transferor Company 1 shall be entitled to adopt such course in this regard as will be necessary for the purpose of giving effect to this Scheme, and provided however that, there shall be no discontinuation or breakage in the services of the employees of the Transferor Company 2 or Transferor Company 1. Pending such transfer, the contributions required to be made in respect of such transferred employees of the Transferor Company 2 or Transferor Company 1 shall continue to be made by the Transferee Company 2 to the existing Funds maintained by the Transferor Company 2 or Transferor Company 1.

22.3 Upon this Scheme becoming effective, the Transferor Company 2 shall transfer/handover to the Transferee Company 2, copies of employment information of all such transferred employees of the Transferor Company 2 or Transferor Company 1, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this clause.

22.4 The contributions made by the Transferor Company 2 or Transferor Company 1 in respect of its employees under Applicable Laws, to the Funds created for the period after the Appointed Date 2 shall be deemed to be contributions made by the Transferee Company 2.

23. EFFECTING TRANSFERS PURSUANT TO PART D OF THIS SCHEME

Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of all assets, properties, liabilities, licenses, contracts, employees, intellectual property etc. of the Transferor Company 2 and Transferor Company 1 to the Transferee Company 2 occurs by virtue of this Scheme itself, the Transferee Company 2 may, at any time after this Scheme becoming effective, if so required under any contract, law or otherwise, take such actions and execute such deeds (including deeds of adherence), documents, confirmations or other writings or enter into any arrangements with any party to any contract or arrangement to which the Transferor Company 2 or Transferor Company 1 is a party in respect of any matter pertaining to Amalgamation or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Scheme, the said third party or authority shall be obligated to, and shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company 2 pursuant to the Sanction of this Scheme, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company 2 shall, as required, file appropriate applications / documents with Appropriate Authorities concerned for

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information and record purposes. The Transferee Company 2 shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company 2 or Transferor Company 1 and to carry out or perform all such formalities or compliances referred to above for and on behalf of the Transferor Company 2 or Transferor Company 1 to be carried out or performed.

24. CONSIDERATION

24.1 Upon this Scheme becoming effective, in consideration for the Amalgamation of the Transferor Company 2 with the Transferee Company 2, the Transferee Company 2 shall without any further application or deed, issue and allot to the equity shareholders of the Transferor Company 2 (whose names appear in the register of members or register of beneficial owners maintained by the registrar and transfer agent as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be), the equity shares of the Transferee Company 2 in accordance with their respective entitlement in the ratio of 4:1 ("**Share Exchange Ratio**"), meaning thereby that upon this Scheme becoming effective, the Transferee Company 2 shall without any further application or deed, issue and allot 4 (Four) fully paid up equity shares of Transferee Company 2 of INR 10 (Indian Rupees 10) each, for 1 (One) fully paid equity share of INR 10 (Indian Rupees Ten) each held by such shareholder in Transferor Company 2 as on the Record Date.

Upon this Scheme becoming effective, the Board of the Transferor Company 2 shall, on the Record Date, provide to Transferee Company 2, a list containing particulars of equity shareholders of the Transferor Company 2 as on the Record Date, along with their respective entitlement to the fully paid-up equity shares of the Transferee Company 2, pursuant to this Scheme.

24.2 The Share Exchange Ratio has been arrived at on basis of the valuation report of SSPA & Co. (Firm Registration Number 128851W), an independent chartered accountant. Corporate Professionals Capital Private Limited (Registration Number INM000011435), SEBI registered Category I merchant banker, has provided a fairness report on the fairness of the Share Exchange Ratio determined for the Amalgamation of the Transferor Company 2 into the Transferee Company 2 by way of absorption. Based on the recommendations of the audit committee of the Transferor Company 2, the valuation report and fairness report as aforesaid have been duly approved by the Board of each of the Transferor Company 2 and Transferee Company 2.

24.3 In the event that the Transferor Company 2 or Transferee Company 2 restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of this Scheme, the Share Exchange Ratio shall be adjusted accordingly to take into account the effect of any such corporate actions.

24.4 In case any member of the Transferor Company 2 is entitled to a fraction of share, on issue and allotment of the shares in the Transferee Company 2 in terms of Clause 24 of this Scheme, as stated above, then the Transferee Company 2 shall not issue any fractional shares to such member but such fraction shall be rounded off to the nearest integer.

24.5 The shareholders of the Transferor Company 2 shall be entitled to receive the equity shares of the Transferee Company 2 in dematerialized form and shall if required provide details of the depository accounts and such other confirmations as may be required by the Transferee Company 2. It is only thereupon that the Transferee Company 2 shall be able to issue and directly credit the

dematerialized securities account of such member with its equity shares. It is clarified that, each of the members holding equity shares in dematerialized form as on the Record Date shall be issued equity shares of the Transferee Company 2 as per the records maintained by the depositary participant. In the event that the Transferee Company 2 receives a notice from any of the shareholders of the Transferor Company 2 that the new equity shares are to be issued in physical form or if any shareholder has not provided the requisite details regarding the account with a depositary participant or other confirmations as may be required, then the Transferee Company 2 shall issue the new equity shares in certificate form to such members of Transferor Company 2.

24.6 The equity shares to be issued by the Transferee Company 2 pursuant to this Scheme in respect of any equity shares of the Transferor Company 2 which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of a court or otherwise, be held in abeyance by the Transferee Company 2.

24.7 The Board of Directors or any committee thereof of the Transferee Company 2 shall be empowered to remove any difficulties as may arise in the course of implementation of this Scheme or in relation to the issue of new shares and registration of new members in the Transferee Company 2 after this Scheme becomes effective.

24.8 The equity shares to be issued to the members of the Transferor Company 2 under Clause 24.1 of this Part D shall be subject to the terms of the MOA and AOA of the Transferee Company 2 and the equity shares shall rank *pari passu* with the existing equity shares of Transferee Company 2.

24.9 Approval of this Scheme by the shareholders of Transferee Company 2 shall be deemed to be the due compliance of the provisions of Section 42, 62(1)(c) of the Act and the other relevant and applicable provisions of the Act for the issue and allotment of equity shares by Transferee Company 2 to the shareholders of the Transferor Company 2, as provided in this Scheme.

24.10 With respect to any foreign shareholders of the Transferor Company 2, the Transferee Company 2 shall comply with the Applicable Laws including RBI guidelines, SEBI regulations, directions and instructions of the Stock Exchanges and applicable provisions of Foreign Exchange Management Act 1999, including the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, to enable it to issue equity shares pursuant to this Scheme.

24.11 The shares of the Transferee Company 2, including but not limited to the shares issued pursuant to this Scheme shall, subject to applicable regulations, be listed and/or admitted to trading on the Stock Exchanges where the existing equity shares of the Transferor Company 2 are listed and/or are admitted to trading.

24.12 Upon this Scheme becoming effective, all the equity shares and all compulsorily convertible preference shares of the Transferee Company 2 held by Transferor Company 2 shall, without any other consideration, application, act, instrument or deed be deemed to have been automatically cancelled and be of no effect. Pursuant to the cancellation of the compulsorily convertible preference shares as stated in this Clause 24.12, any arrears of dividend on the compulsorily convertible preference shares or any other liability, whether present or contingent, of the Transferee Company 2 pertaining to the compulsorily convertible preference shares shall, upon this Scheme becoming effective, abate and there shall be no liability of the Transferee Company 2 in respect of the compulsorily convertible preference shares so cancelled.

25. ACCOUNTING TREATMENT

25.1 Upon this Scheme becoming effective, the Transferee Company 2 shall account for the amalgamation of the Transferor Company 2 in accordance with "Pooling of Interest Method" (after giving effect to Clause 16 of Part C above) as laid down in Appendix C of Ind AS-103 (Business Combinations of entities under common control) notified under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts such that:

25.1.1 The Transferee Company 2 shall record the assets and liabilities, if any, of the Transferor Company 2 vested in it pursuant to Part D of this Scheme, at the carrying values as appearing in the consolidated financial statements of the Transferor Company 2

25.1.2 The identity of the reserves shall be preserved and the Transferee Company 2 shall record the reserves of the Transferor Company 2, at the carrying amount as appearing in the consolidated financial statements of the Transferor Company 2.

25.1.3 Pursuant to the Amalgamation of the Transferor Company 2 with the Transferee Company 2, inter-company balances between Transferee Company 2 and the Transferor Company 2, if any, appearing in the books of the Transferee Company 2 shall stand cancelled.

25.1.4 The value of all investments held by the Transferor Company 2 in the Transferee Company 2 shall stand cancelled pursuant to Amalgamation.

25.1.5 The face value of new equity shares issued by the Transferee Company 2 to the shareholders of the Transferor Company 2 pursuant to Clause 24 of this Part D above shall be credited to the Equity Share Capital Account of the Transferee Company 2.

25.1.6 The surplus/deficit, if any arising after taking the effect of clauses 25.1.1, 25.1.2, 25.1.4 and 25.1.5, after giving the effect of the adjustments referred to in clause 25.1.3, shall be adjusted in "Capital Reserve Account" in the financial statements of the Transferee Company 2 and should be presented separately from other capital reserves.

25.1.7 In case of any differences in accounting policies between the Transferor Company 2 and the Transferee Company 2, the accounting policies followed by the Transferee Company 2 shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

25.1.8 Comparative financial information in the financial statements of the Transferee Company 2 shall be restated for the accounting impact of Amalgamation, as stated above, as if the Amalgamation had occurred from the beginning of the comparative period.

25.1.9 For accounting purpose, the Scheme will be given effect from the date when all substantial conditions for the transfer of business are completed, i.e., the control is transferred in accordance with the requirements of Ind AS 103.

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26. **AGGREGATION AND INCREASE OF AUTHORIZED SHARE CAPITAL OF TRANSFEREE COMPANY 2**

26.1 Upon this Scheme becoming effective, pursuant to amalgamation of Transferor Company 1 with Transferee Company 1 as per Part C and amalgamation of Transferor Company 2 with Transferee Company 2 as per Part D in accordance with Sections 230 to 232 read with Sections 13, 61, 64 and other applicable provisions of the Act and Article V of the MOA of the Transferor Company 1, Transferor Company 2 and the Transferee Company 2, the authorized share capital of the Transferor Company 1 and Transferor Company 2 as on the Effective Date shall get combined with the authorized share capital of the Transferee Company 2. Immediately thereafter, pursuant to this Scheme, the authorized share capital of the Transferor Company 2 comprising of an aggregate of 13,50,00,000 equity shares of face value of Rs 10 each (including the authorized share capital of the Transferor Company 1), shall stand consolidated and deemed to be reclassified in the Transferee Company 2. Pursuant immediately to the consolidation and reclassification of authorized share capital as envisaged above, the authorized share capital of the Transferee Company 2 shall stand enhanced to an amount of Rs. 948,50,02,500 divided into 53,77,00,000 equity shares of Rs. 10 each, 100 equity shares of Rs. 25 each, 12,00,00,000 compulsorily convertible preference shares of Rs. 24.65 each and 11,50,00,000 zero coupon redeemable preference shares of Rs. 10 each.

The Clause V of the MOA of the Transferee Company 2 shall automatically stand amended and altered to read as follows:

"The Authorized Share Capital of the Company is Rs. 948,50,02,500 divided into 53,77,00,000 equity shares of Rs. 10 each, 100 equity shares of Rs. 25 each, 12,00,00,000 compulsorily convertible preference shares of Rs. 24.65 each and 11,50,00,000 zero coupon redeemable preference shares of Rs. 10 each with power to increase and reduce the capital of the Company and to divide the share capital into shares of several class carrying preferential, deferred, or special rights, privileges, or conditions according to the Articles of Association of the Company, variation, modification or abrogation of which may be made in the manner provided in the Articles of Association of the Company."

26.2 The filing fee and stamp duty already paid by the Transferor Company 1 and the Transferor Company 2 on their respective authorized share capital which is being combined with the authorized share capital of the Transferee Company 2, shall be deemed to have been paid by the Transferee Company 2 and accordingly the Transferee Company 2 shall not be required to pay any fee, additional fee, charges and/or stamp duty on the authorized share capital so consolidated. However, the Transferee Company 2 shall file the requisite forms along with amended copy of its MOA and AOA, as applicable with the Registrar of Companies and the Registrar of Companies shall take the same on record.

26.3 It is hereby clarified that for the purposes of increasing the authorized share capital and the consolidation and reclassification in accordance with Clause 26.1 of this Part D, the consent of the shareholders of the Companies to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution under Sections 13, 61, 64 of the Act and other applicable provisions of the Act would be required to be separately passed.

27. **LISTING OF THE SHARES OF THE TRANSFEREE COMPANY 2**

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27.1 The equity shares to be issued to the shareholders of Transferor Company 2 by the Transferee Company 2 under Clause 24 of Part D will be listed and admitted for trading and the Transferee Company 2 shall and take all steps to get all the equity shares issued pursuant to this Scheme, listed on the Stock Exchanges on which the equity shares of the Transferor Company 2 are listed, in accordance with the provisions of Applicable Laws including in particular the LODR Regulations, SEBI Circular and other circulars, notifications and rules issued by SEBI from time to time.

27.2 Post listing of the shares of the Transferee Company 2 on the Stock Exchanges, it shall comply with the requirement of maintaining public shareholding of at least 25% in the Transferee Company 2 or such other percentage of the minimum public shareholding within such timelines as may be prescribed by the Appropriate Authority or under the Applicable Law from time to time.

27.3 Post listing of the shares of the Transferee Company 2 on the Stock Exchanges, the shares allotted pursuant to this Scheme shall remain frozen in the depository system till the trading permission is granted by the Stock Exchanges.

27.4 There shall be no change in the shareholding pattern or control of the Transferee Company 2 between the Record Date and date of listing of shares of the Transferee Company 2 on the Stock Exchanges. The Transferee Company 2 will not issue/ reissue any shares, not covered under the Scheme.

28. LISTING OF THE NCDs

Subject to the requirement, if any, imposed or concession, if any, by BSE Limited, and other terms and conditions agreed with BSE Limited, the NCDs which shall stand transferred to the Transferee Company 2 pursuant to Clause 19.4.2 of this Scheme, shall be listed and admitted to trading on the Wholesale Debt Market Segment of BSE Limited, where the NCDs are currently listed.

29. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of business and the continuance of proceedings by or against the Transferor Company 2 above shall not affect any transaction or proceedings already concluded by the Transferor Company 2 before the Effective Date, to the end and intent that the Transferee Company 2 accepts and adopts all acts, deeds and things done and executed by the Transferor Company 2 in respect thereto as done and executed on behalf of itself.

30. DISSOLUTION OF THE TRANSFEROR COMPANY 2

On the Effective Date, the Transferor Company 2 shall be automatically dissolved without being wound up. Consequently, the name of Transferor Company 2 shall be struck off from the records of the relevant Registrar of Companies. Upon this Scheme becoming effective and after dissolution of the Transferor Company 2, the Board of Directors of the Transferee Company 2 or any committee thereof is hereby authorized to take all steps as may be necessary or desirable or proper on behalf of the Transferor Company 2 from the Effective Date to resolve any question, doubts, or difficulty whether by reason of any order(s) of the court(s) or any directive, order or sanction of any Appropriate Authority or otherwise arising out of or under this Scheme or any matter therewith.

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31. **PROMOTERS**

As Amalgamation involves group companies, upon absorption of Transferor Company 2 into the Transferee Company 2, there shall arise cessation of present promoter group for the Transferee Company 2. Accordingly, upon allotment of equity shares of the Transferee Company 2 to the promoters of the Transferor Company 2, the promoters of the Transferor Company 2 shall be deemed to be the promoters of the Transferee Company 2.

32. **CHANGE OF NAME OF THE TRANSFEREE COMPANY 2**

32.1 Upon this Scheme becoming effective, the name of Transferee Company 2 shall be deemed to have been changed from "Gateway Rail Freight Limited" to "Gateway Distriparks Limited" or "Gateway Rail Distriparks Limited", or such other name which is available and approved by the Registrar of Companies, in accordance with Sections 13 and 14 of the Act and read with other relevant provisions of the Act, as applicable. The MOA and AOA of the Transferee Company 2 shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Companies to the Scheme shall be deemed to be sufficient compliance for the purposes of effecting the name change and that no separate act, procedure, resolutions and registration fees shall be required to be followed under the Act.

32.2 Upon this Scheme becoming effective, the Transferee Company 2 shall file with the Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any, to give effect to amendment in the MOA and AOA of the Transferee Company 2 pursuant to this clause.

32.3 On filing of the certified copy of this Scheme as sanctioned by the NCLT, in terms of Sections 230 to 232 and any other applicable provisions of the Act, together with the order of the NCLT and a copy of the MOA and AOA for the purposes of sections 13, 14 and any other applicable provisions of the Act, the Registrar of Companies shall register the same and make the necessary alteration in the MOA and AOA of the Transferee Company 2 accordingly and shall certify the registration thereof in accordance with the provisions of sections 13, 14 and any other applicable provisions of the Act.

33. **AMENDMENT TO THE OBJECTS CLAUSE OF THE MOA OF TRANSFEREE COMPANY 2**

33.1 With effect from the Appointed Date 2 and upon this Scheme becoming effective, the main objects of the MOA of Transferee Company 2 shall be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities of Transferor Company 2 (including the business of Transferor Company 1 transferred to Transferor Company 2 pursuant to Part C of this Scheme), pursuant to the provisions of section 13 and any other applicable provisions of the Act. Accordingly, in substitution of the existing main objects contained in Clause III (A) of the MOA of Transferee Company 2, the following main objects shall be inserted and read as under:

"(A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:

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1. *To undertake the business of intermodal transportation by rail, road and waterborne vessels for transportation of cargo in containers to cater to international and domestic trade.*

2. *To own, hire, lease, maintain and operate various types of railway wagons for transportation of cargo in bulk, break bulk and containerised condition on Indian Railway Network and network of neighbouring countries.*

3. *To own, hire, lease, maintain and operate various types of railway coaches for transportation of people and their personal luggage, parcels on Indian Railway network and network of neighbouring countries.*

4. *To own, hire, lease, maintain and operate car carrying wagons for transportation of personal transport units on Indian Railway network and network of neighbouring countries.*

5. *To own, hire, lease, maintain and operate waterborne vessels for transportation of cargo in bulk, break bulk and containerised condition on inland waterways, coastal shipping routes and other maritime routes.*

6. *To own, hire, lease, maintain and operate any special rolling stock which can operate on both road and rail for transportation of cargo in bulk, break bulk and containerised condition on Indian Railway network and network of neighbouring countries.*

7. *To own, build, lease, maintain and operate freight terminals, container freight stations, Inland Container Depots and multimodal logistics parks for handling, storing and distributing cargo including personal transport units in bulk, break bulk and containerised condition.*

8. *To own, build, lease, maintain and operate freight terminals, dry ports, container freight stations, inland container depots under license from various regulatory authorities including but not limited to Indian Railways, Indian Customs*

9. *To operate freight terminals, dry ports, container freight stations (CFS), inland container depots (ICD) owned by other entities under Operations and Management contracts.*

10. *To provide integrate supply chain solutions to the domestic and international trade by using own and leased assets and taking services from market vendors.*

11. *To operate as Custom House Agents (CHA), Freight Forwarder, Non-vessel owning Common Carrier (NVOCC), Multimodal Transport Operator, Shipping Line by taking license and registering as such an operator as per the regulatory requirements and trade practices.*

12. *To build, own, hire, lease and operate railway lines for the purpose of rail transportation of passengers and cargo.*

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13. *To build, own, hire, lease and operate warehouses for the purpose of storage of cargo, including temperature controlled cargo, in Domestic Tariff Area and Custom Bonded Area.*

14. *To own, hire, lease, maintain and operate handling and transportation equipment including but not limited to road trucks, trailers, semis, reach stackers, fork lifts, cranes for handling of cargo in bulk, break bulk and containerised condition.*

15. *To carry on business in storing for rent or any other consideration, transporting, handling and generally dealing in, all kinds of frozen, chilled, cooled and refrigerated items.*

16. *To carry on business of buying, selling or otherwise dealing in, operating, hiring, letting on hire, leasing, giving on lease, obtaining license for use of and granting license for the use of, cold stores, freezing, chilling and cooling plants, refrigeration units, refrigerated trucks and containers and any and all kinds of freezing, chilling, cooling plants, refrigeration and cold storage machinery and equipment."*

33.2 For the purposes of amendment in the main objects clause of the MOA of Transferee Company 2 as provided in this Clause 33, the consent/approval given by the members of Transferee Company 2 to this Scheme pursuant to section 230 to 232 and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of members of Transferee Company 2 as required under the provisions of section 13 and any other applicable provisions of the Act shall be required to be passed for making such change / amendment in the MOA of Transferee Company 2.

33.3 Upon this Scheme becoming effective, Transferee Company shall file with the Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any, to give effect to amendment in the MOA pursuant to this Clause 33. On filing of the certified copy of this Scheme as sanctioned by the NCLT together with the order of the NCLT for Sanction of this Scheme and a certified copy of the altered MOA of Transferee Company 2 for the purposes of section 13 and any other applicable provisions of the Act, the Registrar of Companies shall register the same and make the necessary alteration in the MOA of Transferee Company 2 accordingly and shall certify the registration thereof in accordance with the provisions of section 13 and any other provisions of the Act.

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PART E
GENERAL TERMS AND CONDITIONS

34. **CONDUCT OF BUSINESSES UNTIL EFFECTIVE DATE**

With effect from the Appointed Date 1 and Appointed Date 2, as the case may be, and up to and including the Effective Date:

34.1 The Transferor Companies shall, respectively, carry on, continue carrying on and/or deemed to be carrying on their business and activities and shall hold possession of all of their properties and assets in trust for the Transferee Company 2.

34.2 None of the Transferor Companies shall without prior written intimation to the Transferee Company 2, alienate, charge, mortgage, encumber or otherwise deal with or dispose of their undertakings or any part thereof except in the ordinary course of business nor shall they undertake any new businesses and shall carry on their business and activities with reasonable diligence, business prudence in the ordinary course consistent with past practices.

34.3 All the profits or income accruing or arising to the Transferor Company 1 and the Transferor Company 2, respectively, or expenditure or losses arising to or incurred by the Transferor Company 1 and the Transferor Company 2, respectively, shall for all purposes and intent be treated and be deemed to be as the profits or incomes or expenditure or losses of the Transferee Company 2.

34.4 All assets acquired, leased or licensed, licenses obtained, benefits, entitlements, incentives and concessions granted, contracts entered into, intellectual property developed or registered or applications made thereto, Liabilities incurred and proceedings initiated or made party to, from the Appointed Date 1 and the Appointed Date 2, as the case may be, and till the Effective Date by the Transferor Company 1 and the Transferor Company 2, respectively, shall be deemed to be transferred and vested in the Transferee Company 2.

34.5 None of the Transferor Companies shall vary the terms and conditions of employment of any of its employees except in the ordinary course of business or without the prior written consent of the Transferee Company 2 or pursuant to any of its pre-existing obligation undertaken as the case may be, prior to the Effective Date.

34.6 The Transferee Company 2 shall be entitled, pending the Sanction of this Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as maybe necessary under any relevant law for obtaining consents, approvals and sanctions which the Transferee Company 2 may require and deem necessary to carry on the business of the Transferor Companies.

34.7 Notwithstanding anything contained in this Clause 34, during the pendency of this Scheme, with the prior written consent of the other two companies forming part of this Scheme, the Transferor Company 1 or Transferor Company 2 or Transferee Company 2, may make any investments (current or non-current) in any other person or raise funds through debt or equity irrespective of whether such actions are not in the ordinary course of business.

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35. **DIVIDEND**

35.1 During the pendency of this Scheme, the Companies shall be entitled to declare and pay dividends, whether interim and/ or final, to their respective members (whose name is recorded in register of members, or their heirs, executors, administrators or other legal representative, on the cut-off date decided by their respective Board for the purpose of declaration of such dividend) in the ordinary course of business in respect of the accounting period prior to the Effective Date.

35.2 In case of declaration/ payment of any dividend as contemplated under Clause 35.1 of this Part E, the shareholders of the other Companies shall not have any express, implied or derivative right or claim to any dividend before, on or after this Scheme becoming effective whether on the basis of the fact that they have, deemed to have or ought to have also received such dividend, or otherwise.

35.3 The holders of the shares of the Companies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective AOA including the right to receive dividends.

35.4 On and from the Effective Date, the profits of Transferor Company 2 (including the profits of Transferor Company 1) for the period beginning from the Appointed Date 1 and the Appointed Date 2, as the case may be, shall belong to and be deemed to be the profits of the Transferee Company 2 and will be available to the Transferee Company 2 for being disposed of in any manner as it thinks fit.

35.5 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any express or implied rights on any member of the Companies to demand or claim any dividend, which, subject to the provisions of the Act, as applicable, shall be entirely at the discretion of the respective Board of Directors, subject to such approval of the members, as may be required.

35.6 Upon this Scheme becoming effective, any advance tax or self-assessment tax paid by Transferor Company 2 on dividend received from Transferor Company 1 or Transferee Company 2 will be treated as advance tax or self-assessment tax deposited by the Transferee Company 2 and shall be available to the Transferee Company 2 for set-off against its liability under the Income Tax Act, and excess tax so paid shall be eligible for refund together with interest.

36. **TRADING OF THE SHARES OF THE TRANSFEROR COMPANY 2**

Subject to Applicable Laws, until the Record Date, the shares of the Transferor Company 2 shall continue to be traded on the Stock Exchanges.

37. **APPLICATION TO THE NCLT**

37.1 The Companies shall with utmost dispatch, make and file all applications and petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act before the NCLT for Sanction of this Scheme under the relevant provisions of Applicable Law, and shall apply for such approvals as may be required under Applicable Law.

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37.2 The Companies shall make applications to the NCLT under Sections 230 to 232 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors and/or debenture holders of each of the Companies as may be directed by NCLT.

38. MODIFICATION / AMENDMENT TO THIS SCHEME

38.1 Subject to approval of NCLT, the Board of Directors of respective Companies or any committee thereof, may consent, on behalf of all persons concerned, to any modifications or amendments of this Scheme or to any conditions or limitations that the NCLT may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors or any committee thereof) and solve all difficulties that may arise for carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect. For the purpose of giving effect to this Scheme or to any modification thereof, the Board of Directors of the Companies or any committees thereof be and are hereby authorized to give such directions and to take all such steps as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties whether by reason of any direction or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of this Scheme and/or any matters concerning or connected therewith. No modification or amendment to this Scheme will be carried out or effected by the Board of Directors or any committees thereof without approaching the NCLT.

38.2 The Board of Directors of respective Companies or any committee thereof, may give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation hereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme.

38.3 If any part of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction or unenforceable under present or future laws, then it is the intention of the parties to this Scheme that such part shall be severable from the remainder of this Scheme, and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties to this Scheme shall attempt to bring about a modification in this Scheme, as will best preserve for such parties the benefits and obligations of this Scheme, including but not limited to such part.

39. CONDITIONALITIES OF THIS SCHEME

This Scheme is conditional upon and subject to the following:

39.1 Observation letter or no objection letter being received from Stock Exchanges in relation to this Scheme under Regulation 37 of the LODR Regulations;

39.2 This Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors and/or debenture holders (if applicable) of the Companies as may be directed by the NCLT;

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39.3 This Scheme being approved by the Public Shareholders of the Transferor Company 2 through e-voting in terms of resolution passed in terms of paragraph (I) (A) (9) (a) of Annexure I of the SEBI Circular; provided that the same shall be acted upon only if the votes cast by the Public Shareholders in favour of this Scheme are more than the number of votes cast by the Public Shareholders against it;

39.4 The Sanction of this Scheme by the NCLT (whether with or without any modifications or amendments as NCLT may deem fit) and necessary order under Section 232 of the Act being obtained;

39.5 The requisite, consent, approval or permission of any Appropriate Authority which by law may be necessary for the implementation of this Scheme.

39.6 The certified copy of the order of the NCLT sanctioning this Scheme being filed with the Registrar of Companies by the Companies within such number of days as may be prescribed under applicable provisions of the Act.

40. DATE OF TAKING EFFECT AND OPERATIVE DATE

40.1 The Scheme as set out here in in its present form, or with any modifications, as may be approved or imposed or directed by the NCLT, or made as per Clause 38 of this Scheme shall become effective vis-à-vis Part C of this Scheme from the Appointed Date 1, but shall be operative from the Effective Date, and vis-à-vis Part D of this Scheme from the Appointed Date 2, but shall be operative from the Effective Date.

40.2 The various parts of the Scheme shall be deemed to have taken effect in the following sequence: (a) Firstly, from Effective Date, Part C of the Scheme (relating to amalgamation of Transferor Company 1 with Transferee Company 1 / GDL) shall be deemed to have taken effect, prior to Part D; (b) Subsequently, from Effective Date, Part D of the Scheme (relating to amalgamation of Transferor Company 2 / GDL into the Transferee Company 2) shall be deemed to have taken effect, after Part C of the Scheme.

41. REVOCATION OR WITHDRAWAL OF THIS SCHEME

41.1 Subject to the order of the NCLT, the Board of Directors of the Companies shall be entitled to revoke, cancel, withdraw and declare this Scheme to be of no effect at any stage if:

41.1.1 this Scheme is not approved by the requisite majority of public shareholders of the Transferor Company 2 in terms of paragraph (I) (A) (9) (a) of Annexure I of SEBI Circular;

41.1.2 this Scheme is not being sanctioned by the NCLT or any other Appropriate Authority, which by law may be necessary for implementation of this Scheme; and/or

41.1.3 in case any condition or alteration imposed by the NCLT or any other Appropriate Authority is not acceptable to the Board of Directors of the Companies.

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41.2 Subject to the order of the NCLT, this Scheme may be revoked, cancelled, withdrawn and declared to be of no effect at any stage if to that effect the Board of Directors of the Companies pass resolution(s) pursuant to any of the following:

41.2.1 the Board of Directors of the Companies are of the view that the coming into effect of this Scheme in terms of the provisions of this Scheme or filing of the drawn-up order with the Registrar of Companies could have adverse implication(s) on all or any of the Companies or their respective shareholders; and/or

41.2.2 if any of the consents, approvals, permissions, resolutions, agreements, and conditions, required for giving effect to this Scheme are not obtained or for any other reason; and/or

41.2.3 the Board of Directors of the Companies decide to revoke, cancel or withdraw the Scheme for any other reason whatsoever.

41.3 The provisions contained in various parts of this Scheme are inextricably inter-linked with each other and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the Board of Directors of each of the Companies.

41.4 On revocation, withdrawal or cancellation of this Scheme, it shall stand revoked, withdrawn, cancelled and be of no effect and in that event no rights and liabilities whatsoever shall accrue to or be incurred *inter se* between the Companies or their, respective shareholders or creditors or debenture holders or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the Applicable Law. The Companies will have no liabilities whatsoever towards each other or their respective shareholders and/or creditors and/or debenture holders on this Scheme not coming into effect or getting revoked or cancelled. Each party shall bear and pay its respective costs, charges and expenses for and/or in connection with this Scheme.

42. COSTS, CHARGES & EXPENSES

42.1 Each of the Companies shall bear its respective costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed), incurred in carrying out and implementing this Scheme and matters incidental thereto, except the stamp duty cost in connection to this Scheme which shall be paid by the Transferee Company 2.

42.2 All costs and expenses with the finalization of this Scheme and for operationalizing the Scheme and any other expenses or charges attributable to the implementation of the Scheme including stamp duty payable, if any, on the basis of value of immovable properties of the Transferor Company 2 transferred to the Transferee Company 2 under this Scheme (including stamp duty payable, if any, on the basis of value of immovable properties of the Transferor Company 1 transferred to the Transferee Company 1 under Part C of this Scheme) shall be debited to the statement of profit & loss of the Transferee Company 2.

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GATEWAY EAST INDIA PRIVATE LIMITED

Gateway Distriparks Limited

Gateway Rail Freight Limited

IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT-V

CA (CAA) No. 54/MB/2021

IN THE MATTER OF SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF THE COMPOSITE SCHEME OF AMALGAMATION AMONGST GATEWAY EAST INDIA PRIVATE LIMITED AND GATEWAY DISTRIPARKS LIMITED INTO GATEWAY RAIL FREIGHT LIMITED AND THEIR RESPECTIVE SHAREHOLDERS

1. **Gateway East India Private Limited,** a company incorporated under the Companies Act 1956 having Corporate Identification Number: U51909MH1994PTC346843)

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and having its registered office)
at Sector 6, Dronagiri, Tal:)
Uran, Dt: Raigad, Navi) **...First Applicant Company/**
Mumbai, Maharashtra- 400707 **Transferor Company 1**
)

2. **Gateway Distriparks Limited**,)
a company incorporated under)
the Companies Act 1956 having)
Company Identification)
Number:)
L74899MH1994PLC164024)
and having its registered office
at Sector 6, Dronagiri, Tal:) **...Second Applicant Company/**
Uran, Dt: Raigad, Navi) **Transferee Company 1/**
Mumbai, Maharashtra- 400707 **Transferor Company 2**

3. **Gateway Rail Freight**)
Limited, a company)
incorporated under the)
Companies Act 1956 having)
Company Identification)
Number:)
U60231MH2005PLC344764,)
and having its registered office)
at Sector 6, Dronagiri, Tal:) **...Third Applicant Company/**
Uran, Dt: Raigad, Navi **Transferee Company 2**
Mumbai, Maharashtra- 400707

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Order pronounced on 28.07.2021

Coram:

Smt. Suchitra Kanuparthi, Hon'ble member (Judicial)

Shri Chandra Bhan Singh, Hon'ble member (Technical)

Appearances:

For the Applicants: Peshwan Jehangir a/w Haabil Vahanvaty i/b Khaitan & Co, Advocates

Per: Chandra Bhan Singh, Member (Technical)

ORDER

1. Gateway East India Private Limited (hereinafter referred to as the "**First Applicant Company**" or "**Transferor Company 1**"), Gateway Distriparks Limited (hereinafter referred to as the "**Second Applicant Company**" or "**Transferor Company 2 / Transferee Company 1**") and Gateway Rail Freight Limited (hereinafter referred to as the "**Third Applicant Company**" or "**Transferee Company 2**") are entering into a composite scheme of amalgamation. The said Scheme provides for the amalgamation (merger by absorption) of the First Applicant Company with the Second Applicant Company, and thereafter, amalgamation (merger by absorption) of the Second Applicant Company with the Third Applicant Company **("Scheme")**. The Board of Directors of each of the Applicant Companies, at their respective board meetings all held on 28 September 2020 approved the said Scheme. The Applicant Companies are part of the same

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corporate group. For the sake of convenience, the First Applicant Company, the Second Applicant Company and the Third Applicant Company may be collectively referred to as "Applicant Companies" wherever required.

2. The First Applicant Company is a wholly owned subsidiary of the Second Applicant Company. The Third Applicant Company is a subsidiary of the Second Applicant Company. The registered offices of the Applicant Companies are situated in Navi Mumbai, Maharashtra and hence the subject matter of the Application is within the jurisdiction of the National Company Law Tribunal, Mumbai Bench.

3. Learned Counsel for the Applicant Companies submits that the circumstances and/or reasons and/or grounds that have necessitated and/or justified the Scheme and some of the major benefits which would accrue from the Scheme are extracted from the Scheme and stated below:

*"3. **OBJECTS AND RATIONALE FOR THE PROPOSED SCHEME***

This Scheme provides for: (i) amalgamation (merger by absorption) of the Transferor Company 1 / GEIPL with the Transferee Company 1 / GDL; and (ii) amalgamation (merger by absorption) of GDL / the Transferor Company 2 (post amalgamation of the Transferor Company 1/GEIPL with the Transferee Company 1 / GDL) with the Transferee Company 2 / GRFL, to enable better realization of potential of the businesses of the Companies in the form of amalgamated Transferee Company 2 which will yield beneficial

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results and enhanced value creation for their respective shareholders and better security and protection for their lenders and employees. This Scheme shall have the following benefits:

3.1 *Consolidation of businesses presently being carried on by the Transferor Companies and the Transferee Company 2, which shall create greater operational synergies and efficiencies at multiple levels of business operations and shall provide significant impetus to their growth;*

3.2 *Improved earnings, cash flow and debt servicing abilities of the amalgamated Transferee Company 2;*

3.3 *The amalgamation would result in financial resources of the Companies being efficiently pooled, leading to centralized and more efficient management of funds, greater economies of scale and a bigger and stronger resource base for future growth, which are presently divided amongst multiple corporate entities within the group;*

3.4 *Creation of value for shareholders of the Companies and other stakeholders, by way of creation of a large asset base, facilitating access to better financial resources, stronger consolidated revenue and profitability, diversification in product portfolio and thereby reducing business risks;*

3.5 *Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the Companies, thereby contributing to the future growth of the merged entity;*

3.6 Consolidating and improving the internal systems, procedures and controls will also bring greater management and operational efficiency due to integration of various similar functions presently being carried out in each individual entity within the group such as information technology, human resources, finance, legal and general management, and this will lead to the organization becoming more efficient and capable of responding swiftly to volatile and rapidly changing market scenarios;

3.7 Simplicity in working, reducing various statutory and regulatory compliances and related costs, which presently have to be duplicated in the Companies, reduction in operational and administrative expenses and overheads, better cost and operational efficiencies and it would also result in coordinated optimum utilization of resources;

3.8 The Transferor Companies and the Transferee Company 2 operate businesses that complement each other and therefore, can be conveniently combined for mutual benefit of the shareholders of the Companies; and

3.9 This Scheme shall be in the beneficial interest of all the stakeholders and the shareholders of the Companies.

In these circumstances, it is considered desirable and expedient to amalgamate the Transferor Companies with the Transferee Company 2 in the manner and on the terms and conditions stated in this Scheme."

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4. The Appointed Date as mentioned in the Scheme is 1 April 2020.

5. The consideration for the Scheme is as set out below:

Merger of First Applicant Company with the Second Applicant Company (Clause 15):

"Upon this Scheme becoming effective, the entire issued, subscribed and paid up share capital of Transferor Company 1 (whether through a nominee) shall, ipso facto, without any further application, act or deed stand cancelled."

Merger of Second Applicant Company (after First Applicant Company has merged with Second Applicant Company) with the Third Applicant Company (Clause 24):

*"Upon this Scheme becoming effective, in consideration for the Amalgamation of the Transferor Company 2 with the Transferee Company 2, the Transferee Company 2 shall without any further application or deed, issue and allot to the equity shareholders of the Transferor Company 2... the equity shares of the Transferee Company 2 in accordance with their respective entitlement in the ration of 4:1 ("**Share Exchange Ratio**"), meaning thereby that upon this Scheme becoming effective, the Transferee Company 2 shall without any further application or deed, issue and allot 4 (Four) fully paid up equity shares of Transferee Company 2 of INR 10 (Indian Rupees 10) each, for 1 (One) fully paid equity share of INR 10 (Indian Rupees Ten) each held by such shareholder in Transferor Company 2 as on the Record Date."*

6. The Learned Counsel for the Applicant Companies submits that the First Applicant Company has received consent affidavits from all its Equity Shareholders, whereby they have given their consent and approval to the Scheme. The Consent Affidavits of the Equity Shareholders of the First Applicant Company are annexed to the Company Scheme Application. Accordingly, the requirement to hold meeting(s) of the Equity Shareholders of the First Applicant Company is dispensed with.

7. As on 31 December 2020, the Second Applicant Company had 34,490 equity shareholders holding 12,48,35,908 equity shares of the Second Applicant Company. A meeting of the Equity Shareholders of the Second Applicant Company be convened and held on 28 September 2021 at 11:30 am through video conferencing or other audio-visual means and not in physical presence of shareholders, as the same shall not be feasible and safe, due to the on-going COVID-19 pandemic and related social distancing norms, for the purpose of considering, and, if thought fit, approving, with or without modification(s), the proposed Scheme.

8. At least 30 (thirty) clear days before the said meeting of the Equity Shareholders of the Second Applicant Company to be held as aforesaid, a notice convening the said meeting, through video conferencing or other audio-visual means, on the day, date and time aforesaid, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230 (3) of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

notified on 14th December, 2016, shall be sent to the Equity Shareholders of the Second Applicant Company through any of the following modes: (i) e-mail, (ii) courier, (iii) post, or (iv) hand delivery to their registered or last known e-mail address or addresses as per the records of the Second Applicant Company / Depositories and in accordance with various circulars issued by SEBI / stock exchanges and the Ministry of Corporate Affairs.

9. At least 30 (thirty) clear days before the meeting of the Equity Shareholders of the Second Applicant Company to be held as aforesaid, a notice convening the said meeting, at the date and time aforesaid be published once each in 'Business Standard' in English and 'Sakal' in Marathi, both having wide circulation in the State of Maharashtra and stating that copies of the Scheme and the said statement required to be furnished pursuant to Section 230 (3) of the Companies Act, 2013 can be obtained free of charge by emailing the Second Applicant Company at investor@gateway-distriparks.com.

10. The Second Applicant Company undertakes to:

(i) Issue notice convening meeting of the Equity Shareholders as per Form No CAA.2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

(ii) Issue statement containing all the particulars as per Section 230 of the Companies Act, 2013;

(iii) Advertise the notice convening meeting as per Form No. CAA.2 (Rule 7) of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016; and

(iv) Publish the notice convening the meeting on the website of the Second Applicant Company.

The undertaking is accepted.

11. Mr. Prem Kishan Dass Gupta, Chairman & Managing Director, failing whom, Mr Ishaan Gupta, Joint Managing Director of the Second Applicant Company, is hereby appointed as the Chairperson for the meeting of the Equity Shareholders of the Second Applicant Company.

12. Ms. Malati Kumar (Membership No.: 15508) and failing her, Ms. Aparna Gadgil (Membership No.: 14713) of M/s. Ananthasubramanian & Co, Practicing Company Secretaries is hereby appointed as a Scrutinizer of the meeting of Equity Shareholders of the Second Applicant Company.

13. The Chairperson appointed for the aforesaid meeting of the Second Applicant Company to issue notices of the meeting of the Equity Shareholders referred to above. The Chairperson shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, as may be applicable for meeting of shareholders through video conferencing or other audio-visual means mode, in relation to the conduct of the meeting including for deciding procedural questions that may arise at the meeting or at any adjournment thereof or any other matter including, an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).

14. Since the meeting is being held through video conferencing or other audio-visual means mode, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the meeting and hence the requirement to send the proxy form and attendance slip along with the notice of the meeting is dispensed with. However, the Equity Shareholders of the Second Applicant Company who are body corporates are entitled to appoint authorised representatives to attend the meeting through video conferencing or other audio-visual means and participate there at and cast their votes through e-voting.

15. The quorum for the aforesaid meeting of the Equity Shareholders of the Second Applicant Company shall be as prescribed under Section 103 of the Companies Act, 2013. If the quorum is not present within half-an-hour from the time appointed for holding the meeting, then the members present shall be deemed to be the valid quorum for the meeting and the meeting shall be held.

16. The voting shall be allowed on the proposed Scheme through postal ballot or through electronic means in compliance with the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for a period of 30 days. The voting by authorized representative, in case of a body corporate be permitted, provided that authorization duly signed by the person entitled to attend and vote at the meeting along with a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting and through e-voting is sent by email to the Second Applicant Company at investor@gateway-

distriparks.com with a copy marked to the Scrutinizer at scrutinizer@snaco.net.

17. The value and number of the equity shares of each member shall be in accordance with the books/register of the Second Applicant Company or depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the meeting shall determine the value for the purpose of the aforesaid meeting and his decision in that behalf would be final.

18. The Chairperson shall file an affidavit not less than 7 (seven) days before the date fixed for holding of the meeting of the Second Applicant Company and report to this Tribunal that the directions regarding the issue of notices and advertisements have been duly complied with, as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

19. The Chairperson shall report to this Tribunal, the result of the aforesaid meeting within 30 (thirty) days of the conclusion of the said meeting of the Equity Shareholders of the Second Applicant Company, and the said report shall be verified by his Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

20. The Learned Counsel for the Applicant Companies submits that the Third Applicant Company has received consent affidavits from 7 out of 9 Equity Shareholders constituting 99.85% of the paid-up share capital of the Third Applicant Company whereby they have given their consent and approval to the Scheme. The Consent Affidavits of

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the Equity Shareholders of the Third Applicant Company are annexed to the Company Scheme Application. The Third Applicant Company is directed to issue notice to the 2 shareholders whose consents have not been obtained, through any of the following modes: (i) e-mail, (ii) courier, (iii) post, or (iv) hand delivery to their registered or last known e-mail address or addresses as per the records and shall endeavour to obtain their consent if possible. Accordingly, the requirement to hold meeting(s) of the Equity Shareholders of the Third Applicant Company is dispensed with.

21. The Learned Counsel for the Applicant Companies submits that there are no preference shareholders of First Applicant Company and Second Applicant Company. Thus, the question of convening and holding of a meeting of the preference shareholders of the First Applicant Company and Second Applicant Company to consider and approve the proposed Scheme does not arise.

22. The Learned Counsel for the Applicant Companies submits that the Third Applicant Company has received a consent affidavit from its sole Preference Shareholder, whereby the said Preference Shareholder has given its consent and approval to the Scheme. The Consent Affidavit of the sole Preference Shareholder of the Third Applicant Company is annexed to the Company Scheme Application. Accordingly, the requirement to hold meeting(s) of the Preference Shareholder of the Third Applicant Company is dispensed with.

23. The Learned Counsel for the Applicant Companies submits that the First Applicant Company is not required to hold / convene meetings

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of its Secured Creditors for approval of the Scheme because the First Applicant Company has received written consents from its sole Secured Creditor having an outstanding amount aggregating to 100% of the total value. The Learned Counsel for the Applicant Companies submits that there is no compromise and/or arrangement with the Secured Creditor of the First Applicant Company envisaged under the Scheme as contemplated under Section 230(1)(a) of the Companies Act, 2013 as no compromise is called for. Under the Scheme, the First Applicant Company will be merged into the Second Applicant Company and then the Second Applicant Company will be merged into the Third Applicant Company. Post the merger, the assets of the Third Applicant Company will be sufficient to meet its liabilities along with the liabilities of the Transferor Companies in the ordinary course of business and the Secured Creditors shall not be prejudiced in any manner. A copy of the said consent of the sole Secured Creditor of the First Applicant Company is annexed to the Company Scheme Application. Accordingly, the requirement of holding a meeting of the Secured Creditors of the First Applicant Company is dispensed with.

24. The Learned Counsel for the Applicant Companies submits that the Second Applicant Company is not required to hold / convene meetings of its Secured Creditor for approval of the Scheme because the Second Applicant Company has received written consent from its sole Secured Creditor having an outstanding amount aggregating to 100% of the total value. The Learned Counsel for the Applicant Companies submits that there is no compromise and/or arrangement with the Secured Creditor of the Second Applicant Company envisaged under the Scheme as contemplated under Section 230(1)(a) of the

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Companies Act, 2013 as no compromise is called for. Under the Scheme, the First Applicant Company will be merged into the Second Applicant Company and then the Second Applicant Company will be merged into the Third Applicant Company. Post the merger, the assets of the Third Applicant Company will be sufficient to meet its liabilities along with the liabilities of the Transferor Companies in the ordinary course of business and the Secured Creditors shall not be prejudiced in any manner. A copy of the said consent of the sole Secured Creditor of the Second Applicant Company is annexed to the Company Scheme Application. Accordingly, the requirement of holding a meeting of the Secure Creditors of the Second Applicant Company is dispensed with.

25. The Learned Counsel for the Applicant Companies submits that the Third Applicant Company is not required to hold / convene meetings of its Secured Creditor for approval of the Scheme because the Third Applicant Company has received written consent from its sole Secured Creditor having an outstanding amount aggregating to 100% of the total value. The Learned Counsel for the Applicant Companies submits that there is no compromise and/or arrangement with the Secured Creditor of the Third Applicant Company envisaged under the Scheme as contemplated under Section 230(1)(a) of the Companies Act, 2013 as no compromise is called for. Under the Scheme, the First Applicant Company will be merged into the Second Applicant Company and then the Second Applicant Company will be merged into the Third Applicant Company. Post the merger, the assets of the Third Applicant Company will be sufficient to meet its liabilities along with the liabilities of the Transferor Companies in the

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ordinary course of business and the Secured Creditors shall not be prejudiced in any manner. A copy of the said consent of the sole Secured Creditor of the Third Applicant Company is annexed to the Company Scheme Application. Accordingly, the requirement of holding a meeting of the Secured Creditors of the Third Applicant Company is dispensed with.

26. The Learned Counsel for the Applicant Companies submits that the First Applicant Company is not required to hold / convene meetings of its Unsecured Creditors for approval of the Scheme. As far as the rights of the Unsecured Creditors of the First Applicant Company are concerned, they will not be affected by the proposed Scheme since post Scheme, the assets & liabilities of the First Applicant Company would be transferred to the Second Applicant Company and all assets & liabilities of the Second Applicant Company (including assets & liabilities of the First Applicant Company) would be transferred to the Third Applicant Company. It is submitted that the First Applicant Company has a positive net-worth and the amalgamation of the First Applicant Company with the Second Applicant Company and thereafter with the Third Applicant Company will not affect or adversely impact the rights of the Unsecured Creditors of the First Applicant Company since post the Scheme, the assets of the Third Applicant Company will be sufficient to discharge the liabilities towards the Unsecured Creditors of the First Applicant Company. As on date, the assets of the Applicant Companies exceed their liabilities and would be sufficient to discharge the said liabilities in future, in the ordinary course of business. Further, it is submitted that the Scheme also does not involve any compromise and/or arrangement with any

Unsecured Creditors of the First Applicant Company. The First Applicant Company undertakes to issue individual notices to all Unsecured Creditors of the First Applicant Company. Accordingly, the First Applicant Company is directed to issue notices to all its Unsecured Creditors as on 28 February 2021 inviting representations, if any, thereto by post / courier / email / hand delivery. Representations, if any, shall be filed before this Tribunal with a copy to the First Applicant Company within 30 (thirty) days from the date of receipt of such notice.

27. The Learned Counsel for the Applicant Companies submits that the Second Applicant Company is not required to hold / convene meetings of its Unsecured Creditors for approval of the Scheme. As far as the rights of the Unsecured Creditors of the Second Applicant Company are concerned, they will not be affected by the proposed Scheme since post Scheme, the assets & liabilities of the First Applicant Company would be transferred to the Second Applicant Company and all assets & liabilities of the Second Applicant Company (including assets & liabilities of the First Applicant Company) would be transferred to the Third Applicant Company. It is submitted that the Second Applicant Company has a positive net-worth and the amalgamation of the First Applicant Company with the Second Applicant Company and thereafter with the Third Applicant Company will not affect or adversely impact the rights of the Unsecured Creditors of the Second Applicant Company since post the Scheme, the assets of the Third Applicant Company will be sufficient to discharge the liabilities towards the Unsecured Creditors of the Second Applicant Company. As on date, the assets of the Applicant Companies exceed their

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liabilities and would be sufficient to discharge the said liabilities in future, in the ordinary course of business. Further, it is submitted that the Scheme also does not involve any compromise and/or arrangement with any Unsecured Creditors of the Second Applicant Company. The Second Applicant Company undertakes to issue individual notices to Unsecured Creditors of the Second Applicant Company having value of INR 2,00,000 and above. Accordingly, the Second Applicant Company is directed to issue notices to its Unsecured Creditors having a total outstanding of INR 2,00,000 and above, as on 28 February 2021, inviting representations, if any, thereto by post / courier / email / hand delivery. Representations, if any, shall be filed before this Tribunal with a copy to the Second Applicant Company within 30 (thirty) days from the date of receipt of such notice.

28. The Learned Counsel for the Applicant Companies submits that the Third Applicant Company is not required to hold / convene meetings of its Unsecured Creditors for approval of the Scheme. As far as the rights of the Unsecured Creditors of the Third Applicant Company are concerned, they will not be affected by the proposed Scheme since post Scheme, the assets & liabilities of the First Applicant Company would be transferred to the Second Applicant Company and all assets & liabilities of the Second Applicant Company (including assets & liabilities of the First Applicant Company) would be transferred to the Third Applicant Company. It is submitted that the Third Applicant Company has a positive net-worth and the amalgamation of the First Applicant Company with the Second Applicant Company and thereafter with the Third Applicant Company will not affect or adversely impact the rights of the Unsecured Creditors of the Third

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Applicant Company since post the Scheme, the assets of the Third Applicant Company will be sufficient to discharge the liabilities towards the Unsecured Creditors of the Third Applicant Company. As on date, the assets of the Applicant Companies exceed their liabilities and would be sufficient to discharge the said liabilities in future, in the ordinary course of business. Further, it is submitted that the Scheme also does not involve any compromise and/or arrangement with any Unsecured Creditors of the Third Applicant Company. The Third Applicant Company undertakes to issue individual notices to Unsecured Creditors of the Third Applicant Company having value INR 50,000 and above. Accordingly, the Third Applicant Company is directed to issue notices to its Unsecured Creditors having a total outstanding at INR 50,000 and above, as on 28 February 2021, inviting representations, if any, thereto by post / courier / email / hand delivery. Representations, if any, shall be filed before this Tribunal with a copy to the Second Applicant Company within 30 (thirty) days from the date of receipt of such notice.

29. The Learned Counsel for the Applicant Companies submits that there are no debenture holders of the First Applicant Company and Third Applicant Company. As such, the question of convening and holding of a meeting of the Debenture Holders of the First Applicant Company and Third Applicant Company to consider and approve the proposed Scheme does not arise.

30. The Learned Counsel for the Applicant Companies submits that the Second Applicant Company has received consent affidavits from all its Debenture Holders whereby they have given their consent and

approval to the Scheme. A copy of these consent affidavits is annexed to the Company Scheme Application. It is also submitted that there is no proposed compromise or arrangement with the debenture holders of the Second Applicant Company. Further, upon the Scheme coming into effect, the Third Applicant Company will be able to discharge its liabilities towards the Debenture Holders, in the ordinary course of business. Accordingly, the requirement to hold meeting(s) of the Debenture Holders of the Second Applicant Company is dispensed with.

31. The Applicant Companies to serve notice upon (i) the Central Government through the Regional Director, Western Region, Ministry of Corporate Affairs; (ii) the Registrar of Companies at Mumbai; (iii) the Income Tax Authority at Circle-3(1), Vishakhapatnam (for the First Applicant Company having PAN AABCV1938N), at Circle-9(1)(1), Mumbai (for the Second Applicant Company having PAN AAACG3425C) and at Circle-10(1), New Delhi (for the Third Applicant Company having PAN AADCR3132N) within whose jurisdiction the respective Applicant Company's assessments are made, pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from such authorities within 30 (thirty) days of the date of receipt of the notice, it will be presumed that they have no objection to the proposed Scheme.

32. Additionally, the First Applicant Company and Second Applicant Company are directed to serve notice along with a copy of the Scheme

upon the Official Liquidator, pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. M/s JMR & Associates, Chartered Accountants, Boman House, Office No. 4, 1st Floor, 2nd Homji Street, P. M Road, Fort, Mumbai-400001, having Email: info@jmrassociates.com, having telephone: 22-6610224, 22-66102225, 22-6610226 are appointed to assist the Official Liquidator to scrutinize the books of the First Applicant Company and Second Applicant Company for the last 5 years. The fee of the Chartered Accountant is fixed at Rs. 2,00,000 inclusive of all taxes which shall be paid by the First Applicant Company and Second Applicant Company equally. The Official Liquidator shall submit his Report to the Tribunal within 30 (Thirty) days of the date of receipt of such notice, failing which it shall be presumed that the Official Liquidator has no objection to the proposed Scheme. A copy of the Report shall simultaneously be served upon the First Applicant Company and Second Applicant Company.

33. The Learned Counsel for the Applicant Companies submits that the shares of the Second Applicant Company are listed on BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**"). The Securities and Exchange Board of India ("**SEBI**") has through its letter to BSE and NSE dated 12 March 2021 has observed that the present Company Scheme Application has been filed by the Second Applicant Company after processing and communication of comments / observations on the draft Scheme by SEBI and the stock exchanges. Hence, the Second Applicant Company is not required to send notice for representation as mandated under Section 230(5) of

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the Companies Act, 2013 to SEBI again for its comments / observations / representations. Copies of the letters issued by BSE and NSE containing SEBI's observations and comments are annexed to the Company Scheme Application, respectively. Hence, the requirement to issue notices to SEBI is dispensed with. The Second Applicant Company is directed to serve notices upon (i) BSE; and (ii) NSE, pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. Responses, if any, from the stock exchanges shall be filed before this Tribunal within 30 (thirty) days from the date of receipt.

34. Additionally, the Second Applicant Company is directed to serve notice on the Reserve Bank of India pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the concerned stock exchanges within 30 (thirty) days of the date of receipt of the notice, it will be presumed that they have no objection to the proposed Scheme.

35. The Applicant Companies to service notices upon any other sectoral authorities, if applicable, pursuant to Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the concerned sectoral authorities or authorities within 30 (Thirty) days of the date of receipt of the notice,

it will be presumed that the concerned sectoral regulators or authorities have no objection to the proposed Scheme.

36. The Applicant Companies are directed to file a Compliance Report with the Registry in regard to the directions given in this Order in lieu of the customary affidavit of service, due to the lockdown situation prevailing now.

Sd/-
Chandra Bhan Singh,
Member (Technical)

Sd/-
Suchitra Kanuparthi,
Member (Judicial)

Certified True Copy
Copy Issued "free of cost"
On 14/08/2024

Deputy Registrar
National Company Law Tribunal Mumbai Bench
Government of India

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STRICTLY PRIVATE & CONFIDENTIAL

September 28, 2020

The Board of Directors
Gateway Distriparks Limited
Sector 6, Dronagiri, Taluka Uran,
District Raigad,
Navi Mumbai - 400 707

The Board of Directors
Gateway Rail Freight Limited
Sector 6, Dronagiri, Taluka Uran,
District Raigad,
Navi Mumbai - 400 707

The Board of Directors
Gateway East India Private Limited
Container Freight Station, VPT-Exim Park,
Opposite GAIL, Sheela Nagar,
Visakhapatnam – 530 012
Andhra Pradesh

Sub: Recommendation of fair equity share exchange ratio for the proposed amalgamation of Gateway Distriparks Limited (post amalgamation of GEIPL with GDL) with Gateway Rail Freight Limited

Dear Sir(s) / Madam(s),

We refer to the engagement letter dated September 07, 2020 whereby we, SSPA & Co., Chartered Accountants (hereinafter referred to as 'SSPA' or 'Valuer' or 'We'), have been appointed by Gateway Distriparks Limited (hereinafter referred to as 'GDL' or the 'Transferor Company') and Gateway Rail Freight Limited (hereinafter referred to as 'GRFL' or the 'Transferee Company'), to issue a report containing recommendation of fair equity share exchange ratio for the proposed amalgamation of GDL (post amalgamation of GEIPL with GDL) with GRFL with effect from opening business hours on April 01, 2020 ('Appointed Date') ('hereinafter referred to as 'Proposed Amalgamation').

GDL and GRFL are hereinafter collectively referred to as the 'Companies'.

1. SCOPE AND PURPOSE OF THIS REPORT

1.1 We have been informed by the management of the Companies (hereinafter collectively referred to as the 'Management') that they are considering the following restructuring

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proposal pursuant to a composite scheme of arrangement under sections 230 to 232 and other applicable provisions of the Companies Act, 2013, including rules and regulations made thereunder (hereinafter referred to as the 'Scheme'):

Step 1 – Amalgamation of GEIPL (a wholly owned subsidiary of GDL) with GDL; and

Step 2 – Amalgamation of GDL (post amalgamation of GEIPL with GDL) with GRFL.

Subject to necessary approvals, GEIPL would be amalgamated with GDL and GDL (post amalgamation of GEIPL with GDL) would be amalgamated with GRFL, with effect from the Appointed Date.

1.2 Pursuant to the Scheme, since GEIPL is a wholly owned subsidiary of GDL, no shares of GDL would be issued and allotted to shareholders of GEIPL on amalgamation of GEIPL with GDL. Pursuant to the Scheme, the entire paid up share capital of GEIPL would be cancelled on amalgamation. Thus, there is no need for determining fair equity share exchange ratio for proposed amalgamation as envisaged in Step 1 above.

1.3 In consideration for amalgamation of GDL into GRFL, equity shares of GRFL would be issued to the equity shareholders of GDL.

1.4 In this regards, we have been appointed by the Companies to carry out the relative valuation of equity shares of GRFL and GDL and to recommend the fair equity share exchange ratio for the Proposed Amalgamation. The report is being furnished by SSPA in the capacity of Chartered Accountants as well as Registered Valuer under section 247 of the Companies Act, 2013 which would suffice the requirements of Securities Exchange Board of India and Companies Act, 2013.

1.5 For the purpose of this valuation, the bases of value is 'relative value' and the valuation is based on 'going concern' premise. For the purpose of this Proposed Amalgamation, valuation has been carried out keeping in mind the Appointed Date as envisaged in the Scheme.

1.6 The report sets out our recommendation of the fair equity share exchange ratio and discusses the methodologies and approach considered in the computation of the ratio.

2. BRIEF BACKGROUND

2.1. GATEWAY DISTRIPARKS LIMITED

GDL was incorporated on April 06, 1994. GDL and its subsidiaries / associate / joint venture are engaged in business of Container Freight Stations ('CFS') / Inland Container Depots at

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various locations, transportation of cargo by containers on Indian Railways Network, road transportation of containers / cargo / chilled and frozen products and operating storage facilities at cold stores at various locations in India.

GDL on standalone basis has CFS located at Navi Mumbai, Chennai and Krishnapatnam.

The equity shares of GDL are listed on BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE').

The paid up equity share capital of the Transferor Company as on March 31, 2020 is INR 108.73 crores.

In August 2020, GDL has issued 1,61,07,859 equity shares on right basis at price of INR 72 per equity share and raised INR 113.28 crores (Total rights issue amount INR 115.98 crores less expenses relating to rights issue INR 2.70 crores).

The shareholding pattern post rights issue of equity shares is given below:

Particulars	Number of equity shares	% shareholding
Promoters and Promoter Group	4,01,23,283	32.14%
Public	8,47,12,625	67.86%
Total	**12,48,35,908**	**100.00%**

2.2. **GATEWAY RAIL FREIGHT LIMITED**

GRFL is the unlisted 99.93% subsidiary of GDL which provides inter-modal logistics and operates its own rail-linked Inland Container Depots ('ICD') at Gurugram, Faridabad, Ludhiana, and Viramgam. GRFL also operates a domestic terminal at Mumbai. The company operates a fleet of 31 trains and 338 owned road trailers at its terminals. GRFL operates regular container train services from these ICDs to the Nhava Sheva, Mundra and Pipavav ports, transporting EXIM as well as domestic containers.

The paid up equity share capital of the Transferee Company as on March 31, 2020 is INR 201.50 crores.

As on date, GRFL has two class of equity shares, 20,15,00,000 equity shares of face value of INR 10 each and 100 equity shares of face value of INR 25 each. For the purpose of this valuation 100 equity shares are presumed to be converted into 250 equity shares of face value of INR 10 each.

Further, as on date there are 12,00,00,000 compulsorily convertible preference shares ('CCPS') of face value INR 24.65 each. 12,00,00,000 CCPS are convertible into 20,06,95,808 equity shares. The CCPS are entirely held by GDL.

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Based on above, the diluted equity share capital of GRFL works out to 40,21,96,058 equity shares of INR 10 each which is given below.

Particulars	Number of equity shares	% shareholding
Gateway Distriparks limited	40,18,95,854	99.9253588%
Sachin Surendra Bhanushali	100	0.0000249%
Ranjiv Kumar Bhasin	1,20,000	0.0298362%
V Srinivas Reddy	100	0.0000249%
Vani Bhasin	1,80,000	0.0447543%
Mamta Gupta	1	0.0000002%
Samvid Gupta jointly with Ishaan Gupta	1	0.0000002%
Ishaan Gupta jointly with GDL	1	0.0000002%
Prem Kishan Dass Gupta jointly with GDL	1	0.0000002%
Total	**40,21,96,058**	**100.00%**

2.3. GATEWAY EAST INDIA PRIVATE LIMITED

GEIPL is the unlisted wholly owned subsidiary (WoS) of GDL which is engaged in the business of providing services of CFS. The CFS is located on the Exim Park, Sheela Nagar, Visakhapatnam. The CFS is about 16 kms from Visakha Container Terminal Port. CFS provides common user facilities offering services for container handling, transport and storage of import/ export laden and empty containers and cargo carried under custom control.

The shareholding pattern is given below:

Particulars	Number of equity shares	% shareholding
Gateway Distriparks limited	80,00,000	100.00%
Total	**80,00,000**	**100.00%**

3. REGISTERED VALUER – SSPA & CO., CHARTERED ACCOUNTANTS

SSPA & Co., Chartered Accountants, is a partnership firm, located at 1st Floor, Arjun Building, Plot No. 6A, V. P. Road, Andheri (West), Mumbai - 400 058, India. SSPA is engaged in providing various corporate consultancy services.

We are a firm of practicising Chartered Accountants registered with The Institute of Chartered Accountants of India ('ICAI'). We are also registered with the Insolvency and Bankruptcy Board of India ('IBBI'), as a Registered Valuer for asset class – 'Securities or Financial Assets' with Registration No. IBBI/RV-E/06/2020/126.



4. SOURCES OF INFORMATION

The valuation exercise is based on the following information which has been received from the Management and any information available in the public domain:

(a) Annual Reports / standalone audited financial statements of the Companies and subsidiaries & associate of GDL for the financial year ('FY') ended March 31, 2019 and March 31, 2020.

(b) Standalone financial projections of the Companies and subsidiaries & associate of GDL for FY 2020-21 to FY 2024-25 comprising of balance sheet, profit & loss statement and capital expenditure as provided by the Management.

(c) Draft Composite Scheme of Amalgamation.

(d) Other relevant details regarding the Companies such as their history, past and present activities and other relevant information and data.

(e) Such other information and explanations as we required and which have been provided by the Management including Management Representation.

5. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

5.1. This report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. Further our report on recommendation of fair equity share exchange ratio of GRFL and GDL is in accordance with ICAI Valuation Standards 2018.

5.2. This report has been prepared for Board of Directors of the companies solely for the purpose of recommending a fair equity share exchange ratio for the proposed amalgamation of GRFL and GDL.

5.3. Valuation is not a precise science and the conclusions arrived at will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While we have provided an assessment of value by applying certain formulae which are based on the information available, others may place a different value.

5.4. The Management has represented that the Companies have clear and valid title of assets. No investigation on the Companies' claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid.

5.5. The draft of the present report (excluding the recommended fair equity share exchange

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ratio) was circulated to the Management for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.

5.6. For the purpose of this exercise, we were provided with both written and verbal information including information detailed hereinabove in para 'Sources of Information'. Further, the responsibility for the accuracy and completeness of the information provided to us by the Companies/auditors/consultants is that of the Companies. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Management that they have not omitted any relevant and material factors about the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements by the Management may materially affect our valuation analysis/conclusions. Our work does not constitute an audit, due diligence or certification of these information referred to in this report including information sourced from public domain. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any information referred to in this report and consequential impact on the present exercise. However, nothing has come to our attention to indicate that the information provided/obtained was materially misstated/incorrect or would not afford reasonable grounds upon which to base the report.

5.7. Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in the report as agreed with the Management.

5.8. Our recommendation is based on the estimates of future financial performance as projected by the Management, which represents their view of reasonable expectation at the point of time when they were prepared, after giving due considerations to commercial and financial aspects of the Companies and the industry in which the Companies operate. But such information and estimates are not offered as assurances that the particular level of income or profit will be achieved or events will occur as predicted. Actual results achieved during the period covered by the prospective financial statements may vary from those contained in the statement and the variation may be material. The fact that we have considered the projections in this exercise of valuation should not be construed or taken as being associated with or a party to such projections.

5.9. A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This

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report is issued on the understanding that Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the fair value of the shares of the Companies including any significant changes that have taken place or are likely to take place in the financial position of the Companies. Events and transactions occurring after the date of this report may affect the report and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this report.

5.10. The fee for the engagement and this report is not contingent upon the results reported.

5.11. Our report is not, nor should it be construed as opining or certifying the compliance of the proposed transaction with the provisions of any law including companies, competition, taxation (including transfer pricing) and capital market related laws or as regards any legal implications or issues arising in India or abroad from such Proposed Amalgamation.

5.12. Any person/party intending to provide finance/invest in the shares/convertible instruments/business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

5.13. The decision to carry out the transaction (including consideration thereof) lies entirely with the Management and our work and our finding shall not constitute a recommendation as to whether or not the Management should carry out the transaction.

5.14. This Report is meant for the purpose mentioned in Para 1 only and should not be used for any purpose other than the purpose mentioned therein. It is exclusively for the use of the Companies and for submission to any regulatory/statutory authority as may be required under any law. This Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom the report is disclosed or otherwise made available.

5.15. SSPA, nor our partners and employees make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for/or based on or relating to any such information contained in the valuation.

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6. VALUATION APPROACH AND METHODOLOGIES

6.1. For the purpose of valuation, generally following approaches can be considered, viz,

(a) the 'Market' approach;

(b) the 'Income' approach; and

(c) the 'Cost' approach

6.2. The 'Cost' approach represents the value with reference to historical cost of assets owned by the company and the attached liabilities. Such value generally represents the support value in case of profit-making business and thus, has limited relevance in the valuation of the business of a going concern.

In the present case, the business of GRFL and GDL are intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the Asset approach is not adopted for the present valuation exercise.

6.3. Considering the above, we have thought fit to consider a combination of 'Market' approach and 'Income' approach for valuation of equity shares of GRFL and GDL. The report date is the valuation date.

6.4. **MARKET APPROACH**

6.4.1. In the present case, the equity shares of GDL are listed and frequently traded on recognized stock exchanges. Further, the equity shares of GRFL are not listed on any stock exchanges. Since, this is a relative valuation, we have thought fit to consider Comparable Companies Multiple ('CCM') method for valuation of equity shares of GRFL and GDL under the 'Market' approach.

6.4.2. **COMPARABLE COMPANIES MULTIPLE METHOD**

Under CCM method, the value of equity shares of GRFL and GDL is determined by using multiples derived from valuations of comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully. In the present case, Enterprise Value (EV) to Earnings before Interest Tax Depreciation and Amortization (EBITDA) multiples of comparable listed companies are used to arrive at EV of GRFL and GDL.

To the value so arrived, appropriate adjustments have been made for contingent liabilities, loan funds, lease liability, value of investments in subsidiaries / associate / other investments, value of surplus assets, cash and cash equivalents (net of interim dividend),

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net cash inflow on account of rights issue of equity shares and other adjustments after considering the tax impact wherever applicable to arrive at the equity value.

The equity value as arrived above is divided by the outstanding / diluted number of equity shares to arrive at the value per share.

6.5. **INCOME APPROACH**

6.5.1. Under the 'Income' approach, shares of GRFL and GDL have been valued using 'Discounted Cash Flow' ('DCF') Method.

6.5.2. Under the DCF method the projected free cash flows from business operations after considering fund requirements for projected capital expenditure and incremental working capital are discounted at the Weighted Average Cost of Capital (WACC). The sum of the discounted value of such free cash flows and discounted value of perpetuity is the value of the business.

6.5.3. The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are determined by adding back to profit before tax, (i) interest on loans, if any, (ii) depreciation and amortizations (non-cash charge), and (iii) any non-operating item. The cash flow is adjusted for outflows on account of (i) capital expenditure, (ii) incremental working capital requirements and (iii) tax and (iv) lease rental payments.

6.5.4. WACC is considered as the most appropriate discount rate in the DCF Method, since it reflects both the business and the financial risk of the company. In other words, WACC is the weighted average of the company's cost of equity and debt. Considering an appropriate mix between debt and equity for GRFL and GDL, we have arrived at the WACC to be used for discounting the Free Cash Flows of GRFL and GDL.

6.5.5. To the value so arrived, appropriate adjustments have been made for contingent liabilities, loan funds, value of investments in subsidiaries / associate / other investments, value of surplus assets, cash and cash equivalents (net of interim dividend) and net cash inflow on account of rights issue of equity shares after considering the tax impact wherever applicable to arrive at the equity value.

The value as arrived above is divided by the outstanding / diluted number of equity shares to arrive at the value per share.

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7. RECOMMENDATION OF FAIR EQUITY SHARE EXCHANGE RATIO

7.1. The fair basis of amalgamation of GDL with GRFL would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under different methods, for the purposes of recommending a ratio of exchange it is necessary to arrive at a single value for the shares of GRFL and GDL. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of each company. Our exercise is to work out relative value of shares of GRFL and GDL to facilitate the determination of a ratio of exchange. For this purpose, it is necessary to give appropriate weightage to the values arrived at under each approach.

7.2. As mentioned above, we have considered a combination of CCM Method under 'Market' approach and DCF Method under 'Income' approach for arriving at the value per share of GRFL and GDL. The values under each of the approaches is given in the table below:

Valuation Approach	GRFL		GDL	
	Value per share (INR)	Weight	Value per share (INR)	Weight
Asset Approach *	NA	NA	NA	NA
Income Approach	36.62	50%	147.05	50%
Market Approach - CCM Method	36.81	50%	146.12	50%
Relative value per share	**36.72**		**146.59**	
Exchange Ratio (rounded off)	**4:1**			

NA = Not Applied / Not Applicable

** Since, the business of GRFL and GDL are both intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the 'Asset' approach is not adopted for the present valuation exercise.*

7.3. The fair equity share exchange ratio has been arrived on the basis of a relative valuation of equity shares of GRFL and GDL based on the approaches explained herein earlier and various qualitative factors relevant to the companies and the business dynamics and growth potential of the businesses, having regard to information base, management representation and perceptions, key underlying assumptions and limitations.

7.4. In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgement taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in

SSPA & CO. REGISTERED VALUER CHARTERED ACCOUNTANTS

judicial decisions. For example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:

'If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible.'

7.5. In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove earlier in this report, in our opinion:

The fair equity share exchange ratio for the proposed amalgamation of GDL (post amalgamation of GEIPL with GDL) with GRFL is as under:

4 (Four) equity shares of GRFL of INR 10 each fully paid up for every 1 (One) equity share of GDL of INR 10 each fully paid up.

Thanking you,
Yours faithfully,

For SSPA & CO.
Chartered Accountants
ICAI Firm registration number: 128851W
IBBI Registered Valuer No.: IBBI/RV-E/06/2020/126

Parag S. Ved

Parag Ved, Partner
ICAI Membership No. 102432
UDIN: 20102432AAAABO4255
Place: Mumbai

SSPA & CO. CHARTERED ACCOUNTANTS REGISTERED VALUER

FAIRNESS OPINION

Gateway Distriparks Limited
Gateway Rail Freight Limited

28th September, 2020

Corporate Professionals

Corporate Professionals

Strictly Private and Confidential

Ref. No: CPC/MB/062/2019-20
SEBI Reg. No: INM000011435

The Board of Directors
Gateway Distriparks Limited
Sector 6, Dronagiri, Taluka Uran,
District Raigad,
Navi Mumbai - 400 707

The Board of Directors
Gateway Rail Freight Limited
Sector 6, Dronagiri, Taluka Uran,
District Raigad,
Navi Mumbai - 400 707

Subject: Fairness opinion on the Valuer's Report undertaken by SSPA & Co., Chartered Accountants and Registered Valuer for the proposed Amalgamation of Gateway Distriparks Limited (post amalgamation of GEIPL with GDL) with Gateway Rail Freight Limited

Dear Sir,

We refer to our appointment by the management of **Gateway Distriparks Limited (hereinafter referred to as 'GDL' or the 'Transferor Company') and Gateway Rail Freight Limited (hereinafter referred to as 'GRFL' or the 'Transferee Company')** for the purpose of arriving at an opinion on the Valuer's Report on Share Exchange ratio dated 28th September, 2020 issued by SSPA & Co., Chartered Accountants and Registered Valuer to comply with the SEBI guidelines and applicable provisions of the Companies Act, 2013 for the proposed Amalgamation of Gateway Distriparks Limited (post amalgamation of GEIPL with GDL) with Gateway Rail Freight Limited on going concern basis in accordance with the provisions of sections 230 – 232 and other applicable provisions of the Companies Act, 2013 and subject to necessary approvals ("Proposed Amalgamation").

In terms of our engagement, we are enclosing our opinion along with this letter. All comments as contained herein must be read in conjunction with the Caveats to this opinion.

This opinion is confidential and has been made in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (here-in-after referred to as "Listing Regulations") read with SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017 and SEBI Circular no. CFD/DIL3/CIR/2018/2 dated January 3, 2018. It should not be used, reproduced or circulated to any other person, in whole or in part, without the prior consent of Corporate Professionals Capital Private Limited, such consent will only be given after full consideration of the circumstance at the time.

We are however aware that the conclusion in this report may be used for the purpose of disclosure to be made to the stock exchange, National Company Law Tribunal ("NCLT"), RD, RoC, RBI and other related Statutory Authorities in this regard and notices to be dispatched to the shareholder and creditors for convening the meeting pursuant the direction of NCLT and we provide consent for the same. Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully

For Corporate Professionals Capital Private Limited

Dated: 28.09.2020
Place: New Delhi

[Authorized Signatory]

Corporate Professionals Capital Pvt. Ltd. D-28, South Extn. Part-I New Delhi 110049

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CONTEXT AND BACKGROUND

We understand that the management of companies are considering the following restructuring proposal pursuant to a composite scheme of arrangement under sections 230 to 232 and other applicable provisions of the Companies Act, 2013, including rules and regulations made thereunder (hereinafter referred to as the 'Scheme'):

Step 1 - Amalgamation of GEIPL (a wholly owned subsidiary of GDL) with GDL; and
Step 2 - Amalgamation of GDL (post amalgamation of GEIPL with GDL) with GRFL.

Subject to necessary approvals, GEIPL would be amalgamated with GDL and GDL (post amalgamation of GEIPL with GDL) would be amalgamated with GRFL, with effect from appointed date of April 01, 2020 ('Appointed Date').

Pursuant to the Scheme, since GEIPL is a wholly owned subsidiary of GDL, no shares of GDL would be issued and allotted to shareholders of GEIPL on amalgamation of GEIPL with GDL. Pursuant to the Scheme, the entire paid up share capital of GEIPL would be cancelled on amalgamation. Thus, there is no need for determining fair equity share exchange ratio for proposed amalgamation as envisaged in Step 1 above. In consideration for amalgamation of GDL into GRFL, equity shares of GRFL would be issued to the equity shareholders of GDL.

With reference to the above, we, **Corporate Professionals Capital Private Limited, a SEBI Registered Merchant Banker,** have been appointed by the management of Gateway Distriparks Limited and Gateway Rail Freight Limited to provide the "Fairness Opinion" on the Valuer's Report on Share Exchange ratio dated 28th September,2020 issued by SSPA & Co. in the capacity of Chartered Accountants as well as Registered Valuer.

This opinion is confidential and has been made in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (here-in-after referred to as "Listing Regulations") read with SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017 and SEBI Circular no. CFD/DIL3/CIR/2018/2 dated January 3, 2018.



BRIEF ABOUT COMPANIES

GATEWAY DISTRIPARKS LIMITED

We understand that GDL was incorporated on April 06, 1994. GDL and its subsidiaries / associate / joint venture are engaged in business of Container Freight Stations ('CFS') / Inland Container Depots at various locations, transportation of cargo by containers on Indian Railways Network, road transportation of containers / cargo / chilled and frozen products and operating storage facilities at cold stores at various locations in India. GDL on standalone basis has CFS located at Navi Mumbai, Chennai, Kochi and Krishnapatnam. The equity shares of GDL are listed on BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE'). The paid up equity share capital of the Transferor Company as on March 31, 2020 is INR 108.73 crores. In August 2020, GDL has issued 1,61,07,859 equity shares on right basis at price of INR 72 per equity share and raised INR 113.28 crores (Total rights issue amount INR 115.98 crores less expenses relating to rights issue INR 2.70 crores).

The shareholding pattern post rights issue of equity shares of GDL is given below:

Particulars	Number of equity shares	% shareholding
Promoters and Promoter Group	4,01,23,283	32.14%
Public	8,47,12,625	67.86%
Total	**12,48,35,908**	**100.00%**

GATEWAY RAIL FREIGHT LIMITED

We understand that GRFL is the unlisted 99.93% subsidiary of GDL which provides inter-modal logistics and operates its own rail-linked Inland Container Depots ('ICD') at Gurugram, Faridabad, Ludhiana, and Viramgam. GRFL also operates a domestic terminal at Mumbai. The company operates a fleet of 31 trains and 338 owned road trailers at its terminals. GRFL operates regular container train services from these ICDs to the Nhava Sheva, Mundra and Pipavav ports, transporting EXIM as well as domestic containers. The paid up equity share capital of the Transferee Company as on March 31, 2020 is INR 201.50 crores. As on date, GRFL has two class of equity shares, 20,15,00,000 equity shares of face value of INR 10 each and 100 equity shares of face value of INR 25 each. For the purpose of this valuation 100 equity shares are presumed to be converted into 250 equity shares of face value of INR 10 each. Further, as on date there are 12,00,00,000 compulsorily convertible preference shares ('CCPS') of face value INR 24.65 each. 12,00,00,000 CCPS are convertible into 20,06,95,808 equity shares. The CCPS are entirely held by GDL.

Based on above, the diluted equity share capital of GRFL works out to 40,21,96,058 equity shares of INR 10 each which is given below:

Particulars	Number of equity shares	% shareholding
Gateway Distriparks limited	40,18,95,854	99.9253588%
Sachin Surendra Bhanushali	100	0.0000249%
Ranjiv Kumar Bhasin	1,20,000	0.0298362%
V Srinivas Reddy	100	0.0000249%
Vani Bhasin	1,80,000	0.0447543%
Mamta Gupta	1	0.0000002%
Samvid Gupta jointly with Ishaan Gupta	1	0.0000002%
Ishaan Gupta jointly with GDL	1	0.0000002%
Prem Kishan Dass Gupta jointly with GDL	1	0.0000002%
Total	**40,21,96,058**	**100.00%**

GATEWAY EAST INDIA PRIVATE LIMITED

We understand that GEIPL is the unlisted wholly owned subsidiary (WoS) of GDL which is engaged in the business of providing services of CFS. The CFS is located on the Exim Park, Sheela Nagar, Visakhapatnam. The CFS is about 16 kms from Visakha Container Terminal Port. CFS provides common user facilities offering services for container handling, transport and storage of import/ export laden and empty containers and cargo carried under custom control.

The shareholding pattern of GEIPL is given below:

Particulars	Number of equity shares	% shareholding
Gateway Distriparks limited	80,00,000	100.00%
Total	**80,00,000**	**100.00%**

VALUER ANALYSIS

BACKGROUND

- The valuer have mentioned in their valuation report that for the purpose of this valuation, the bases of value is 'relative value' and the valuation is based on 'going concern' premise.
- The valuation report sets out their recommendation of the fair equity share exchange ratio and discusses the methodologies and approach considered in the computation of the ratio.
- The valuation report provides for the sources of information relied upon for this valuation including the historical and projected financials and other relevant details.
- The valuation report states that their report on recommendation of fair equity share exchange ratio of GRFL and GDL is in accordance with ICAI Valuation Standards 2018.

VALUATION APPROACH AND METHODOLOGIES

- The valuer vide their valuation report have considered premise of valuation, nature of business and different valuation approaches and decided to consider a combination of 'Market' approach and 'Income' approach for valuation of equity shares of GRFL and GDL. The report date is the valuation date.
- Considering the above and that in the present case, the business of GRFL and GDL are intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the Asset approach is not adopted for the present valuation exercise.
- Under the Market approach, Valuer have considered Comparable Companies Multiple ('CCM') method for valuation of equity shares of GRFL and GDL by using Enterprise Value (EV) to Earnings before Interest Tax Depreciation and Amortization (EBITDA) multiples derived from valuations of comparable companies.
- Under the 'Income' approach, shares of GRFL and GDL have been valued using 'Discounted Cash Flow' ('DCF') Method.

RECOMMENDATION OF FAIR EQUITY SHARE EXCHANGE RATIO IN VALUATION REPORT

- **The values under each of the approaches recommended by the valuer is given in the table below:**

Valuation Approach	GRFL		GDL	
	Value per share (INR)	Weight	Value per share (INR)	Weight
Asset Approach *	NA	NA	NA	NA
Income Approach	36.62	50%	147.05	50%
Market Approach - CCM Method	36.81	50%	146.12	50%
Relative value per share	**36.72**		**146.59**	
Exchange Ratio (rounded off)	**4:1**			

NA = Not Applied / Not Applicable

** Since, the business of GRFL and GDL are both intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the 'Asset' approach is not adopted for the present valuation exercise.*

- **In light of the above the valuer have recommended the following as fair equity exchange ratio for the proposed amalgamation of GDL (post amalgamation of GEIPL with GDL) with GRFL:**

  4 (Four) equity shares of GRFL of INR 10 each fully paid up for every 1 (One) equity share of GDL of INR 10 each fully paid up.

CONCLUSION & OPINION

In reference to the Valuation Report on relative Share Exchange ratio dated 28th September, 2020 issued by SSPA & Co., Chartered Accountants and Registered Valuer to comply with the SEBI guidelines and applicable provisions of the Companies Act, 2013, for the proposed Amalgamation of Gateway Distriparks Limited (post amalgamation of GEIPL with GDL) with Gateway Rail Freight Limited on going concern basis, the valuer have given their reasoning on the basis of valuation and selection of appropriate valuation methodologies for determination of relative share exchange ratio for this purpose on the valuation date.

The valuer have thus recommended fair equity share exchange ratio for the proposed amalgamation of GDL (post amalgamation of GEIPL with GDL) with GRFL as 4 (Four) equity shares of GRFL of INR 10 each fully paid up for every 1 (One) equity share of GDL of INR 10 each fully paid up.

"Subject to above read with the caveats as detailed later, we as a SEBI Registered Merchant Banker hereby opine that pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017 we have reviewed the Valuer's Report on Share Exchange ratio issued by SSPA & Co., Chartered Accountants and Registered Valuer and are of the opinion that the share exchange Report is fair and reasonable from the perspective of Equity Shareholders of Companies".

CAVEATS

- We wish to emphasize that, we have relied on explanations and information provided by the respective management, valuer and other public available information. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided.
- We have not made an appraisal or independent valuation of any of the assets or liabilities of the companies and have not conducted an audit or due diligence or reviewed / validated the financial data except what is provided to us by the management of Company.
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted in this Scheme, which might be relevant in the context of the transaction and which a wider scope might uncover.
- We have no present or planned future interest in the Company and the fee payable for this opinion is not contingent upon the opinion reported herein.
- Our Fairness Opinion should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into the proposed transaction.
- The Opinion contained herein is not intended to represent at any time other than the date that is specifically stated in this Fairness Opinion. This opinion is issued on the understanding that the Management of the Company under the Scheme have drawn our attention to all matters of which they are aware, which may have an impact on our opinion up to the date of signature. We have no responsibility to update this report for events and circumstances occurring after the date of this Fairness Opinion.

GATEWAY DISTRIPARKS LTD.

Date: March 02, 2021

To,
The Manager (Listing Operations Further Issues)
BSE Ltd.,
P J Towers, Dalal Street,
Mumbai –400001, India

Kind Att: Mr. Prasad Bhide

Dear Sir,

Ref: Scheme of Arrangement for Amalgamation among Gateway East India Private Limited (GEIPL or Transferor Company 1), Gateway Rail Freight Limited (GRFL or Transferee Company 2) and Gateway Distriparks Limited (GDL or Transferor Company 2 or Transferee Company 1) (Composite Scheme) under Section 230–232 of the Companies Act, 2013.
Sub: 'Report on Complaints' in terms of Para 6 of Part I(A) of Annexure I to the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time ("SEBI Circular")

With reference to your mail dated March 2, 2021, please find enclosed the Report on Complaints in the format specified in the SEBI Circular.

You are requested to take the above document on record and process our application.

For Gateway Distriparks Limited

Veena Nair
Company Secretary

REPORT ON COMPLAINTS

Period of Complaints Report: September 28, 2020 to March 01, 2021

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	N.A.	N.A.	N.A.
2.	N.A.	N.A.	N.A.
3.	N.A.	N.A.	N.A.

For Gateway Distriparks Limited

Veena Nair
Company Secretary

Date: March 02, 2021

GATEWAY DISTRIPARKS LTD.

Date: November 20, 2020

To,
The Manager (Listing Depart.)
National Stock Exchange of India Ltd.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051

Dear Sir,

Ref: Scheme of Arrangement for Amalgamation among Gateway East India Private Limited (GEIPL or Transferor Company 1), Gateway Rail Freight Limited (GRFL or Transferee Company 2) and Gateway Distriparks Limited (GDL or Transferor Company 2 or Transferee Company 1) (Composite Scheme) under Section 230-232 of the Companies Act, 2013.

Sub: 'Report on Complaints' in terms of Para 6 of Part I(A) of Annexure I to the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended from time to time ("SEBI Circular")

In continuation to our application dated September 28, 2020 towards the Scheme under Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2020, which documents were uploaded on the NSE website viz. www.nseindia.com on October 23, 2020 and your mail dated October 23, 2020, please find enclosed the Report on Complaints in the format specified in the SEBI Circular.

The Report on Complaints is also being uploaded on the website of the Company, i.e. http://www.gateway-distriparks.com/SchemeOfArrangement.php as per the requirement of the said circular.

You are requested to take the above document on record and process our application.

For Gateway Distriparks Limited

Gateway Distriparks Limited

Sandeep Kumar Shaw
CFO

REPORT ON COMPLAINTS

Period of Complaints Report: October 24, 2020 to November 13, 2020

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	N.A.	N.A.	N.A.
2.	N.A.	N.A.	N.A.
3.	N.A.	N.A.	N.A.

For Gateway Distriparks Limited

Gateway Distriparks Limited

Sandeep Kumar Shaw
CFO

Date: November 20, 2020

DCS/AMAL/PB/R37/1921/2020-21 **"E-Letter"** **March 12,2021**

The Company Secretary,
Gateway Distriparks Limited
Sector 6, Dronagiri, Tal. Uran, Dist Raigad,
Navi Mumbai, Maharashtra, 400707

Dear Sir,

Sub: Observation letter regarding the Composite Scheme of Amalgamation amongst Gateway Distriparks Limited, Gateway East India Private Limited and Gateway Rail Freight Limited and their respective shareholders.

We are in receipt of Draft Composite Scheme of Amalgamation of Gateway Distriparks Limited filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its Letter dated March 12,2021 has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Companies involved in the scheme may be advised to separately and prominently disclose to the shareholders and NCLT via the draft scheme of arrangement documents following information/facts;**

  i. GRFL will issue equity shares to the shareholders of GDL in the ratio of 4:1 and will seek listing on BSE and NSE where the shares of GDL are listed.

  In this regard, it has observed that for valuation of GDL and GRFL Market Approach and Income Approach methods have been used whereas Asset Approach method has not been used.

  ii. Disclose the rationale for rights issue, the purpose of raising funds, and the immediate need for restructuring to all shareholders of GDL.

- **On perusal of the scheme documents ,it is noted that GRFL will seek listing at BSE and NSE, where the shares of GDL are listed. Accordingly, the Company shall ensure that all the appropriate regulatory provisions are compiled by GRFL.**

- **"Company shall ensure that suitable disclosure about the latest financials of the companies involved in the Scheme being not more than 6 months old is done before filing the same with the Hon'ble National Company Law Tribunal."**

- **"Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal"**

- **"Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."**

- **"Company shall duly comply with various provisions of the Circular."**

- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."**

- **"It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as**

mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose Information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

However, the listing of equity shares of Gateway Rail Freight Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. Further, Gateway Rail Freight Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange.

The Company shall fulfill the Exchange's criteria for listing the securities of such company and also comply with other applicable statutory requirements. However, the listing of shares of Gateway Rail Freight Limited is at the discretion of the Exchange. In addition to the above, the listing of Gateway Rail Freight Limited pursuant to the Composite Scheme of Amalgamation shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Gateway Rail Freight Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the company is also advised to make the same available to the public through its website.

2. To publish an advertisement in the newspapers containing all Gateway Rail Freight Limited in line with the details required as per the aforesaid SEBI circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.

3. To disclose all the material information about Gateway Rail Freight Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.

4. The following provisions shall be incorporated in the scheme:

    i. The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange."

    ii. "There shall be no change in the shareholding pattern of Gateway Rail Freight Limited between the record date and the listing which may affect the status of this approval."

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted**. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

Nitinkumar Pujari
Senior Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/24872_II March 12, 2021

The Company Secretary
Gateway Distriparks Limited
Sector 6, Dronagiri, Uran,
Raigad, Navi Mumbai - 400707

Kind Attn.: Ms. Veena Nair

Dear Madam,

Sub: **Observation letter for Draft Composite Scheme of Amalgamation amongst Gateway Distriparks Limited and Gateway East India Private Limited and Gateway Rail Freight Limited and their respective shareholders**

We are in receipt of the Draft Composite Scheme of Amalgamation amongst Gateway Distriparks Limited ("GDL") and Gateway East India Private Limited and Gateway Rail Freight Limited ("GRFL") and their respective shareholders vide application dated September 29, 2020. Based on our letter reference no Ref: NSE/LIST/24872 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ('Circular'), kindly find following comments on the draft scheme:

a. *The Companies involved in the scheme shall ensure to separately and prominently disclose to the shareholders and NCLT via the draft scheme of arrangement documents the following information/facts:*

   i. *GRFL will issue equity share to the shareholders of GDL in the ratio 4:1 and will seek listing on NSE and BSE where the shares of GDL are listed. In regard, it has observed that for valuation of GDL and GRFL market approach and income approach methods have been used whereas asset approach method has not been used.*

   ii. *Disclose the rationale for rights issue, the purpose of raising funds and the immediate need for restructuring to all the shareholders of GDL.*

b. *On perusal of the scheme documents, it is noted that GRFL will seek listing at NSE and BSE, where the shares of GDL are listed. Accordingly the company shall ensure that the appropriate regulatory provision are compiled by GRFL.*

c. *The company shall ensure that suitable disclosure about the latest financials of the companies involved in the scheme being not more than 6 months old is done before filing the same with the Hon'ble National Company Law Tribunal.*

This Document is Digitally Signed
Signer: Jiten Bharat Patel
Date: Fri, Mar 12, 2021 20:43:16 IST
Location: NSE

Confidential

d. *The Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.*

e. *The Company shall ensure that additional information, if any submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company.*

f. *The Company shall duly comply with various provisions of the Circular.*

g. *The Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*

h. *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/ representations.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the Scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the listing of equity shares of Gateway Rail Freight Limited on the National Stock Exchange India Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957. Further, Gateway Rail Freight Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authorities and Rules, Byelaws and Regulations of the Exchange.

The Company should also fulfill the Exchange's criteria for listing of such company and also comply with other applicable statutory requirements. However, the listing of shares of Gateway Rail Freight Limited is at the discretion of the Exchange.

This Document is Digitally Signed
Signer: Jiten Bharat Patel
Date: Fri, Mar 12, 2021 20:43:16 IST
Location: NSE

The listing of Gateway Rail Freight Limited pursuant to the Composite Scheme of Amalgamation shall be subject to SEBI approval & Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Gateway Rail Freight Limited and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited for making the same available to the public through website of the companies.

2. To publish an advertisement in the newspapers containing all the information about Gateway Rail Freight Limited in line with the details required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.

3. To disclose all the material information about Gateway Rail Freight Limited to National Stock Exchange of India Limited on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.

4. The following provision shall be incorporated in the scheme:

   (a) "The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange."

   (b) "There shall be no change in the shareholding pattern or control in Gateway Rail Freight Limited between the record date and the listing which may affect the status of this approval."

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from March 12, 2021 within which the scheme shall be submitted to NCLT.

Yours faithfully,
For National Stock Exchange of India Limited

Jiten Patel
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

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Location: NSE

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GATEWAY DISTRIPARKS LTD.

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GATEWAY DISTRIPARKS LIMITED AT ITS MEETING HELD ON 28th SEPTEMBER, 2020 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION (MERGER BY ABSORPTION) AMONGST GATEWAY DISTRIPARKS LIMITED, GATEWAY EAST INDIA PRIVATE LIMITED AND GATEWAY RAIL FREIGHT LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013 ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. Background

1.1. The Board of Directors ("**Board**") of Gateway Distriparks Limited ("**Company**") at its meeting held on 28th September 2020 have approved the composite scheme of amalgamation for: (i) amalgamation (merger by absorption) of Gateway East India Private Limited ("**GEIPL**"), a wholly owned subsidiary of the Company, with the Company; and (ii) amalgamation (merger by absorption) of the Company (post amalgamation of GEIPL with the Company) with Gateway Rail Freight Limited ("**GRFL**") ("**Scheme**"), under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Companies Act**").

1.2. Section 232(2)(c) of the Companies Act requires the directors to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio and specifying any special valuation difficulties and the same is required to be circulated to the members or class of members or creditors or class of creditors, as the case may be, for the meeting of the members or class of members or creditors or class of creditors, as the case may be, along with the notice convening such meeting to be held for the purpose of approving the Scheme.

1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act.

2. Documents Reviewed

2.1. The following documents were, *inter alia*, placed before the Board:

(a) Draft Scheme, duly initialled by the Chairman of the Board for the purpose of identification;

(b) Valuation report dated 28th September, 2020 ("**Valuation Report**") prepared by SSPA & Co., independent Chartered Accountants, setting out the valuation of the Company, GEIPL and GRFL for the purpose of the Scheme, the share exchange ratio for the Scheme and the methodology adopted by them in arriving at the share exchange ratio;

(c) Fairness opinion dated 28th September, 2020 ("**Fairness Opinion**") prepared by Corporate Professionals Capital Private Limited, SEBI registered Category 1 Merchant Banker, providing the Fairness Opinion on the share exchange ratio as recommended by SSPA & Co., independent Chartered Accountants;

(d) Certificate dated 28th September, 2020, obtained from S.R. Batliboi & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, on the accounting treatment prescribed in the Scheme; and

(e) Report of the Audit Committee of the Board dated 28th September, 2020.

3. Effect of the Scheme on the equity shareholders (promoter and non-promoter) and KMPs of the Company

Based on the review of the draft Scheme and the above-mentioned documents, the Board is of the opinion that:

3.1. The Company, GEIPL and GRFL are all group companies. GRFL is a subsidiary of the Company. GEIPL is a wholly owned subsidiary of the Company.

3.2. Upon the Scheme becoming effective, with effect from the Appointed Date 1 (i.e., opening of business hours on 1 April 2020 or such other date as may be directed by the NCLT, Mumbai Bench or other appropriate authority as may be applicable), all assets, properties, licenses, contracts, rights, litigations, intellectual property rights, insurance policies, liabilities and obligations of GEIPL shall stand transferred to and vest with the Company, as a going concern, in accordance with Part C of the Scheme. Further, with effect from the Appointed Date 2 (i.e., opening of business hours on 1 April 2020 or such other date as may be directed by the NCLT, Mumbai Bench or other appropriate authority as may be applicable), all assets, properties, licenses, contracts, rights, litigations, intellectual property rights, insurance policies, liabilities (including debentures) and obligations of the Company (including assets and liabilities of GEIPL transferred to the Company in terms of Part C of the Scheme) shall stand transferred to GRFL, as a going concern, in accordance with Part D of the Scheme.

3.3. The following consideration shall be payable for (i) amalgamation of GEIPL with the Company; and (ii) amalgamation of the Company (post amalgamation of GEIPL with the Company) with GRFL, in terms of Part C and Part D of the Scheme respectively:

For the amalgamation of GEIPL with the Company

For amalgamation of GEIPL with the Company, no consideration will be discharged to the shareholders of GEIPL and no shares will be allotted to the Company since the entire paid-up equity share capital of GEIPL is held directly by the Company.

For the amalgamation of the Company with GRFL (post amalgamation of GEIPL with the Company)

4 (Four) fully paid up equity shares of GRFL of INR 10 (Rupees 10) each, for every 1 (One) fully paid up equity shares of INR 10 (Rupees Ten) each, held by the equity shareholders of the Company whose names appear in the register of members or register of beneficial owners maintained by the registrar and transfer agent as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be.

3.4. Upon the Scheme becoming effective, all the equity shares and all compulsorily convertible preference shares of GRFL held by the Company shall stand cancelled. Further, all the equity shares of GEIPL held by the Company (whether through a nominee), shall, without any other consideration, application, act, instrument or deed be deemed to have been automatically cancelled and be of no effect.

3.5. The equity shares of GRFL including but not limited to the equity shares issued by GRFL pursuant to the Scheme shall after the relevant approvals be listed /admitted to trading on BSE Limited and the National Stock Exchange of India Limited where equity shares of the Company are listed and/or admitted to trading. The shares issued by GRFL pursuant to the Scheme, shall remain frozen in the depository system until the receipt of trading permission from the relevant stock exchanges(s).

3.6. Upon the Scheme becoming effective, subject to the requirement, if any, imposed or concession, if any, by BSE Limited, and other terms and conditions agreed with BSE Limited, the outstanding non-convertible debentures of face value of INR 10,00,000 issued by the Company as of the date of effectiveness of the Scheme, which shall stand transferred to GRFL pursuant to the Scheme shall be listed and admitted to trading on the Wholesale Debt Market Segment of BSE Limited, where the debentures are currently listed.

3.7. Upon the Scheme becoming effective, the Company and GEIPL shall be dissolved without being wound-up.

3.8. The equity shares to be issued by GRFL to the equity shareholders of the Company shall be subject to the Memorandum of Association and Articles of Association of GRFL and shall rank *pari passu* with the existing equity shares of GRFL in all respects including dividends.

3.9. No fractional shares shall be issued by GRFL. If any member of the Company is entitled to a fraction of share, on issue and allotment of the shares of GRFL in terms of the Scheme, then such fraction shall be rounded off to the nearest integer.

3.10. There shall be no change in the shareholding pattern or control of the GRFL between the Record Date and date of listing of shares of the GRFL on the Stock Exchanges. GRFL will not issue/ reissue any shares, not covered under the Scheme.

3.11. The pre and indicative post amalgamation shareholding pattern of the Company, GEIPL and GRFL shall be as follows:

Gateway Distriparks Limited

Particulars (Shareholders)	**Pre-amalgamation**		**Post-Amalgamation**
	No of shares	**%**	The Company will cease to exist
Promoter & Promoter Group	40123283	32.14	
Public	84712625	67.86	
Total	**124,835,908**	**100%**	

Gateway East India Private Limited

Particulars (Shareholders)	Pre-amalgamation		Post-Amalgamation
	No of shares	%	
Gateway Distriparks Limited	7,999,990	100%	GEIPL will cease to exist
Prem Kishan Dass Gupta	10	0%	
Total	**8,000,000**	**100%**	

Gateway Rail Freight Limited

Particulars (Shareholders)	Pre-amalgamation		Post-Amalgamation*	
	No of shares	%	No of shares	%
Promoters	201199800	99.85	160493136	32.12
Public	300200	0.15	339150700	67.88
Total	**201500000**	**100%**	499643836	**100%**

*(*Note: The above shareholding has been calculated on the basis of the shareholding pattern of the Company, GEIPL and GRFL as on 25 September 2020. The actual shareholding depends upon the shareholding pattern as on the record date and may vary to that extent.)*

3.12. None of the Directors and/or the KMPs (including their relatives) of the Company, GEIPL and/or GRFL have any interest in the Scheme except to the extent of their shareholding in the transferor and/or the transferee company, if any.

3.13. Upon the Scheme coming into effect, the Board of the Company shall be dissolved with the dissolution of the Company.

3.14. The Scheme will not have an adverse effect on the existing KMPs of the Company. The KMPs concerned of the Company shall be transferred to GRFL without any interruption in their service in terms of the Scheme.

3.15. There shall be no adverse effect of the said Scheme on the equity shareholders (the only class of shareholders), the KMPs, the promoter and the non-promoter shareholders of the Company.

3.16. The Board observes that no issues or difficulties regarding the valuation has been mentioned in the Valuation Report.

For and on behalf of the Board of Directors of Gateway Distriparks Limited

Gateway Distriparks Limited

Prem Kishan Dass Gupta
Chairman & Managing Director
DIN: 00011670
Place: New Delhi
Date: 28/09/2020

S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of Gateway Distriparks Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Gateway Distriparks Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate and joint venture comprising of the consolidated Balance sheet as at March 31, 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associate and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 consolidated state of affairs of the Group and its associate and joint venture as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group and associate and joint venture 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 financial statements under the provisions of the Act 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 audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter- SEIS Benefits

We draw your attention to Note 23(ii)(b) to the consolidated Ind AS financial statements wherein it has been stated that Gateway Rail Freight Limited, subsidiary company, had received a notice dated November 11, 2019 from Additional Director General of Foreign trade (ADGFT) questioning SEIS benefits received by the subsidiary company for financial years 2015-16 to 2017-2018 under the provisions of Foreign Trade (Development and Regulation) Act, 1992.

While the subsidiary company had submitted its response dated January 31, 2020 for the notice so received and had also responded to subsequent queries / requirements of ADGFT and has obtained a legal opinion whereby the group believes that it has a good case and accordingly no provision has been considered in the books of accounts.

Our conclusion is not modified in respect of this matter.

S.R. BATLIBOI & CO. LLP GURUGRAM

Emphasis of Matter- Impact of outbreak of Coronavirus (Covid-19)

We draw your attention to Note 37 to the accompanying consolidated Ind AS financial statements, which describes the Group's assessment of the impact of the uncertainties related to outbreak of COVID-19 on the future business operations of the Group and its associate and joint venture.

Our opinion is not modified in respect of this matter.

Emphasis of Matter- Recoverability of MAT credit

We draw attention to Note 12(d)(i) of the Ind AS financial statements, regarding recognition of Rs. 1,999.96 lakhs of MAT credit by Gateway East India Private Limited, subsidiary company based on its assessments. The management of the Company based on the future business plans believes that the Company will be able to utilize the MAT credit accordingly no provision has been made in the books of accounts.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	**How our audit addressed the key audit matter**
Impairment of Goodwill *(as described in note 1(j) and note 4(i) of the consolidated Ind AS financial statements)*	
The Group's balance sheet includes Rs. 30,315.42 lakhs of goodwill, representing 13% of total Group assets. In accordance with Ind AS, these balances are allocated to Cash Generating Units (CGUs) which are tested annually for impairment using discounted cash-flow models of each CGU's recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and the CGU's net assets would result in impairment. The inputs to the impairment testing model which have the most significant impact on CGU recoverable value include: - Projected revenue growth, operating margins and operating cash-flows in the years 1 to 5; - Stable long-term growth rates till perpetuity; and	Our audit procedures, among others included the following: • Assessed the Group's methodology applied in determining the CGUs to which the goodwill is allocated. • Assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used. • Assessed the recoverable value by performing sensitivity testing of key assumptions used. • Discussed potential changes in the key drivers as compared to the previous year / actual performance with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable.

Key audit matters	How our audit addressed the key audit matter
- Business specific discount rates (pre-tax). The impairment test model includes sensitivity testing of key assumptions, including revenue growth, operating margin and discount rate. The annual impairment testing is considered a significant accounting judgement and estimate and a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the financial statements as a whole.	• Tested the arithmetical accuracy of the cash flow model prepared by the management. • Assessed the adequacy of the disclosures in the consolidated financial Statements.
Litigation, arbitrations, claims and other contingencies *(as described in note 23 of the consolidated Ind AS financial statements)*	
As of March 31, 2021, the Group has disclosed contingent liabilities of Rs. 13,896.01 lakhs relating to tax and legal claims. Taxation, arbitration and litigation exposures have been identified as a key audit matter due to the large number of complex tax and legal claims across the Group. Due to complexity of cases, timescales for resolution and need to negotiate with various authorities, there is significant judgement required by management in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed in the Ind AS financial statements. Accordingly, claims, litigations, arbitrations and contingent liabilities was determined to be a key audit matter.	Our audit procedures, among others included the following: • Obtained an understanding of the process of identification of claims, litigations, arbitrations and contingent liabilities, and evaluated the design and tested the operating effectiveness of key controls. • Obtained the legal and tax cases summary and assessed management's position through discussions with the legal head, tax head and management, on both the probability of success in significant cases, and the magnitude of any potential loss. • Obtained external confirmation from relevant third-party legal counsel and conducted discussions with them regarding material cases. Evaluated the objectivity, independence, competence and relevant experience of third-party legal counsel. • Obtained external legal opinions and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. • Involved our tax specialists to assess management's application and interpretation of tax legislation affecting the Group, and to consider the quantification of exposures and settlements arising from disputes with tax authorities. ▪ Assessed the adequacy of the disclosures in the consolidated financial statement with regard to the facts and circumstances of the legal and litigation matters



Key audit matters	How our audit addressed the key audit matter
Revenue recognition *(as described in note 1(g) and note 14(a) of the consolidated Ind AS financial statements)*	
For the year ended March 31, 2021, the Group has recognized revenue from operations of Rs. 1,17,935.16 lakhs. Revenue from rendering of container handling services is recognized based on the container handled and accrued with reference to the throughput handled and the terms of agreements for such service where the recovery of consideration is probable. The tariff applied is the rate agreed with customers or estimated by management based on the latest terms of the agreement or latest negotiation with customers and other industry considerations. Due to the large variety and complexity of contractual terms, as well as ongoing negotiations with customers, significant judgements are required to estimate the tariff rates applied. If the actual rate differs from the estimated rate applied, this will have an impact on the accuracy of revenue recognized in the current year and accrued as at year end. Revenue is also an important element of how the Group measures its performance, upon which the management is incentivized. The Group focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before meeting the requirement of revenue recognition under Ind AS 115. Accordingly, due to significant risk associate and joint ventured with revenue recognition, it was determined to be a key audit matter in our audit of the Ind AS financial statement.	• Our audit procedures, among others included the following: • Assessed the Group's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers' • Understood, evaluated the design and tested the operating effectiveness of key controls related to revenue recognition. • Selected and tested samples of individual sales transaction and traced to sales invoices, customer agreements and other related documents to assess that the revenue has been recognized as per the tariff agreed/latest correspondence with the customers. • Tested samples of sales transactions made pre and post-year end and compared the period of revenue recognition to supporting documentation to ensure that sales and corresponding trade receivables are properly recorded in the correct period. • Verified the bank advices and credit notes on a sample basis for the net settlement and reviewed aged items for any disputed amounts. • Assessed the Group's revenue recognition accounting policies including those related to discounts and rebates and ensured that same follow Ind AS. • Tested underlying documentation for journal entries which were considered to be material related to revenue recognition.
Deferred tax assets with respect to carry forward tax losses in an associate company *(as described in note 1(h) and 12(d) of the consolidated Ind AS financial statements)*	
As at March 31, 2021, the associate and joint venture company has recognized deferred tax assets on carry forward tax losses in its financial statements of Rs. 4,235.04 lakhs. Deferred tax assets are recognized on carried forward tax losses when it is probable that taxable profit will be available against which the tax losses can be utilized. The Company's ability to recognize deferred tax assets on carried forward tax losses is assessed by management at the end of each reporting period, taking into account	Our audit procedures, among others included the following: • Obtained an understanding of the deferred tax assessment process, evaluated the design and tested the operating effectiveness of the controls in respect of process of recognizing deferred tax on carried forward tax losses. • Assessed the compliance of the methodology applied by the Company with applicable accounting standards.



Key audit matters	How our audit addressed the key audit matter
forecasts of future taxable profits and the law and jurisdiction of the taxable items and assumptions. Given the degree of estimation based on the projection of future taxable profits, management's decision to create deferred tax assets on tax losses was identified to be a key audit matter.	• Discussed and evaluated management's assumptions and estimates like projected revenue growth etc. in relation to the probability of generating future taxable income to support the recognition of deferred income tax asset with reference to forecast taxable income and performed sensitivity analysis. • Verified the consistency of business plan with the latest management estimates as calculated during the budget process and the reliability of the process by which the estimates were calculated and assessed reasons for differences between projected and actual performances. • Tested the arithmetical accuracy of the deferred tax model prepared by the management. • Assessed the adequacy of the disclosures in the consolidated financial statement notes regarding the recognition of deferred tax assets based on unused tax losses in accordance with the requirements of Ind AS 12 "Income Taxes".

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and joint venture 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 the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associate and joint venture are responsible for assessing the ability of the Group and of its associate and joint venture 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associate and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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.
- 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 Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 ability of the Group and its associate and joint venture 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 consolidated Ind AS 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 Group and its associate and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint venture of which we are the independent auditors, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction

supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. NIL for the year ended March 31, 2021, as considered in the consolidated Ind AS financial statements, in respect of one joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture, is based solely on the report of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) The matter described in Emphasis of Matter – SEIS benefits paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.

(f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate and joint venture company, none of the directors of the Group's companies, its associate and joint venture incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate and joint venture company incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associate and joint venture, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company, its subsidiaries, associate and joint venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associate and joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate and joint venture in its consolidated Ind AS financial statements – Refer note 23 to the consolidated Ind AS financial statements;

ii. The Group and its associate and joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2021.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates, incorporated in India during the year ended March 31, 2021.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005





per Vishal Sharma
Partner
Membership Number: 96766
UDIN: 21096766AAAAKM5709
Place of Signature: Faridabad
Date: April 27, 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GATEWAY DISTRIPARKS LIMITED

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

In conjunction with our audit of the consolidated financial statement of Gateway Distriparks Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Gateway Distriparks Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Director of the Holding Company, its subsidiary companies, its associate company and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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 the respective company's policies,
the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial, 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 judgement, 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide

reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate company and joint venture, which are companies incorporated in India, have maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matter

Our report under section 143(3)(i) of the Act on the adequacy and operative effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, insofar as it relates to one joint venture company, which is company incorporated in India and to the extent applicable, is based on the corresponding report of the auditor of such joint venture incorporated in India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005





per Vishal Sharma
Partner
Membership Number: 96766
UDIN: 21096766AAAAKM5709
Place of Signature: Faridabad
Date: April 27, 2021

GATEWAY DISTRIPARKS LIMITED
Consolidated Balance Sheet as at 31 March 2021
(All amounts in Indian Rupees lakhs, unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,35,863.37	1,43,247.22
Capital work-in-progress	3	2,905.92	542.21
Goodwill	4	30,315.42	30,315.42
Other intangible assets	4	1,785.57	2,045.77
Right-of-use assets	35	16,547.93	20,726.53
Financial assets			
i. Other financial assets	5(c)	2,197.36	3,175.23
Income tax assets (net)	12(f)	2,142.41	2,494.20
Deferred tax assets (net)	12(d)	5,017.61	3,200.20
Other non-current assets	6	2,440.91	2,281.15
Total non-current assets		1,99,216.50	2,08,027.93
Current assets			
Contract Assets	5(g)	495.03	815.96
Financial assets			
i. Investments	5(b)	-	5,973.39
ii. Trade receivables	5(d)	12,994.87	12,976.03
iii. Cash and cash equivalents	5(e)	9,168.88	649.03
iv. Bank balances other than (iii) above	5(f)	2,127.19	208.41
v. Other financial assets	5(c)	492.36	126.31
Other current assets	6	1,372.09	782.11
Total current assets		26,650.42	21,531.24
Non-current assets classified as asset held for sale	6(a)	14,097.31	14,097.31
Total assets		2,39,964.23	2,43,656.48
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7(a)	12,483.59	10,872.80
Other equity			
Reserves and surplus	7(b)	1,34,968.28	1,20,798.09
Equity attributable to owners		1,47,451.87	1,31,670.89
Non-controlling interests	30	1,076.73	1,064.30
Total equity		1,48,528.60	1,32,735.19
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	8(a)	44,879.63	64,771.40
ii. Lease liabilities	35	11,716.05	15,070.52
Provisions	9	132.65	132.65
Employee benefit obligations	11	1,238.80	1,111.68
Government grants (EPCG)	13	241.26	363.93
Deferred tax liabilities (net)	12(d)	215.41	384.29
Total non-current liabilities		58,423.80	81,834.47
Current liabilities			
Contract liabilities	8(e)	1,066.24	795.94
Financial liabilities			
i. Borrowings	8(b)	3,265.26	5,070.25
ii. Lease liabilities	35	3,626.00	3,572.79
iii. Trade payables	8(c)		
-total outstanding dues of micro enterprises and small enterprises		573.47	76.64
-total outstanding dues other than micro and small enterprises		9,073.00	9,070.94
iv. Other financial liabilities	8(d)	10,403.47	6,782.50
Employee benefit obligations	11	2,257.75	1,605.01
Government grants (EPCG)	13	122.76	134.89
Other current liabilities	10	1,406.66	1,977.86
Income tax liabilities (net)	12(f)	1,217.22	-
Total current liabilities		33,011.83	29,086.82
Total liabilities		91,435.63	1,10,921.29
Total equities and liabilities		2,39,964.23	2,43,656.48

The above consolidated balance sheet should be read in conjunction with the accompanying notes
As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 27 April 2021

For and on behalf of the Board of Directors
Gateway Distriparks Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN: 00011670
Place: New Delhi
Date: 27 April 2021

Arun Kumar Gupta
Director
DIN: 06571270
Place: New Delhi
Date: 27 April 2021

Sandeep Kumar Shaw
Chief Financial Officer
PAN No.: AJRPS0674C
Place: Ghaziabad
Date: 27 April 2021

Veena Nair
Company Secretary
Membership No.: A12635
Place: Mumbai
Date: 27 April 2021

GATEWAY DISTRIPARKS LIMITED

Consolidated Statement of profit and loss for the year ended 31 March 2021

(All amounts in Indian Rupees lakhs, unless otherwise stated)

		Notes	Year ended 31 March 2021	Year ended 31 March 2020
	Continuing Operations			
1	Income			
	Revenue from operations	14(a)	1,17,935.16	1,29,200.74
	Other income	14(b)	1,133.31	1,755.69
	Total income		1,19,068.47	1,30,956.43
2	Expenses			
	Operating expenses	15	71,017.54	81,975.50
	Employee benefit expense	16	6,760.04	5,976.74
	Depreciation and amortisation expense	17	13,142.06	13,345.74
	Other expenses	18	8,857.38	9,890.53
	Finance costs	19	7,947.85	10,262.93
	Total expenses		1,07,724.87	1,21,451.44
3	Profit before exceptional items and tax from continuing operations (1-2)		11,343.60	9,504.99
4	Exceptional items	32(a)	-	808.39
5	Profit before tax from continuing operations (3+4)		11,343.60	10,313.38
6	Income tax expense / (benefit)			
	-Current tax	12(a)	3,924.03	2,093.31
	-Adjustment of tax relating to earlier periods		(137.80)	(263.84)
	-Deferred tax		(1,888.12)	(2,456.47)
	Total tax expense /(benefit)		1,898.11	(627.00)
7	Profit after tax from continuing operations (5-6)		9,445.49	10,940.38
8	Discontinuing operations			
	Share of net loss from discontinuing operations of associate accounted for using the Equity method	33	-	(548.39)
9	Profit for the year (7+8)		9,445.49	10,391.99
10	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	Remeasurements of post-employment benefit obligations	11	34.13	(15.93)
	Income tax relating to the above	12(a)	(11.79)	2.21
	Other comprehensive income for the year, net of tax		22.34	(13.72)
11	Total comprehensive income for the year (9+10)		9,467.83	10,378.27
12	Profit is attributable to:		9,445.49	10,391.99
	Owners of the Company		9,433.45	10,302.61
	Non-controlling interests		12.04	89.38
13	Other comprehensive income is attributable to:		22.34	(13.72)
	Equity holders of the parent		21.95	(13.05)
	Non-controlling interests		0.39	(0.67)
14	Total comprehensive income is attributable to:		9,467.83	10,378.27
	Equity holders of the parent		9,455.40	10,289.56
	Non-controlling interests		12.43	88.71
15	Basic & diluted earnings per share for profit from continuing operations attributable to equity holders of the parent: (Face value Rs 10 each)	27	7.96	9.98
16	Basic & diluted loss per share for loss from discontinuing operations attributable to equity holders of the parent: (Face value Rs 10 each)	27	-	(0.50)
17	Basic & diluted earnings per share for profit from continuing and discontinuing operations attributable to equity holders of the parent: (Face value Rs 10 each)	27	7.96	9.48

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 27 April 2021

For and on behalf of the Board of Directors
Gateway Distriparks Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN: 00011670
Place: New Delhi
Date: 27 April 2021

Arun Kumar Gupta
Director
DIN: 06571270
Place: New Delhi
Date: 27 April 2021

Sandeep Kumar Shaw
Chief Financial Officer
PAN No.: AJRPS0674C
Place: Ghaziabad
Date: 27 April 2021

Veena Nair
Company Secretary
Membership No.: A12635
Place: Mumbai
Date: 27 April 2021

GATEWAY DISTRIPARKS LIMITED
Consolidated Statement of Cash flow for the year ended 31 March 2021
(All amounts in Indian Rupees lakhs, unless otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
A Cash flow from operating activities		
Profit before tax	11,343.60	10,313.38
Loss before tax from discontinued operations	-	(548.39)
Profit before tax	**11,343.60**	**9,764.99**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment and right-of-use assets	12,881.86	13,063.23
Amortisation of intangible assets	260.20	265.33
Finance costs	7,947.85	10,262.93
Bad debts written off and provision for doubtful debts	-	287.51
Interest income on fixed deposit with bank & others	(234.98)	(199.52)
Loss/(gain) on sale/ disposal of property, plant and equipments	(21.43)	43.67
Exceptional item	-	(808.39)
Liabilities/provisions no longer required written back	(366.34)	(442.85)
Write back of provision for accrued income no longer required (net)	(74.18)	(150.54)
Net gain on redemption of investments	(24.17)	(472.40)
Government grant (EPCG) amortisation	(135.60)	(134.89)
Unwinding of discount on security deposit	(3.74)	(4.23)
Working capital adjustments		
(Increase)/decrease in trade receivables	(18.84)	(526.86)
(Increase)/decrease in contract assets	320.93	(277.69)
(Increase)/decrease in other financial assets	(1,260.28)	(91.99)
(Increase)/decrease in other non-current assets	38.74	390.20
(Increase)/decrease in other current assets	(589.98)	594.17
Increase/(decrease) in contract liabilities	270.30	(427.42)
Increase/(decrease) in trade payables	865.23	2,154.48
Increase/(decrease) in other financial liabilities	1,647.40	(182.49)
Increase/(decrease) in employee benefit obligations	813.99	(341.65)
Increase/(decrease) in other current liabilities	(593.99)	822.06
Cash generated from operations	**33,066.57**	**33,587.65**
Income taxes paid	(2,303.60)	(3,325.97)
Net cash flow from operating activities [A]	**30,762.97**	**30,261.68**
B Cash flow from investing activities		
Purchase of property, plant and equipment	(3,881.61)	(4,939.54)
Proceeds from sale of non-current investments	21.43	4,538.36
Proceeds from sale of current investments	5,997.56	13,040.20
Purchase of current investments	-	(14,565.00)
Interest received	266.22	74.18
Net cash flow from/ (used in) investing activities [B]	**2,403.60**	**(1,851.80)**
C Cash flow from financing activities		
Proceeds from rights issue	11,328.03	-
Repayment of borrowings	(21,878.97)	(11,775.17)
Proceeds from borrowings	3,806.89	1,996.68
Payment of principal portion of lease liabilities	(3,301.26)	(2,712.73)
Interest payment on lease liabilities	(1,606.08)	(1,690.14)
Dividends paid	(5,002.45)	(9,789.01)
Dividend distribution tax	-	(1,009.96)
Interest paid	(6,187.89)	(8,645.00)
Net cash flow used in financing activities [C]	**(22,841.73)**	**(33,625.33)**
Net increase/(decrease) in cash and cash equivalents [A+B+C]	**10,324.84**	**(5,215.45)**
Cash and cash equivalents at the beginning of the financial year	(4,421.22)	794.23
Cash and cash equivalents at the end of the year	**5,903.62**	**(4,421.22)**





GATEWAY DISTRIPARKS LIMITED
Consolidated Statement of Cash flow for the year ended 31 March 2021
(All amounts in Indian Rupees lakhs, unless otherwise stated)

Reconciliation of Cash and Cash Equivalents with Statement of Cash Flow	Year ended 31 March 2021	Year ended 31 March 2020
Cash Flow statement as per above comprises of the following		
Cash and cash equivalents	9,168.88	649.03
Bank overdrafts	(3,265.26)	(5,070.25)
Balances as per statement of cash flows	**5,903.62**	**(4,421.22)**

The aboveconsolidated statement of cash flows should be read in conjunction with the accompanying notes
As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 27 April 2021

For and on behalf of the Board of Directors
Gateway Distriparks Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN: 00011670
Place: New Delhi
Date: 27 April 2021

Arun Kumar Gupta
Director
DIN: 06571270
Place: New Delhi
Date: 27 April 2021

Sandeep Kumar Shaw
Chief Financial Officer
PAN No.: AJRPS0674C
Place: Ghaziabad
Date: 27 April 2021

Veena Nair
Company Secretary
Membership No.: A12635
Place: Mumbai
Date: 27 April 2021

GATEWAY DISTRIPARKS LIMITED
Consolidated Statement of changes in equity for the year ended 31 March 2021
(All amounts in Indian Rupees lakhs, unless otherwise stated)

(A) Equity share capital
Equity shares of Rs. 10 each issued, subscribed and fully paid

	Notes	Number of Shares	Amount
As at 1 April 2019	7(a)	1,087.28	10,872.80
Changes in equity share capital			-
As at 31 March 2020	7(a)	1,087.28	10,872.80
Changes in equity share capital		161.08	1,610.79
As at 31 March 2021	7(a)	1,248.36	12,483.59

(B) Other equity

	Notes	Attributable to owners of Gateway Distriparks Limited						Non-controlling interests	Total
		Reserves and Surplus							
		Securities premium reserve	Capital Redemption Reserve	General Reserves	Debenture Redemption Reserve	Retained Earnings	Total Other Equity		
Balance as at 1 April 2019	7(b)	34,594.59	788.35	4,900.20	55.00	80,969.36	1,21,307.50	975.59	1,22,283.09
Profit for the year		-	-	-	-	10,302.61	10,302.61	89.38	10,391.99
Other Comprehensive Income, net of tax		-	-	-	-	(13.05)	(13.05)	(0.67)	(13.72)
Total comprehensive income for the year		-	-	-	-	10,289.56	10,289.56	88.71	10,378.27
Dividend paid		-	-	-	-	9,785.52	9,785.52	-	9,785.52
Dividend distribution tax		-	-	-	-	1,013.45	1,013.45	-	1,013.45
Balance as at 31 March 2020	7(b)	34,594.59	788.35	4,900.20	55.00	80,459.95	1,20,798.09	1,064.30	1,21,862.39
Balance as at 1 April 2020		34,594.59	788.35	4,900.20	55.00	80,459.95	1,20,798.09	1,064.30	1,21,862.39
Issue of equity shares	38	9,986.88	-	-	-	-	9,986.88	-	9,986.88
Transaction cost arising on shares issue	38	(269.64)	-	-	-	-	(269.64)	-	(269.64)
Profit for the year		-	-	-	-	9,433.45	9,433.45	12.04	9,445.49
Other Comprehensive Income, net of tax		-	-	-	-	21.95	21.95	0.39	22.34
Total comprehensive income for the year		-	-	-	-	9,455.40	9,455.40	12.43	9,467.83
Dividend paid		-	-	-	-	5,002.45	5,002.45	-	5,002.45
Balance as at 31 March 2021	7(b)	44,311.83	788.35	4,900.20	55.00	84,912.90	1,34,968.28	1,076.73	1,36,045.01

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes
As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 27 April 2021

For and on behalf of the Board of Directors
Gateway Distriparks Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN: 00011670
Place: New Delhi
Date: 27 April 2021

Arun Kumar Gupta
Director
DIN: 06571270
Place: New Delhi
Date: 27 April 2021

Sandeep Kumar Shaw
Chief Financial Officer
PAN No.: AJRPS0674C
Place: Ghaziabad
Date: 27 April 2021

Veena Nair
Company Secretary
Membership No.: A12635
Place: Mumbai
Date: 27 April 2021

1 **Corporate Information**

Gateway Distriparks Limited (the 'Company' or 'GDL') and its subsidiaries (collectively, the Group) & its associate and joint venture are engaged in business of Container Freight Stations / Inland Container Depots at various locations, transportation of cargo by containers on Indian Railways Network, road transportation of containers / cargo / chilled and frozen products and operating storage facilities at cold stores at various locations in India. The Company was incorporated on 6 April, 1994. The registered office of the company is located at Sector - 6, Dronagiri, Taluka - Uran, District Raigad, Navi Mumbai - 400 707.

The Company's equity shares are listed in Bombay Stock Exchange and National Stock Exchange.

The Container Freight Stations are located at Navi Mumbai, Chennai, Vishakhapatanam Kochi and Krishnapatnam. The Company's subsidiary (with effect from March 29, 2019) Gateway Rail Freight Limited (GRFL) operates Inland Container Depots, which are located at Garhi Harsaru (Gurgaon), Sahnewal (Ludhiana), Asaoti (Faridabad), Kalamboli (Navi Mumbai) and Virangam (Gujarat). The rakes carrying containers with cargo (Exim/ Domestic / Refrigerated / Empties) are operated on the Indian Railways network. Trailers are used to carry containers and cargo to the location of the premises of the customers. The Company's Associate Snowman Logistics Limited operates storage facilities at cold stores at various locations in India. Chilled and frozen products are stored on behalf of customers at these cold stores and are transported by refrigerated trucks to various locations in India.

The onsolidated financial statements were approved for issue in accordance with a resolution of the directors on 27 April, 2021.

2.1 **SIGNIFICANT ACCOUNTING POLICIES:**

This note provides a list of the significant accounting policies adopted in the preparation of these interim condensed consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of Gateway Distriparks Limited ('Parent Company'), subsidiaries & its associate and joint venture.

(a) Basis of Preparation:

(i) Compliance With Ind AS

The consolidated financial statements of the Group have been prepared as a set of financial statement in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. (as amended from time to time).

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following.

-- Certain financial instruments that are measured at fair value;

-- Define benefit plan-plan assets measured at fair value; and

-- Assets held for sale-measured at lower of carrying value and fair value less cost to sell.

(b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Gateway Distriparks Limited has joint ventures.

Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity accounted investment equals or exceeds its interests in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1(j) below.

(v) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to statement of profit or loss where appropriate.





(c) **Current and non-current classification**

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

An asset is treated as current when it is:
a. Expected to be realised or intended to be sold or consumed in normal operating cycle
b. Held primarily for the purpose of trading.
c. Expected to be realised within twelve months after the reporting period, or
d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
a. It is expected to be settled in normal operating cycle
b. It is held primarily for the purpose of trading
c. It is due to be settled within twelve months after the reporting period, or
d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

(d) **Financial Guarantee Contracts:**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs, because the specified debtor fails to make a payment when due, in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109, and the amount recognised less cumulative amortisation

(e) **Segment Reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman and Managing Director of the group. The group has identified one reportable segment "Container Freight Station" i.e. based on the information reviewed by CODM. Refer note 24 for segment information presented.

(f) **Foreign currency translation:**

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (Rs.) which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance cost. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

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Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation difference on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in statement of profit and loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. With respect to long-term foreign currency monetary items, the group has adopted the following policy:
a) Long Term foreign currency monetary item taken upto 31 March 2016 on depreciable assets:
• Foreign exchange difference on account of long term foreign currency loan on a depreciable asset, are adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset
b)Long Term foreign currency monetary item taken after 01 April 2016 on depreciable assets:
• Foreign exchange difference on account of a depreciable assets, are included in the Statement of profit and Loss.

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

(g) Revenue Recognition.

The Group is principally engaged in a single segment viz. Inter-Modal Container Logistics, based on the nature of services, risks, returns and the internal business reporting system

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition

- Identify the contract(s) with a customer
- Identify the performance obligations
- Determine the transaction price
- Allocate the transaction price to the performance obligations
- Recognise revenue when or as an entity satisfies performance obligation

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the agency services, because it typically controls the services before transferring them to the customer.

Revenue excludes amounts collected on behalf of third parties

Rendering of services :

(i) 'Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

(ii) The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefit will flow to the entity and specific criteria have been met for each of the Group activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(iii) Income from Container handling, storage and transportation are recognised on proportionate completion of the movement and delivery of goods to the party/designated place.

(iv) Income from Ground Rent is recognised for the period the container is lying in the Container Freight Station. However, in case of long standing containers, the income from Ground Rent is not accrued for a period beyond 60 days as on the basis of past history the collectability is not reasonably assured.

(v) Income from auction sales is recognised when the Group auctions long-standing cargo that has not been cleared by customs. Revenue and expenses for Auction sales are recognised when auction is completed after obtaining necessary approvals from appropriate authorities. Auction sales include recovery of the cost incurred in conducting auctions, accrued ground rent and handling charges relating to long-standing cargo. Surplus, out of auctions, if any, after meeting all expenses and the actual ground rent, is credited to a separate account 'Auction Surplus' and is shown under the head 'Contract Liabilites'. Unclaimed Auction Surplus, if any, in excess of period specified under the Limitations Act is written back as 'Income' in the following financial year.



Variable consideration

If the consideration in a contract includes a variable amount, group estimates the amount of consideration to which it will be entitled in exchange for transferring the service to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group recognizes changes in the estimated amount of variable consideration in the period in which the change occurs. Some contracts for the sale of service provide customers with volume rebates and pricing incentives, which give rise to variable consideration.

The Group provides retrospective volume rebates and pricing incentives to certain customers once the number of cargo imported/ handled during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Group then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section financial instruments - initial recognition and subsequent measurement.

Contract assets

A contract asset is initially recognised for revenue earned from services because the receipt of consideration is conditional on successful completion of the service. Upon completion of the services and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.
Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets and contract assets in section m(iii).

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Cost to obtain a contract

The Group pays sales commission to its selling agents for each contract that they obtain for the Group. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (included in advertisement and sales promotion expense under other expenses) because the amortization period of the asset that the Group otherwise would have used is one year or less.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

Critical judgements

The Group's contracts with customers include promises to transfer service to the customers. Judgement is 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 schemes, incentives, cash discounts, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Group's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

Costs to obtain a contract are generally expensed as incurred. 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.

Other revenue streams

Export Benefits

Export Entitlements in the form of Service Exports from India Scheme (SEIS) and other schemes are recognized in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Dividend

Dividend is recognised when the Group's right to receive the payment is established.

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

(h) Income Tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the company and its subsidiaries and associate generate taxable income. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferrred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for the temporary differences between the carrying amount and tax bases of investments in subsidiaries, associate and interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associate and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

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

Deferred income tax is not recognised on initial recognition as well as on the impairment of goodwill which is not deductible for tax purposes or on the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

MAT

"Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period."

Policy when the entities operates under tax holiday scheme:

In the situations where one or more entities in the group are entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

(i) **Leases:**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group's lease asset classes primarily comprise of lease for land and building. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.





i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are amortised on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.
If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (j) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.
In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii)Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

"Lease liabilities" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.





(j) **Impairment of assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(k) **Cash and Cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdraft. Overdraft are shown within borrowing in current liabilities in the balance sheet.

(l) **Trade Receivables**

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.





(m) **Fair Value Measurement**

The Group 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:
(i)In the principal market for the asset or liability, or
(ii)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 Group.
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.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
-Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly o indirectly observable
-Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(n) **Investments and other financial assets**

(i) Classification

The group classifies its financial assets in the following measurement categories:

-- those to be measured subsequently at fair value (either through other comprehensive income, or through Statement of profit and loss) and
-- those measured at amortised cost.
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For the assets measured at fair value, gain and losses will either be recorded in profit or loss or other comprehensive income. For investment in debt instrument, this will depend on the business model in which the investment is held.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Debt Instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments.

1. Amortised Cost: Assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in statement on profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

2. Fair value through other comprehensive income (FVTOCI): Assets that are held for the collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.

3. Fair Value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of hedging relationship is recognised in its profit or loss and presented net in the statement of profit and loss in the period in which it arises. Dividend income from these financial assets is included in other income.

(iii) Impairment of financial assets and contract assets

The group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial assets.

In accordance with Ind AS 109, the Group assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVTOCI debt instruments. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.
ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).
The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.
The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(iv) Derecognition of financial assets

A financial assets is derecognised only when

-- The group has transferred the right to receive cash flows from the financial assets or

-- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the group has not retained control of the financial asset. Where the group retains control of the financial asset the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

(i) Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate.
(ii) Dividend: Dividend income is recognised when the right to receive dividend is established.

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(o) **Financial Liabilities**

(i) Classification

The Group classifies its financial liabilities in the following measurement categories:
-- those to be measured subsequently at fair value through the Statement of Profit and Loss, and
-- those measured at amortised cost

(ii) Measurement

1. Financial liabilities at amortised cost- Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost.
2. Financial liabilities at fair value through profit and loss- Financial liabilities at fair value through profit and loss are measured at fair value with all changes recognized in the statement of profit and loss.

(iii) Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of profit and loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

(p) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

(q) **Property, Plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred. The management review the useful life of the assets at each reporting date.

On transition to Ind AS, the Group has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on additions/ deletions to Tangible Assets is calculated on pro-rata basis from the month of such additions/ deletions. The Group provides depreciation on straight-line method at the rates specified under Schedule II to the Companies Act, 2013, except for:

- Reach Stackers and forklifts (included in Other Equipments) are depreciated over a period of ten years, based on the technical evaluation;

- Additions/ construction of Building, Electrical Installations, Furniture and Fixtures and Office Equipments at Punjab Conware CFS is being amortised over the balance period of the Operations and Management Agreement of the CFS with effect from 1 July, 2007;

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in Statement of profit and loss.

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

(r) **Intangible Assets**

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. Intangible assets of the group consist of computer software, Rail licence and Private Freight Terminal Licence fees which is amortised under straight line method over a period of 3, 20 and 30 years respectively.

Goodwill

Goodwill on acquisitions of subsidiaries is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case are the operating segments.

(s) **Trade and other Payables**

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using effective interest method.

(t) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of the zero coupon redeemable preference shares is determined using a market rate for an equivalent instrument. This amount is recorded as liability on amortised cost basis until extinguished on redemption of preference shares. The reminder of the proceeds is attributable to the equity portion of the compound instrument. This is recognized and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(u) **Borrowing Cost:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(v) **Provisions:**

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provision are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre -tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(w) **Employee Benefits:**

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees service up to the end of reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the repotting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(iii) Post employment obligation

The group operates the following post-employment schemes:

1.) Defined benefit plans such as gratuity; and

2.) Defined contribution plan such as provident fund and employee state insurance corporation.

Gratuity Obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in rupees is determined by discounting the estimated future cash outflow by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of defined benefit obligations and fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss .

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of profit and loss as past service cost.

Defined Contribution Plans

The group pays provident fund contribution to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contribution have been paid. The contribution are accounted for as defined contribution plans and the contribution are recognised as employee benefit expense when they are due.

(x) Earnings per Share:

(i) Basic earnings per share

Basic earning per share is calculated by dividing:

1) The profit attributable to the owner of the group

2) by the weighted average number of equity share outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figure used in the determination of basic earnings per share to take into account:

1) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

2) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(y) Contributed Equity

Equity shares are classified as Equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(z) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(aa) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

► Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

► Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

(ab) **Non-current assets held for sale and discontinued operations**

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.
The group treats sale of the asset or disposal group to be highly probable when:
►The appropriate level of management is committed to a plan to sell the asset (or disposal group),
►An active programme to locate a buyer and complete the plan has been initiated (if applicable),
►The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
►The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
► Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.
An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.
A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:
►Represents a separate major line of business or geographical area of operations,
►Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations
Non-current assets are not depreciated or amortised while they are classified as held for sale.
Non-current assets and disposal group classified as held for sale are presented separately from the other assets in the balance sheet.

(ac) **Exceptional Items**

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the group for the year, the nature and amount of such items is disclosed separately as Exceptional items.

(ad) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been round off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(ae) **Government Grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. when the grant related to PPE are recognised as Deferred income under non-current /current liability and" recognised as income over life of assets.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

(af) **Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

(ag) Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

2.2 Changes in accounting policies and disclosures

New and amended standards

(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019. This amendment had no impact on the financial statements of the Group.

(ii) Amendments to Ind AS 103 Business Combinations

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the financial statements of the Group. This amendment may impact future periods if the Group enter into any business combinations.

(iii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Group.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Group's financial statements.

(iv) **Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform**

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Group as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the 1 April 2020. These amendments are not expected to have a significant impact on the Group's financial statements.

2.2 CRITICAL ESTIMATES AND JUDGEMENTS:

The Preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

--Estimation of current tax expense and deferred tax

The calculation of the group's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.(Refer Note 12)

Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. (Refer Note 12).

-- Estimation of Provisions, Contingent Liabilities & Contingent Assets

The group exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision. (Refer Note 23).

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

--impact assessment of Covid 19- Refer note 37

-- Estimated useful life of tangible and intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. For the relative size of the group's tangible and intangible assets (Refer Note 3 & 4).

-- Estimation of defined benefit obligation

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.
The group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the group considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 11 for the details of the assumptions used in estimating the defined benefit obligation.

-- Impairment of trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the group uses expected credit loss model to assess the impairment loss or gain. The group uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. (Refer Note 21).

-- Estimated fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions refer Note 20.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

Note 3: Property, plant and equipment

	Freehold Land (Refer Note 3(iv))	Lease-hold improvements - Land	Building (Refer Note 3(iv) & 3(ix))	Plant and Machinery	Electrical Installations and Equipment	Furniture and Fittings	Office Equipment	Computer Hardware	Other Equipment (Refer Note 3(v), 3 (vi) and 3(vii))	Vehicles (Refer Note 3(viii))	Total	Capital work-in-progress (Refer Note 3(ii))
Gross carrying amount												
As at 1 April 2019	73,666.18	373.05	43,214.42	2,056.16	3,387.71	1,420.31	308.72	480.97	28,918.45	6,862.69	1,60,688.66	159.59
Additions during the year	1,518.90	-	141.41	38.96	36.40	23.17	11.68	24.89	877.52	1,884.76	4,557.69	3,584.32
Disposal of subsidiary (Refer Note 32(a))	101.65	-	1,667.57	-	137.88	16.47	2.71	5.61	27.77	508.24	2,467.90	-
Disposals/ transfer during the year	-	-	-	-	-	-	-	2.58	191.53	67.69	261.80	3,201.70
As at 31 March 2020	75,083.43	373.05	41,688.26	2,095.12	3,286.23	1,427.01	317.69	497.67	29,576.67	8,171.52	1,62,516.65	542.21
As at 1 April 2020	75,083.43	373.05	41,688.26	2,095.12	3,286.23	1,427.01	317.69	497.67	29,576.67	8,171.52	1,62,516.65	542.21
Additions during the year	-	257.22	599.52	24.35	8.36	48.46	64.21	34.96	241.51	-	1,278.59	3,274.57
Disposals/ transfer during the year	-	-	-	-	-	-	-	0.54	57.53	508.18	566.25	910.86
As at 31 March 2021	75,083.43	630.27	42,287.78	2,119.47	3,294.59	1,475.47	381.90	532.09	29,760.65	7,663.34	1,63,228.99	2,905.92
Accumulated Depreciation												
As at 1 April 2019	-	33.92	4,351.32	208.24	712.80	325.00	82.04	307.47	2,419.97	2,674.96	11,115.72	-
Depreciation charge during the year	-	27.79	2,395.05	66.23	341.00	203.81	70.72	98.29	4,651.87	1,216.06	9,070.82	-
Disposal of subsidiary (Refer Note 32(a))	-	-	302.10	-	67.67	7.51	1.55	5.24	21.79	319.65	725.51	-
Disposals/ transfer	-	-	-	-	-	-	-	2.58	157.92	31.10	191.60	-
As at 31 March 2020	-	61.71	6,444.27	274.47	986.13	521.30	151.21	397.94	6,892.13	3,540.27	19,269.43	-
As at 1 April 2020	-	61.71	6,444.27	274.47	986.13	521.30	151.21	397.94	6,892.13	3,540.27	19,269.43	-
Depreciation charge during the year	-	27.79	2,337.73	68.63	318.19	207.12	70.68	59.01	4,460.54	1,112.75	8,662.44	-
Disposal of subsidiary (Refer Note 32(a))	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	0.54	57.53	508.18	566.25	-
As at 31 March 2021	-	89.50	8,782.00	343.10	1,304.32	728.42	221.89	456.41	11,295.14	4,144.84	27,365.62	-
Net carrying amount 31 March 2021	75,083.43	540.77	33,505.78	1,776.37	1,990.27	747.05	160.01	75.68	18,465.51	3,518.50	1,35,863.37	2,905.92
Net carrying amount 31 March 2020	75,083.43	311.34	35,243.99	1,820.65	2,300.10	905.71	166.48	99.73	22,684.54	4,631.25	1,43,247.22	542.21

Notes:

(i) Contractual obligations - Refer to note 25 for disclosure of contractual commitments for the acquisition of property, plant and equipment

(ii) Capital work-in-progress - Capital work-in-progress as at 31 March 2021 mainly comprises cost on construction of warehouse at ICD Viramgam Rs. 1,132.08 lakhs and imported reachstackers Rs. 1,762.83 lakhs

(iii) Assets pledged as security for borrowings - Refer note 29 for information on property, plant and equipment, pledged as security by the Group.

(iv) Title of freehold land and building (constructed thereon) situated at Chennai and at Asaoti are yet to be transferred in the name of the Group.

	Freehold land - Chennai	Building - Chennai	Freehold land - Asaoti
Gross Block as at March 31, 2021	110.17	2,259.40	20.34
Gross Block as at March 31, 2020	110.17	2,259.40	20.34
Net Block as at March 31, 2021	110.17	1,010.58	20.34
Net Block as at March 31, 2020	110.17	1,088.84	20.34

(v) Other equipments include Reach Stackers having gross carrying amount of Rs. 9,937.94 lakhs (31 March 2020 - Rs. 9,918.46 lakhs) and having net carrying amount of Rs. 3,183.10 lakhs (31 March 2020 - Rs. 4,275.09 lakhs).

(vi) Other equipments include grant received under Export promotion Capital Goods Scheme (EPCG) for imported Reach Stackers of Rs. 892.36 lakhs (31 March 2020 - Rs. 892.36 lakhs) and having net carrying amount of Rs. 364.02 lakhs (31 March 2020 - Rs. 498.82 lakhs).

(vii) Other qyuipments includes certain railway sidings which are constructed on land not owned by the Group.

(viii) Motor Vehicles include Trailors having gross carrying amount of Rs. 11,324.56 lakhs (31 March 2020 - Rs. 11,729.27 lakhs) and having net carrying amount of Rs. 2,444.25 lakhs (31 March 2020 - Rs. 3,702.16 lakhs).

(ix) Building includes self constructed building with net book value of Rs. 6,042.70 lakhs (31 March 2020 - Rs. 6,867.66 lakhs) on leasehold land.

Note 4: Goodwill & Other intangible assets

	Goodwill (Refer Note (i))	Rail License Fees (Refer Note (iii))	PFT Licence Fees (Refer Note (iv))	Computer Software (Refer Note (ii))	Total
Gross carrying amount					
As at 1 April 2019	32,276.47	2,041.67	265.28	126.26	34,709.68
Disposal of subsidiary (Refer Note 32(a))	(1,961.05)	-	-	-	(1,961.05)
As at 31 March 2020	30,315.42	2,041.67	265.28	126.26	32,748.63
As at 1 April 2020	30,315.42	2,041.67	265.28	126.26	32,748.63
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at 31 March 2021	30,315.42	2,041.67	265.28	126.26	32,748.63
Accumulated amortisation					
As at 1 April 2019	-	1.37	0.05	120.73	122.15
Amortisation charge for the year	-	250.00	10.00	5.29	265.29
As at 31 March 2020	-	251.37	10.05	126.02	387.44
As at 1 April 2020	-	251.37	10.05	126.02	387.44
Amortisation charge for the year	-	250.00	10.00	0.20	260.20
As at 31 March 2021	-	501.37	20.05	126.22	647.64
Net carrying amount 31 March 2021	30,315.42	1,540.30	245.23	0.04	32,100.99
Net carrying amount 31 March 2020	30,315.42	1,790.30	255.23	0.24	32,361.19

Note:

(i) Goodwill impairment test

Goodwill is tested for impairment atleast annually in accordance with the Group's procedure for determining the recoverable value of such assets. The recoverable value was determined using value-in-use (VIU). The VIU is determined as the discounted value of future cash flows by using cash flow projections approved by the senior management for the next five years and is based on internal forecasts, considering the current economic conditions, growth rates and anticipated future economic conditions.

Appropriate terminal growth rates of 4%-5% (31 March 2020 - 4%-5%) and discount rate of 13%-15% (31 March 2020 - 13% -15%) are used to forecasted cash flows where the rates are consistent with forecasts included in industry reports and reflects the specific risks relating to the segment in which group operate. Based on the above, no impairment was identified as of 31 March 2021 and 31 March 2020 as the recoverable value of the segment exceeded the carrying values.

The management believes that any possible changes in the key assumptions would not cause the carrying amount to exceed the recoverable amount of cash generating unit.

Key assumptions used for value in use calculations:

The calculation of value in use is most sensitive to the following assumptions: -

Gross margins - Gross margins are based on average values achieved in the three years preceding the beginning of the budget period. These are increased over the budget period for anticipated efficiency improvements.

Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

(ii) Computer software consists of cost of ERP licenses and development cost. Useful life of computer software is estimated to be 3 years, based on technical obsolescence of such assets.

iii) Rail License Fees aggregating Rs. 5,000 Lakhs (31 March 2020 - Rs. 5,000 lakhs) paid to Railway Administration towards Concession Agreement is amortised over the period of contract (i.e. 20 years) from the date of commencement of commercial operations (1 June 2007). Balance useful life of Rail License Fees as at 31 March 2021 is 6 and 2 months years (31 March 2020: 7 years and 2 months).

iv) Private Freight Terminal (PFT) Licence fees aggregating Rs. 300 Lakhs (31 March 2020: Rs. 300 Lakhs) paid to Railway Administration is amortised over the period of contract(i.e. 30 years).

Note 5(a) Equity Investments in Joint Venture

	31-March-2021	31-March-2020
	Non- Current	Non- Current
Unquoted Equity Instruments:		
Investment in Joint Venture Company:		
50,997 Equity Shares (31 March 2020 - 50,997) of Rs. 10 each held in Container Gateway Limited (CGL)	5.10	5.10
Less: Impairment in the value of investment	5.10	5.10
Total Equity Investments in Joint Venture	-	-

Note 5(b) Current investments

	31-March-2021	31-March-2020
Quoted Investment in Mutual Fund at fair value through Profit & Loss (FVPL) (fully paid)		
Nil units (31 March 2020 - 260,349 units) ICICI Prudential Saving Fund - Direct Plan Growth	-	1,016.33
Nil units (31 March 2020 - 31,786 units) Kotak Low Duration Fund Direct-Growth	-	820.48
Nil units (31 March 2020 - 3,491,451 units) Franklin India Savings Fund -Retail Option Direct Growth	-	1,323.71
Nilunits (31 March 2020 - 37,884 units) UTI Money Market Fund - Institutional Plan - Direct Plan - Growth	-	859.11
Nil units (31 March 2020 - 259,659) Aditya Birla Sun Life Money Manager Fund - Growth - Direct Plan	-	703.48
Nil units (31 March-2020 - 194,114 units) ICICI Prudential Money Market Fund - Direct Plan Growth	-	542.09
Nil units (31 March 2020 - 25,088 units) Nippon India Low Duration Fund -Direct Plan Growth Option	-	708.19
Total Current investments	-	**5,973.39**

	31-March-2021		31-March-2020	
	Current	Non-current	Current	Non-current
Aggregate amount of quoted investments	-	-	5,973.39	-
Market value of above quoted investments	-	-	5,973.39	-
Aggregate amount of unquoted investments	-	-	-	-

Note 5(c) Other financial assets

	31-March-2021		31-March-2020	
	Current	Non-Current	Current	Non-current
Security deposits*	2.50	884.14	2.50	757.71
Bank deposits with original maturity period more than 12 months**	408.33	900.89	80.77	1,970.60
Margin money balances	-	211.50	-	177.26
Interest accrued on fixed deposits with banks	76.86	51.89	39.27	120.72
Advances recoverable in cash (unsecured, considered good)	4.67	148.94	3.77	148.94
Total other financial assets	492.36	**2,197.36**	126.31	3,175.23

*Security Deposit includes the deposit given by subsidiary company to PACE CFS amounting to Rs.154 Lakhs is under litigation (Refer Note 23).

**Non Current Deposit of Rs. 880 lakhs (31 March 2020 - Rs. 1,630 lakhs) is kept towards debt service reserve account for non-convertible debentures issued by the Company.





Note 5(d) Trade receivables

	31-March-2021	31-March-2020
Unsecured trade receivables	14,342.19	14,530.74
Provision for expected credit loss	(1,347.32)	(1,554.71)
Total trade receivables	**12,994.87**	**12,976.03**

Breakup of securities details	**31-March-2021**	**31-March-2020**
Secured, considered good	-	-
Unsecured, considered good	12,994.87	12,976.03
Trade receivables which have significant increase in credit risk	1,347.32	1,554.71
Less: Provision for expected credit loss*	(1,347.32)	(1,554.71)
Trade receivables - credit impaired	-	-
Total trade receivables	**12,994.87**	**12,976.03**

Total trade receivables

The trade receivable are due from Chakiat Agencies as on 31 March 2021 amounting to Rs. 30.10 lakhs (31 March 2020 - Rs. 39.06 lakhs). Chakiat Agencies is a firms in which subsidiary company's Gateway Distrikarks (Kerala) Limited director is a partner.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

*The provision for the impairment of trade receivables has been made basis the expected credit loss method and other cases based on management judgement.

Note 5(e) Cash and Cash equivalents

	31-March-2021	31-March-2020
Balance with banks		
-in current accounts	2,847.66	576.50
Bank deposits with original maturity of 3 months or less	6,268.91	50.42
Cheques on hand	35.77	2.57
Cash on hand	16.54	19.54
Total cash and cash equivalents	**9,168.88**	**649.03**

There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting periods.

Cash at banks earns interest at floating rates bases on daily bank deposits rates. Short term deposits are made for varying period between one day to three months depending upon the immediate cash requirment of the Company and earn interest at the respective short term deposit rate.

At 31 March 2021, the Company had available Rs. 834.86 lakhs (31 March 2020 - Rs. 137.03 lakhs) of undrawn committed borrowing facilities.

Changes in liabilities arising from financial activities

	Current borrowings	Non-Current borrowings (including current maturities)	Lease liabilities (Current & Non-Current)
As at 1 April 2019	**2,624.60**	**80,544.06**	-
Recognition on 1 April 2019 due to adoption of Ind AS 116	-	-	17,049.67
Addition on account of new leases during the year	-	-	4,306.35
Cash flow (net)	2,445.65	(9,290.00)	(4,402.86)
Interest expenses	-	-	1,690.14
As at 31 March 2020	**5,070.25**	**71,254.06**	**18,643.30**
Addition on account of new leases during the year	-	-	-
Cash flow (net)	(1,804.99)	(18,072.08)	(4,907.33)
Interest expenses	-	-	1,606.08
As at 31 March 2021	**3,265.26**	**53,181.98**	**15,342.05**





Note 5(f) Bank balances other than 5(e) above

	31-March-2021	31-March-2020
Deposits with original maturity of more than 3 months but less than 12 months	3.96	131.61
Earmarked balances with banks:		
- in unclaimed dividend accounts	61.23	76.80
-Deposits earmarked towards debt service reserve account*	2,062.00	-
Total bank balances other than 5(e) above	**2,127.19**	**208.41**

*Rs. 2,062 Lakhs (31 March 2020 - Rs. Nil) deposited with HDFC Bank under Debt service reserve account for non-convertible debentures issued by the Company.

Note 5(g) Contract Assets

	31-March-2021	31-March-2020
-Unsecured, Considered good	443.48	815.96
-Unsecured, Considered doubtful	82.79	71.76
	526.27	**887.72**
Less: Provision for expected credit loss	(82.79)	(71.76)
	443.48	**815.96**
Unbilled Revenue	51.55	-
	495.03	**815.96**

Contract Assets relate to ongoing services for which the Group has entered into agreement with customer wherein the Group has identified its performance obligations in contract as per Ind AS 115 "Revenue from contract with customers". The Group's right to receive consideration is conditional upon satisfaction of these performance obligation. Contract Assets are in the nature of unbilled receivables which arises when Group satisfies performance obligation but does not have unconditional rights to consideration.

The performance obligation in respect of services being provided by the Group, are satisfied over a period of time and upon acceptance of the customer. Billing and payment is made upon delivery of services.

Note 6: Other assets

	31-March-2021		31-March-2020	
	Current	Non-current	Current	Non-current
Capital Advance				
Unsecured, considered good	-	1,987.30	-	1,788.80
Unsecured, considered doubtful	-	52.31	-	52.31
Less: Allowance for doubtful advances	-	(52.31)	-	(52.31)
	-	**1,987.30**	-	**1,788.80**
Advances to suppliers	496.96	-	251.26	-
-Customs Duty paid under protest (Refer note 23(i)(B)(c))	-	367.26	-	367.26
-Income tax paid under protest	-	28.00	-	28.00
- Duty paid under protest (State Consumer Dispute Redressal Forum -SCDRF)	-	46.23	-	46.23
-Service tax paid under protest	-	6.22	-	6.22
-Input credit receivable	447.60	-	67.52	-
Receivable from related party (refer note 26)	-	-	0.59	-
Prepaid expenses	427.53	5.90	462.74	44.64
Total other assets	**1,372.09**	**2,440.91**	**782.11**	**2,281.15**

GATEWAY DISTRIPARKS LIMITED

Note 6(a): Non-current assets classified as asset held for sale

	31-March-2021	31-March-2020
Quoted Equity Instruments:		
Investment in Associate Company		
As at 31 March 2021, 67,254,119 (31 March 2020 - 67,254,119) Equity Shares of Rs. 10 each fully paid in Snowman Logistics Limited	14,097.31	14,648.36
Add: Group share of net loss for the year	-	(551.05)
Market Value as on 31 March 2021 - Rs. 29,457.30 lakhs (31 March 2020 - Rs. 21,218.67 lakhs)		
Total	**14,097.31**	**14,097.31**

Note 7: Equity share capital and other equity

Note 7(a) Equity share capital

Authorised equity share capital	31-March-2021	31-March-2020
	Number of shares	Amount
As at 1 April 2019- Equity shares of Rs. 10 each	12,50,00,000	12,500.00
Change during the year	-	-
As at 31 March 2020- Equity shares of Rs. 10 each	12,50,00,000	12,500.00
Change during the year	-	-
As at 31 March 2021- Equity shares of Rs. 10 each	12,50,00,000	12,500.00
Issued, subscribed and fully paid up equity share capital		
	Number of shares	Amount
As at 31 March 2020- Equity shares of Rs. 10 each	10,87,28,049	10,872.80
Increase during the year (refer note 38)	1,61,07,859	1,610.79
As at 31 March 2021- Equity shares of Rs. 10 each	12,48,35,908	12,483.59

(i) Movements in equity share capital

	Number of shares	Equity share capital (par value)
As at 1 April 2019	10,87,28,049	10,872.80
Increase during the year	-	-
As at 31 March 2020	10,87,28,049	10,872.80
Increase during the year (refer note 38)	**1,61,07,859**	**1,610.79**
As at 31 March 2021	12,48,35,908	12,483.59

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. There is no restriction on distribution of dividend. However, same is subject to the approval of the shareholders in the Annual General Meeting.

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

	31-March-2021		31 March 2020	
Name of Shareholder	Number of shares	% holding	Number of shares	% holding
Prism International Private Ltd.	3,00,88,888	24.10	2,49,00,000	22.90
Perfect Communications Private Ltd.	29,19,559	2.34	23,00,000	2.12
Mr. Prem Kishan Dass Gupta	56,04,286	4.49	44,15,000	4.06
Mrs. Mamta Gupta	6,47,378	0.52	5,09,998	0.47
Mr. Ishaan Gupta	4,18,892	0.34	3,30,000	0.30
Mr. Samvid Gupta	4,44,280	0.36	3,50,000	0.32
Others:				
Amansa Holdings Private Limited	1,12,27,321	8.99	97,78,635	8.99
ICICI Prudential Mutual Fund	1,06,33,137	8.52	96,42,160	8.87
Mirae Asset Funds	98,46,305	7.89	73,79,499	6.79
Life Insurance Corporation Of India	77,01,279	6.17	77,01,279	7.08

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

Note 7(b) Reserve and surplus

	31-March-2021	31-March-2020
Securities premium reserve	44,311.83	34,594.59
Capital redemption reserve	788.35	788.35
General reserve	4,900.20	4,900.20
Debenture redemption reserve	55.00	55.00
Retained earnings	84,912.90	80,459.95
Total reserves and surplus	**1,34,968.28**	**1,20,798.09**

(i) Securities premium reserve

	31-March-2021	31-March-2020
Opening balance	34,594.59	34,594.59
issue of equity shares (refer note 38)	9,986.88	-
Transaction cost arising on shares issues (refer note 38)	(269.64)	-
Closing Balance	**44,311.83**	**34,594.59**

(ii) Capital redemption reserve

	31-March-2021	31-March-2020
Opening balance	788.35	788.35
Appropriations during the year	-	-
Closing Balance	**788.35**	**788.35**

(iii) General reserve

	31-March-2021	31-March-2020
Opening balance	4,900.20	4,900.20
Appropriations during the year	-	-
Closing Balance	**4,900.20**	**4,900.20**

(iv) Debenture Redemption Reserve

	31-March-2021	31-March-2020
Opening balance	55.00	55.00
Appropriations during the year	-	-
Closing Balance	**55.00**	**55.00**



(v) Retained earnings

	31-March-2021	31-March-2020
Opening balance	80,459.95	80,969.36
Profit for the year	9,433.45	10,302.61
Remeasurements of post-employment benefit obligation, net of tax	21.95	(13.05)
Dividends paid	(5,002.45)	(9,785.52)
Dividend distribution tax paid	-	(1,013.45)
Closing Balance	**84,912.90**	**80,459.95**

Nature and purpose of other reserves:

(i) Securities premium reserve:

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(ii) Capital redemption reserve:

Capital redemption reserve is used to record the amount of nominal value of the shares bought back by the Group. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(iii) General reserve:

Transfer to general reserve are made from retained earnings of the Group. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(iv) Debenture Redemption Reserve

Transfer to Debenture Redemption Reserve (DRR) are made from retained earnings of the Company. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Company has created DRR in accordance with requirement of section 71 of the Companies Act 2013 till March 2019 however pursuant to a Ministry of Corporate Affairs notification dated 16 August 2019 amending Section 71 of the Companies Act, 2013 and Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, the Company is not required to maintain DRR for debentures issued and accordingly no amount is transferred during the year in DRR.

(v) Retained Earnings

Retained earnings represents all accumulated net income netted by all dividends paid to shareholders. Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Group.

Employee Stock Option Plan:

ESOP 2013 Scheme

The Shareholders at the Extra Ordinary General Meeting held on 8 March 2013, approved the new ESOP 2013 Scheme for eligible Directors and employees of the Company and its Subsidiary Companies. Under the Scheme, options for 2,000,000 shares would be available for being granted to eligible employees of the Company and options for 500,000 shares would be available for being granted to employees of the Subsidiary Companies. Each option (after it is vested) will be exercisable for one Equity share of Rs. 10. The options would be issued at an exercise price, which would be at a 20% discount to the latest available closing market price (at a stock exchange as determined by the Remuneration & ESOP Committee) on the date prior to the date on which the Remuneration & ESOP Committee finalises the specific number of options to be granted to the employees. Vesting of the options shall take place over a maximum period of 5 years with a minimum vesting period of 1 year from the date of grant. The specific employees and their eligibility for the entitlement of ESOP would be determined by the Renumeration & ESOP committee of the Company however the same is still not notified.





Note 8(a) Non-current borrowings

	31-March-2021	31-March-2020
Secured		
From banks		
Vehicle finance loan from bank (Refer note 8(a)(i) and 8(b)(i),(v))*	2,780.09	3,533.11
Term loan from bank (Refer note 8(a)(ii), (iii), (iv), (v) and 8(b)(ii),(iv))*	19,025.51	16,264.40
Rated Listed Secured Redeemable Non-Convertible Debentures (Refer note 31)	29,962.82	49,752.40
Term loan from financial institution	-	238.94
Redeemable preference shares issued by subsidiary company (Refer note 8(b)(iii))	1,622.30	1,520.07
Total Non-Current borrowings	**53,390.72**	**71,308.92**
Less: Current maturities of non-current borrowings (included in note 8(d))	(8,302.35)	(6,482.66)
Less: Interest accrued but not due (included in note 8(d))	(208.74)	(54.86)
Total Non-Current borrowings	**44,879.63**	**64,771.40**

*Includes interest accrued but not due.

Note 8(b) Current borrowings

	31-March-2021	31-March-2020
Secured		
From Banks		
Cash Credit and bank overdraft (Refer note 8(a)(vi))	3,265.26	5,070.25
Total current borrowings	**3,265.26**	**5,070.25**

(a) Nature of Security:

(i) Vehicle Finance Loan from HDFC Bank of Rs. 2,769.98 lakhs (31 March 2020 - Rs. 3,526.05 lakhs) are secured by way of hypothecation of the Group's Commercial Vehicles acquired from vehicle loan.

(ii) Term loan from HDFC Bank of Rs. 4,714.29 lakhs (31 March 2020 - Rs. 4,524.34 lakhs) are secured by first and exclusive charge on all the immoveable assets, book debts and moveable fixed assets of the Parent Company.

(iii) Term Loan from HDFC Bank amounting to Rs. 11,703.88 Lakhs (31 March 2020 - Rs. 11,627.58 Lakhs) is secured by first exclusive charge on all the assets (fixed and current, present and future) of the Company and Corporate Guarantee by Gateway Distriparks Limited, the Holding Company, for Term Loan1 and 2.

(iv) Working Capital Term Loan from HDFC Bank amounting to Rs. 2,400 Lakhs (31 March 2020 - Rs. Nil) is secured by first exclusive charge on all the assets (fixed and current, present and future) of the Company

(v) Working Capital Term Loan from HDFC Bank of Rs. 88 lakhs taken on 30 January 2021 for working capital requirements under ECLGS Scheme is secured by way of hypothecation of book debts and moveable fixed assets of the Subsidiary company Gateway East India Private Limted and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company. The moratorium period of the loan is 12 months

(vi) In case of The Company (Gateway Distriparks Limited):
Cash Credit from HDFC Bank Limited amounting to Rs. 665.14 lakhs (31 March 2020 - Rs. 1,362.97 lakhs) is secured by first exclusive charge on book debts, immovable fixed assets (JNPT CFS property and structures thereon) and movable fixed assets of the Parent Company.

In case of subsidiary company (Gateway East India Private Limited)
Cash Credit from HDFC Bank amounting to Rs. 688.99 lakhs (31 March 2019 - Rs. 692.13 lakhs) is secured by first exclusive charge on stock in trade, book debts and receivables, plant & machinery consisting of reach stackers, movable assets of the Subsidiary Company and Corporate Guarantee of Gateway Distriparks Limited, the Parent Company.

In case of subsidiary company (Gateway Rail Freight Limited)
Overdraft of Rs 1,911.13 lakhs (31 March 2020 - Rs 3,015.25 lakhs) from bank is payable on demand. Outstanding overdraft carry an average interest rate of MCLR + 25 bps and is secured by first exclusive charge on all assets.

(vii) The carrying amount of financial and non-financial assets pledged as security for non current borrowings are disclosed in note 29.





(b) Terms of Repayment:

(i) Vehicle Finance Loan from HDFC Bank are repayable in 35/46/55/58/59/60/65 equal monthly instalments along with interest ranging from 7.50% per annum to 9.52% per annum on reducing monthly balance.

(ii) Term Loans from HDFC Bank are repayable in equal quarterly instalments between 11 January 2014 to 7 February 2026 along with interest of Bank's MCLR + 0.25% per annum on reducing quarterly balance.

(iii) The preference shares are redeemable in 10 instalments as per resolution of the Board of Directors of the subsidiary company dated 5 June 2014 and 3 February 2016. The estimated interest payable up to the date of Balance Sheet calculated @ 6% is disclosed as Long Term Liability on Redeemable Preference Shares.

(iv)1) The Term Loan 1 from HDFC Bank is repayable in 24 quarterly instalments within 8 years with 2 years moratorium from the date of each drawdown.
Term Loan of Rs. 3,500.00 Lakhs taken on April 15, 2015 is repayable in instalments of Rs. 145.83 Lakhs starting from July 2017 with interest @ Base rate + 40bps. w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps. Interest for current year is in the range of 7.50% - 8.55% p.a.

2) The Term Loan 2 from HDFC Bank is repayable in 24 Quarterly instalments within 8 years with 2 years moratorium from the first drawdown.
a) Term Loan of Rs. 1,000.00 Lakhs taken on 22 December 2014 is repayable in instalments of Rs. 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps. w.e.f 1 December 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a.
b) Term Loan of Rs. 1,000.00 Lakhs taken on 19 January 2015 is repayable in instalments of Rs. 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps. w.e.f 1 December 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a.
c) Term Loan of Rs. 1,500.00 Lakhs taken on 11 January 2016 is repayable in instalments of Rs. 62.50 Lakhs started from March 2017 with interest @ Base rate + 40bps. w.e.f 1 December 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a.
d) Term Loan of Rs. 1,000.00 Lakhs taken on 10 February 2016 is repayable in instalments of Rs. 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps. w.e.f 1 December 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a.
e) Term Loan of Rs. 1,000.00 Lakhs taken on 15 March 2016 is repayable in instalments of Rs. 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps. w.e.f 1 December 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a.
f) Term Loan of Rs. 770.00 Lakhs taken on 7 May 2016 is repayable in instalments of Rs. 32.08 Lakhs started from March 2017 with interest @ Base rate + 40bps. w.e.f 1 December 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a.

3) The Term Loan 4 from HDFC Bank is repayable in 24 quarterly instalments within 8 years with 2 years moratorium from the date of each drawdown.
a) Term Loan of Rs. 1,000.00 Lakhs taken on 31 March 2016 is repayable in instalments of Rs. 41.67 Lakhs starting from June 2018 with interest @ Base rate + 40bps. w.e.f 1 December 2016, interest rate benchmark has been revised to MCLR + 25 bps. Interest for current year is in the range of 7.50% - 8.55% p.a.
b) Term Loan of Rs. 7,000.00 Lakhs taken on 28 July 2016 is repayable in instalments of Rs. 291.67 Lakhs starting from October 2018 with interest @ Base rate + 40bps. w.e.f 1 December 2016, interest rate benchmark has been revised to MCLR + 25 bps. Interest for current year is in the range of 7.50% - 8.55% p.a.
c) Term Loan of Rs. 644.00 Lakhs taken on 11 August 2016 is repayable in instalments of Rs. 26.83 Lakhs starting from November 2018 with interest @ Base rate + 40bps. w.e.f 1 December 2016, interest rate benchmark has been revised to MCLR + 25 bps. Interest for current year is in the range of 7.50% - 8.55% p.a.

4) The Term Loan 5 from HDFC Bank is repayable in 24 Quarterly instalments within 8 years with 2 years moratorium from the first drawdown.
Term Loan of Rs. 10 Crore taken on 11 August 2016 is repayable in instalments of Rs. 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps. w.e.f 1 December 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a.





5) The Term Loan Facility No. 1 from HDFC Bank is repayable in 20 Quarterly instalments within 5 years and 6 months with moratorium till June 30, 2021.
a) Term Loan of Rs. 710 Lakhs taken on 30 January 2021 is repayable in instalments of Rs. 35.53 Lakhs started from September 2021 with interest rate benchmark MCLR + 25 bps, with maturity date as on 30 June 2026. Interest for current year is in the range of 7.50% p.a.
b) Term Loan of Rs. 200 Lakhs taken on 12 February 2021 is repayable in instalments of Rs. 10.02 Lakhs starting from September 2021 with interest rate benchmark MCLR + 25 bps, with maturity date as on 30 June 2026. Interest for current year is 7.45% p.a.
c) Term Loan of Rs. 123 Lakhs taken on 20 March 2021 is repayable in instalments of Rs. 6.12 Lakhs started from September 2021 with interest rate benchmark MCLR + 25 bps, with maturity date as on 30 June 2026. Interest for current year is 7.45% p.a.
d) Term Loan of Rs. 170 Lakhs taken on 25 March 2021 is repayable in instalments of Rs. 8.50 Lakhs started from September 2021 with interest rate benchmark MCLR + 25 bps, with maturity date as on 30 June 2026. Interest for current year is 7.45% p.a.

6) The working capital term loan under Guaranteed Emergency Credit Line from HDFC bank is repayable in 48 monthly installments within 5 years with 1 year moratorium from the date of drawdown i.e with maturity date as 02 January 2026.
Term Loan of Rs. 2,400 Lakhs taken on 2 January 2021 is repayable in monthly installments of Rs. 50.00 Lakhs started from February 2022 with interest @ Reference rate + spread of 3.50% p.a. Interest for current year is 7.50% p.a.

(v) a) Vehicle Loan from HDFC Bank of Rs. 376.26 Lakhs taken on 23 February 2018 is repayable in 46 monthly installments of Rs. 9.64 lakhs starting from April 2018, with maturity date as January, 2022.
b) Vehicle Loan from HDFC Bank of Rs. 1,796.07 Lakhs taken on November 2019 is repayable in 35 monthly instalments of Rs. 58.29 Lakhs starting from January 2020, with maturity date as November, 2022.

Note 8(c) Trade payables

	31-March-2021	31-March-2020
Total outstanding dues of micro enterprises and small enterprises	573.47	76.64
Total outstanding dues other than micro enterprises and small enterprises	9,073.00	9,070.94
Total trade payables	**9,646.47**	**9,147.58**

Trade payables are non interest bearing and are normally settled in the range of 30 to 90 days terms.
No trade payables are due to related parties.

Note 8(d) Other current financial liabilities

	31-March-2021	31-March-2020
Current maturities of non-current borrowings -Vehicle finance loan	1,393.00	1,256.94
Current maturities of non-current borrowings - Term loan from a Bank	4,909.35	5,000.72
Current maturities of non-current borrowings - Non Convertible Debentures	2,000.00	-
Current maturities of non-current borrowings - Financial Institution	-	225.00
Security deposits*	52.55	53.17
Unclaimed dividend**	61.23	76.80
Retention money of creditors for capital assets	26.71	-
Payables for capital assets	1,751.89	115.01
Interest accrued but not due on loans and borrowings	208.74	54.86
Total other current financial liabilities	**10,403.47**	**6,782.50**

*Security deposits are non interest bearing
**There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

Note 8(e) Contract Liabilities

	31-March-2021	31-March-2020
Advances received from customers	1,010.35	740.05
Auction surplus	55.89	55.89
Total	**1,066.24**	**795.94**
Current	1,066.24	795.94
Non-Current	-	-

The Group has entered into a agreement/arrangement for providing of services. The Group has identified the performance obligations and recognized the same as contract liability where the Group has obligation to deliver the services to a customer for which the Group has received consideration.



Note 9: Non Current Provisions

	31-March-2021	31-March-2020
Contingencies	132.65	132.65
Total non current provisions	132.65	132.65

Break-up of provision for contingencies:

	31-March-2021		31-March-2020	
	Indirect Tax Matters	Other Matters	Indirect Tax Matters	Other Matters
Opening Balance	123.45	9.20	146.75	9.30
Add: Provision made	-	-	-	-
Less: Amounts reversed	-	-	(23.30)	(0.10)
Total	123.45	9.20	123.45	9.20

Represents estimates made for probable liabilities arising out of pending assessment proceedings with various Government Authorities. The timing of the outflow with regard to the said matter depends on the exhaustion of remedies available to the Company under the law and hence, the Company is not able to reasonably ascertain the timing of the outflow.

Note 10: Other current liabilities

	31-March-2021	31-March-2020
Statutory dues	1,406.66	1,977.86
Total Other current liabilities	1,406.66	1,977.86

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GATEWAY DISTRIPARKS LIMITED
Notes annexed to and forming part of the Consolidated Financial Statements for the year ended 31 March 2021
(All amounts in Indian Rupees lakhs, unless otherwise stated)

Note 11: Employee benefit obligations

	31-March-2021		31 March 2020	
	Current	Non-current	Current	Non-current
Compensated absences	56.78	335.51	86.28	303.06
Gratuity (Refer note below)	41.17	903.29	64.63	808.62
Directors Commission	2,108.69	-	1,167.77	-
Employee benefits payable	51.11	-	286.33	-
Total employee benefit obligations	**2,257.75**	**1,238.80**	**1,605.01**	**1,111.68**

(a) Compensated absences

The leave obligation cover the company liability for sick and earned leave.

(b) Post employment benefit obligations

(i) Gratuity

The gratuity plan of the Group is both funded and non funded. Funded gratuity is administered by TATA AIA Life Insurance Company Limited. The group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service.

(ii) Defined contribution plans

The Group makes contributions to Provident Fund, which are defined contribution plan, for qualifying employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised Rs.217.90 lakhs (31 March 2020 - Rs. 234.48 lakhs) for provident fund contributions and Rs.7.58 lakhs (31 March 2020 - Rs. 10.68 lakhs) for contribution to ESIC in the statement of profit and loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

Disclosures relating to defined benefit obligations are:

(a) Balance sheet amount (Gratuity)

The amounts recognised in the Balance sheet and movements in the net defined benefits obligation over the period are as follows:

	Present value of obligation- Unfunded (A)	Present value of obligation- Funded (B)	Fair value of plan assets (C)	Net amount D=(B)-(C)	Total A + D
1 April 2019	**640.58**	**139.62**	**6.12**	**133.50**	**774.08**
Current service cost	71.12	14.73	-	14.73	85.85
Interest expense/(income)	49.46	10.52	0.46	10.06	59.52
Total amount recognised in profit and loss	**120.58**	**25.25**	**0.46**	**24.79**	**145.37**
Remeasurements	-	-	-	-	-
Return on plan assets, excluding amount included in interest expense/(income)	-	-	(1.02)	1.02	1.02
(Gain)/loss from change in demographic assumptions	(6.52)	-	-	-	(6.52)
(Gain)/loss from change in financial assumptions	(0.10)	8.21	-	8.21	8.11
Experience (gains)/losses	13.88	(0.56)	-	(0.56)	13.32
Total amount recognised in other comprehensive income	**7.26**	**7.65**	**(1.02)**	**8.67**	**15.93**
Employer contributions	-	-	14.00	(14.00)	(14.00)
Benefit payments	(48.11)	(14.11)	(14.11)	-	(48.11)
31 March 2020	**720.30**	**158.40**	**5.45**	**152.97**	**873.27**

GATEWAY DISTRIPARKS LIMITED
Notes annexed to and forming part of the Consolidated Financial Statements for the year ended 31 March 2021
(All amounts in Indian Rupees lakhs, unless otherwise stated)

	Present value of obligation-Unfunded (A)	Present value of obligation-Funded (B)	Fair value of plan assets (C)	Net amount D=(B)-(C)	Total A + D
1 April 2020	**720.30**	**158.40**	**5.45**	**152.97**	**873.27**
Current service cost	64.62	4.88	-	4.88	69.50
Interest expense/(income)	44.22	10.83	0.37	10.46	54.68
Total amount recognised in profit and loss	**108.84**	**15.71**	**0.37**	**15.34**	**124.18**
Remeasurements	-	-	-	-	-
Return on plan assets, excluding amount included in interest expense/(income)	-	-	0.87	(0.87)	(0.87)
(Gain)/loss from change in demographic assumptions	0.22	-	-	-	0.22
(Gain)/loss from change in financial assumptions	1.41	5.25	-	5.25	6.66
Experience (gains)/losses	(29.27)	(10.87)	-	(10.87)	(40.14)
Total amount recognised in other comprehensive income	**(27.64)**	**(5.62)**	**0.87**	**(6.49)**	**(34.13)**
Employer contributions	-	-	4.00	(4.00)	(4.00)
Benefit payments	(14.86)	(5.40)	(5.40)	-	(14.86)
31 March 2021	**786.64**	**163.09**	**5.29**	**157.82**	**944.46**

(b) **The net liability disclosed above relates to funded and unfunded plans are as follows:**

	31-March-2021	31-March-2020
Present value of funded obligations	163.09	158.40
Fair value of plan assets	(5.29)	(5.45)
Deficit of funded plan	**157.80**	**152.95**
Unfunded plans	786.64	720.30
Deficit of gratuity plan	**944.44**	**873.25**

	31-March-2021	31-March-2020
Current Portion	41.17	64.63
Non-current portion	903.29	808.62
Total	944.46	873.25

(c) **Fair value of plan assets at the balance sheet date for defined benefit obligations:**

	31-March-2021	31-March-2020
Insurer managed funds	5.29	5.45
Total	**5.29**	**5.45**

(d) **Significant estimates: Actuarial assumptions and sensitivity**

The significant actuarial assumptions were as follows:

	31-March-2021	31-March-2020
Discount rate	6.44-7.31%	6.82-6.86%
Salary growth rate	8-8.5%	8-8.5%
Attrition rate	4-10%	4-9%





(e) **Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

			Impact on defined benefit obligation			
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	31-March-2021	31-March-2020	31-March-2021	31-March-2020	31-March-2021	31-March-2020
Discount rate	1%	1%	(75.13)	(72.04)	86.82	83.44
Salary growth rate	1%	1%	84.59	81.34	(74.72)	(72.22)
Attrition rate	1%	1%	(10.04)	(9.65)	11.19	10.78

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

(f) The major categories of plan assets are as follows:

	31-March-2021	31-March-2020
Insurance Fund	5.29	5.45

(g) **Risk Exposure**

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

(i) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit.

(ii) Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

(iii) Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(iv) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

(h) The Group has both funded and unfunded gratuity plan. For funded plan, the Group makes contributions to recognised funds in India. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

(i) **Defined benefit liability and employers contributions**

Expected contributions to post employment benefits for the year ended 31 March 2022 are Rs. 33.64 lakhs for the funded plan.
The weighted average duration of the projected benefit obligation is 10 years (31 March 2020 - 9 years) for the funded plan. The weighted average duration of the projected benefit obligation is 10 years (31 March 2020- 9 years) for the CFS at Chennai, 12 years (31 March 2020 - 10 years) for Punjab Conware CFS, 10 years (31 March 2019-10 years) at Gateway Distriparks (Kerala) Limited and 10 years for Gateway East India Private Limited (31 March 2020 - 10 years) and 12 years for Gateway Rail Freight Limited (31 March 2020 - 12 years) .The expected maturity analysis of undiscounted gratuity is as follows:





(j) **Unfunded**

	31-March-2021	31-March-2020
1st Following Year	33.68	30.14
2nd Following Year	59.02	37.42
3rd Following Year	64.71	61.25
4th Following Year	62.41	61.67
5th Following Year	124.33	58.81
Sum of Years 6 To 10	460.72	513.97

Funded

	31-March-2021	31-March-2020
1st Following Year	7.49	11.57
2nd Following Year	7.91	7.17
3rd Following Year	14.10	7.54
4th Following Year	13.67	13.38
5th Following Year	13.42	12.65
Sum of Years 6 To 10	100.31	78.18
Sum of Years 11 and above	155.94	166.10

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Note 12: Current and deferred tax

Note 12(a) Tax and deferred tax movement

	31-March-2021	31-Mar-2020
(a) Income tax expense		
Current tax		
Current tax on profits for the year	3,924.03	2,093.31
Total current tax expense	**3,924.03**	**2,093.31**
Deferred tax		
Decrease / (increase) in deferred tax assets	(1,845.25)	(1,220.55)
(Decrease)/ increase in deferred tax liabilities	(168.88)	(1,501.97)
Total deferred tax expense/(benefit)	**(2,014.13)**	**(2,722.52)**
Income tax expense	**1,909.90**	**(629.21)**
Disclosed under		
Statement of Profit and Loss	1,898.11	(627.00)
Other Comprehensive Income	11.79	(2.21)
	1,909.90	**(629.21)**

Note 12(b)(i) Reconciliation of tax expense and accounting profit multiplied by India's tax rates:

	31-March-2021	31-Mar-2020
Profit from continuing and discontinuing operations after exceptional items and before tax	**11,343.60**	**9,764.99**
Statutory income tax rate	25.17%	25.17%
Statutory income tax	2,855.18	2,457.85
Differences due to:		
Expenses not deductible for tax purposes	(19.90)	243.60
Temporary difference reversed during the tax holiday period	1,388.36	57.74
Non-taxable income	(2,101.53)	(2,665.48)
Adjustment of tax relating to earlier periods	(137.80)	(263.84)
Assets created on long term capital loss on sale of subsidiary company	-	(265.23)
Change in income tax rate from 34.94% to 25.17% (GDL)	-	(132.83)
Tax effect on carry forward loss and unabsorbed depreciation	-	(3.40)
Others	(74.41)	(57.62)
Total tax expense	**1,909.90**	**(629.21)**

Note 12(b)(ii)

Pursuant to the introduction of Section 115BAA of the Indian Income Tax Act, 1961 by the Taxation Laws (Amendment) Ordinance, 2019 which is effective 1 April 2019, the Group has re-measured its deferred tax balances based on the expected timing of exercising of the option.

Note 12(c)

No aggregate amounts of current and deferred tax have arisen in the reporting periods which have not been recognised in statement of profit and loss or other comprehensive income but directly debited/ (credited) to equity.





Note 12(d)

(i) Deferred tax assets

	31-March-2021	31-Mar-2020
Deferred Tax Liabilities		
Temporary difference between book and tax depreciation	1,982.26	1,554.48
Right-of-use assets	1,555.22	1,237.27
Accrual of income subject to tax only on realisation	98.05	64.40
Total deferred tax liabilities	**3,635.53**	**2,856.15**
Deferred Tax Assets		
MAT Credit Entitlement*	5,981.20	3,979.31
Adjustment of tax relating to earlier periods	-	263.84
Carry Forward Loss and Unabsorbed Depreciation	-	32.46
Employee Benefits	161.74	35.01
Lease liabilities	1,970.75	1,600.03
Provision for doubtful debts/advances	197.95	145.70
Accrual for expenses allowable as tax deduction only on payment	341.50	-
Total deferred tax assets	**8,653.14**	**6,056.35**
Net deferred tax assets	**5,017.61**	**3,200.20**

*Gateway Rail Freight Limited (GRFL) and Gateway Distriparks (Kerala) Limited (GDKL), subsidiary companies are claiming deduction under section 80IA of the Income Tax Act, 1961 @ 100% on the profits from their business and profession. Subsidiary companies have recognised MAT credit aggregating to Rs. 5,981.20 lakhs as at 31 March 2021 (31 March 2020 - Rs 3,979.31 lakhs) which represents that portion of the MAT Liability, the credit of which would be available based on the provision of Section 115JAA of the Income Tax Act, 1961. The group management based on the future projections, business plans and all viable options is confident that there would be sufficient taxable profits in the future to utilise the MAT credit within the stipulated period from the date of origination.

Breakup of MAT Credit Entitlement

	31-March-2021	31-Mar-2020
Gateway East India Private Limited - subsidiary company	1,999.96	2,054.11
Gateway Rail Freight Limited - subsidiary company	3,861.97	1,807.18
Gateway Distriparks (Kerala) Limited - subsidiary company	119.27	118.02
Total	**5,981.20**	**3,979.31**

As at March 31, 2021, the associate company, Snowman logistics limited, has recognised deferred tax assets on carry forward tax losses of Rs. 4,235.04 lakhs (March 31, 2020: Rs. 4,475.66 lakhs) on the basis of probability of future taxable profits which will be adjusted against the tax losses.

(ii) Deferred tax liabilities

	31-March-2021	31-Mar-2020
Deferred Tax Liabilities		
Temporary difference between book and tax depreciation	-	352.49
Right-of-use assets	-	727.00
Dividend Distribution tax on Reserves of Associates	544.00	559.17
Accrual of income subject to tax only on realisation	-	65.33
Total deferred tax liabilities	**544.00**	**1,703.99**
Deferred Tax Assets		
Temporary difference between book and tax depreciation	301.60	-
Sale of assets to Associate	26.99	26.99
Employee Benefits	-	109.09
Lease liabilities	-	769.35
Provision for Doubtful Debts/ Advances	-	107.01
Accrual for expenses allowable as tax deduction only on payment	-	307.26
Total deferred tax assets	**328.59**	**1,319.70**
Net deferred tax liabilities	**(215.41)**	**(384.29)**

Note 12(e) Movement in deferred tax liabilities/assets

	31-March-2021	31-Mar-2020
As at 1 April	(2,815.91)	(93.39)
Charged/(credited):		
- to profit or loss (including adjustment of tax relating to earlier periods)	(1,998.08)	(2,720.31)
- to other comprehensive income	11.79	(2.21)
As at 31 March	(4,802.20)	(2,815.91)
Balance comprises of:		
Deferred Tax Liabilities (Refer 12(d) (ii))	(215.41)	(384.29)
Deferred Tax Assets (Refer 12(d) (i))	5,017.61	3,200.20
As at 31 March	4,802.20	2,815.91

Note 12(f)

(1) Income tax Assets

	31-March-2021	31-Mar-2020
Opening balance	2,494.20	1,261.54
Less: Current tax payable for the year	3,924.03	2,093.31
Less: Refund received (net of provision reversed)	525.62	-
Add: Taxes paid	2,880.64	3,325.97
Closing balance	925.19	2,494.20

(2) Disclosures for asset/liability and current tax expense

	31-March-2021	31-Mar-2020
a) Balance Sheet		
Shown under Income tax Assets	2,142.41	2,494.20
Shown under Income tax Liability	1,217.22	-
Closing balance	925.19	2,494.20
b) Statement of Profit and Loss (also refer note 12(a) above)		
Current tax expense	3,924.03	2,093.31
Closing balance	3,924.03	2,093.31

Note 13: Government grants (EPCG)

	31-March-2021	31-Mar-2020
As at 1 April	498.82	633.71
Released to Statement of Profit & Loss	(134.80)	(134.89)
As at 31 March	364.02	498.82
Non- Current	241.26	363.93
Current	122.76	134.89
Total	364.02	498.82

Note: Government grants have been received for the purchase of certain items of property, plant & equipment. There are no unfulfilled conditions or contingencies attached to these grants.





Note 14(a) : Revenue from operations

	31-March-2021	31-March-2020
(A) Revenue from Contracts with Customers		
Container Handling, Transport, Storage and Ground Rent Income	1,16,236.34	1,23,204.99
Auction Sales	1,319.08	173.00
Total Revenue from Contracts with Customers (A)	**1,17,555.42**	**1,23,377.99**

I. Geographical markets

	31-March-2021	31-March-2020
Sale of Services - India	1,17,555.42	1,23,377.99
Sale of Services - Outside India	-	-
Total Revenue from Contracts with Customers	**1,17,555.42**	**1,23,377.99**

II. Timing of Revenue Recognition

	31-March-2021	31-March-2020
Services transferred at point in time	-	-
Services transferred over time	1,17,555.42	1,23,377.99
Total Revenue from Contracts with Customers	**1,17,555.42**	**1,23,377.99**

III. Contract Balances

	31-March-2021	31-March-2020
Trade Receivables	12,994.87	12,976.03
Contract Asset	495.03	815.96
Contract Liabilities	1,066.24	795.94

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Contract assets relates to revenue earned from container ground storage & handling service. As such, the balances of this account vary and depend on the number of containers available at CFS at the end of the year.

Contract liabilities include short-term advances received to render container handling & transportation services.

IV. Reconciliation of Revenue as per Contract Price and as recognized in the Statement of Profit and Loss

	31-March-2021	31-March-2020
Revenue as per Contract Price	1,14,229.46	1,27,791.11
Less: Discounts and Incentives	3,325.96	4,413.12
Total Revenue from Contracts with Customers	**1,17,555.42**	**1,23,377.99**

III. Performance Obligation

The performance obligation in respect of services being provided by the Group, are satisfied over a period of time and upon acceptance of the customer. Container will be not cleared from the CFS till the acceptance is provided by the customer for the amount to be receivable for the underlying container. Contracts can be cancelled, however the customer are liable to pay the amount of handling and rent for the services which they have availed till the date of cancellation. Payment is generally due upon delivery of services and acceptance of customer. Payments are generally due within 30 to 90 days.

(B) Other Operating Revenues

	31-March-2021	31-March-2020
Export Incentive (SEIS)*	-	5,481.50
Rent	379.74	341.25
Total Other Operating Revenue (B)	**379.74**	**5,822.75**

* For the year ended 31 March 2020, the Company had recognised 'Service Export from India Scheme' (SEIS) income under the Foreign Trade Policy of Government of India amounting to Rs. 5,481.50 lakhs pertaining to FY 2016-17 to 2018-19. No SEIS income is recognised for the year ended 31 March 2021.

	31-March-2021	31-March-2020
Total Revenue from Operations (A + B)	**1,17,935.16**	**1,29,200.74**





Note 14(b): Other income

	31-March-2021	31-March-2020
Interest		
- From bank on fixed deposits at amortised cost	230.28	40.59
- From financial assets at amortised cost	-	157.88
- On income tax refund	39.61	67.78
- From others	4.70	1.05
Net gain on redemption of investments measured at FVPL	14.49	284.09
Net gain on financial asset measured at FVPL	9.68	188.31
Unwinding of discount on security deposit	3.74	4.23
Premium receivable on redemption and unwinding of discount on investment measured at amortized cost	-	0.02
Government Grant (EPCG) (Refer note below)	135.60	134.89
Liabilities/provisions no longer required written back	366.34	442.85
Write back of provision for doubtful receivables and accrued income no longer required (net)	74.18	150.54
Sale of scrap	35.53	19.86
Foreign exchange gain (net)	-	11.76
Miscellaneous income	197.73	251.48
Gain on sale of disposal of assets	21.43	0.36
Total other income	**1,133.31**	**1,755.69**

Note: Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

Note 15: Operating expenses

	31-March-2021	31-March-2020
Incentives and commissions	5,264.27	5,042.79
Transportation charges	57,280.18	68,102.05
Labour charges	4,423.06	4,743.06
Equipment hire charges	230.38	290.47
Surveyors' fees	548.76	563.44
Sub-contract charges	2,960.48	3,175.90
Auction expenses	293.56	16.99
Purchase of pallets	16.85	40.80
Total operating expenses	**71,017.54**	**81,975.50**

Note 16: Employee benefit expense

	31-March-2021	31-March-2020
Salaries, allowances and bonus	6,290.72	5,366.31
Contribution to provident and other funds (refer note 11)	225.48	245.16
Staff welfare expenses	82.13	160.03
Leave encashment	37.53	59.87
Gratuity (refer note 11)	124.18	145.37
Total Employee benefit expense	**6,760.04**	**5,976.74**

Note 17: Depreciation and amortisation expense

	31-March-2021	31-March-2020
Depreciation on Property, Plant and Equipment (refer note 3)	8,662.45	9,070.83
Depreciation of Right-of-use assets (refer note 35)	4,219.41	4,009.58
Amortisation of Intangible Assets (refer note 4)	260.20	265.33
Total depreciation and amortisation expense	**13,142.06**	**13,345.74**

Note 18: Other expenses

	31-March-2021	31-March-2020
Power and fuel	1,931.21	1,854.42
Rent	66.57	121.88
Rates and taxes	525.92	696.74
Repairs and maintenance:		
- Building/ Yard	389.67	406.85
- Plant and Equipment	1,033.74	962.17
- Others	550.24	522.42
Insurance	727.11	814.30
Directors' sitting fees	189.00	116.00
Customs staff expenses	214.09	184.21
Printing and stationery	95.16	129.41
Travelling and conveyance	424.63	655.52
Motor car expenses	61.95	65.24
Communication	120.74	130.40
Security charges	1,227.05	1,301.60
Legal and professional fees	617.68	745.90
Corporate social responsibility expenditure (refer note 18(b))	259.19	295.76
Payment to auditors (refer note 18(a))	143.63	84.78
Bad debts written off	14.93	37.43
Provision for doubtful debts and advances and ground rent	-	250.08
Provision for doubtful ground rent (net)	16.21	-
Loss on sale/ disposal of property plant and equipment	-	44.03
Bank charges	56.61	78.23
Miscellaneous	192.05	393.16
Total Other expenses	**8,857.38**	**9,890.53**

Note 18(a) Details of payments to auditors

	31-March-2021	31-March-2020
Payment to auditors		
As auditors:		
a) Audit fees	40.00	40.00
b) Limited review fees	31.75	39.00
In other capacity:		
a) Other services (certification fees)*	70.75	1.50
b) Reimbursement of out-of-pocket expenses	1.13	4.28
Total	**143.63**	**84.78**

*Other services mainly include Rs. 52 lakhs (31 March 2020 - Rs. Nil) pertaining to certification fees related to right issue of equity shares during the year.

Note 18(b) Corporate social responsibility expenditure

	31-March-2021	31-March-2020
Gross amount required to be spent by the Company during the year	254.78	294.09
Amount approved by the Board to be spent during the year	259.19	295.76
Amount spent (in cash) during the year ending on 31 March, 2021:		
(i) Construction / acquisition of an asset	206.19	180.90
(ii) on purposes other than (i) above	53.00	114.86

Note 19: Finance costs

	31-March-2021	31-March-2020
Interest and finance charges on financial liabilities at amortised cost	6,341.77	8,572.43
Interest on lease liabilities (refer note 35)	1,606.08	1,690.14
Interest on income tax	-	0.36
Total Finance costs	**7,947.85**	**10,262.93**

GATEWAY DISTRIPARKS LIMITED

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Note 20 Fair Value Measurements

(a) Financial instrument by category

		31-March-2021			31 March 2020		
Financial Assets	**Notes**	**FVPL**	**FVOCI**	**Amortised cost**	FVPL	FVOCI	Amortised Cost
Other financial assets- Non Current	5(c)	-	-	2,197.36	-	-	3,175.23
Investment in Mutual Funds	5(b)	-	-	-	5,973.39	-	-
Contract Assets	5(g)	-	-	495.03	-	-	815.96
Trade Receivables	5(d)	-	-	12,994.87	-	-	12,976.03
Cash and Cash equivalent	5(e)	-	-	9,168.88	-	-	649.03
Other Bank Balances	5(f)	-	-	2,127.19	-	-	208.41
Other financial assets- Current	5(c)	-	-	492.36	-	-	126.31
Total Financial Assets		-	-	**27,475.69**	**5,973.39**	-	**17,950.97**
Financial Liabilities							
Borrowings- Non Current (including current maturities)	8(a), 8(d)	-	-	53,181.98	-	-	71,254.06
Borrowings- Current	8(b)	-	-	3,265.26	-	-	5,070.25
Lease Liabilities (Current and Non-Current)	35	-	-	15,342.05	-	-	18,643.31
Trade Payables	8(c)	-	-	9,646.47	-	-	9,147.58
Other financial liabilities (excluding current maturity of long term borrowings)	8(d), 8(a)	-	-	2,101.12	-	-	299.84
Total Financial Liabilities		-	-	**83,536.88**	-	-	**1,04,415.04**

(i) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels as prescribed in the accounting standards. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value- recurring fair value measurement 31 March 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial instrument at FVPL				
Mutual Fund - Growth Plan	-	-	-	-
Total Financial Assets	-	-	-	-

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at 31 March 2021	Level 1	Level 2	Level 3	Total
Financial Assets				
Security deposits	-	-	886.64	886.64
Margin money balances	-	-	211.50	211.50
Bank deposits with original maturity period more than 12 months	-	-	1,309.22	1,309.22
Interest accrued on fixed deposits with banks	-	-	128.75	128.75
Total Financial Assets	-	-	**2,536.11**	**2,536.11**
Financial Liabilities				
Borrowings (including current maturities)	-	-	51,531.71	51,531.71
Borrowings- Current	-	-	3,265.26	3,265.26
Total Financial Liabilities	-	-	**54,796.97**	**54,796.97**





Financial assets and liabilities measured at fair value- recurring fair value measurement 31 March 2020	Level 1	Level 2	Level 3	Total
Financial Assets				
Financial instrument at FVPL				
Mutual Fund - Growth Plan	5,973.39	-	-	5,973.39
Total Financial Assets	5,973.39	-	-	5,973.39

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at 31 March 2020	Level 1	Level 2	Level 3	Total
Financial Assets				
Security deposits	-	-	760.21	760.21
Margin money balances	-	-	177.26	177.26
Bank deposits with original maturity period more than 12 months			2,051.37	2,051.37
Interest accrued on fixed deposits with banks	-	-	159.99	159.99
Total Financial Assets	-	-	3,148.83	3,148.83
Financial Liabilities				
Borrowings (including current maturities)	-	-	67,605.47	67,605.47
Borrowings- Current	-	-	5,070.25	5,070.25
Total Financial Liabilities	-	-	72,675.72	72,675.72

Except for those financial assets/liabilities mentioned in the above table, the group considers that the carrying amounts recognised in the financial statements approximate their fair values. For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

Level 1 - Level 1 Hierarchy includes financial instruments measured using quoted price. This includes listed equity instruments ,traded bonds mutual fund that have quoted price. The mutual funds are valued using the closing NAV.

Level - 2 The fair value of financial instruments that are not traded in an active market (for example trade bond, over-the-counter derivatives) is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

Level -3 If one or more of the significant inputs is not based on observable market data, the instrument is include in level 3.

There are no transfers between level 1 and level 2 during the year.

The fair values of investment in margin money and non current borrowings were calculated based on cash flows discounted at current lending rate/ borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, includings own credit risk.

(ii) **Valuation technique used to determine fair value**

Specific valuation technique used to value financial instruments include:

1) The mutual funds are valued using closing NAV available in the market.
2) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iii) Fair value of financial assets and liabilities measured as amortised cost

	31-March-2021		31 March 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Security deposits	886.64	888.04	760.21	761.61
Total Financial Assets	886.64	888.04	760.21	761.61
Financial Liabilities				
Borrowings (including current maturities)	53,181.98	51,531.71	71,254.06	67,605.47
Borrowings- Current	3,265.26	3,265.26	5,070.25	5,070.25
Total Financial Liabilities	56,447.24	54,796.97	76,324.31	72,675.72

The carrying amounts of investments, trade receivables, cash and cash equivalent, other bank balances, other financial asset, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

(b) **Significant estimates**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

Note 21 Financial Risk Management

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Group's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group is exposed to market risk, liquidity risk and credit risk.

The Group's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Group are accountable to the Board of Directors and the Audit Committee. This process provides assurance to the Group's senior management that the Group's financial risk taking activities are governed by appropriate policies and procedures and that the financial risks are identified, measured and managed in accordance with the Group policies and Group risk objective. In the event of crisis caused due to external factors such as by the recent pandemic "COVID-19", the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure that there is enough liquidity in these situations through internal and external source of funds.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalent, trade receivable, financial assets measured at amortised cost.	Aging analysis and credit rating	Diversification of bank deposit and credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecast	Availability of bank credit lines and borrowings facilities (cash credit)
Market risk -interest rate	Long-term borrowings at variable rates	Sensitivity Analysis	Monitoring and shifting benchmark interest rates*
Market risk -Security price	Investment in mutual fund	Sensitivity Analysis	Portfolio diversification

* There is no shifting of benchmark interest rates during the year

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with bank and financial institution and other financial instruments.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. Other factors of default are determined by considering the business environment in which the Group operates and other macro-economic factors. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as: adverse changes in business, changes in the operating results of the counterparty, change to the counterparty's ability to meet its obligations etc. Financial assets are written off when there is no reasonable expectation of recovery.

(i) Credit Risk Management

Financial instruments and cash deposits

The Group maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds. The Group has diversified portfolio of investment with various number of counter-parties which have good credit ratings, good reputation and hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Group. For banks and financial institutions, only high rated banks/institutions are accepted.

The Group's maximum exposure to credit risk as at 31 March 2021 and 31 March 2020 is the carrying value of each class of financial assets as disclosed in note 5.





Trade receivables and other financial assets

Trade receivables are typically unsecured and are derived from revenue earned from customers. Other financial assets are unsecured receivables. It comprises of margin money with the bank, utility deposits with the government authorities and accrued income on containers lying at the warehouse/yard but have not been invoiced.

Credit risk has been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables and other financial assest. There are no significant credit risk pertaining to margin money and utility deposits of the Trade Receivables balance as at 31 March 2021, the top 5 customers of the Group represent the balance of Rs. 6,671.50 lakhs (31 March 2020 - Rs. 5,719.38 lakhs). There are no customer who represent more than 5% of total balance of Trade Receivables.

Total maximum credit exposure on trade receivable as at 31 March 2021 is Rs. 14,342.18 lakhs (31 March 2020 - Rs. 14,530.74 lakhs).

The amount of Trade receivable outstanding as at 31 March 2021 & 31 March 2020 is as follows:

	0-30 days	30-60	60-90	90-180	180-365	More than 365 days	Total
March 31, 2021	7,831.21	3,973.56	930.57	477.58	70.79	1,058.47	14,342.18
March 31, 2020	6,562.76	4,301.45	1,332.12	937.98	259.44	1,136.99	14,530.74

(ii) Reconciliation of loss allowances provision - Trade Receivables and contract asset

	Trade receivables	Contract Assets
Loss Allowances on 1 April 2019	1,494.32	78.04
Bad debt written off	(37.43)	-
Provision provided/(reversed) for the year	97.82	(6.28)
Loss Allowances on 31 March 2020	1,554.71	71.76
Bad debt written off	(14.93)	-
Provision provided/(reversed) for the year	(192.46)	11.03
Loss Allowances on 31 March 2021	1,347.32	82.79

(B) Liquidity Risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the group has unutilized credit limits with banks.

(ii) Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

	31-March-2021	31 March 2020
Floating Rate		
Expiring within one year (bank overdraft)	8,582.40	5,531.52
Total	8,582.40	5,531.52

These Working capital facilities are payable on demand and available for a period of 12 months and can renewed by the bank thereafter.

(ii) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity grouping based on their contractual maturities for all non- derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

31 March 2021

	Less than 1 Year	1 - 2 Years	2 Year and Above	Total
Non - Derivative				
Borrowings	18,725.02	15,390.38	38,839.91	72,955.31
Trade payables	9,646.47	-	-	9,646.47
Other Financial Liabilities	2,101.12	-	-	2,101.12
Lease liabilities (undiscounted value)	4,521.61	2,620.68	15,834.93	22,977.22
Total Non derivative liabilities	34,994.22	18,011.06	54,674.84	1,07,680.12

31 March 2020

	Less than 1 Year	1 - 2 Years	2 Year and Above	Total
Non - Derivative				
Borrowings	10,957.73	27,349.27	40,688.32	78,995.32
Trade payables	9,147.58	-	-	9,147.58
Other Financial Liabilities	299.84	-	-	299.84
Lease liabilities (undiscounted value)	4,903.02	4,611.81	18,242.26	27,757.09
Total Non derivative liabilities	**25,308.17**	**31,961.08**	**58,930.58**	**1,16,199.83**

The possibility of payment arising from financial guarantee given on behalf of jointly controlled entity is remote.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(C) Market Risk

(i) Foreign currency risk

(a) Foreign currency exposure

	31-March-2021 EUR (lakh)	31-March-2020 EUR (lakh)
Financial liabilities		
Usance letter of credit for imports of capital goods	19.74	-
Net exposure to foreign currency	**19.74**	-

(b) Foreign currency exposure

Particulars	31-March-2021	31 March 2020
Eur Sensitivity		
Rs./EUR-Increase by 1% (31 March 2020 - Nil)	0.20	-
Rs./EUR-Decrease by 1% (31 March 2020 - Nil)	(0.20)	-

(ii) Cash Flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the group to cash flow interest rate risk.

(a) Interest Rate risk exposure

The exposure of the group's borrowings to interest rate changes at the end of the reporting period are as follows.

Particulars	31-March-2021	31 March 2020
Variable Rate Borrowings	20,178.57	18,207.02
Fixed Rate Borrowings	36,268.67	58,117.29
Total Borrowings	**56,447.24**	**76,324.31**

(b) Sensitivity

Profit or loss and equity is sensitive to higher /lower interest expense from variable rate borrowings as a result of changes in interest rates. Impact on profit after tax of increase/ decrease of 100 basis points in interest is as follows:

	Increase / (Decrease)	
	31-March-2021	31 March 2020
Interest Rate - increase by 100 basis point*	(122.15)	(135.43)
Interest Rate - decrease by 100 basis point*	122.15	135.43

* Holding all other variable constant.





(iii) Price risk

(a) Exposure

The group's exposure to investments arises from investment held by the group in mutual funds and classified in the balance sheet as fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the group.

(b) Sensitivity

Particulars	Impact on profit after tax	
	31-March-2021	31 March 2020
Net Asset Value - Increase 10% (31 March 2020 - 10%)*	-	388.69
Net Asset Value - Decrease 10% (31 March 2020 - 10%)*	-	(388.69)

*Profit & equity for the period would increase/ decrease as a result of gains/ losses on investments classified at fair value through profit or loss.

Note 22 Capital Management

The group considers the following components of its Balance Sheet to be managed capital:

Total equity as shown in the balance sheet includes retained profit and share capital.

The group aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The capital components of the group is as given below:

Particulars	31-March-2021	31 March 2020
Total Equity	1,48,528.60	1,32,735.19
Debt (including current and non current borrowings)	56,447.24	76,324.31
Cash and Cash equivalents (Note 5(e))	9,168.88	649.03
Debt/Equity Ratio	0.38	0.58
Gearing Ratio	0.32	0.57

(i) Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

(a) Total debt/TNW not to exceed 1.05 times;
(b) Debt to EBIDTA ratio not to exceed 3.35 times
(c) Until the ocurence of A1 redemption event, GDL, GRFL and reference entities and other subsidiaries shall not without prior written approval of Debenture trustee, incur, in aggregate additional indebtedness in excess of Rs. 125 Crores

The Group has complied with these covenants. As at 31 March 2021, compliance of covenants are as follows:

(a) Total Debt / TNW 0.32 (31 March 2020 - 0.57)
(b) Debt Service coverage ratio is 1.74 (31 March 2020 - 1.87)
(c) GDL, GRFL and reference entities and other subsidiaries have not incurred in aggregate additional indebtedness in excess of Rs. 125 Crores.

In case of Holding Company - Gateway Distriparks Limited

Under the terms of the major borrowing facilities, the Holding Company is required to comply with the following financial covenants:

(a) Debt Service Coverage Ratio should not fall below 1.25 times;
(b) Total debt/ Total net worth (TNW) not to exceed 1 time.
(c) Until the occurrence of A1 redemption event, the Company shall not incur any additional debtedness (except working capital debt) in excess of Rs. 35 Crores.

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The Holding Company has complied with these covenants. The ratios are as follows:

(a) Debt Service coverage ratio was 2.25 times (31 March 2020 - 1.75 times);
(b) Total Debt / TNW is 0.44 (31 March 2020 - 0.79)
(c) The Company has taken unsecured loan of Rs 2,500 lakhs from subsidiary company Gateway Rail Freight Limited (GRFL). Apart from this, no additional indebtedness incurred by Company during the year.

In case of subsidiary company - Gateway Rail Freight Limited
Under the terms of the major borrowing facilities, the subsidiary company is required to comply with the following financial covenants:
(a) Total Outside Liabilities to Total Net worth should be maximum 1
(b) Minimum DSCR of 1.13 times
(c) Fixed Asset Cover ratio should be greater than 1.9 times
(d) Financial projections to be met with 10% variations

The subsidiary company has complied with these covenants.
The ratios are as follows:
(a) Total Outside Liabilities to Total Net worth should be maximum 0.58
(b) DSCR is 4.91 times
(c) Fixed Asset Cover ratio is 5.67 times
(d) Achieved budget with 10% increment

(ii) Dividends

	31-March-2021	31 March 2020
(i) Dividend Interim Dividend paid during Financial Year 2020-21-Rs. 4 per fully paid equity share for year ended 31 March 2021 (Interim Dividend paid during Financial Year 2019-20-Rs. 4.50 per fully paid equity share for year ended 31 March 2020 and Rs. 4.50 per fully paid equity share for the year ended 31 March 2019)	4,993.44	9,785.52
(ii) Dividend not recognised at the end of the reporting period In addition to the above dividends, since the year end, the Company has not declared any dividend on fully paid equity share for the Financial Year 2020-21 (Financial Year 2019-20 - Nil)	-	-

GATEWAY DISTRIPARKS LIMITED
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Note 23 Contingencies and guarantees

(i) The Group had contingent liabilities at 31 March 2021 and 31 March 2020 in respect of:

		31-March-2021	31 March 2020
(A)	**GUARANTEES:**		
	Guarantees excluding financial guarantees:		
	Bank Guarantees and Continuity Bonds executed in favour of The President of India through the Commissioners of Excise and Customs and Sales Tax	4,71,129.23	5,06,374.47
	Bank Guarantee and Continuity Bonds issued in favour of Punjab State Container and Warehousing Corporation Limited in respect of Operations and Management Contract of their CFS at Dronagiri Node, Nhava Sheva.	26,010.00	26,007.00
	Bank Guarantee towards security deposit with BSE Ltd., designated stock exchange forrights issue of the company	58.00	-
	Financial Guarantees:		
	Corporate guarantees issued in favour of banks, financial institutions and State Industrial Development Corporation for loans taken by subsidiaries (at carring value).	12,803.88	5,700.65
(B)	**CONTINGENT LIABILITIES:**		
	The Company has contingent liabilities as at 31 March 2021 and 31 March 2020 in respect of:		
	Claims made by the parties not acknowledged as debts:		
	In case of Company (GDL)		
	- Container Corporation of India [Refer (a) below]	Not Ascertainable	Not Ascertainable
	- Others	17.00	17.00
	Disputed Income Tax Claims (including Interest and Penalty to the extent ascertainable) not acknowledged as debts [Refer Note (b) below]	11,764.49	11,764.49
	Claim from Customs [Refer Note (c) below]	367.26	367.26
	Disputed claims at District Consumer Redressal Forum related to fire at Punjab Conware CFS [Refer Note (d) below]	46.23	46.23
	Disputed Service Tax Claims (including penalty and excluding interest) in respect of Goods Transport Agency Services [Refer Note (e) below]	382.32	382.32
	Disputed Service Tax Claims (including penalty and excluding interest) in respect of input credit [Refer Note (f) below]	75.04	-

(a) The Company ("GDL") and its subsidiary company, Gateway Rail Freight Limited ("GRFL") are involved in an arbitration proceeding with Container Corporation of India Limited ("Concor") in respect of agreements entered into by the parties for operation of container trains from the Inland Container Depot and Rail siding at Garhi Harsaru, Gurgaon. Concor has raised claims on GDL and GRFL on various issues in respect to the aforesaid agreements. Based on legal opinion, the Management has taken a view that these claims are at a preliminary stage and the question of maintainability of the alleged disputes as raised by Concor under the aforesaid agreements is yet to be determined and are not sustainable. Pending conclusion of the arbitration, the parties are maintaining "status quo" in respect of the operations at Garhi Harsaru, Gurgaon.

(b) Deputy Commissioner of Income Tax had issued orders under Section 143(3) of the Income Tax Act, 1961 of India ("the Income Tax Act"), for the Assessment Years 2008-2009 to 2014-2015, disallowing the claim of deduction by the Company under Section 80-IA(4)(i) of the Income Tax Act upto Assessment year 2011-2012, other expenses and Minimum Alternate Tax Credit and issued notices of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest (after considering rectification order under Section 154 of the Income Tax Act for Assessment Year 2012-2013 and 2014-2015) aggregating Rs. 7,304.15 lakhs and initiated proceedings to levy penalty. On appeal filed by the Company against the assessment orders, Commissioner of Income Tax (Appeals) had allowed the aforesaid deductions, except for claim of deduction of other expenses aggregating Rs. 30 lakhs for the Assessment Years 2008-2009 to 2011-2012. The Deputy Commissioner of Income Tax had appealed with Income Tax Appellate Tribunal against the aforesaid orders of Commissioner of Income Tax (Appeals) for the Assessment Years 2008-2009 to 2010-2011, which has been decided in favour of the Company. Income Tax Department has filed an appeal with Bombay High Court against the order of Income Tax Appellate Tribunal for Assessment Years 2008-2009 and 2009-2010, which is pending for hearing. The Company has filed appeal against the order for the Assessment Years 2012-2013 to 2014-2015 with the Commissioner of Income Tax (Appeals) which has been decided in favour of the Company. The Deputy Commissioner of Income Tax had appealed with Income Tax Appellate Tribunal against the aforesaid orders of Commissioner of Income Tax (Appeals) for the Assessment Years 2012-2013 and 2013-14, which were decided in favour of the company.

Deputy Commissioner of Income Tax had issued notices under Section 148 of the Income Tax Act, proposing to re-assess the income for Assessment Years 2004-2005 to 2007-2008, disallowing the deduction under Section 80-IA(4)(i) of the Income Tax Act amounting to Rs. 4,460.34 lakhs. The Company has filed a Writ petition against the notices with the Bombay High Court. The Bombay High Court has granted Ad Interim Stay against the notices.

Based on Lawyer and Tax Consultant's opinion, the Management is of the opinion that the Company is entitled to aforesaid deductions and claims and hence, no provision for the aforesaid demand/notices has been made till 31 March 2021.

(c) In response to the letter dated 25 February 2016, from the Principal Commissioner of Customs (G), the Company had deposited under protest an amount of Rs. 521.16 lakhs, pending final determination of the liability, in terms of the supertnama that covered the container no. CRX 3218782 comprising 15,390 KG of Red Sanders, which were unauthorizedly removed from the Punjab Conware CFS in December 2015. The Commissioner of Customs, NS-General, Mumbai Zone II , JNCH had vide order dated 25 June 2019 appropriated Rs. 153.90 lakh towards value of stolen confiscated goods, levied penalty Rs. 1.50 lakh, which was paid by the company. The balance amount of Rs. 367.26 lakh is recoverable from customs. The Management is of the opinion that no provision is required to be made in respect of the aforesaid case.

(d) There was a fire in January 2010 at the warehouse of Punjab Conware CFS, in which cargo belonging to customers was damaged. These customers filed claims for damages with the District Consumer Redressal Forum, Raigad, which gave judgement in their favour . The Company has filed appeals with the State Consumer Dispute Redressal Commission, after making deposit of Rs.46.23 lakhs. The matter is pending before the State Consumer Dispute Redressal Commission. The Management is of the opinion that no provision is required to be made in respect of the aforesaid case.

(e) The Commissioner of Service Tax, Mumbai had raised show-cause notices / demands for service tax under category "Goods Transport Agency" for the period 2005-2006 to 2011-2012. On appeal filed by Company, Customs Excise and service tax Appellate Tribunal (CESTAT), Mumbai, vide order dated 7 May 2013 remanded back the matter for fresh hearing. The Commissioner of Service tax, Mumbai has issued an order issued on 5 December, 2016 confirming the demand of Rs. 382.32 lakhs and interest under section 75 and penalty under section 76, 77 & 78 of Finance Act. The Company has filed an appeal with CESTAT, Mumbai on 6 March 2017, contesting the demand on the grounds that the service tax was already paid under cargo handling services on the same transport of cargo at full rate, the transport cost of other units at Gurgaon and Punjab Conware CFS were wrongly included, no credit was given for service tax under Goods transport agency and that the figures of trailer cost / depreciation in the order were incorrect. In view of the acceptance of Company's contentions on certain points in the cross objection filed by the department, as indicated in the earlier CESTAT order dated 7 May 2013, the management is of the opinion that no provision is required to be made in respect of the aforesaid demand.

(f) The company received an assessment order dated 16 September 2020 under section 73 of Andhra Pradesh Goods and Services Tax Act, 2017 from Assistant Commissioner (State Tax) Markapur circle claiming that there is certain mismatch in the input tax claimed by the Company under CGST, SGST & IGST. The Company has filed an appeal under section 107 of the Andhra Pradesh Goods and Services Tax Act, 2017 with Appellate Joint Commissioner (ST), Tirupati. The total liability is Rs. 75.04 Lakhs. The Management is of the opinion that no provision is required to be made in respect of the aforesaid case.





(ii) **In case of subsidiary company: Gateway Rail Freight Limited**

Claims made by the parties not acknowledged as debts:

	31-March-2021	31 March 2020
Northern Railway (Refer note (a))	148.94	148.94

(a) The Railway Authorities had deducted Rs. 148.94 Lakhs towards Siding & Shunting charges for financial year 2010-11, however letter has been received in April 2013 from Railway Authorities that the deduction made by Railways is not justified and will be refunded back to the company. However till now the Company has not received the money, hence the same has been disclosed as 'Claims made by the parties not acknowledged as debts'. The matter is under arbitration.

(b) The Company had accounted for the benefits available under Service Exports from India Scheme (SEIS) amounting to Rs. 10,068.78 lakhs for the financial years 2015-16 to 2017-18. During the financial year 2019-20, the Company had received a notice dated 11 November 2019 from Additional Director General of Foreign Trade [ADGFT] questioning SEIS benefits for the aforesaid financial years.

The Company had submitted its initial response dated 31 January 2020 and had also responded to subsequent queries/requirements of ADGFT. The Company, backed by a legal opinion, believes that the SEIS scrips for aforesaid financial years were correctly availed in terms of the provisions of FTP 2015-20 and accordingly no provision has been made in the books of account for the same.

(iii) **In case of subsidiary company: Gateway East India Private Limited**

Claims made by the parties not acknowledged as debts:

	31-March-2021	31 March 2020
Disputed Income Tax Claims (including Interest and Penalty to the extent ascertainable) not acknowledged as debts [refer note below]	1,094.73	1,094.73

Deputy Commissioner of Income Tax had issued orders under Section 143(3) of the Income Tax Act, 1961 of India ("the Income Tax Act"), for the Assessment Years (A.Y.) 2011-2012 to 2014-15 disallowing the claim of deduction by the Company under Section 80-IA(4)(i) of the Income Tax Act and other expenses and further issued notices of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest aggregating Rs. 659.10 lakhs and initiated proceedings to levy penalty.

Basis the appeal filed by the Company against the aforesaid order for A.Y. 2011-2012 to 2014-2015, Income Tax Appellate Tribunal had allowed the aforesaid deductions. The Deputy Commissioner of Income Tax has appealed with Honourable High Court of Andhra Pradesh for A.Y. 2011-12 & 2013-14. The Income Tax department has not gone on appeal against orders of A.Y. 2012-13 & 2014-15. Pending conclusion of the appeal, the Company has deposited Rs. 13 lakhs & Rs. 15 lakhs against demand for A.Y. 2011-12 & A.Y. 2012-13 till March 31, 2021.

For A.Y. 2017-18 , Company has received a demand u/s 156 of the Income tax Act 1961 for Rs. 435.63 lakhs against which Company has gone into appeal with CIT (A) Vishakhapatnam.

Based on ITAT order for the A.Y. 2011-12 to 2014-15, which are in favour of the Company and the Honourable Delhi High Court judgment in the case of Container Corporation of India, the Company believes that it has a good case and are entitled to deduction under section 80 IA(4)(i) of the Income Tax Act 1961.

(iv) In case of subsidiary company: Gateway Distriparks (Kerela) Limited

(a) Company entered into a joint venture with PACE CFS since it had an ICD license on 29 September 2007 for a period of 3 years. Company had given a security deposit of Rs 150 Lakhs to PACE as a part of the agreement and against which PACE CFS created an equitable mortgagee on the facilities viz lease land of 1.68 acres at Aroor with 25,000sq ft building in the favour of company by depositing original title deeds.

The joint venture operation with Pace CFS Private Limited was terminated on 28 September 2010.

PACE CFS Private Ltd had initiated arbitration proceedings against the company claiming a sum of Rs. 137.17 Lakhs.

The Company has filed a recovery suit in response to suit filed by its joint venture partner in Sub Court Chertala for a total Sum of Rs.2,085.00 Lakhs, being value of security deposit and interest thereon.

The learned Arbitrator by his award dated 25 August 2015 allowed the claim of M/s. Pace CFS in part and dismissed the counter claim of company. It was held that Ms. Pace CFS is entitled to an amount of Rs. 0.89 Lakhs /- towards minimum remuneration and that they are entitled to be adjusted against the deposit made. Challenging the award of the Arbitrator two applications have been filed before the District Court, Ernakulam as Arb. O.P. No. 1362/ 15 and 13631/15. Both the appeals have been admitted and the same has been posted for hearing.

The security deposit of Rs. 150.00 Lakhs given to Pace CFS Private Limited is considered as good and recoverable in spite of disputes between joint venture partner and based on legal advice management is of the opinion that no provision is required to be made in respect of the aforesaid case.

b) Company had given a security deposit of Rs 150 Lakhs to PACE as a part of JV agreement against which PACE CFS created an equitable mortgagee on the facilities viz lease land of 1.68 acres at Aroor with 25,000sq ft building in the favour of company by depositing original title deeds. The legal owner of the property, Mrs. Rajamani Amma, filed a suit seeking a declaration that the sale deeds have been collected by company from co- operative Bank, Kollam not to create any mortgage and that company is liable to return the title deeds. An injunction is also sought against M/s. GDKL from proceeding against the property on the basis of equitable mortgage purported to have been created. The written statement has been field in the said case controverting the allegations in the plaint.

Mrs. Rajamani Amma died on 23 August 2014, whereby, an application was filed by one Rajan Pillai Foundation alleging that smt. Rajamani Amma had executed a Will making the foundation a legatee under the Will. The Munsiffs Court Cherthala allowed the application on 25-07-2016 without considering any of the issues. A Revision Petition was filed by company before the Honble High court of Kerala as C.R.P. 35612016. The revision was allowed in favour of company on 20 February 2017. The suit is pending before the Cherthala Court.

During previous year, In June 2019 quarter, witness hearing has been ordered against which one month stay has been issued. As per the managment, there will be no implication on the company.

(c) The company had paid Rs. 695.97 Lakhs as upfront premium at the time of obtaining leasehold right on leasehold land. This leasehold land is used for the business of the compay. Company has capitalized the same as intangible assets as per Income Tax Act and claimed depreciation @25%.

The Principal Commissioner of Income Tax ("PCIT') has initiated the revisionary proceedings under Section 263 of the Act in so far as it relates to allowance of the depreciation claimed on lease premium paid for acquisition of land under Section 32(1)(ii) of the Act disallowing the depreciation claimed.

Company is carrying brought forward losses and depreciation of Rs. 350 lakhs and have 80IA exemption available, hence there will be no financial impact.

Litigation is under process and management believes that demand is not tenable. ITAT has decided against the Company. Company has filled appeal against order of ITAT in High Court in January 2019. During previous year in June 2019 quarter, Case has been admitted and awaiting case listing dates.

Management is of the opinion that no provision is required to be made in respect of the aforesaid case.





GATEWAY DISTRIPARKS LIMITED
Notes annexed to and forming part of the Consolidated Financial Statements for the year ended 31 March 2021
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Note24 Segment Information:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman and Managing Director of the group. The group has identified one reportable segment "Inter modal Logistics" i.e. based on the information reviewed by CODM. Thus, the segment revenue, segment results, total carrying amount of segment assets and segment liabilities is as reflected in these financial statement as of and for the year ended 31 March, 2021.

(a) Description of segments and principal activities

The Group is engaged in business of Inter modal logistics. It provides container logistics solution between major Indian ports and Inland Container Depots (ICD) by providing rail services for Export, Import and Domestic containerised cargo, integrated with road transportation, transit and bonded warehousing, refrigerated container facilities and other value added services. It also operates Container Freight Stations, which are common user facilities located at various sea ports, offering services for handling (including related transport), temporary storage of import / export laden and empty containers and cargo carried under customs control .

(b) Segment revenue/results

The group operates as a single segment. The segment revenue is measured in the same way as in the statement of profit or loss.

Segment - Container Freight Station	31-March-2021	31-March-2020
Segment revenue	1,17,935.16	1,29,200.74
Segment results		
Profit before share of net profits of investments accounted for using equity method and tax	11,343.60	9,504.99
Add: Share of net profit of joint venture accounted for using equity method	-	-
Exceptional income	-	808.39
Less: Tax expenses	(1,898.11)	627.00
Net profit after tax	**9,445.49**	**10,940.38**

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from external customers	31-March-2021	31-March-2020
India	1,17,935.16	1,29,200.74
Outside India	-	-

No customer individually contributes to more than 10% of the revenue

Segment assets and Segment liabilities	31-March-2021	31-March-2020
Segment assets - India	2,39,964.23	2,43,656.48
Segment liabilities - India	92,512.36	1,11,985.59

Note 25 Capital Commitments

Estimated amount of contracts [net of Capital Advances Rs. 196.44 (31 March 2020 - Rs. Nil) to be executed on capital account, and not provided for is Rs. 931.90 lakhs (31 March 2020 - Rs. 461.45 lakhs).





GATEWAY DISTRIPARKS LIMITED
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Note 26 Related Party Transactions

(i) **Subsidiaries**
Interests in subsidiaries are set out in note 33

(ii) **Associate / Joint Venture**
Interests in associate/ joint venture are set out in note 33

(iii) **Entitities in which enterprise have a significant control or entity in which directors are interested**
Perfect Communication Private Limited (PCL)
Newsprint Trading & Sales Corporation (NTSC)

(iv) **Investing party in respect of which the Company is an associate**
Prism International Private Ltd. (PIPL)

(v) **Key Management Personnel compensation (including their relatives)**

(i) Executive Directors
Mr. Prem Kishan Dass Gupta (Chairman and Managing Director)
Mr. Ishaan Gupta (Joint Managing Director)

(ii) Independent and Non-Executive Directors
Mrs. Mamta Gupta (Non-Executive Director)
Mr. Samvid gupta (Non-Executive Director)
Mr. Shabbir Hassanbhai (Non-Executive Independent Director)
Mr. Bhaskar Avula Reddy (Non-Executive Independent Director)
Mr. Arun Kumar Gupta (Non-Executive Independent Director)
Mrs. Shukla Wassan (Non-Executive Independent Director)

(iii) Key Management Personnel
Mr. Sachin Surendra Bhanushali, Chief Executive Officer (from 14 August 2019 to 30 September 2020)
Mr. Sandeep Kumar Shaw, Chief Financial Officer
Mrs. Veena Nair, Company Secretary

(iv) Relatives of Executive Directors
Mr. Amod Sachin Bhanushali (Relative of Mr. Sachin Surendra Bhanushali)

(v) Transaction with Key Mangement Personnel (including relatives)

	31-March-2021	31 March 2020
Short-term employee benefits	599.14	363.89
Post-employment benefits	26.30	22.61
Sitting Fees to Executive Directors	59.00	50.00
Sitting Fees to Non-Executive and Independent Directors	115.00	66.00
Commission to Executive Directors	2,050.00	1,225.00
Commission to Non-Executive and Independent Directors	262.00	163.00

(vi) Relatives of Key Management Personnel
Mr. Amod Sachin Bhanushali

	31-March-2021	31 March 2020
Remuneration	5.50	3.40
Total	**5.50**	**3.40**





(vi) Transactions with other related parties

The following transactions occurred with related parties:

Sr. No.	Particulars	Joint Venture Company (CGL)		Associate Company (SLL)		Entities in which enterprise have significant control or entity in which directors are interested (NTSC)		Entities in which enterprise have significant control or entity in which directors are interested (PCL)		Entities in which enterprise have significant control or entity in which directors are interested (PPIPL)		Total	
		31-March-2021	31-March-2020	31-March-2021	31-March-2020	31-March-2021	31-March-2020	31-March-2021	31-March-2020	31-March-2021	31-March-2020	31-March-2021	31-March-2020
1	Rendering of services (excluding tax)	-	-	-	-	4.00	-	10.95	64.20	0.80	-	15.75	64.20
2	Lease rent received	-	-	7.15	6.60				-	-	-	7.15	6.60
3	Dividend paid by GDL	-	-	-	-			116.78	176.40	1,203.56	2,241.00	1,320.34	2,417.40
4	Rendering of services by subsidiary to associates	-	-	6.08	70.70			-	-	-	-	6.08	70.70
5	Reimbushment of other Administrative expenses incurred on their behalf	0.90	1.58					-	-	-	-	0.90	1.58

(vii) The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

		31-March-2021	31-March-2020
1	Commission Payable to Executive Directors	1,878.63	1,037.25
2	Commission Payable to Non- Executive and Independent Directors	230.06	130.52
3	Advance recoverable	7.72	6.54
4	Post-employment benefits	78.77	77.71
5	Receivable from subsidiary company GRFL	6.84	
6	Receivable from Joint venture CGL of subsidiary company GRFL	0.88	0.59
	Total	2,202.90	1,252.61

(viii) Loans to/from related parties

No loan has been given/ received to/ from any related parties.

(ix) Terms and conditions of transactions with related parties

a. Services provided from/to related parties are priced at arm's length. Other reimbursement of expenses to/from related parties is on cost basis.

b. All other transactions were made on normal commercial terms and conditions and at market rates.

c. All outstanding balances are unsecured and are repayable/ receivable in cash.

Note: In the opinion of the management, transactions reported herein are on arm's length basis.

Note 27 Earnings Per Share

The number of shares used in computing basic and diluted earnings per share is the weighted average number of shares outstanding during the year.

Particulars	31-March-2021	31 March 2020
Profit attributable to the equity holders of the Company from continuing operations used in calculating basic/ diluted earnings per share	9,433.45	10,851.00
Weighted average number of equity shares used as the denominator in calculating basic/ diluted earnings per share	11,85,69,289.00	10,87,28,049.00
Basic & diluted earnings per share for profit from continuing operations attributable to equity holders of the parent: (Face value Rs 10 each)	7.96	9.98
Particulars	**31-March-2021**	**31-March-2020**
Profit attributable to the equity holders of the Company from continuing and discontinuing operations used in calculating basic/ diluted earnings per share	9,433.45	10,302.61
Weighted average number of equity shares used as the denominator in calculating basic/ diluted earnings per share	11,85,69,289.00	10,87,28,049.00
Basic & diluted earnings per share for profit from continuing and discontinuing operations attributable to equity holders of the parent: (Face value Rs 10 each)	7.96	9.48

Particulars	31-March-2021	31-March-2020
Profit attributable to the equity holders of the Company discontinuing operations used in calculating basic/ diluted earnings per share	-	(548.39)
Weighted average number of equity shares used as the denominator in calculating basic/ diluted earnings per share	11,85,69,289.00	10,87,28,049.00
Earnings per share for profit from discontinuing operations attributable to equity holders of the parent: (Face value Rs 10 each)	-	(0.50)

Note 28 Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Note 29 Assets Pledge As Security

The carrying amounts of assets pledged as security for current and non - current borrowings are :

Particulars	31-March-2021	31-March-2020
Current Assets		
First Charge		
I. Current Investments	-	5,973.39
ii. Trade receivables	12,994.87	12,976.03
iii. Cash and cash Equivalents	8,531.71	548.18
iv. Bank balances other than above	11.49	135.86
v.Other financial assets	488.48	126.31
vi. Other current assets	926.12	595.48
vii. Contract Assets	130.04	153.24
Total current assets pledged as security	**23,082.71**	**20,508.49**
Non-Current Assets		
First Charge		
Property, Plant and Equipment	1,35,863.37	1,43,247.22
Capital Work-in-Progress	1,143.09	542.21
Other intangible assets	1,785.57	2,045.77
Other financial assets	934.36	1,186.18
Income tax assets (net)	600.30	796.10
Other non-current assets	2,021.20	2,191.69
Total non-current assets pledged as security	**1,42,347.89**	**1,50,009.17**
Total assets pledged as security	**1,65,430.60**	**1,70,517.66**





Note 30 Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised Balance Sheet	Gateway Distriparks (Kerala) Limited		Gateway Rail Freight Limited		Total	
	31-March-2021	31-March-2020	31-March-2021	31-March-2020	31-March-2021	31-March-2020
Current assets	622.49	440.19	21,345.38	16,322.65	21,967.87	16,762.84
Current liabilities	162.84	430.08	18,152.87	17,342.15	18,315.71	17,772.23
Net Current assets/(liability)	459.65	10.11	3,192.51	(1,019.50)	3,652.16	(1,009.39)
Non-Current assets	6,979.99	7,268.93	87,029.90	90,709.72	94,009.89	97,978.65
Non-Current liabilities	5,006.36	4,854.85	21,273.31	21,524.55	26,279.67	26,379.40
Net Non-Current assets/(liability)	1,973.63	2,414.08	65,756.59	69,185.17	67,730.22	71,599.25
Net Assets	2,433.28	2,424.19	68,949.10	68,165.67	71,382.38	70,589.86
Accumulated NCI	977.36	973.75	99.37	90.55	1,076.73	1,064.30

Summarised statement of profit and loss	Gateway Distriparks (Kerala) Limited		Gateway Rail Freight Limited (refer note below)		Total	
	31-March-2021	31-March-2020	31-March-2021	31-March-2020	31-March-2021	31-March-2020
Revenue	1,358.58	1,406.39	81,589.91	86,865.38	82,948.49	88,271.77
Profit for the year	48.40	2.23	11,785.22	9,125.81	11,833.62	9,128.04
Total comprehensive income	9.03	204.72	11,810.57	9,134.70	11,819.60	9,339.42
Profit allocated to NCI	3.61	81.81	8.82	6.90	12.43	88.71

Summarised cash flows	Gateway Distriparks (Kerala) Limited		Gateway Rail Freight Limited (refer note below)		Total	
	31-March-2021	31-March-2020	31-March-2021	31-March-2020	31-March-2021	31-March-2020
Cash flows from operating activities	642.19	612.37	18,794.63	15,969.45	19,436.82	16,581.82
Cash flows from investing activities	147.08	(323.99)	4,226.42	(8,061.80)	4,373.50	(8,385.79)
Cash flows from financing activities	(475.85)	(303.87)	(14,246.58)	(10,507.47)	(14,722.44)	(10,811.34)
Net increase / (decrease) in cash and cash equivalents	313.42	(15.49)	8,774.47	(2,599.82)	9,087.89	(2,615.31)

Note 31 RATED LISTED SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES

(a) **Nature of Security:**

Rated Listed Secured Redeemable Non-Convertible Debentures Rs. 30,000 lakhs (31 March 2020 - Rs. 50,000 lakhs) is secured by:

(i) First ranking pari-passu charge:

(a) over all the current and future immovable and movable assets of the Company, including land and buildings.

(b) pledge of fully paid up equity shares of subsidiary GRFL held by the Issuer.

(c) pledge of Compulsorily Convertible Preference Shares of Gateway Rail Freight Limited (GRFL) held by issuer.

(ii) Future Investments by the Company in any other form in GRFL.

(iii) Share Pledge of subsidiary Gateway East India Private Limited.

(iv) Negative Lien on Shares of subsidiaries Gateway Distriparks (Kerala) Limited

(v) Designated Accounts and the Designated Account Assets.

(b) **Terms of Repayment:**

Rate of interest	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Total
11.50%	1,500.00	4,000.00	4,500.00	4,500.00	4,500.00	5,500.00	24,500.00
11.25%	500.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	5,500.00
Total	**2,000.00**	**5,000.00**	**5,500.00**	**5,500.00**	**5,500.00**	**6,500.00**	**30,000.00**

(c) The Company has an obligation to redeem A-1, A-2 & A-3 series Non-Convertible debentures amounting to Rs. 27,000 lakhs on 7 April 2021. The Company has prematurely redeemed A-1 series debentures of Rs. 5,000 lakhs on 20 January 2020 from the proceeds of sale of shares of subsidiary Company 'Chandra CFS and Terminal Operators Private Limited'. Furthermore, the Company has redeemed A-1 series debentures of Rs. 6,000 lakhs on 21 May 2020, Rs. 2,500 lakhs on 25 June 2020 and Rs. 11,500 lakhs on 25 September 2020 out of income arising from dividend received from subsidiary company 'Gateway Rail Freight Limited' and proceeds from issue of equity shares on rights basis. The balance of A-2 & A-3 series Non-Convertible debentures amounting to Rs. 2,000 lakhs will be redeemed from internal accruals of the Company.

Note 32 SALE OF SUBSIDIARIES AND ASSOCIATE

(a) During financial year 2019-20, the Company has sold its entire shareholding in its wholly owned subsidiary 'Chandra CFS and Terminal Operators Private Limited' on 19 December 2019 to 'Team Global Logistics Private Limited' for a total consideration of Rs. 4,841.49 lakhs resulting into a profit of Rs. 808.39 lakhs, which is shown as exceptional item. Accordingly, Chandra CFS and Terminal Operators Private Limited has ceased to be Company's subsidiary from 19 December 2019.

(b) The Company is continuously exploring the possibilities of potential disinvestment of its entire shareholding in Snowman Logistics Limited (SLL) and accordingly, the Company has identified investment in SLL as "Non-current assets classified as Asset held for sale" in accordance with Ind AS 105 in the financial statements for the year ended 31 March 2021.

Note 33 Interest In Other Entities

(a) Subsidiaries

The group's subsidiaries as at 31 March 2021 are set out below.Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business / Country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interest		Principal activities
		31 March 2021	31 March 2020	31 March 2021	31 March 2020	
Gateway Rail Freight Limited (GRFL)	India	99.93%	99.93%	-	-	Inter modal container Logistics
Gateway East India Private Limited (GEIPL)	India	100%	100%	-	-	Inter modal container Logistics
Gateway Distriparks (Kerala) Limited (GDKL)	India	60%	60%	40%	40%	Inter modal container Logistics

(b) Interests in associates and joint ventures

Set out below are the associates and joint ventures of the group as at 31 March 2021 which, in the opinion of the directors, are material to the group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Place of business / Country of incorporation	Ownership interest held by the group	Relationship	Accounting Method	Quoted Fair Value		Carrying Amount	
					31 March 2021	31 March 2020	31 March 2021	31 March 2020
Snowman Logistics Limited (SLL)	India	40.25%	Associate	Equity Method	-	-	-	-
Container Gateway Limited (CGL)	India	51.00%	Joint Venture	Equity Method	-	-	-	-
Total Equity Accounting Investments					-	-	-	-

(1) Snowman Logistics Limited is in the business of cold chain and related logistics including storage facilities at cold stores and transportation of temperature controlled and ambient products on behalf of customers.

(2) Gateway Rail Freight Limited is in the business of inter modal container logistics.

(i) Commitments and contingent liabilities in respect of associates

	31 March 2021	31 March 2020
Associate		
Bank guarantees	44.50	24.00
Income tax matters (amount paid under protest Rs. Nil (31 March 2020 - Rs. Nil))	16.86	16.86
Wealth tax matters (amount paid under protest Rs. Nil (31 March 2020 - Rs. Nil))	3.02	3.02
Sales tax matters (amount paid under protest Rs. 8.42 lakhs (31 March 2020 - Rs. 8.42 lakhs))	8.42	37.08
Estimated amount of contracts remaining to be executed on capital account and not provided for	3,052.94	4.02

(ii) **Summarised financial information for associate**

The tables below provide summarised financial information for those joint ventures and associates that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not Gateway Distriparks Limited's share of those amounts.

Summarised Balance Sheet	Snowman Logistics Limited	
	31 March 2021	31 March 2020
Current assets including cash & cash equivalent	10,591.15	6,250.71
Non-current assets	56,011.87	57,915.72
Current liabilities	4,218.95	4,819.19
Non-current liabilities	20,474.27	17,378.31
Net assets	**41,909.80**	**41,968.93**

Reconciliation to carrying amounts

	Snowman Logistics Limited	
	31 March 2021	31 March 2020
Opening net assets	41,968.93	43,504.24
Profit / (Loss) for the year	6.00	(1,501.10)
Other comprehensive income	8.72	(34.21)
Closing net assets	41,983.65	41,968.93
Groups' share in %	40.25%	40.25%
Proportion of the groups ownership interest	16,898.42	16,892.49
Less: Adjustment on account of intercompany elimination	(107.57)	(107.57)
Less: Capital reserve	(2,757.19)	(2,757.19)
Add: Adjustment for loss not accounted on classification of asset held for sale (refer note 32(b))	63.65	69.58
Carrying amount	14,097.31	14,097.31

Summarised statement profit and loss

	Snowman Logistics Limited	
	31 March 2021	31 March 2020
Revenue	23,710.16	24,020.19
Interest income	*	*
Depreciation and amortisation	*	*
Interest expense	*	*
Income tax expenses	*	*
Profit / (Loss) for the year	6.00	(1,501.10)
Other comprehensive income	8.72	(34.21)
Total comprehensive income	14.72	(1,535.31)
Groups' share in %	40.25%	40.25%
Groups share of profit/(loss) (refer note 32(b))	-	(548.39)
Dividends received	-	-

* indicates disclosures that are not required for investments in associate.

Note 34 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
Parent								
Gateway Distriparks Limited								
31 March 2021	59.59%	88,511.11	112.42%	10,618.87	-21.75%	(4.86)	112.11%	10,614.01
31 March 2020	53.90%	71,562.52	55.78%	6,103.13	130.26%	(17.87)	59.14%	6,085.26
Subsidiaries (groups' share)								
Indian								
Gateway East India Private Limited								
31 March 2021	2.50%	3,709.09	3.23%	305.43	4.16%	0.93	3.24%	306.36
31 March 2020	3.16%	4,199.76	2.06%	225.00	16.04%	(2.20)	2.17%	222.80
Chandra CFS and Terminal Operators Private Limited								
31 March 2021	-	-	-	-	-	-	-	-
31 March 2020	-	-	0.25%	27.03	6.13%	(0.84)	0.25%	26.19
Gateway Distriparks (Kerala) Limited								
31 March 2021	0.98%	1,459.96	0.05%	4.86	2.46%	0.55	0.06%	5.41
31 March 2020	1.10%	1,454.51	1.13%	123.85	7.43%	(1.02)	1.19%	122.83
Gateway Rail Freight Limited								
31 March 2021	47.09%	69,935.29	124.68%	11,776.96	113.38%	25.33	124.66%	11,802.29
31 March 2020	52.88%	70,192.26	83.36%	9,119.42	-64.76%	8.88	88.71%	9,128.30
Non-controlling interests in all subsidiaries								
31 March 2021	0.72%	1,076.73	0.13%	12.04	1.75%	0.39	0.13%	12.43
31 March 2020	0.80%	1,064.30	0.82%	89.38	4.88%	(0.67)	0.86%	88.71
Associate (Investment as per equity method)								
Indian								
Snowman Logistics Limited (Classified as asset held for sale, refer note 32(b))								
31 March 2021	9.49%	14,097.31	0.00%	-	0.00%	-	0.00%	-
31 March 2020	10.62%	14,097.31	-5.01%	(548.39)	0.00%	-	-5.33%	(548.39)
Total								
31 March 2021	120.37%	1,78,789.49	240.52%	22,718.16	100.00%	22.34	240.19%	22,740.50
31 March 2020	122.48%	1,62,570.66	138.41%	15,139.42	100.00%	(13.72)	147.01%	15,125.70
Adjustments on consolidation								
31 March 2021	-20.37%	(30,260.89)	-140.52%	(13,272.67)	-	-	-140.19%	(13,272.67)
31 March 2020	-22.48%	(29,835.47)	-38.41%	(4,747.43)	-	-	-47.01%	(4,747.43)
Net Total								
31 March 2021	100.00%	1,48,528.60	100.00%	9,445.49	100.00%	22.34	100.00%	9,467.83
31 March 2020	100.00%	1,32,735.19	100.00%	10,391.99	100.00%	(13.72)	100.00%	10,378.27





Note 35 Leases:

The Company has lease contracts for various items of Rakes, Land, Buildings, Operations and Maintenance of Container Freight Station and Terminal in its operations. Leases of Rakes generally have lease terms between 6 and 12 years, Operations and Maintenance of Container Freight Station have lease term of 15 years, while Land, Building and Terminal generally have lease terms between 3 and 60 years.

The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Lease liabilities and Right-of-Use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Rakes	Land	Building	Operations and Maintenance of Container Freight Station	Terminal	Total
As at 01 April 2019	4,779.02	9,527.43	-	5,144.16	979.16	20,429.77
Addition	3,306.54	40.04	959.76	-	-	4,306.34
Depreciation expense	1,017.32	803.03	17.58	1,815.59	356.06	4,009.58
As at 31 March 2020	**7,068.24**	**8,764.44**	**942.18**	**3,328.57**	**623.10**	**20,726.53**
Addition	-	40.81	-	-	-	40.81
Depreciation expense	1,122.27	818.85	106.64	1,815.59	356.06	4,219.41
As at 31 March 2021	**5,945.97**	**7,986.40**	**835.54**	**1,512.98**	**267.04**	**16,547.93**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	31 March 2021	31 March 2020
As at 01 April	18,643.31	17,049.67
Addition	-	4,306.37
Accretion of interest	1,606.08	1,690.14
Payment of lease liabilities	4,907.34	4,402.87
As at 31 March	**15,342.05**	**18,643.31**
Current	3,626.00	3,572.79
Non-current	11,716.05	15,070.52

The maturity analysis of lease liabilities are disclosed in Note 21.

The weighted average incremental borrowing rate of 8.95% to 10.25% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 on an undiscounted basis:

Particulars	31 March 2021	31 March 2021
Less than one year	4,529.88	4,903.02
One to five years	9,568.83	12,073.50
More than five years	8,673.43	10,780.57
Total	22,772.14	27,757.09

The following are the amounts recognised in profit or loss:

Particulars	31 March 2021	31 March 2020
Depreciation expense of right-of-use assets	4,219.41	4,009.58
Interest expense on lease liabilities	1,606.08	1,690.14
Expense relating to short-term and low value leases (included in other expenses)	61.33	132.29
Expense relating to short-term and low value leases (included in operating expenses)	45.47	84.13
Total amount recognised in profit or loss	**5,932.29**	**5,916.14**

The Company had total cash outflows for leases of Rs. 4,907.34 lakhs in 31 March 2021 (31 March 2020 - Rs. 4,402.87 lakhs).





GATEWAY DISTRIPARKS LIMITED
Notes annexed to and forming part of the Consolidated Financial Statements for the year ended 31 March 2021
(All amounts in Indian Rupees lakhs, unless otherwise stated)

Note 36 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

The Micro, Small and Medium Enterprises have been identified by the Group from the available information, which has been relied upon by the auditors. According to such identification, the disclosures as per Section 22 of 'The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006' are as follows:

	31-March-2021	31-March-2020
i) The principal amount and the interest due thereon remaining unpaid to any supplier		
- Principal amount	573.47	76.64
- Interest thereon	Nil	Nil
ii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day.	Nil	Nil
iii) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act.	Nil	Nil
iv) The amount of interest accrued and remaining unpaid.	Nil	Nil
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor.	Nil	Nil

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Group regarding the status of suppliers under the MSMED.

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Note 37 On account of COVID-19 pandemic, nationwide lockdown was imposed by Government of India effective 24 March 2020 which extended for a couple of months in varied parts of the country and in varied forms. At the time of finalisation of these Ind AS consolidated financial statements the severity of the pandemic is peaking day by day across the country and on account of which various state Governments have started imposing lockdown like restrictions in various parts of the country. Consequent to these uncertainties caused due to continuation of pandemic, the Group has done a detailed assessment for carrying amount of financial and non-financial assets and does not anticipate any impairment to these assets. Also, the management does not see any risks in the Group's ability to continue as a going concern and meeting its liabilities as and when they fall due. The situation though is changing rapidly and giving rise to inherent uncertainty around the extent and timing of the potential future spread of COVID-19 and due to which the Group will continue to closely monitor any material changes to future economic conditions, if any. Considering that the Group is in the business of providing inter modal logistics services, operating Container Freight Station (CFS) / Inland Container Depot (ICD) and temperature-controlled warehousing storage services which is considered under essential services, the management believes that the impact of this outbreak on the business and financial position of the Group will not be significant.

Note 38 The Board of Directors of the Company at their meeting held on 20 August 2020 approved the allotment on rights basis of 1,61,07,859 equity shares of face value Rs. 10 each at a premium of Rs. 62 per equity share, aggregating to Rs. 11,597.65 lakhs, including share premium Rs. 9,986.88 lakhs. The rights entitlement ratio is 4:27 i.e. 4 rights equity shares for every 27 equity shares held by eligible equity shareholders of the Company as on the record date 24 July 2020. The rights issue opened for subscription on 30 July 2020 and closed on 13 August 2020. After the Rights issue, the issued, subscribed and paid-up capital increased to 12,48,35,908 equity shares of face value of Rs. 10 each.

Particulars	Amount
Gross proceeds from the issue	11,597.65
Less: Issue related expenses	269.64
Net proceeds	11,328.01
Utilisation of net proceeds	
Prepayment in full of A-1 series debentures	11,328.01

Note 39 The Board of Directors of the Company and its subsidiaries at their respective meeting held on 28 September 2020 had approved a composite scheme of amalgamation under Sections 230 to 232 read with other applicable provisions of the Companies Act 2013, involving amalgamation of Gateway East India Private Limited ('subsidiary company') with Gateway Distriparks Limited and post the aforesaid amalgamation, Gateway Distriparks Limited would amalgamate into Gateway Rail Freight Limited ('subsidiary company'). The Company has filed the requisite documents with NCLT, Mumbai after taking necessary approval from BSE / NSE. The matter is pending for hearing before NCLT, Mumbai.

Note 40 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 41 The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 27 April 2021

For and on behalf of the Board of Directors
Gateway Distriparks Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN: 00011670
Place: New Delhi
Date: 27 April 2021

Arun Kumar Gupta
Director
DIN: 06571270
Place: New Delhi
Date: 27 April 2021

Sandeep Kumar Shaw
Chief Financial Officer
PAN No.: AJRPS0674C
Place: Ghaziabad
Date: 27 April 2021

Veena Nair
Company Secretary
Membership No.: A12635
Place: Mumbai
Date: 27 April 2021

S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of Gateway Distriparks Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Gateway Distriparks Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2021, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 financial statements under the provisions of the Act 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 audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter – Impact of outbreak of Coronavirus (Covid-19)

We draw your attention to Note 33 to the accompanying standalone Ind AS financial statements, which describes the management's assessment of the impact of the uncertainties related to outbreak of COVID-19 on the future business operations of the Company.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	**How our audit addressed the key audit matter**
Litigation, arbitrations, claims and other contingencies *(as described in note 24 of the standalone Ind AS financial statements)*	
As of March 31, 2021, the Company has disclosed contingent liabilities of Rs. 12,652.34 lakhs relating to tax and legal claims. Taxation, arbitration and litigation exposures have been identified as a key audit matter due to the large number of complex tax and legal claims across the Company. Due to complexity of cases, timescales for resolution and need to negotiate with various authorities, there is significant judgement required by management in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed in the standalone Ind AS financial statements. Accordingly, claims, litigations, arbitrations and contingent liabilities was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.	Our audit procedures, among others included the following: • Obtained an understanding of the process of identification of claims, litigations, arbitrations and contingent liabilities, and evaluated the design and tested the operating effectiveness of key controls. • Obtained the legal and tax cases summary and assessed management's position through discussions with the legal head, tax head and management, on both the probability of success in significant cases, and the magnitude of any potential loss. • Obtained external confirmation from relevant third-party legal counsel and conducted discussions with them regarding material cases. Evaluated the objectivity, independence, competence and relevant experience of third-party legal counsel. • Obtained external legal opinions and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. • Involved our tax specialists to assess management's application and interpretation of tax legislation affecting the Company, and to consider the quantification of exposures and settlements arising from disputes with tax authorities. • Assessed the adequacy of the disclosures in the standalone financial statements with regard to the facts and circumstances of the legal and litigation matters.
Revenue recognition *(as described in note 1(f) and note 13 of the standalone Ind AS financial statements)*	
For the year ended March 31, 2021, the Company has recognized revenue from operations of Rs. 31,926.48 lakhs.	Our audit procedures, among others included the following:



Key audit matters	How our audit addressed the key audit matter
Revenue from rendering of container handling services is recognized based on the container handled and accrued with reference to the throughput handled and the terms of agreements for such service where the recovery of consideration is probable. The tariff applied is the rate agreed with customers or estimated by management based on the latest terms of the agreement or latest negotiation with customers and other industry considerations. Due to the large variety and complexity of contractual terms, as well as ongoing negotiations with customers, significant judgements are required to estimate the tariff rates applied. If the actual rate differs from the estimated rate applied, this will have an impact on the accuracy of revenue recognized in the current year and accrued as at year end. Revenue is also an important element of how the Company measures its performance, upon which the management is incentivized. The Company focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before meeting the requirement of revenue recognition under Ind AS 115. Accordingly, due to significant risk associated with revenue recognition, it was determined to be a key audit matter in our audit of the Standalone Ind AS financial statement.	• Assessed the Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers' • Understood, evaluated the design and tested the operating effectiveness of key controls related to revenue recognition. • Selected and tested samples of individual sales transaction and traced to sales invoices, customer agreements and other related documents to assess that the revenue has been recognized as per the tariff agreed/latest correspondence with the customer. • Tested samples of sales transactions made pre and post-year end and compared the period of revenue recognition to supporting documentation to ensure that sales and corresponding trade receivables are properly recorded in the correct period. • Verified the bank advices and credit notes on a sample basis for the net settlement and reviewed aged items for any disputed amounts. • Assessed the Company's revenue recognition accounting policies including those related to discounts and rebates and ensured that same are in compliance with Ind AS. • Tested underlying documentation for journal entries which were considered to be material related to revenue recognition.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 standalone Ind AS 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 Ind AS 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS 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.

- 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 the Statement of 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;



(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) 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, as amended 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 its standalone Ind AS financial statements – Refer Note 24 to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005





per Vishal Sharma
Partner
Membership Number: 96766
UDIN: 21096766AAAAKL2629
Place of Signature: Faridabad
Date: April 27, 2021

Annexure 1 referred to in paragraph 1 under the heading 'Report on other legal and regulatory requirements' of our report of even date

Re: Gateway Distriparks Limited ('the Company')

i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b. Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

c. According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company except for the following which are not held in name of the Company.

(Fig. in Lakhs)

Particular	Freehold Land	Building
Gross Block as at March 31, 2021	110.17	2,259.40
Net Block as at March 31, 2021	110.17	1,010.54

Further, title deeds in respect of one freehold land having gross and net book value of Rs. 1,574.38 lakhs and building having gross book value of Rs. 7,847.96 lakhs and net book value of Rs. 6,924.43 lakhs included in plant, property and equipment are pledged with HDFC and Beacon Trusteeship Limited and are not available with the Company.

ii. The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

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 in respect of the investments made and guarantees provided by it. The Company has not granted any loan or provided any security to the parties covered under Section 185 and 186.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

vii. a. Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to duty of excise are not applicable to the Company.



b. According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise are not applicable to the Company.

c. According to the records of the Company, the dues of service tax and income tax on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994	Service Tax	90.42	April 1, 2008 to September 30, 2008	Commissioner of Central Excise, Customs and Service Tax
The Finance Act, 1994	Service Tax	382.32	2005-2006 to 2011-2012	Custom, Excise and Service Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2,697.20	2007-08	High Court, Bombay
Income Tax Act, 1961	Income Tax	3,109.75	2008-09	High Court, Bombay
Income Tax Act, 1961	Income Tax	1,929.51	2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	42.87	2015-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2,203.88	2016-17	Deputy Commissioner of Income Tax

According to information and explanation given to us, there are no dues of sales-tax, value added tax, duty of customs, goods and service tax and cess which have not been deposited on account of any dispute. The provisions relating to duty of excise are not applicable to the Company.

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or dues to debenture holders. No loan or borrowings is due from government.

ix. In our opinion and according to the information and explanations given by the management and audit procedures performed by us, the Company has utilized the monies raised by way of further public offer and term loans for the purposes for which they were raised. No monies raised by way of initial public offer or debt instruments.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

xi. According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.



xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

xv. According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005





per Vishal Sharma
Partner
Membership Number: 96766
UDIN: 21096766AAAAKL2629
Place of Signature: Faridabad
Date: April 27, 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GATEWAY DISTRIPARKS LIMITED

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

We have audited the internal financial controls over financial reporting of Gateway Distriparks Limited ("the Company") as of March 31, 2021 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 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. 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 over financial reporting with reference to these standalone 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 judgement, 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 internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting with reference to these standalone financial statements process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting with reference to these standalone financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone 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 over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone 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, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005





per Vishal Sharma
Partner
Membership Number: 96766
UDIN: 21096766AAAAKL2629
Place of Signature: Faridabad
Date: April 27, 2021

GATEWAY DISTRIPARKS LIMITED
Standalone Balance Sheet as at 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	15,673.41	17,779.40
Capital work in progress	3	1,762.83	-
Right-of-use assets	29	3,170.60	5,030.90
Equity investments in subsidiaries	4(a)	23,455.92	23,455.92
Financial assets			
i. Investments	4(b)	73,001.40	72,852.88
ii. Other financial assets	4(c)	1,263.00	1,989.05
Income tax assets (net)	12(f)	1,542.10	1,698.10
Deferred tax assets (net)	12(d)	81.39	-
Other non-current assets	5(a)	419.71	419.71
Total non-current assets		**1,20,370.36**	**1,23,225.96**
Current assets			
Contract assets	4(d),13	364.99	662.72
Financial assets			
i. Trade receivables	4(d)	2,582.28	2,621.85
ii. Cash and cash equivalents	4(e)	637.17	100.85
iii. Bank balances other than (ii) above	4(f)	2,115.70	72.55
iv. Other financial assets	4(c)	3.88	-
Other current assets	5(a)	445.96	203.79
Total current assets		**6,149.98**	**3,661.76**
Non current assets classified as asset held for sale	5(b)	10,416.99	10,416.99
Total assets		**1,36,937.33**	**1,37,304.71**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6(a)	12,483.59	10,872.80
Other equity			
Reserves and Surplus	6(b)	76,027.53	60,689.71
Total equity		**88,511.12**	**71,562.51**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	7(a)	31,956.13	53,426.62
ii. Lease liabilities	29	-	1,521.95
Provisions	8	132.65	132.65
Employee benefit obligations	10	444.39	374.00
Government grants (EPCG)	11	36.30	88.03
Total non-current liabilities		**32,569.47**	**55,543.25**
Current liabilities			
Contract liabilities	7(e)	195.73	81.04
Financial liabilities			
i. Borrowings	7(b)	3,165.14	1,362.97
ii. Lease liabilities	29	1,517.61	1,588.71
iii. Trade payables			
-total outstanding dues of micro and small enterprises	7(c)	456.10	46.61
-total outstanding dues other than micro and small enterprises	7(c)	2,999.96	3,955.48
iv. Other financial liabilities	7(d)	5,879.76	2,318.83
Employee benefit obligations	10	1,113.54	612.53
Government grants (EPCG)	11	51.82	51.82
Other current liabilities	9	205.12	180.96
Income tax liabilities (net)	12(f)	271.96	-
Total current liabilities		**15,856.74**	**10,198.95**
Total liabilities		**48,426.21**	**65,742.20**
Total equities and liabilities		**1,36,937.33**	**1,37,304.71**

The above balance sheet should be read in conjunction with the accompanying notes
As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 27 April 2021

For and on behalf of the Board of Directors
Gateway Distriparks Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN: 00011670
Place: New Delhi
Date: 27 April 2021

Arun Kumar Gupta
Director
DIN: 06571270
Place: New Delhi
Date: 27 April 2021

Sandeep Kumar Shaw
Chief Financial Officer
PAN No.: AJRPS0674C
Place: Ghaziabad
Date: 27 April 2021

Veena Nair
Company Secretary
Membership No.: A12635
Place: Mumbai
Date: 27 April 2021

GATEWAY DISTRIPARKS LIMITED

Standalone Statement of Profit and Loss for the year ended 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

		Notes	Year ended 31 March, 2021	Year ended 31 March, 2020
1	**Income**			
	Revenue from operations	13	31,926.48	36,968.82
	Other income	14	13,359.26	5,667.14
	Total Income		**45,285.74**	**42,635.96**
2	**Expenses**			
	Operating expenses	15	17,456.65	18,983.90
	Employee benefits expense	16	2,857.24	2,212.23
	Depreciation and amortisation expense	17	3,983.66	4,247.08
	Other expenses	18	3,270.03	3,749.46
	Finance costs	19	5,300.46	7,424.70
	Total expenses		**32,868.04**	**36,617.37**
3	**Profit before exceptional items and tax (1-2)**		**12,417.70**	**6,018.59**
4	Exceptional items	28(a)	-	217.18
5	**Profit before tax (3+4)**		**12,417.70**	**6,235.77**
6	**Income tax expense**			
	-Current tax	12(a)	1,930.00	650.00
	-Current tax adjustment for earlier year		(51.42)	-
	-Deferred tax	12(a)	(79.76)	(517.35)
	Total tax expense		**1,798.82**	**132.65**
7	**Profit for the year (5-6)**		**10,618.88**	**6,103.12**
8	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurement of post-employment benefit obligations	10	(6.49)	(23.88)
	Income tax relating to the above	12(a)	1.63	6.01
	Other comprehensive income for the year, net of tax		**(4.86)**	**(17.87)**
9	**Total comprehensive income for the year (7+8)**		**10,614.02**	**6,085.25**
	Earnings per equity share [Face Value INR 10 per Share (31 March 2020: INR 10 per Share)]			
10	**Basic/ Diluted earnings per share**	30	8.96	5.61

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 27 April 2021

For and on behalf of the Board of Directors
Gateway Distriparks Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN: 00011670
Place: New Delhi
Date: 27 April 2021

Arun Kumar Gupta
Director
DIN: 06571270
Place: New Delhi
Date: 27 April 2021

Sandeep Kumar Shaw
Chief Financial Officer
PAN No.: AJRPS0674C
Place: Ghaziabad
Date: 27 April 2021

Veena Nair
Company Secretary
Membership No.: A12635
Place: Mumbai
Date: 27 April 2021

GATEWAY DISTRIPARKS LIMITED
Standalone Statement of Cash flow for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

	Notes	Year ended 31 March, 2021	Year ended 31 March 2020
A. Cash flow from operating activities			
Profit before tax		12,417.70	6,235.77
Adjustments to reconcile profit before tax to net cash flows:			
Add:			
Depreciation of property, plant and equipment and right-of-use assets	17	3,983.66	4,247.08
Finance costs	19	5,300.46	7,424.70
Loss/(gain) on sale/ disposal of property, plant and equipment's	14 & 18	(19.00)	36.39
Write back of provision for doubtful debts no longer required (net)	14 & 18	(65.39)	(19.26)
Interest income on fixed deposits with banks & others	14	(149.40)	(157.64)
Exceptional item	28(a)	-	(217.18)
Dividend received from Subsidiary Company	14	(12,878.70)	(4,909.95)
Liabilities/ provisions no longer required written back	14	(6.11)	(116.73)
Net gain on redemption of investments	14	-	(295.53)
Net loss on financial asset measured at FVPL	14	-	137.00
Government grant (EPCG) amortisation	14	(52.53)	(51.82)
Premium receivable on redemption and unwinding of discount on investments measured at amortized cost	14	(148.52)	(139.46)
Working capital adjustments			
(Increase)/decrease in contract assets		297.73	(204.77)
(Increase)/decrease in trade receivables		104.96	980.09
(Increase)/decrease in other financial assets		(1,409.72)	(341.60)
(Increase)/decrease in other non-current assets		-	(130.83)
(Increase)/decrease in other current assets		(242.17)	363.31
(Increase)/decrease in contract liabilities		114.69	(30.66)
Increase/(decrease) in trade payables		(539.93)	1,362.78
Increase/(decrease) in other financial liabilities		(40.43)	10.26
Increase/(decrease) in employee benefit obligations		564.91	15.79
Increase/(decrease) in other current liabilities		24.16	(98.48)
Increase/(decrease) in provisions		0.00	(23.40)
Cash generated from operations		**7,256.37**	**14,075.86**
Income taxes paid	12(a) & 12(f)	(1,450.63)	(2,324.76)
Net cash flow from operating activities [A]		**5,805.74**	**11,751.10**
B. Cash flow from investing activities			
Purchase of property, plant and equipment		(41.69)	(46.17)
Proceeds from sale of property, plant and equipment		19.00	0.20
Proceeds from sale of equity investments in subsidiary company		-	4,725.63
Proceeds from sale of current investments		-	8,332.68
Purchase of current investments		-	(6,420.00)
Interest received		219.29	45.43
Dividend received from subsidiary company	14	12,878.70	4,909.95
Net cash flow from investing activities [B]		**13,075.30**	**11,547.72**
C. Cash flow from financing activities			
Proceeds from rights issue		11,328.02	-
Repayment of borrowings		(19,652.01)	(7,562.04)
Proceeds from borrowings		2,500.00	-
Payment towards principal portion of lease liabilities		(1,593.04)	(1,353.50)
Interest payment on lease liabilities		(273.59)	(399.54)
Dividend paid to equity holders	6(b)(v)	(4,993.44)	(9,785.52)
Interest paid		(4,962.83)	(6,938.97)
Net cash used in financing activities [C]		**(17,646.89)**	**(26,039.57)**
Net increase/ (decrease) in cash and cash equivalents [A+B+C]		1,234.15	(2,740.75)
Cash and cash equivalents at the beginning of the financial year	4(e) & 7(b)	(1,262.12)	1,478.63
Cash and cash equivalents at the end of the year	4(e) & 7(b)	(27.97)	(1,262.12)



GATEWAY DISTRIPARKS LIMITED
Standalone Statement of Cash flow for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

Reconciliation of Cash and Cash Equivalents as per Statement of Cash Flow		Year ended 31 March, 2021	Year ended 31 March 2020
Cash Flow statement as per above comprises of the following			
Cash and cash equivalents	4(e)	637.17	100.85
Bank overdrafts	7(b)	(665.14)	(1,362.97)
Balances as per statement of cash flows		**(27.97)**	**(1,262.12)**

The above statement of cash flows should be read in conjunction with the accompanying notes
As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 27 April 2021

For and on behalf of the Board of Directors
Gateway Distriparks Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN: 00011670
Place: New Delhi
Date: 27 April 2021

Arun Kumar Gupta
Director
DIN: 06571270
Place: New Delhi
Date: 27 April 2021

Sandeep Kumar Shaw
Chief Financial Officer
PAN No.: AJRPS0674C
Place: Ghaziabad
Date: 27 April 2021

Veena Nair
Company Secretary
Membership No.: A12635
Place: Mumbai
Date: 27 April 2021

(A) Equity share capital

Equity shares of INR 10 each issued, subscribed and fully paid

	Notes	Number of shares	Amount
As at 1 April 2019	6(a)	1,087.28	10,872.80
Changes in equity share capital		-	-
As at 31 March 2020	6(a)	1,087.28	10,872.80
Changes in equity share capital		161.08	1,610.79
As at 31 March 2021	6(a)	1,248.36	12,483.59

(B) Other equity

		Reserves and Surplus					
	Notes	Securities Premium Reserve	Capital Redemption Reserve	General Reserves	Debenture Redemption Reserve	Retained Earnings	Total Other Equity
Balance as at 1 April 2019	6(b)	34,249.18	788.34	4,900.20	55.00	24,397.26	64,389.98
Profit for the year		-	-	-	-	6,103.12	6,103.12
Other Comprehensive Income, net of tax		-	-	-	-	(17.87)	(17.87)
Total comprehensive income for the year		-	-	-	-	6,085.25	6,085.25
Dividend paid		-	-	-	-	9,785.52	9,785.52
Balance as at 31 March 2020	6(b)	34,249.18	788.34	4,900.20	55.00	20,696.99	60,689.71
Balance as at 1 April 2020		34,249.18	788.34	4,900.20	55.00	20,696.99	60,689.71
Issue of equity shares	34	9,986.88	-	-	-	-	9,986.88
Transaction cost arising on shares issues	34	(269.64)	-	-	-	-	(269.64)
Profit for the year		-	-	-	-	10,618.88	10,618.88
Other Comprehensive Income, net of tax		-	-	-	-	(4.86)	(4.86)
Total comprehensive income for the year		-	-	-	-	10,614.02	10,614.02
Dividend paid		-	-	-	-	4,993.44	4,993.44
Balance as at 31 March 2021	6(b)	43,966.42	788.34	4,900.20	55.00	26,317.57	76,027.53

The above statement of change in equity should be read in conjunction with the accompanying notes

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 27 April 2021

For and on behalf of the Board of Directors
Gateway Distriparks Limited

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Chairman and Managing Director
DIN: 00011670
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Chief Financial Officer
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Place: Ghaziabad
Date: 27 April 2021

Veena Nair
Company Secretary
Membership No.: A12635
Place: Mumbai
Date: 27 April 2021

Background

Gateway Distriparks Limited (the 'Company') is engaged in business of Inter-Modal Container Logistics. The Company was incorporated on 6 April, 1994. The registered office of the Company is located at Sector - 6, Dronagiri, Taluka - Uran, District Raigad, Navi Mumbai - 400 707.

The Company's equity shares are listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange (NSE). The Company's primary business is to operate Container Freight Stations ("CFS"), which are facilities set up for the purpose of in-transit container handling, examination, assessment of cargo with respect to regulatory clearances, both import and export. The Company started operations with a CFS at the Country's premier container port of Jawaharlal Nehru Port Trust (JNPT). Since 1 February, 2007, the Company has been the Operations and Management Operator of Punjab Conware's CFS, which is also located at JNPT, for 15 years. The Company acquired a CFS at Chennai after amalgamation of its wholly owned subsidiary Gateway Distriparks (South) Private Limited with effect from 1 April, 2014. The Company had set up a CFS & warehouse facilities at Krishnapatnam in Andhra Pradesh in year ended March 2017. These CFS provide common user facilities offering services for Container Handling, Transport and Storage of import / export laden and empty containers and cargo carried under customs control.

The standalone financial statements were approved for issue in accordance with a resolution of the directors on 27 April 2021.

1 SIGNIFICANT ACCOUNTING POLICIES:

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation:

(i) Compliance With Ind AS

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following.

-- Certain financial instruments that are measured at fair value;
-- Define benefit plan-plan assets measured at fair value; and
-- Assets held for sale-measured at lower of carrying value and fair value less cost to sell.

(iii) Current and non-current classification

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

An asset is treated as current when it is:

a. Expected to be realised or intended to be sold or consumed in normal operating cycle
b. Held primarily for the purpose of trading.
c. Expected to be realised within twelve months after the reporting period, or
d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

a. It is expected to be settled in normal operating cycle
b. It is held primarily for the purpose of trading
c. It is due to be settled within twelve months after the reporting period, or
d. 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



Financial Guarantee Contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs, because the specified debtor fails to make a payment when due, in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109, and the amount recognised less cumulative amortisation.

(b) Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, joint ventures and associates are recognised at cost as per Ind AS 27 in these separate financial statements.

(c) Investment in Compound Financial Instruments issued by subsidiaries and joint ventures

Company considers issuance of non-market rate redeemable preference shares by subsidiary and joint venture as compound instrument comprising a loan with market terms and a capital injection and hence treat the difference between the cash paid and fair value on initial recognition as an addition to the investment in the subsidiary or joint venture and presented separately as 'Equity component of Zero Coupon Redeemable Preference Shares' under 'Non-Current Investments'. Equity Component is not subsequent remeasured.

(d) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman and Managing Director of the Company. The Company has identified one reportable segment "Container Freight Station" i.e. based on the information reviewed by CODM. Refer note 23 for segment information presented.

(e) Foreign currency translation:

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing on the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance cost. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation difference on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non- monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in statement of profit and loss as part of the fair value gain or loss and translation differences on non-monetary assets such as: equity investments classified as FVOCI are recognised in other comprehensive income.

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

- Long Term foreign currency monetary item taken up to 31 March 2016 on depreciable assets:

Foreign exchange difference on account of long term foreign currency loan on a depreciable asset, are adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset.

- Long Term foreign currency monetary item taken after 01 April 2016 on depreciable assets:

Foreign exchange difference on account of a depreciable assets, are included in the Statement of profit and Loss.

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





(f) Revenue Recognition.

The Company is principally engaged in a single segment viz. Inter-Modal Container Logistics, based on the nature of services, risks, returns and the internal business reporting system.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer
- Identify the performance obligations
- Determine the transaction price
- Allocate the transaction price to the performance obligations
- Recognise revenue when or as an entity satisfies performance obligation

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services, because it typically controls the services before transferring them to the customer.

Revenue excludes amounts collected on behalf of third parties.

Rendering of services :

(i) 'Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

(ii) The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefit will flow to the entity and specific criteria have been met for each of the Company activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(iii) Income from Container handling, storage and transportation are recognised on proportionate completion of the movement and delivery of goods to the party/designated place.

(iv) Income from Ground Rent is recognised for the period the container is lying in the Container Freight Station. However, in case of long standing containers, the income from Ground Rent is not accrued for a period beyond 60 days as on the basis of past history the collectability is not reasonably assured.

(v) Income from auction sales is recognised when the Company auctions long-standing cargo that has not been cleared by customs. Revenue and expenses for Auction sales are recognised when auction is completed after obtaining necessary approvals from appropriate authorities. Auction sales include recovery of the cost incurred in conducting auctions, accrued ground rent and handling charges relating to long-standing cargo. Surplus, out of auctions, if any, after meeting all expenses and the actual ground rent, is credited to a separate account 'Auction Surplus' and is shown under the head 'Contract Liabilities'. Unclaimed Auction Surplus, if any, in excess of period specified under the Limitations Act is written back as 'Income' in the following financial year.

Variable consideration

If the consideration in a contract includes a variable amount, estimates the amount of consideration to which it will be entitled in exchange for transferring the service to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company recognizes changes in the estimated amount of variable consideration in the period in which the change occurs. Some contracts for the sale of service provide customers with volume rebates and pricing incentives, which give rise to variable consideration.

The Company provides retrospective volume rebates and pricing incentives to certain customers once the number of cargo imported/ handled during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.





Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section financial instruments - initial recognition and subsequent measurement.

Contract assets

A contract asset is initially recognised for revenue earned from services because the receipt of consideration is conditional on successful completion of the service. Upon completion of the services and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets and contract assets in section I(iii).

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Cost to obtain a contract

The Company pays sales commission to its selling agents for each contract that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in advertisement and sales promotion expense under other expenses) because the amortization period of the asset that the Company otherwise would have used is one year or less.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

Critical judgements

The Company's contracts with customers include promises to transfer service to the customers. Judgement is 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 schemes, incentives, cash discounts, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

Costs to obtain a contract are generally expensed as incurred. 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.

Other revenue streams

Export Benefits

Export Entitlements in the form of Service Exports from India Scheme (SEIS) and other schemes are recognized in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Dividend

Revenue is recognised when the Company's right to receive the payment is established.

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

(g) Income Tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period where the Company generate taxable income. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

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.

Deferred income tax is not recognised on initial recognition as well as on the impairment of goodwill which is not deductible for tax purposes or on the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit (tax loss).

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Current and deferred tax is recognised in Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.





i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are amortised over the shorter of the lease term and the estimated useful lives of the assets.
If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.
In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii)Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

"Lease Liabilities" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(i) Impairment of assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

(j) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdraft. Bank overdraft are shown within borrowing in current liabilities in the balance sheet.

(k) Trade Receivables

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

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:
(i)In the principal market for the asset or liability, or
(ii)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.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(l) Investments and other financial assets

(i) Classification

The Company classifies financial assets in the following measurement categories:
-- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss and

-- those measured at amortised cost.
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.
For the assets measured at fair value, gain and losses will either be recorded in statement of profit and loss or other comprehensive income. For investment in debt instrument, this will depends on the business model in which the investment is held.
The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial assets at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition to the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are recognised immediately in statement of profit and loss.




Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

1. Amortised Cost: Assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

2. Fair value through other comprehensive income (FVOCI): Assets that are held for the collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss. Interest income from these financial assets is included in finance income using the effective interest rate method.

3. Fair Value through profit or loss (FVPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured as fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Dividend income from these financial assets is included in other income.

(iii) Impairment of financial assets and contract assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial assets.

In accordance with Ind AS 109, the Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVTOCI debt instruments. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.
ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).
The Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.
The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(iv) Derecognition of financial assets

A financial assets is derecognised only when
-- The Company has transferred the right to receive cash flows from the financial assets or
-- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.





(v) Income recognition

(i) Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate.

(ii) Dividend: Dividend income is recognised when the right to receive dividend is established.

(m) Financial Liabilities

(i) Classification

The Company classifies its financial liabilities in the following measurement categories:
'-- those to be measured subsequently at fair value through the Statement of Profit and Loss, and
'-- those measured at amortised cost

(ii) Measurement

1. Financial liabilities at amortised cost- Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost.

2. Financial liabilities at fair value through profit and loss- Financial liabilities at fair value through profit and loss are measured at fair value with all changes recognized in the statement of profit and loss.

(iii) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of profit and loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

(n) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(o) Property, Plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and cost can be measured reliably. The carrying amount of any component accounted for as a separate assets is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred. The management review the useful life of the assets at each reporting date.

On transition to Ind AS, the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Depreciation methods, estimated useful lives and residual value

Depreciation on additions/ deletions to Tangible and Intangible Assets is calculated on pro-rata basis from the month of such additions/ deletions. The Company provides depreciation on straight-line method at the rates specified under Schedule II to the Companies Act, 2013, except for:

- Reach Stackers and forklifts (included in Other Equipment's) are depreciated over a period of ten years, based on the technical evaluation;

- Additions/ construction of Building, Electrical Installations, Furniture and Fixtures and Office Equipment's at Punjab Conware CFS is being amortised over the balance period of the Operations and Management Agreement of the CFS with effect from 1 July, 2007;

- Assets individually costing less than INR 5,000 are fully depreciated in the year of acquisition/ construction.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

(p) Intangible Assets

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. Intangible assets of the Company consist of computer software and is amortised under straight line method over a period of three years.

(q) Trade and other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using effective interest method.

(r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of the zero coupon redeemable preference shares is determined using a market rate for an equivalent instrument. This amount is recorded as liability on amortised cost basis until extinguished on redemption of preference shares. The reminder of the proceeds is attributable to the equity portion of the compound instrument. This is recognized and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(s) Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.





(t) Provisions:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provision are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(u) Employee Benefits:

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in Statement of profit and loss in respect of employees service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the repotting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(iii) Post employment obligations

The Company operates the following post-employment schemes:
1.) Defined benefit plans such as gratuity; and
2.) Defined contribution plans such as provident fund.

Gratuity Obligations

The liability recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflow by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of defined benefit obligations and fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustment and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

Defined Contribution Plans

The Company pays provident fund contribution to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

(iv) Bonus Plan

The Company recognise the liability and an expenses for bonus. The Company recognise a provision where contractually obliged or where there is a past practice that has created a constructive obligation.



(v) **Earnings per Share:**

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

1) The profit attributable to the owner of the Company

2) by the weighted average number of equity share outstanding during the financial year, adjusted for bonus elements in equity shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figure used in the determination of basis earnings per share to take into account:

1) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

2) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(w) **Contributed Equity**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(x) **Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(y) **Derivatives**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

(z) **Embedded foreign currency derivatives**

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,

-the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,

-a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency).

(aa) **Business combinations**

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

1) fair values of the assets transferred;

2) liabilities incurred to the former owners of the acquired business;

3) equity interests issued by the Company; and

4) fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interests' proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

1) consideration transferred;

2) amount of any non-controlling interest in the acquired entity, and

3) acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.





Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

(ab) Non-current assets held for sale

Non-current assets and disposal Company are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

The Company treats sale of the asset or disposal Company to be highly probable when:

- ►The appropriate level of management is committed to a plan to sell the asset (or disposal Company),
- ►An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- ►The asset (or disposal Company) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- ►The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- ► Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

A disposal Company qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- ►Represents a separate major line of business or geographical area of operations,
- ►Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets and disposal Company classified as held for sale are presented separately from the other assets in the balance sheet.

(ac) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed separately as Exceptional items.

(ad) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. when the grant related to PPE are recognised as Deferred income under non-current /current liability and" recognised as income over life of assets.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

(ae) Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).





(af) **Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(ag) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been round off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

(ah) **Changes in accounting policies and disclosures**

New and amended standards

(i)Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019. This amendment had no impact on the standalone financial statements of the Company.

(ii)Amendments to Ind AS 103 Business Combinations

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the standalone financial statements of the Company. This amendment may impact future periods should the Company enter into any business combinations.

(iii)Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the standalone financial statements of, nor is there expected to be any future impact to the Company.
These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Company's standalone financial statements.

(iv)Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the standalone financial statements of the Company as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the 1 April 2020. These amendments are not expected to have a significant impact on the Company's standalone financial statements.





2 CRITICAL ESTIMATES AND JUDGEMENTS:

The preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

--Estimation of current tax expense and deferred tax

The calculation of the Company's tax charge necessarily involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.(Refer Note 12).

Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. (Refer Note 12).

-- Estimation of Provisions, Contingent Liabilities & Contingent Assets

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision. (Refer Note 24).

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

Impact assessment of Covid 19- Refer note 33

-- Estimated useful life of tangible and intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. For the relative size of the Company's tangible assets. (Refer Note 3)

-- Estimation of defined benefit obligation

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 10 for the details of the assumptions used in estimating the defined benefit obligation.

-- Impairment of trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. (Refer Note 21).





-- Estimated fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions refer Note 20.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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GATEWAY DISTRIPARKS LIMITED

Notes annexed to and forming part of the Standalone Financial Statements for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

Note 3: Property, plant and equipment

	Freehold Land (Refer Note 3(ii))	Building (Refer Note 3(vii))	Plant and Machinery	Electrical Installations and Equipment	Furniture and Fittings	Office Equipment	Computer Hardware	Other Equipment's (Refer Note 3(iii) and (iv))	Vehicles (Refer Note 3(v))	Total	Capital work-in-progress (Refer Note 3(vi))
Gross Carrying Amount											
As at 1 April 2019	1,684.55	16,904.08	11.66	818.57	417.33	107.50	347.67	4,595.10	4,274.98	29,161.44	-
Additions	-	-	-	-	0.51	1.34	6.68	28.48	-	37.01	-
Disposals/Adjustments	-	-	-	-	-	-	2.58	-	67.69	70.27	-
As at 31 March 2020	1,684.55	16,904.08	11.66	818.57	417.84	108.84	351.77	4,623.58	4,207.29	29,128.18	-
As at 1 April 2020	1,684.55	16,904.08	11.66	818.57	417.84	108.84	351.77	4,623.58	4,207.29	29,128.18	-
Additions	-	-	-	-	-	1.15	8.32	7.90	-	17.37	1,762.83
Disposals/Adjustments	-	-	-	-	-	-	-	56.42	508.18	564.60	-
As at 31 March 2021	1,684.55	16,904.08	11.66	818.57	417.84	109.99	360.09	4,575.06	3,699.11	28,580.95	1,762.83
Accumulated Depreciation											
As at 1 April 2019	-	3,601.35	11.66	294.67	245.55	61.95	286.54	2,081.01	2,412.94	8,995.67	-
Depreciation charge during the year	-	1,051.98	-	92.13	44.70	15.79	47.35	571.50	563.34	2,386.79	-
Disposals	-	-	-	-	-	-	2.58	-	31.10	33.68	-
As at 31 March 2020	-	4,653.33	11.66	386.80	290.25	77.74	331.31	2,652.51	2,945.18	11,348.78	-
As at 1 April 2020	-	4,653.33	11.66	386.80	290.25	77.74	331.31	2,652.51	2,945.18	11,348.78	-
Depreciation charge during the year	-	1,056.40	-	91.57	44.64	14.14	16.22	500.01	400.39	2,123.37	-
Disposals	-	-	-	-	-	-	-	56.42	508.19	564.61	-
As at 31 March 2021	-	5,709.73	11.66	478.37	334.89	91.88	347.53	3,096.10	2,837.38	12,907.54	-
Net carrying amount 31 March 2021	1,684.55	11,194.35	-	340.20	82.95	18.11	12.56	1,478.96	861.73	15,673.41	1,762.83
Net carrying amount 31 March 2020	1,684.55	12,250.75	-	431.77	127.59	31.10	20.46	1,971.07	1,262.11	17,779.40	-

Notes:

(i) Assets pledged as Security for borrowings: Refer note 32 for information on property, plant and equipment, pledged as security by the Company.

(ii) Title deed of Freehold Land situated at Chennai with carrying value of INR 110.17 lakhs (31 March 2020- INR 110.17 lakhs) is yet to be transferred in the name of the Company.

	Freehold land	Building
Gross Block as at March 31, 2021	110.17	2,259.40
Gross Block as at March 31, 2020	110.17	2,259.40
Net Block as at March 31, 2021	110.17	1,010.58
Net Block as at March 31, 2020	110.17	1,088.84

(iii) Other equipment's include Reach Stackers of gross carrying amount is INR 3,380.10 lakhs (31 March 2020- INR 3,663.78 lakhs) and having net carrying amount INR 790.53 lakhs (31 March 2020- INR 1,429.62 lakhs).

(iv) Other equipment's include grant received under Export promotion Capital Goods Scheme (EPCG) for imported Reach Stackers of INR 282.33 lakhs (31 March 2020- INR 282.33 lakhs) and having net carrying amount of INR 88.12 lakhs (31 March 2020- INR 139.85 lakhs).

(v) Motor Vehicles include trailers of gross carrying amount is INR 3,369.29 lakhs (31 March 2020- INR 3,774.00 lakhs) and having net carrying amount INR 676.10 lakhs (31 March 2020- INR 1,449.58 lakhs).

(vi) Capital work-in-progress comprises imported reachstackers purchased but not installed of INR 1,762.83 lakhs (31 March 2020 - INR Nil)

(vii) Building includes self constructed building with net book value of INR 3,259.35 lakhs (31 March 2020: INR 3,975.37 lakhs) on leasehold land.

Note 3(a): Intangible assets

	Computer Software	Total
Cost		
As at 1 April 2019	**86.83**	**86.83**
Additions	-	-
Deductions	-	-
As at 31 March 2020	**86.83**	**86.83**
As at 1 April 2020	**86.83**	**86.83**
Additions	-	-
Deductions	-	-
As at 31 March 2021	**86.83**	**86.83**
Amortisation		
As at 1 April 2019	**86.83**	**86.83**
Amortisation charge for the year	-	-
As at 31 March 2020	**86.83**	**86.83**
As at 1 April 2020	**86.83**	**86.83**
Amortisation charge for the year	-	-
As at 31 March 2021	**86.83**	**86.83**
Net carrying amount 31 March 2021	-	-
Net carrying amount 31 March 2020	-	-

Note:

Computer software consists of cost of ERP licenses and development cost. Useful life of computer software is estimated to be 3 years, based on technical obsolescence of such assets.

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Note 4

	31 March 2021		31 March 2020	
	Current	Non-current	Current	Non-current
4(a) Equity Investments in Subsidiaries				
Unquoted Equity Instruments at Cost (fully paid-up):				
(i) Subsidiary Companies:				
8,000,000 (31 March 2020- 8,000,000) Equity Shares of INR 10 each fully paid in Gateway East India Private Limited*	-	1,484.00	-	1,484.00
13,830,000 (31 March 2020- 13,830,000) Equity Shares of INR 10 each fully paid in Gateway Distriparks (Kerala) Limited	-	1,383.00	-	1,383.00
Equity component of Investment in Zero Coupon Redeemable Preference Shares of Gateway Distriparks (Kerala) Limited (refer note 4 (b))	-	77.57	-	77.57
201,199,798 (31 March 2020- 201,199,798) Equity Shares of INR 10 each fully paid in Gateway Rail Freight Limited*	-	20,511.32	-	20,511.32
100 (31 March 2020- 100) Equity Shares of INR 25 each fully paid in Gateway Rail Freight Limited	-	0.03	-	0.03
Total	-	23,455.92	-	23,455.92

* 201,199,796 (31 March 2020: 201,199,796) Equity shares of INR 10 each and 100 (31 March 2020: 100) Equity shares of INR 25 each of Gateway Rail Freight Limited and 7,999,990 (31 March 2020: 7,999,990) Equity shares of INR 10 each of Gateway East India Private Limited are pledged with lenders as security for non-convertible debentures issued by the Company.

	31 March 2021		31 March 2020	
	Current	Non-current	Current	Non-current
4(b) Non-current investments				
Unquoted Preference Shares at amortised cost (fully paid-up):				
(i) Subsidiary Company:				
16,672,199 (31 March 2020: 16,672,199) Zero Coupon Redeemable Preference Shares of INR 10 each fully paid in Gateway Distriparks (Kerala) Limited	-	2,435.71	-	2,287.19
120,000,000 (31 March 2020: 120,000,000) Compulsory Convertible Preference Shares of face value of INR 24.65 each in Gateway Rail Freight Limited**	-	70,565.69	-	70,565.69
**120,000,000 (31 March 2020: 120,000,000) Compulsory Convertible Preference Shares of face value of INR 24.65 each in Gateway Rail Freight Limited are pledged with lenders as security for non-convertible debentures issued by the Company.				
Total Non-current investments	-	73,001.40	-	72,852.88
Total Non-current Investment in Subsidiaries and Associate	-	96,457.32	-	96,308.80

	31 March 2021		31 March 2020	
	Current	Non-current	Current	Non-current
Total Investments				
Aggregate amount of unquoted investments	-	96,457.32	-	96,308.80




Note 4(c) Other financial assets

	31 March 2021		31 March 2020	
	Current	Non-Current	Current	Non-current
Unsecured, considered good				
Security deposits	-	172.61	-	78.77
Margin money balances	-	160.00	-	160.00
Deposits earmarked towards debt service reserve account*	-	880.00	-	1,630.00
Interest accrued on fixed deposits with banks	3.88	50.39	-	120.28
Total other financial assets	**3.88**	**1,263.00**	-	**1,989.05**

* INR 880 Lakhs (2020: INR 1,630 Lakhs) deposited with HDFC bank under debt service reserve account for non-convertible debentures issued by the Company.

Note 4(d) Trade receivables and contract assets

	31 March 2021	31 March 2020
Trade receivables	2,582.28	2,621.85
Receivables from related parties	-	-
Total trade receivables	**2,582.28**	**2,621.85**
Current Portion	2,582.28	2,621.85
Non Current Portion	-	-

Breakup of securities details	31 March 2021	31 March 2020
Secured, considered good	-	-
Unsecured, considered good	2,582.28	2,621.85
Trade receivables which have significant increase in credit risk	359.78	425.17
Less: Impairment for trade receivable*	(359.78)	(425.17)
Trade receivables - credit impaired	-	-
Total trade receivables	**2,582.28**	**2,621.85**

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or a Private Company respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

*The provision for the impairment of trade receivables has been made basis the expected credit loss method and other case to case basis on management judgement.

Contract assets

Contract Assets relate to ongoing services for which the Company has entered into agreement with customer wherein the Company has identified its performance obligations in contract as per Ind AS 115 "Revenue from contract with customers". The Company's right to receive consideration is conditional upon satisfaction of these performance obligation. Contract Assets are in the nature of unbilled receivables which arises when Company satisfies performance obligation but does not have unconditional rights to consideration.

As at 31 March 2021, the Company has contract assets of INR 364.99 Lakhs (March 2020: INR 662.72 Lakhs) which is net of an allowance for expected credit losses of Nil (March 2020: Nil).

The performance obligation in respect of services being provided by the Company, are satisfied over a period of time and upon acceptance of the customer. Billing and payment is made upon delivery of services.

4(e) Cash and cash equivalents

	31 March 2021	31 March 2020
Balances with banks		
- in current accounts	100.84	96.92
Deposits with original maturity of less than 3 months	500.00	-
Cheques on Hand	35.77	2.57
Cash on hand	0.56	1.36
Total cash and cash equivalents	**637.17**	**100.85**




There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting periods.

Cash at banks earns interest at floating rates bases on daily bank deposits rates. Short term deposits are made for varying period between one day to three months depending upon the immediate cash requirment of the Company and earn interest at the respective short term deposit rate.

At 31 March 2021, the Company had available INR 834.86 lakhs (31 March 2020: INR 137.03 lakhs) of undrawn committed borrowing facilities.

Changes in liabilities arising from financial activities

	Current borrowings	Non-Current borrowings (including current maturities)	Lease liabilities (Current & Non-Current)
Opening balance as at 1 April 2019	**728.02**	**62,929.96**	-
Recognition on April 01, 2019 due to adoption of Ind AS 116	-	-	4,464.16
Cash flow (net)	634.95	(7,562.04)	(1,753.04)
Interest expenses	-	-	399.54
Other changes	-	158.20	-
As at 31 March 2020	**1,362.97**	**55,526.12**	**3,110.66**
Cash flow (net)	1,802.17	(17,152.01)	(1,866.64)
Interest expenses	-	-	273.59
As at 31 March 2021	**3,165.14**	**35,874.11**	**1,517.61**

4(f) Bank balances other than 4(e) above

	31 March 2021	31 March 2020
Earmarked balances with banks:		
- in unclaimed dividend accounts	53.70	72.55
-Deposits earmarked towards debt service reserve account*	2,062.00	-
Total bank balances other than 4(e) above	**2,115.70**	**72.55**

* INR 2,062 Lakhs (31 March 2020 - INR Nil) deposited with HDFC Bank under Debt service reserve account for non-convertible debentures issued by the Company.

Note 5 (a): Other assets

	31 March 2021		31 March 2020	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Advances to suppliers	87.30	-	15.17	-
Balances with statutory authorities:				
-Customs duty paid under protest (refer note 24(a)(i)(c))	-	367.26	-	367.26
-Service tax paid under protest	-	6.22	-	6.22
-Duty paid under protest (State Consumer Dispute Redressal Forum - SCDRF)	-	46.23	-	46.23
-Input credit receivable	192.46	-	-	-
Receivable from Associate Snowman Logistics Limited	-	-	0.59	-
Prepaid expenses	166.20	-	188.03	-
Total other assets	**445.96**	**419.71**	**203.79**	**419.71**

Note 5 (b): Non current assets classified as asset held for sale

	31 March 2021	31 March 2020
67,254,119 (31 March 2020-INR67,254,119) Equity Shares of INR 10 each fully paid in Snowman Logistics Limited (refer note 28 (b))	10,416.99	10,416.99
Market Value as on 31 March 2021 is INR 29,457.30 lakhs (31 March 2020: INR 21,218.67 lakhs)		
Total	**10,416.99**	**10,416.99**




Note 6: Equity share capital and other equity

6(a) Equity share capital		
Authorised equity share capital		
	Number of shares	**Amount**
As at 1 April 2019- Equity shares of INR 10 each	12,50,00,000	12,500.00
Change during the year	-	-
As at 31 March 2020- Equity shares of INR 10 each	12,50,00,000	12,500.00
Change during the year	-	-
As at 31 March 2021- Equity shares of INR 10 each	12,50,00,000	12,500.00

Issued, Subscribed and Paid up equity share capital		
	Number of shares	**Amount**
As at 31 March 2020- Equity shares of INR 10 each	10,87,28,049	10,872.80
Increase during the year (refer note 34)	1,61,07,859	1,610.79
As at 31 March 2021-Equity shares of INR 10 each	12,48,35,908	12,483.59

(i) Movements in equity share capital		
Issued, Subscribed and Paid-up		
	Number of shares	**Equity share capital (par value)**
As at 1 April 2019	**10,87,28,049**	**10,872.80**
Change during the year	-	-
As at 31 March 2020	**10,87,28,049**	**10,872.80**
Increase during the year (refer note 34)	1,61,07,859	1,610.79
As at 31 March 2021	**12,48,35,908**	**12,483.59**

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. There is no restriction on distribution of dividend. However, same is subject to the approval of the shareholders in the Annual General Meeting.

(ii) Details of shareholders holding more than 5% shares in the Company

	31 March 2021		**31 March 2020**	
Name of Shareholder	**Number of shares**	**% holding**	**Number of shares**	**% holding**
Promoters and Promoter Group:				
Prism International Private Ltd.	3,00,88,888	24.10	2,49,00,000	22.90
Perfect Communications Private Ltd.	29,19,559	2.34	23,00,000	2.12
Mr. Prem Kishan Dass Gupta	56,04,286	4.49	44,15,000	4.06
Mrs. Mamta Gupta	6,47,378	0.52	5,09,998	0.47
Mr. Ishaan Gupta	4,18,892	0.34	3,30,000	0.30
Mr. Samvid Gupta	4,44,280	0.36	3,50,000	0.32
Others:				
Amansa Holdings Private Limited	1,12,27,321	8.99	97,78,635	8.99
ICICI Prudential Mutual Fund	1,06,33,137	8.52	96,42,160	8.87
Mirae Asset Emerging Bluechip Fund	98,46,305	7.89	73,79,499	6.79
Life Insurance Corporation Of India	77,01,279	6.17	77,01,279	7.08

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





6(b) Reserve and surplus

	31 March 2021	31 March 2020
Securities premium reserve	43,966.42	34,249.18
Capital redemption reserve	788.34	788.34
General reserve	4,900.20	4,900.20
Debenture redemption reserve	55.00	55.00
Retained earnings	26,317.57	20,696.99
Total reserves and surplus	**76,027.53**	**60,689.71**

(i) Securities premium reserve

	31 March 2021	31 March 2020
Opening balance	34,249.18	34,249.18
Issue of equity shares (refer note 34)	9,986.88	-
Transaction cost arising on shares issues (refer note 34)	(269.64)	-
Closing Balance	**43,966.42**	**34,249.18**

(ii) Capital redemption reserve

	31 March 2021	31 March 2020
Opening balance	788.34	788.34
Appropriations during the year	-	-
Closing Balance	**788.34**	**788.34**

(iii) General reserve

	31 March 2021	31 March 2020
Opening balance	4,900.20	4,900.20
Appropriations during the year	-	-
Closing Balance	**4,900.20**	**4,900.20**

(iv) Debenture Redemption Reserve

	31 March 2021	31 March 2020
Opening balance	55.00	55.00
Appropriations during the year	-	-
Closing Balance	**55.00**	**55.00**

(v) Retained earnings

	31 March 2021	31 March 2020
Opening balance	20,696.99	24,397.26
Profit for the year	10,618.88	6,103.12
Items of other comprehensive income recognised directly in retained earnings:		
Remeasurement of post-employment benefit obligation	(6.49)	(23.88)
Income tax relating to the above	1.63	6.01
Dividends paid	(4,993.44)	(9,785.52)
Closing Balance	**26,317.57**	**20,696.99**

Nature and purpose of other reserves:

(i) Securities premium reserve
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(ii) Capital redemption reserve
Capital redemption reserve is used to record the amount of nominal value of the shares bought back by the Company. The reserve is utilised in accordance with the provisions of the Act.

(iii) General reserve:
Transfer to General reserve are made from retained earnings of the Company. The reserve is utilised in accordance with the provisions of the Act.



(iv) Debenture Redemption Reserve

Transfer to Debenture Redemption Reserve (DRR) are made from retained earnings of the Company. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Company has created DRR in accordance with requirement of section 71 of the Companies Act 2013 till March 2019 however pursuant to a Ministry of Corporate Affairs notification dated August 16, 2019 amending Section 71 of the Companies Act, 2013 and Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, the Company is not required to maintain DRR for debentures issued and accordingly no amount is transferred during the year in DRR .

(v) Retained Earnings

Retained earnings represents all accumulated net income netted by all dividends paid to shareholders. Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

Employee Stock Option Plan:

ESOP 2013 Scheme

The Shareholders at the Extra Ordinary General Meeting held on March 8, 2013, approved the new ESOP 2013 Scheme for eligible Directors and employees of the Company and its Subsidiary Companies. Under the Scheme, options for 2,000,000 shares would be available for being granted to eligible employees of the Company and options for 500,000 shares would be available for being granted to employees of the Subsidiary Companies. Each option (after it is vested) will be exercisable for one Equity share of INR 10. The options would be issued at an exercise price, which would be at a 20% discount to the latest available closing market price (at a stock exchange as determined by the Remuneration & ESOP Committee) on the date prior to the date on which the Remuneration & ESOP Committee finalises the specific number of options to be granted to the employees. Vesting of the options shall take place over a maximum period of 5 years with a minimum vesting period of 1 year from the date of grant. The specific employees and their eligibility for the entitlement of ESOP would be determined by the Renumeration & ESOP committee of the Company however the same is still not notified.

Note 7: Financial liabilities

7(a) Borrowings		
Non-current borrowings		
	31 March 2021	31 March 2020
Secured		
Vehicle Finance Loan from a Bank (refer note 7(a)(i) and 7(b)(i))	1,279.39	1,271.58
Term Loan from a Bank (refer note 7(a)(ii),(iii) and 7(b)(ii))	4,749.72	4,555.92
Rated Listed Secured Redeemable Non-Convertible Debentures (refer note 27)	29,962.82	49,752.40
Total borrowings	**35,991.93**	**55,579.90**
Less: Current maturities of Non-current borrowings (included in note 7(d))	(3,917.98)	(2,099.50)
Less: Interest accrued but not due (included in note 7(d))	(117.82)	(53.78)
Total Non-Current borrowings	**31,956.13**	**53,426.62**

7(b)Current Borrowings		
	31 March 2021	31 March 2020
Secured		
From Banks (Refer Note 7(a)(iv))	665.14	1,362.97
Total Current borrowings	**665.14**	**1,362.97**
Unsecured		
From Subsidiary Company (refer Note 7(a)(v)) and 7(b)(iii))	2,500.00	-
	2,500.00	-
	3,165.14	**1,362.97**





(a) Nature of Security:

(i) Vehicle Finance Loan from HDFC Bank of INR 1,273.11 lakhs (31 March 2020 INR 1,265.10 lakhs) is secured by way of hypothecation of the Company's commercial vehicles.

(ii) Term loan from HDFC Bank of INR 4,714.29 lakhs (31 March 2020- INR 4,524.34 lakhs) is secured by first and exclusive charge on all the immoveable assets, book debts and moveable fixed assets of the Company.

(iii) The carrying amount of financial and non-financial assets pledged as security for non current borrowings (including current maturities) are disclosed in note 32.

(iv) Cash Credit from HDFC Bank Limited amounting to INR 665.14 lakhs (31 March 2020- INR 1,362.97 lakhs) is secured by first exclusive charge on book debts, immovable fixed assets (JNPT CFS property and structures thereon) and movable fixed assets of the Company.

(v) Unsecured loan is from subsidiary company Gateway Rail Freight Limited (GRFL) INR 2,500 lakh (31 March 2020-Nil)

(b) Terms of Repayment:

(i) Vehicle Finance Loans from HDFC Bank are repayable in 58/59/60 equal monthly instalments along with interest ranging from 7.50% per annum to 9.52% per annum on reducing monthly balance.

(ii) Term Loans from HDFC Bank are repayable in equal quarterly instalments between 11 January, 2014 to 7 February, 2026 along with interest of Bank's MCLR + 0.25% per annum on reducing quarterly balance.

(iii) Term loan from GRFL is repayable on demand along with interest of 8% per annum.

7(c) Trade payables

	31 March 2021	31 March 2020
-total outstanding dues of micro enterprises and small enterprises (refer note 25)	456.10	46.61
-total outstanding dues of creditors other than micro enterprises and small enterprises	2,999.96	3,955.48
Total trade payables	**3,456.06**	**4,002.09**

Trade payables are non interest bearing and are normally settled in the range of 30 to 90 days terms

No trade payables are due to related parties.

7(d) Other financial liabilities

	31 March 2021	31 March 2020
	Current	Current
Current maturities of non-current borrowings - vehicle finance loan	524.91	416.17
Current maturities of non-current borrowings - term loan from a Bank	1,393.07	1,683.33
Current maturities of non-current borrowings - 'Rated Listed Secured Redeemable Non-Convertible Debentures	2,000.00	-
Security deposits*	52.55	48.00
Dues to related party for services (Gateway Rail Freight Limited)	-	45.00
Unclaimed dividend / rights issue refund **	53.70	72.55
Payables for capital assets	1,737.71	-
Interest accrued but not due on borrowings	117.82	53.78
Total other current financial liabilities	**5,879.76**	**2,318.83**

*Security deposits are non interest bearing

**There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

7(e) Contract liabilities

	31 March 2021	31 March 2020
	Current	Current
Short term advance received from customers	195.73	81.04
Total contract liabilities	**195.73**	**81.04**

The Company has entered into a agreement/arrangement for providing of services. The Company has identified the performance obligations and recognized the same as contract liability where the Company has obligation to deliver the services to a customer for which the Company has received consideration.





Note 8: Non current: Provisions

	31 March 2021	31 March 2020
Contingencies	132.65	132.65
Total Provisions	**132.65**	**132.65**

Break-up of non-current provision for contingencies:

	31 March 2021		31 March 2020	
	Indirect Tax Matters	Other Matters	Indirect Tax Matters	Other Matters
Opening Balance	123.45	9.20	146.75	9.30
Less: Amounts Utilised /reversed	-	-	(23.30)	(0.10)
Total	**123.45**	**9.20**	**123.45**	**9.20**

Represents estimates made for probable liabilities arising out of pending assessment proceedings with various Government Authorities. The information usually required by Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets", is not disclosed on grounds that it can be expected to prejudice the interests of the Company. The timing of the outflow with regard to the said matter depends on the exhaustion of remedies available to the Company under the law and hence, the Company is not able to reasonably ascertain the timing of the outflow.

Note 9: Current: Other current liabilities

	31 March 2021	31 March 2020
Statutory dues	205.12	180.96
Total Other current liabilities	**205.12**	**180.96**

Note 10: Employee benefit obligations

	31 March 2021		31 March 2020	
	Current	Non-current	Current	Non-current
Compensated absences	28.00	81.71	19.70	59.10
Gratuity	18.48	362.68	39.73	314.90
Directors commission and sitting fees	1,035.80	-	523.30	-
Employee benefits payable	31.26	-	29.80	-
Total employee benefit obligations	**1,113.54**	**444.39**	**612.53**	**374.00**

(a) Compensated absences

The leave obligation cover the Company liability for sick and earned leave.

(b) Post employment benefit obligations

Gratuity

The Company has funded as well as non funded gratuity plan. Funded gratuity plan is administered by TATA AIA Life Insurance Company Limited. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service.

(c) Defined contribution plans

The Company makes contributions to Provident Fund and Employee State Insurance Corporation (ESIC), which are defined contribution plan, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised INR 86.43 lakhs (31 March 2020: INR 92.52 lakhs) for provident fund contributions and INR 4.71 lakhs (31 March 2020: INR 6.04 lakhs) for contribution to ESIC in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

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Balance sheet amount (Gratuity)

The amounts recognised in the Balance sheet and movements in the net defined benefits obligation over the period are as follows:

	Present value of obligation- Unfunded	Present value of obligation-Funded (A)	Fair value of plan assets (B)	Net amount of funded obligation (A)-(B)
As at 1 April 2019	165.26	139.62	6.12	133.50
Current service cost	13.41	14.73	-	14.73
Interest expense	14.20	10.52	0.46	10.06
Total amount recognised in profit and loss	**27.61**	**25.25**	**0.46**	**24.79**
Return on plan assets, excluding amount included in interest expense/(income)	-	-	(1.02)	1.02
Loss from change in financial assumptions	12.14	8.21	-	8.21
Experience (gains)/losses	3.07	(0.56)	-	(0.56)
Total amount recognised in other comprehensive income	**15.21**	**7.65**	**(1.02)**	**8.67**
Employer contributions	-	-	14.00	(14.00)
Benefit payments	(6.40)	(14.11)	(14.11)	-
As at 31 March 2020	**201.67**	**158.41**	**5.45**	**152.96**

	Present value of obligation- Unfunded	Present value of obligation-Funded (A)	Fair value of plan assets (B)	Net amount of funded obligation (A)-(B)
As at 1 April 2020	**201.68**	**158.41**	**5.45**	**152.96**
Current service cost	5.91	4.88	-	4.88
Interest expense	8.77	10.83	0.37	10.46
Total amount recognised in profit and loss	**14.68**	**15.71**	**0.37**	**15.34**
Return on plan assets, excluding amount included in interest expense/(income)	-	-	0.87	(0.87)
Loss from change in financial assumptions	2.45	5.25	-	5.25
Experience gains	10.53	(10.87)	-	(10.87)
Total amount recognised in other comprehensive income	**12.98**	**(5.62)**	**0.87**	**(6.49)**
Employer contributions	-	-	4.00	(4.00)
Benefit payments	(5.99)	(5.40)	(5.40)	-
As at 31 March 2021	**223.35**	**163.10**	**5.29**	**157.81**

The net liability disclosed above relates to funded and unfunded plans are as follows:

	31 March 2021	31 March 2020
Present value of funded obligations	163.10	158.41
Fair value of plan assets	(5.29)	(5.45)
Deficit of funded plan	**157.81**	**152.96**
Unfunded plans	223.35	201.67
Deficit of gratuity plan	**381.16**	**354.63**

	31 March 2021	31 March 2020
Current Portion	18.48	39.73
Non-current portion	362.68	314.90
Total	**381.16**	**354.63**

Fair value of plan assets at the balance sheet date for defined benefit obligations:

	31 March 2021	31 March 2020
Insurer managed funds	5.29	5.45
Total	**5.29**	**5.45**





Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	31 March 2021	31 March 2020
Discount rate	6.44-6.83%	6.82-6.84%
Salary growth rate	8.25%	8.25%
Attrition rate	5.00%	5.00%

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Impact on defined benefit obligation					
	Change in assumptions		Increase in assumptions		Decrease in assumptions	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Discount rate	1%	1%	(28.17)	(27.02)	32.10	30.83
Salary growth rate	1%	1%	31.29	30.10	(28.02)	(26.92)
Attrition rate	1%	1%	(3.68)	(3.27)	4.03	3.59

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely
The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

The major categories of plan assets are as follows:

	31 March 2021	31 March 2020
Insurance Fund	5.29	5.45

Risk Exposure

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Plan investment is a mix of investments in government securities, and other debt instruments.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The Company monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations, with the objective that assets of the gratuity obligations match the benefit payments as they fall due. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets consists of government and corporate bonds, although the Company also invests in equities, cash and mutual funds.

Defined benefit liability and employers contributions

Expected contributions to post employment benefits for the year ended 31 March 2022 are INR 33.64 lakhs for the funded plan.

The weighted average duration of the projected benefit obligation is 10 years (31 March 2020- 9 years) for the funded plan. The weighted average duration of the projected benefit obligation is 10 years (31 March 2020- 9 years) for the CFS at Chennai and 12 years (31 March 2020- 10 years) for Punjab Conware CFS. The expected maturity analysis of undiscounted gratuity is as follows:



Unfunded

	31 March 2021	31 March 2020
1st Following Year	10.99	9.30
2nd Following Year	10.23	15.55
3rd Following Year	14.84	9.92
4th Following Year	21.29	14.35
5th Following Year	26.86	20.62
Sum of Years 6 To 10	97.60	103.65
Sum of Years 11 and above	226.35	228.45

Funded

	31 March 2021	31 March 2020
1st Following Year	7.49	11.57
2nd Following Year	7.91	7.17
3rd Following Year	14.10	7.54
4th Following Year	13.67	13.38
5th Following Year	13.42	12.65
Sum of Years 6 To 10	100.31	78.18
Sum of Years 11 and above	155.94	166.10

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Note 11: Government Grant

	31 March 2021	31 March 2020
As at 1 April	139.85	191.67
Released to statement of profit and loss	(51.73)	(51.82)
As at 31 March	88.12	139.85
Non - current	36.30	88.03
Current	51.82	51.82
Total	88.12	139.85

Note: Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

Note 12: Current and deferred tax

12(a) Statement of profit and loss:

	31 March 2021	31 March 2020
(a) Income tax expense		
Current tax		
Current tax on profits for the year	1,930.00	650.00
Current tax adjustment for earlier year	(51.42)	-
Total current tax expense	1,878.58	650.00
Deferred tax		
(Increase)/Decrease in deferred tax assets	355.18	(928.43)
Increase/(Decrease) in deferred tax liabilities	(436.57)	405.07
Total deferred tax benefit	(81.39)	(523.36)
Income tax expense	1,797.19	126.64
Disclosed under		
Statement of Profit and Loss	1,798.82	132.65
Other Comprehensive Income	(1.63)	(6.01)
	1,797.19	126.64

The Company has opted for reduced rates as per section 115BAA of the Income Tax Act, 1961 (introduced by the Taxation Laws (Amendment) Ordinance, 2019). Accordingly, the Company has recognised Provision for Income Tax for the year and re-measured its deferred tax liability basis the rate prescribed in the said section.

12(b) Reconciliation of tax expense and accounting profit multiplied by India's tax rates:

	31 March 2021	31 March 2020
Profit after exceptional items and tax	12,417.70	6,235.77
Statutory income tax rate	25.17%	25.17%
Tax at statutory income tax	3,125.29	1,569.42
Differences due to:		
Change in income tax rate from 34.94% to 25.17%	-	(132.83)
Assets created on long term capital loss on sale of Subsidiary Company	-	(265.23)
Expenses not deductible for tax purposes	(89.00)	208.91
Adjustment of tax relating to earlier periods	(51.42)	-
Income exempt from income tax	(1,187.68)	(1,253.63)
Total tax expense	1,797.19	126.64

12(c) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have not been recognised in statement of profit and loss or other comprehensive income but directly debited/ (credited) to equity.





12(d) Deferred tax assets (net)

	31 March 2021	31 March 2020
Deferred Tax Liabilities		
Temporary difference between book and tax depreciation	427.64	500.38
Right-of-use assets	330.45	727.00
Accrual for income subject to tax only on realisation	98.05	65.33
Total deferred tax liabilities	**856.14**	**1,292.71**
Deferred Tax Assets		
Employee Benefits	123.54	109.09
Provision for Doubtful Debts/ Advances	90.55	107.01
Lease Liabilities	381.95	769.35
Accrual for expenses allowable as tax deduction only on payment	341.49	307.26
Total deferred tax assets	**937.53**	**1,292.71**
Net deferred tax assets	**81.39**	-

12(e) Movement in deferred tax liabilities/assets

	31 March 2021	31 March 2020
As at 1 April	-	**523.36**
Charged/(credited):		
- to profit or loss	(79.76)	(517.35)
- to other comprehensive income	(1.63)	(6.01)
As at 31 March	**(81.39)**	-

12(f) Income tax Assets/Liabilities (net)

	31 March 2021	31 March 2020
Opening balance	1,698.10	23.34
Less: Current tax payable for the year	1,930.00	650.00
Less: Refund received (net of provisions reversed)	155.98	-
Add: Taxes paid	1,658.02	2,324.76
Closing balance	**1,270.14**	**1,698.10**
Shown under Income tax Assets	1,542.10	1,698.10
Shown under Income tax Liability	271.96	-
Closing balance	**1,270.14**	**1,698.10**

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Note 13 : Revenue from operations

	31 March 2021	31 March 2020
A: Revenue from Contracts with Customers		
Container Handling, Transport, Storage and Ground Rent Income	31,001.18	31,297.00
Auction Sales	800.07	46.90
Total revenue from contracts with customers (A)	31,801.25	31,343.90

I. Geographical markets

	31 March 2021	31 March 2020
Sale of services - India	31,801.25	31,343.90
Sale of services - outside India	-	-
Total revenue from contracts with customers	31,801.25	31,343.90

II. Timing of revenue recognition

	31 March 2021	31 March 2020
Services transferred at point in time	-	-
Services transferred over time	31,801.25	31,343.90
Total revenue from contracts with customers	31,801.25	31,343.90

III. Contract balances

	31 March 2021	31 March 2020
Trade receivables	2,582.28	2,621.85
Contract asset	364.99	662.72
Contract liabilities	195.73	81.04

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Contract assets relates to revenue earned from container ground storage & handling service. As such, the balances of this account vary and depend on the number of containers available at CFS at the end of the year.

Contract liabilities include short-term advances received to render container handling & transportation services.

IV. Reconciliation of revenue as per contract price and as recognized in the statement of profit and loss

	31 March 2021	31 March 2020
Revenue as per contract price	32,680.65	31,905.18
Less: discounts and incentives	879.40	561.27
Total revenue from contracts with customers	31,801.25	31,343.90

V. Performance obligation

The performance obligation in respect of services being provided by the Company, are satisfied over a period of time and upon acceptance of the customer. Payment is generally due upon delivery of services and acceptance of customer. Container will be not cleared from the CFS till the acceptance is provided by the customer for the amount to be receivable for the underlying container. Contracts can be cancelled however the customer are liable to pay the amount of handling and rent for the services which they have availed till the date of cancellation. Payments are generally due within 30 to 90 days.

(B) Other operating revenues

	31 March 2021	31 March 2020
Export incentive (SEIS)*	-	5,481.50
Rent	125.23	143.42
Total other operating revenue (B)	125.23	5,624.92

* For the year ended 31 March 2020, the Company has recognised 'Service Export from India Scheme' (SEIS) income under the Foreign Trade Policy of Government of India amounting to INR 5,481.50 lakhs pertaining to FY 2016-17 to 2018-19. No SEIS income is recognised for the year ended 31 March 2021.

	31 March 2021	31 March 2020
Total Revenue from Operations (A + B)	31,926.48	36,968.82





Note 14: Other income

	31 March 2021	31 March 2020
Other non-operating income		
Interest income on fixed deposits with banks & others at amortised cost	149.40	157.64
Interest income on income tax refund	39.61	-
Net gain on sale of Investments or measured at FVPL	-	158.53
Dividend income from equity investments in Subsidiary Company	12,878.70	4,909.95
Premium receivable on redemption and unwinding of discount on investments measured at amortized cost	148.52	139.46
Government grant (EPCG) (Refer note below)	52.53	51.82
Liabilities/ provisions no longer required written back	6.11	116.73
Write back of provision for doubtful debts no longer required (net)	65.39	133.01
Gain on sale/disposal of assets	19.00	-
Total other income	**13,359.26**	**5,667.14**

Note: Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants.

Note 15: Operating expenses

	31 March 2021	31 March 2020
Incentives and commission	5,189.43	4,925.89
Transportation charges	4,624.12	6,141.32
Labour charges	3,978.48	4,238.83
Equipment hire charges	154.21	195.12
Surveyors' fees	510.15	524.64
Sub-contract charges	2,769.48	2,914.34
Auction expenses	213.93	2.96
Purchase of pallets	16.85	40.80
Total operating expenses	**17,456.65**	**18,983.90**

Note 16: Employee benefit expense

	31 March 2021	31 March 2020
Salaries, allowances and bonus	2,677.97	1,959.33
Contribution to provident and other funds (refer note 10)	91.14	98.56
Staff welfare expenses	25.66	48.05
Leave encashment	32.45	53.89
Gratuity (refer note 10)	30.02	52.40
Total employee benefit expense	**2,857.24**	**2,212.23**

Note 17: Depreciation and amortisation expense

	31 March 2021	31 March 2020
Depreciation on property, plant and equipment (refer note 3)	2,123.37	2,386.79
Depreciation of Right-of-use assets (refer note 29)	1,860.29	1,860.29
Total depreciation and amortisation expense	**3,983.66**	**4,247.08**





Note 18: Other expenses

	31 March 2021	31 March 2020
Power and fuel	453.14	480.93
Rent	6.78	6.13
Rates and taxes	367.35	515.93
Repairs and maintenance:		
- Building/yard	165.19	160.94
- Plant and equipment	312.77	290.41
- Others	201.21	146.99
Insurance	303.87	312.49
Directors' sitting fees	88.00	41.00
Printing and stationery	29.97	33.70
Travelling and conveyance	82.98	197.13
Motor car expenses	53.02	53.84
Communication	34.67	30.16
Advertising expenses	5.76	4.23
Security charges	524.04	604.85
Legal and professional fees	387.44	471.58
Corporate social responsibility expenditure (refer note 18(b) below)	53.00	77.03
Payment to auditors (refer note 18(a) below)	94.54	35.04
Bad debts	14.93	37.43
Provision for doubtful debts and advances	-	113.75
Loss on sale/disposal of property, plant & equipment	-	36.39
Bank charges	13.25	18.23
Miscellaneous expenses	78.12	81.28
Total other expenses	**3,270.03**	**3,749.46**

18(a) Details of payments to auditors

	31 March 2021	31 March 2020
Payment to auditors		
As auditors:		
a) Audit fees	14.50	14.50
b) Limited review fees	16.25	17.00
In other capacity:		
a) Other services (certification fees)*	63.00	1.50
b) Reimbursement of out-of-pocket expenses	0.79	2.04
	94.54	**35.04**

*Other services mainly include INR 52 lakhs (31 March 2020 - INR Nil) pertaining to certification fees related to right issue of equity shares during the year.

18(b) Corporate social responsibility expenditure

	31 March 2021	31 March 2020
Gross amount required to be spent by the Company during the year	51.91	77.00
Amount approved by the Board to be spent during the year	53.00	77.03
Amount spent (in cash) during the year ending on 31st March, 2021 :		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	53.00	77.03

Note 19: Finance costs

	31 March 2021	31 March 2020
Interest on debts and borrowings	5,026.87	7,025.16
Interest on lease liabilities (refer note 29)	273.59	399.54
Total finance costs	**5,300.46**	**7,424.70**





GATEWAY DISTRIPARKS LIMITED
Notes annexed to and forming part of the Standalone Financial Statements for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

20 FAIR VALUE MEASUREMENTS

(a) Financial instrument by category

		31 March 2021			31 March 2020		
	Notes	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised Cost
Financial Assets							
Investments*							
-Preference Shares	4(b)	-	-	73,001.40	-	-	72,852.88
Contract Assets	4(d),13			364.99	-	-	662.72
Trade Receivables	4(d)	-	-	2,582.28	-	-	2,621.85
Cash and Cash equivalent	4(e)	-	-	637.17	-	-	100.85
Other Bank Balances	4(f)	-	-	2,115.70	-	-	72.55
Other financial assets- Non Current	4(c)	-	-	1,263.00	-	-	1,989.05
Other financial assets- Current	4(c)	-	-	3.88	-	-	-
Total Financial Assets		-	-	79,968.42	-	-	78,299.90
Financial Liabilities							
Borrowings -Non Current (including current maturities)	7(a), 7(d)	-	-	35,874.11	-	-	55,526.12
Borrowings - Current	7(b)	-	-	3,165.14	-	-	1,362.97
Lease Liabilities (Current and Non-Current)	29			1,517.61			3,110.66
Trade Payables	7(c)	-	-	3,456.06	-	-	4,002.09
Other financial liabilities (excluding current maturity of long term borrowings)	7(d)	-	-	1,961.78	-	-	219.33
Total Financial Liabilities		-	-	45,974.70	-	-	64,221.17

*Investments in shares of subsidiaries are valued at cost.

(i) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as prescribed in the accounting standards. An explanation of each level follows underneath the table.

(a) For 31 March 2021

(i) Financial assets and liabilities measured at amortised cost for which fair values are disclosed

	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Unquoted Preference Shares	4(b)	-	-	73,001.40	73,001.40
Margin money balances	4(c)	-	-	160.00	160.00
Total Financial Assets		-	-	73,161.40	73,161.40
Financial liabilities					
Borrowings -Non Current (including current maturities)		-	-	34,220.64	34,220.64
Borrowings - Current	7(b)	-	-	3,165.14	3,165.14
Total Financial Liabilities		-	-	37,385.78	37,385.78





(b) For 31 March 2020

(i) Financial assets and liabilities measured at amortised cost for which fair values are disclosed

	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Unquoted Preference Shares	4(b)	-	-	72,852.88	72,852.88
Margin money balances	4(c)	-	-	160.00	160.00
Total Financial Assets		-	-	73,012.88	73,012.88
Financial Liabilities					
Borrowings -Non Current (including current maturities)		-	-	51,872.21	51,872.21
Borrowings - Current	7(b)	-	-	1,362.97	1,362.97
Total Financial Liabilities		-	-	53,235.18	53,235.18

Except for those financial assets/liabilities mentioned in the above table, the Company considers that the carrying amounts recognised in the financial statements approximate their fair values. For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

Level 1 Hierarchy includes financial instruments measured using quoted price. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level - 2 The fair value of financial instruments that are not traded in an active market (for example trade bond, over-the-counter derivatives) is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

Level -3 If one or more of the significant inputs is not based on observable market data, the instrument is include in level 3.

There are no transfers between level 1 and level 2 during the year.

The fair values of investment in preference shares, margin money and non current borrowings were calculated based on cash flows discounted at current lending rate/ borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

(ii) **Valuation technique used to determine fair value**

Specific valuation technique used to value financial instruments include:

1) The mutual funds are valued using closing NAV available in the market.
2) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 3 except for investment in mutual funds, where the fair value has been determined using the closing NAV.

(iii) **Fair value of financial assets and liabilities measured as amortised cost**

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	31 March 2021		31 March 2020	
	Carrying Amounts	Fair Value	Carrying Amounts	Fair Value
Financial Assets (refer note below)	-	-	-	-
Financial Liabilities				
Borrowings- Non current (including current maturities)	35,874.11	34,220.64	55,526.12	51,872.21
Borrowings - Current	3,165.14	3,165.14	1,362.97	1,362.97
Total Financial Liabilities	39,039.25	37,385.78	56,889.09	53,235.18

The carrying amounts of investments, trade receivables, cash and cash equivalent, other bank balances, other financial asset, trade payables, lease liabilities and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

* INR 880 Lakhs (31 March 2020 - INR 1,630 lakhs) deposited with HDFC Bank under Debt service reserve account for non-convertible debentures issued by the Company.

(b) **Significant estimates**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, if any. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.





21 FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, liquidity risk and credit risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and the Audit Committee. This process provides assurance to the Company's senior management that the Company's financial risk taking activities are governed by appropriate policies and procedures and that the financial risks are identified, measured and managed in accordance with the Company policies and Company risk objective. In the event of crisis caused due to external factors such as by the recent pandemic "COVID-19", the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure that there is enough liquidity in these situations through internal and external source of funds.

This note explain the sources of risk which the entity is exposed to and how the entity manage the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalent, trade receivable, financial assets measured at amortised cost.	Ageing analysis and credit rating	Diversification of bank deposit and credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecast	Availability of bank credit lines and borrowings facilities (cash credit)
Market risk -interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Monitoring and shifting benchmark interest rates
Market risk -Security price	Investment in mutual fund	Sensitivity analysis	Portfolio diversification

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with bank and financial institution, foreign exchange transactions and other financial instruments.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. Other factors of default are determined by considering the business environment in which the Company operates and other macro-economic factors. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as: adverse changes in business, changes in the operating results of the counterparty, change to the counterparty's ability to meet its obligations etc. Financial assets are written off when there is no reasonable expectation of recovery.

(i) Credit Risk Management

Financial instruments and cash deposits

The Company maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have good credit ratings, good reputation and hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company. For banks and financial institutions, only high rated banks/institutions are accepted.

The Company's maximum exposure to credit risk as at 31 March 2021 and 31 March 2020 is the carrying value of each class of financial assets as disclosed in note 4.

S.R. BATLIBOI & CO. LLP GURUGRAM

GATEWAY DISTRIPARKS LIMITED

Trade receivables and contract assets

Trade receivables are typically unsecured and are derived from revenue earned from customers. Contract assets are unsecured receivables. It comprises of accrued income on containers lying at the warehouse/yard but have not been invoiced.

Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms. For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

Of the trade receivables balance as at 31 March 2021, the top 5 customers of the Company represent the balance of INR 419.05 lakhs (31 March 2020 - INR 428.97 lakhs). There are no customer who represent more than 5% of total balance of Trade Receivables.

Total maximum credit exposure on gross trade receivable as at 31 March 2021 is INR 2942.06 lakhs (31 March 2020 - INR 3,047.02 lakhs).

The amount of Gross Trade receivable outstanding as at 31 March 2021 & 31 March 2020 is as follows:

	0-30 days	31-60	61-90	91-180	181-365	More than 365 days	Total
March 31, 2021	1,626.42	627.28	211.48	98.79	109.72	268.37	2,942.06
March 31, 2020	1,111.02	772.29	384.40	356.29	59.89	363.13	3,047.02

(ii) Reconciliation of loss allowances provision - Trade Receivables and contract asset

	Trade Receivable	Contract asset
Loss Allowances on 1 April 2019	450.31	-
Bad debt written off of earlier years	5.89	-
Provision provided/(reversed) for the year	19.25	-
Loss Allowances on 31 March 2020	(425.17)	-
Bad debt written off of earlier years	-	-
Provision provided/(reversed) for the year	65.39	-
Loss Allowances on 31 March 2021	(359.78)	-

(B) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	31 March 2021	31 March 2020
Floating Rate		
Expiring within one year (Bank overdraft)	834.86	137.03
Total	834.86	137.03

These working capital facilities are payable on demand and available for a period of 12 months and can renewed by the bank thereafter.

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity grouping based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant. Contractual maturities of financial liability is as follows:





31 March 2021

	Less than 1 Year	1 - 2 Years	2 Year and Above	Total
Non - Derivative				
Borrowings	10,732.12	9,935.50	30,165.80	50,833.42
Trade payables	3,456.06	-	-	3,456.06
Other Financial Liabilities	1,961.78	-	-	1,961.78
Lease liabilities (undiscounted value)	1,599.54	-	-	1,599.54
Total Non derivative liabilities	**17,749.50**	**9,935.50**	**30,165.80**	**57,850.80**

31 March 2020

	Less than 1 Year	1 - 2 Years	2 Year and Above	Total
Non - Derivative				
Borrowings	9,736.27	27,185.46	36,830.88	73,752.61
Trade payables	4,002.09	-	-	4,002.09
Other Financial Liabilities	219.33	-	-	219.33
Lease liabilities (undiscounted value)	1,862.30	1,599.54	-	3,461.84
Total Non derivative liabilities	**15,819.99**	**28,785.00**	**36,830.88**	**81,435.87**

The possibility of payment arising from financial guarantee given on behalf of subsidiaries is remote.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(C) Market Risk

(i) Foreign currency risk

(a) The exposure of the Company's to foreign exchange liabilities at the end of the reporting year are as follows.

	31 March 2021 EUR (lakh)	31 March 2020 EUR (lakh)
Usance letter of credit for imports of capital goods	19.74	-
Net exposure to foreign currency	**19.74**	**-**

The Company's operations are such that all activities are confined to India only. Hence, there is no other exposure to foreign currency risk.

(b) Sensivity

Repayment liability is sensitive to higher /lower exchange rate from variation in rates of Euro against INR. Impact on repayment liability for increase/ decrease of 100 basis points in exchange rate of Euro against INR is as follows:

	Increase/(Decrease)	
	31 March 2021	**31 March 2020**
Exchange Rate (Euro against INR) - Increase by 100 basis point*	0.20	-
Exchange Rate (Euro against INR) - decrease by 100 basis point*	(0.20)	-

* Holding all other variable constant

(ii) Cash Flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates which expose the Company to cash flow interest rate risk.

(a) Interest Rate risk exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting year are as follows.

	31 March 2021	31 March 2020
Variable Rate Borrowings	5,385.71	5,887.31
Fixed Rate Borrowings	33,653.53	51,001.78
Total Borrowings	**39,039.24**	**56,889.09**

(b) Sensivity

Profit or loss is sensitive to higher /lower interest expense from variable rate borrowings as a result of changes in interest rates. Impact on profit after tax of increase/ decrease of 100 basis points in interest is as follows:

	Increase/(Decrease)	
	31 March 2021	31 March 2020
Interest Rate - Increase by 100 basis point*	(40.30)	(44.06)
Interest Rate - Decrease by 100 basis point*	40.30	44.06

* Holding all other variable constant

22 CAPITAL MANAGEMENT

The Company considers total equity as shown in the balance sheet including retained profit and share capital as managed capital.

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to shareholders. The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The capital components of the Company are as given below:

	31 March 2021	31 March 2020
Total Equity	88,511.12	71,562.51
Debt	39,039.24	56,889.09
Cash and Cash Equivalents	637.17	100.85
Debt to Equity Ratio	**0.44**	**0.79**
Gearing Ratio	**0.43**	**0.79**





GATEWAY DISTRIPARKS LIMITED
Notes annexed to and forming part of the Standalone Financial Statements for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

(i) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with the following financial covenants:

(a) Debt Service Coverage Ratio should not fall below 1.25 times;
(b) Total debt/Total net worth (TNW) not to exceed 1 time.
(c) Until the occurrence of A1 redemption event, the Company shall not incur any additional debtedness (except working capital debt) in excess of INR 35 Crores.

The Company has complied with these covenants. The ratios are as follows:

(a) Debt Service coverage ratio was 2.25 times (31 March 2020: 1.75 times);
(b) Total Debt / TNW is 0.44 (31 March 2020: 0.79)
(c) The Company has taken unsecured loan of Rs 2,500 lakhs from subsidiary company Gateway Rail Freight Limited (GRFL). Apart from this, no additional indebtedness incurred by Company during the year.

(ii) Dividends

	31 March 2021	31 March 2020
(i) Interim Dividend		
Interim Dividend paid during Financial Year 2020-21-INR 4 per fully paid equity share for year ended 31 March 2021 (Interim Dividend paid during Financial Year 2019-20-INR 4.50 per fully paid equity share for year ended 31 March 2020 and INR 4.50 per fully paid equity share for the year ended 31 March 2019)	4,993.44	9,785.52
(ii) Dividend not recognised at the end of the reporting period		
In addition to the above dividends, since the year end, the Company has not declared any dividend on fully paid equity share for the Financial Year 2020-21 (2019-20 - Nil)	-	-

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GATEWAY DISTRIPARKS LIMITED

GATEWAY DISTRIPARKS LIMITED
Notes annexed to and forming part of the Standalone Financial Statements for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

23 SEGMENT INFORMATION

In accordance with Ind AS 108 'Operating Segment', segment information has been given in the consolidated financial statements of the Company, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

24 CONTINGENCIES AND GUARANTEES

		31 March 2021	31 March 2020
a)	**CONTINGENT LIABILITIES:**		
	The Company has contingent liabilities as at 31 March 2021 and 31 March 2020 in respect of:		
(i)	**Claims against the Company not acknowledged as debts:**		
	- Container Corporation of India [Refer Note (a) below]	Not Ascertainable	Not Ascertainable
	- Others	17.00	17.00
	Disputed Income Tax Claims (including interest and Penalty to the extent ascertainable) not acknowledged as debts [Refer Note (b) below]	11,764.49	11,764.49
	Claim from Customs [Refer Note (c) below]	367.26	367.26
	Disputed claims at District Consumer Redressal Forum, Raigad related to fire at Punjab Conware CFS [Refer Note (d) below]	46.23	46.23
	Disputed Service Tax Claims (excluding penalty and interest) in respect of Goods Transport Agency Services [Refer Note (e) below]	382.32	382.32
	Disputed Service Tax Claims (excluding penalty and interest) in respect of input credit [Refer Note (f) below]	75.04	-

Notes:

(a) The Company ("GDL") and its subsidiary Company, Gateway Rail Freight Limited ("GRFL") are involved in an arbitration proceeding with Container Corporation of India Limited ("Concor") in respect of agreements entered into by the parties for operation of container trains from the Inland Container Depot and Rail siding at Garhi Harsaru, Gurgaon. Concor has raised claims on GDL and GRFL on various issues in respect to the aforesaid agreements. Based on legal opinion, the Management has taken a view that these claims are at a preliminary stage and the question of maintainability of the alleged disputes as raised by Concor under the aforesaid agreements is yet to be determined and are not sustainable. Pending conclusion of the arbitration, the parties are maintaining "status quo" in respect of the operations at Garhi Harsaru, Gurgaon.

(b) Deputy Commissioner of Income Tax had issued orders under Section 143(3) of the Income Tax Act, 1961 of India ("the Income Tax Act"), for the Assessment Years 2008-2009 to 2014-2015, disallowing the claim of deduction by the Company under Section 80-IA(4)(i) of the Income Tax Act upto Assessment year 2011-2012, other expenses and Minimum Alternate Tax Credit and issued notices of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest (after considering rectification order under Section 154 of the Income Tax Act for Assessment Year 2012-2013 and 2014-2015) aggregating INR 7,304.15 lakhs and initiated proceedings to levy penalty. On appeal filed by the Company against the assessment orders, Commissioner of Income Tax (Appeals) had allowed the aforesaid deductions, except for claim of deduction of other expenses aggregating INR 30 lakhs for the Assessment Years 2008-2009 to 2011-2012. The Deputy Commissioner of Income Tax had appealed with Income Tax Appellate Tribunal against the aforesaid orders of Commissioner of Income Tax (Appeals) for the Assessment Years 2008-2009 to 2010-2011, which has been decided in favour of the Company. Income Tax Department has filed an appeal with Bombay High Court against the order of Income Tax Appellate Tribunal for Assessment Years 2008-2009 and 2009-2010, which is pending for hearing. The Company has filed appeal against the order for the Assessment Years 2012-2013 to 2014-2015 with the Commissioner of Income Tax (Appeals) which has been decided in favour of the Company. The Deputy Commissioner of Income Tax had appealed with Income Tax Appellate Tribunal against the aforesaid orders of Commissioner of Income Tax (Appeals) for the Assessment Years 2012-2013 and 2013-14, which were decided in favour of the company.

Deputy Commissioner of Income Tax had issued notices under Section 148 of the Income Tax Act, proposing to re-assess the Income for Assessment Years 2004-2005 to 2007-2008, disallowing the deduction under Section 80-IA(4)(i) of the Income Tax Act amounting to INR 4,460.34 lakhs. The Company has filed a Writ petition against the notices with the Bombay High Court. The Bombay High Court has granted Ad Interim Stay against the notices.

Based on Lawyer and Tax Consultant's opinion, the Management is of the opinion that the Company is entitled to aforesaid deductions and claims and hence, no provision for the aforesaid demand/notices has been made till 31 March, 2021.





(c) In response to the letter dated 25 February, 2016, from the Principal Commissioner of Customs (G), the Company had deposited under protest an amount of INR 521.16 lakhs, pending final determination of the liability, in terms of the supertnama that covered the container no. CRX 3218782 comprising 15,390 KG of Red Sanders, which were unauthorizedly removed from the Punjab Conware CFS in December 2015. The Commissioner of Customs, NS-General, Mumbai Zone II , JNCH had vide order dated 25 June 2019 appropriated INR 153.90 lakh towards value of stolen confiscated goods. levied penalty INR 1.50 lakh, which was paid by the Company. The balance amount of INR 367.26 lakh is recoverable from customs. The Management is of the opinion that no provision is required to be made in respect of the aforesaid case.

(d) There was a fire in January 2010 at the warehouse of Punjab Conware CFS, in which cargo belonging to customers was damaged. These customers filed claims for damages with the District Consumer Redressal Forum, Raigad, which gave judgement in their favour . The Company has filed appeals with the State Consumer Dispute Redressal Commission, after making deposit of INR 46.23 lakhs. The matter is pending before the State Consumer Dispute Redressal Commission. The Management is of the opinion that no provision is required to be made in respect of the aforesaid case.

(e) The Commissioner of Service Tax, Mumbai had raised show-cause notices / demands for service tax under category "Goods Transport Agency" for the period 2005-2006 to 2011-2012. On appeal filed by Company, Customs Excise and service tax Appellate Tribunal (CESTAT), Mumbai, vide order dated 7 May 2013 remanded back the matter for fresh hearing. The Commissioner of Service tax, Mumbai has issued an order issued on 5 December, 2016 confirming the demand of INR 382.32 lakhs and interest under section 75 and penalty under section 76, 77 & 78 of Finance Act. The Company has filed an appeal with CESTAT, Mumbai on 6 March 2017, contesting the demand on the grounds that the service tax was already paid under cargo handling services on the same transport of cargo at full rate, the transport cost of other units at Gurgaon and Punjab Conware CFS were wrongly included, no credit was given for service tax under Goods transport agency and that the figures of trailer cost / depreciation in the order were incorrect. In view of the acceptance of Company's contentions on certain points in the cross objection filed by the Department, as indicated in the earlier CESTAT order dated 7 May 2013, the Management is of the opinion that no provision is required to be made in respect of the aforesaid demand.

(f) The company received an assessment order dated 16 September 2020 under section 73 of Andhra Pradesh Goods and Services Tax Act, 2017 from Assistant Commissioner (State Tax) Markapur circle claiming that there is certain mismatch in the input tax claimed by the Company under CGST, SGST & IGST. The Company has filed an appeal under section 107 of the Andhra Pradesh Goods and Services Tax Act, 2017 with Appellate Joint Commissioner (ST), Tirupati. The total liability is INR 75.04 Lakhs. The Management is of the opinion that no provision is required to be made in respect of the aforesaid case.

		31 March 2021	31 March 2020
b)	**FINANCIAL GUARANTEES:**		
	Corporate guarantees issued in favour of banks, financial institutions and State Industrial Development Corporation for loans taken by subsidiaries and joint venture	12,803.88	5,700.65
c)	**GUARANTEES EXCLUDING FINANCIAL GUARANTEES:**		
	Bank Guarantees and Continuity Bonds executed in favour of The President of India through the Commissioners of Excise and Customs and Sales Tax and Poliution Control Board	91,531.00	91,073.00
	Bank Guarantee and Continuity Bonds issued in favour of Punjab State Container and Warehousing Corporation Limited in respect of Operations and Management Contract of their CFS at Dronagiri Node, Nhava Sheva	26,010.00	26,007.00
	Bank Guarantee towards security deposit with BSE Ltd. designated stock exchange for rights issue of the company	58.00	-

25 DETAILS OF DUES TO MICRO AND SMALL ETERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

The Micro, Small and Medium Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors. According to such identification, the disclosures as per Section 22 of 'The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006' are as follows:

		31 March 2021	March 2020
i)	The principal amount and the interest due thereon remaining unpaid to any supplier		
	- Principal amount	456.10	46.61
	- Interest thereon	Nil	Nil
ii)	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day.	Nil	Nil
iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act.	Nil	Nil
iv)	The amount of interest accrued and remaining unpaid.	Nil	Nil
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor.	Nil	Nil

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED.

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26 RELATED PARTY TRANSACTIONS

(i) Subsidiary Companies

Name	Type	Place of incorporation	Ownership Interest	
			31 March 2021	31 March 2020
Gateway Rail Freight Limited (GRFL)	Subsidiary	India	99.93%	99.93%
Gateway East India Private Limited (GEIPL)	Subsidiary	India	100.00%	100.00%
Gateway Distriparks (Kerala) Limited (GDKL)	Subsidiary	India	60.00%	60.00%

(ii) Associate

Name of the Entity	Place of Business	% of Ownership Interest	Relationship	Accounting Method	Quoted Fair Value		Carrying Amount	
					31 March 2021	31 March 2020	31 March 2021	31 March 2020
Snowman Logistics Limited (SLL) (Refer note 5(b) & 28(b))	India	40.25%	Associate	Equity Method	-	-	-	-
Total Equity Accounting Investments					-	-	-	-

(iii) Investing party in respect of which the Company is an associate
Prism International Private Ltd. (PIPL)

(iv) Entities in which enterprise have significant control or entity in which directors are interested
Perfect Communication Private Limited (PCL)

(v) Key Management Personnel

(i) Executive Directors
Mr. Prem Kishan Dass Gupta (Chairman and Managing Director)
Mr. Ishaan Gupta (Joint Managing Director)

(ii) Independent and Non-Executive Directors
Mrs. Mamta Gupta (Non-Executive Director)
Mr. Samvid Gupta (Non-Executive Director)
Mr. Shabbir Hassanbhai (Non-Executive Independent Director)
Mr. Bhaskar Avula Reddy (Non-Executive Independent Director)
Mr. Arun Kumar Gupta (Non-Executive Independent Director)
Mrs. Shukla Wassan (Non-Executive Independent Director)



(iii) Other Key Management Personnel

Mr. Sachin Surendra Bhanushali, Chief Executive Officer (from 14 August 2019 to 30 September 2020)

Mr. Sandeep Kumar Shaw, Chief Financial Officer

Mrs. Veena Nair, Company Secretary

(vi) Relatives of Executive Directors

Mr. Samvid Gupta (Relative of Mr. Prem Kishan Dass Gupta, Mr. Ishaan Gupta and Mrs. Mamta Gupta) (till 11 March 2020)

(vii) Key Management Personnel Compensation (including relative of Executive Director)

	31 March 2021	31 March 2020
Short-term employee benefits	376.37	143.35
Post employee benefits	25.24	15.90
Sitting Fees to Executive Directors	22.00	22.00
Sitting Fees to Non-Executive and Independent Directors	66.00	19.00
Commission to Executive Directors	1,000.00	525.00
Commission to Non-Executive and Independent Directors	130.00	61.00

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(viii) Transactions with other related parties

The following transactions occurred with related parties:

Sr. No.	Particulars	Subsidiary Companies		Associate Company (SLL)		Entities in which enterprise have significant control or entity in which directors are interested (PCL)		Entities in which enterprise have significant control or entity in which directors are interested (PIPL)		Total	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
1	Reimbursement of cost received -GRFL	4.66	-	-	-	-	-	-	-	4.66	-
2	Lease rent paid (GRFL)	2.40	-	-	-	-	-	-	-	2.40	-
3	Dividend received-GRFL /GEIPL	12,878.70	4,909.95	-	-	-	-	-	-	12,878.70	4,909.95
4	Income from Redeemable Preference Shares- GDKL	148.52	139.46	-	-	-	-	-	-	148.52	139.46
5	Income from CFS services provided	1.77	1.20	-	-	9.72	64.20	-	-	11.49	65.40
6	Lease rent received-GRFL	0.88	-	7.15	6.60	-	-	-	-	8.03	6.60
7	Lease rent received-GEIPL	0.66	-	-	-	-	-	-	-	0.66	-
8	Reimbursement of payroll cost paid-GRFL	30.18	42.96	-	-	-	-	-	-	30.18	42.96
9	Interest on loan paid (GRFL)	102.10	-	-	-	-	-	-	-	102.10	-
10	Dividend paid	-	-	-	-	116.78	176.40	1,203.56	2,241.00	1,320.34	2,417.40

(ix) The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Sr. No.	Particulars	Key Management personnel / Directors	
		31 March 2021	31 March 2020
1	Commission payable to Executive Directors	925.00	472.50
2	Commission payable to Non-Executive and Independent Directors	110.80	50.80
3	Receivable from associate SLL	-	0.59
4	Payable to subsidiary company GRFL	-	45.00
5	Loan from subsidiary company GRFL	2,500.00	-



(x) **Loans to/from related parties**

Unsecured loan of Rs 2,500 lakhs taken during current year from subsidiary company GRFL. Apart from that, no loan has been given/ received to/ from any related parties during current year and last year.

(xi) **Terms and conditions of transactions with related parties**

a. Services provided from/to related parties are priced at arm's length. Other reimbursement of expenses to/from related parties is on cost basis.
b. All other transactions were made on normal commercial terms and conditions and at market rates.
c. All outstanding balances are unsecured and are repayable/ receivable in cash.
Note: In the opinion of the management, transactions reported herein are on arm's length basis.

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27 RATED LISTED SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES

(a) Nature of Security:

Rated Listed Secured Redeemable Non-Convertible Debentures INR 30,000 lakhs (31 March 2020 - INR 50,000 lakhs) is secured by:

(i) First ranking pari-passu charge:
  (a) over all the current and future immovable and movable assets of the Company, including land and buildings.
  (b) pledge of fully paid up equity shares of subsidiary GRFL held by the Issuer.
  (c) pledge of Compulsorily Convertible Preference Shares of Gateway Rail Freight Limited (GRFL) held by issuer.

(ii) Future Investments by the Company in any other form in GRFL.

(iii) Share Pledge of subsidiary Gateway East India Private Limited.

(iv) Negative Lien on Shares of subsidiaries Gateway Distriparks (Kerala) Limited

(v) Designated Accounts and the Designated Account Assets.

(b) Terms of Repayment:

Rate of interest	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Total
11.50%	1,500.00	4,000.00	4,500.00	4,500.00	4,500.00	5,500.00	24,500.00
11.25%	500.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	5,500.00
Total	**2,000.00**	**5,000.00**	**5,500.00**	**5,500.00**	**5,500.00**	**6,500.00**	**30,000.00**

(c) The Company has an obligation to redeem A-1, A-2 & A-3 series Non-Convertible debentures amounting to INR 27,000 lakhs on 7 April 2021. The Company has prematurely redeemed A-1 series debentures of INR 5,000 lakhs on 20 January 2020 from the proceeds of sale of shares of subsidiary Company 'Chandra CFS and Terminal Operators Private Limited'. Furthermore, the Company has redeemed A-1 series debentures of INR 6,000 lakhs on 21 May 2020, INR 2,500 lakhs on 25 June 2020 and INR 11,500 lakhs on 25 September 2020 out of income arising from dividend received from subsidiary company 'Gateway Rail Freight Limited' and proceeds from issue of equity shares on rights basis. The balance of A-2 & A-3 series Non-Convertible debentures amounting to INR 2,000 lakhs will be redeemed from internal accruals of the Company.

28 SALE OF SUBSIDIARIES AND ASSOCIATE

a During financial year 2019-20, the Company has sold its entire shareholding in its wholly owned subsidiary 'Chandra CFS and Terminal Operators Private Limited' on 19 December 2019 to 'Team Global Logistics Private Limited' for a total consideration of INR 4,841.49 lakhs resulting into a profit of INR 217.18 lakhs, which is shown as exceptional items. Accordingly, Chandra CFS and Terminal Operators Private Limited has ceased to be Company's subsidiary from 19 December 2019.

b The Company is continuously exploring the possibilities of potential disinvestment of its entire shareholding in Snowman Logistics Limited (SLL) and accordingly, the Company has identified investment in SLL as "Non-current assets classified as Asset held for sale" in accordance with Ind AS 105 in the financial statements for the year ended 31 March 2021.





29 **Leases:**

The Company has lease contracts of operations and maintenance of container freight station and land used in its operations. Leases of operations and maintenance of container freight station have lease term of 15 years, while land have lease term of 60 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company is restricted from assigning and subleasing the leased assets.

The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Lease liabilities and Right-of-Use asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Operations and maintenance of container freight Station	Land	Total
As at 01 April 2019	**5,144.16**	**1,747.03**	**6,891.19**
Addition	-	-	-
Depreciation Expense	1,815.59	44.70	1,860.29
As at 01 April 2020	**3,328.57**	**1,702.33**	**5,030.90**
Addition	-	-	-
Depreciation Expense	1,815.59	44.70	1,860.29
As at 31 March 2021	**1,512.98**	**1,657.63**	**3,170.61**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	31 March 2021	31 March 2020
As at 01 April	**3,110.66**	**4,464.16**
Accretion of Interest	273.59	399.54
Payment of lease liabilities	1,866.64	1,753.04
As at 31 March	**1,517.61**	**3,110.66**
Current	1,517.61	1,588.71
Non-current	-	1,521.95

The maturity analysis of lease liabilities are disclosed in Note 21.
The weighted average incremental borrowing rate of 8.95% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The following are the amounts recognised in profit or loss:

Particulars	31 March 2021	31 March 2020
Depreciation expense of Right-of-Use assets	1,860.29	1,860.29
Interest expense on lease liabilities	273.59	399.54
Total amount recognised in statement of profit or loss	**2,133.88**	**2,259.83**

The Company had total cash outflows for leases of INR 1,866.64 Lakhs in 31 March 2021 (31 March 2020 - INR 1,753.04 Lakhs).





30 EARNINGS PER SHARE

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

	31 March 2021	31 March 2020
Profit attributable to the equity holders of the Company used in calculating basic/ diluted earnings per share	10,618.88	6,103.12
Weighted average number of equity shares used as the denominator in calculating basic/ diluted earnings per share	11,85,69,289	10,87,28,049
Basic/ diluted earnings per share attributable to the equity holders of the Company	8.96	5.61

31 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets and financial liabilities are offset and the net amount is reported in the Balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

32 ASSETS PLEDGE AS SECURITY

The carrying amounts of assets pledged as security for non-current borrowings are :

	Notes	31 March 2021	31 March 2020
Current Assets			
Financial Assets			
First Charge			
Trade receivables	4(d)	2,582.28	2,621.85
Total Current Assets pledged as Security		**2,582.28**	**2,621.85**
Non-Current Assets			
First Charge			
Property, Plant and Equipment	3	15,673.41	17,779.40
Equity Investments in Subsidiaries, Joint Ventures and Associates	4(a)	21,995.35	21,995.34
Investments	4(b)	70,565.69	70,565.69
Total Non-Current Assets pledged as Security		**1,08,234.45**	**1,10,340.43**
Total Assets pledged as Security		**1,10,816.73**	**1,12,962.28**

33 On account of COVID-19 pandemic, nationwide lockdown was imposed by Government of India effective March 24, 2020 which extended for a couple of months in varied parts of the country and in varied forms. At the time of finalisation of these Ind AS standalone financial statements the severity of the pandemic is peaking day by day across the country and on account of which various state Governments have started imposing lockdown like restrictions in various parts of the country. Consequent to these uncertainties caused due to continuation of pandemic, the Company has done a detailed assessment for carrying amount of financial and non-financial assets and does not anticipate any impairment to these assets. Also, the management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The situation is though changing rapidly and giving rise to inherent uncertainty around the extent and timing of the potential future spread of COVID-19 and due to which the Company will continue to closely monitor any material changes to future economic conditions, if any. Considering that the Company is in the business of providing inter-modal container logistics services which is considered under essential services, the management believes that the impact of this outbreak on the business and financial position of the Company will not be significant.





34 The Board of Directors at their meeting held on 20 August 2020 approved the allotment on rights basis of 1,61,07,859 equity shares of face value INR 10 each at a premium of INR 62 per equity share, aggregating to INR 11,597.65 lakhs, including share premium INR 9,986.88 lakhs. The rights entitlement ratio is 4:27 i.e. 4 rights equity shares for every 27 equity shares held by eligible equity shareholders of the Company as on the record date 24 July 2020. The rights issue opened for subscription on 30 July 2020 and closed on 13 August 2020. After the Rights issue, the issued, subscribed and paid-up capital increased to 12,48,35,908 equity shares of face value of INR 10 each.

Particulars	Amount
Gross proceeds from the issue	**11,597.65**
Less: Issue related expenses	269.64
Net proceeds	11,328.01
Utilisation of net proceeds	
Prepayment in full of A-1 series debentures	11,328.01

35 The Board of Directors at their meeting held on 28 September 2020 had approved a composite scheme of amalgamation under Sections 230 to 232 read with other applicable provisions of the Companies Act 2013, involving amalgamation of Gateway East India Private Limited ('subsidiary company') with Gateway Distriparks Limited and post the aforesaid amalgamation, Gateway Distriparks Limited would amalgamate into Gateway Rail Freight Limited ('subsidiary company'). The Company has filed the requisite documents with NCLT, Mumbai after taking necessary approval from BSE / NSE. The matter is pending for hearing before NCLT, Mumbai.

36 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

37 The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 27 April 2021

For and on behalf of the Board of Directors
Gateway Distriparks Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN: 00011670
Place: New Delhi
Date: 27 April 2021

Arun Kumar Gupta
Director
DIN: 06571270
Place: New Delhi
Date: 27 April 2021

Sandeep Kumar Shaw
Chief Financial Officer
PAN No.: AJRPS0674C
Place: Ghaziabad
Date: 27 April 2021

Veena Nair
Company Secretary
Membership No.: A12635
Place: Mumbai
Date: 27 April 2021

S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
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Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 and 52of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Gateway Distriparks Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Gateway Distriparks Limited] (the "Company") for the quarter ended June 30,2021 from April 01, 2021 to June 30, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & Co. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 096766
UDIN: 21096766AAAAMN6592
Place: Faridabad
Date: July 28, 2021

S.R. BATLIBOI & CO. LLP * GURUGRAM *

GATEWAY DISTRIPARKS LIMITED
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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

(INR In lakhs)

Sr. No.	Particulars	3 months ended 30/06/2021	Preceding 3 months ended 31/03/2021	Corresponding 3 months ended 30/06/2020	Previous year ended 31/03/2021
		(Unaudited)	(Audited) (Refer Note 12)	(Unaudited)	(Audited)
1.	**Income**				
	(a) Revenue from operations	7,807.25	8,333.93	8,491.11	31,926.48
	(b) Other income	7,091.74	95.68	8,657.44	13,359.26
	Total Income	**14,898.99**	**8,429.61**	**17,148.55**	**45,285.74**
2.	**Expenses**				
	(a) Operating expenses	4,720.27	4,913.76	4,207.05	17,456.65
	(b) Employee benefit expense	618.02	934.78	513.69	2,857.24
	(c) Depreciation and amortisation expense	998.50	968.17	1,029.43	3,983.66
	(d) Finance costs	1,022.52	1,121.44	1,605.84	5,300.46
	(e) Other expenses	768.82	815.97	1,087.09	3,270.03
	Total expenses	**8,128.13**	**8,754.12**	**8,443.10**	**32,868.04**
3.	**Profit/(loss) before exceptional items and tax (1-2)**	**6,770.86**	**(324.51)**	**8,705.45**	**12,417.70**
4.	Exceptional item	-	-	-	-
5.	**Profit/(loss) before tax (3+4)**	**6,770.86**	**(324.51)**	**8,705.45**	**12,417.70**
6.	**Tax expense [refer Note 6]**				
	a. Current tax	30.00	185.00	470.00	1,930.00
	b. Adjustment of tax relating to earlier periods	-	(1.07)	-	(51.42)
	c. Deferred tax	(45.80)	18.92	(89.07)	(79.76)
	Total tax expense	**(15.80)**	**202.85**	**380.93**	**1,798.82**
7.	**Net profit/(loss) after tax for the period (5-6)**	**6,786.66**	**(527.36)**	**8,324.52**	**10,618.88**
8.	**Other comprehensive expense, net of tax**				
	Items that will not be reclassified to Profit or Loss				
	i. Remeasurement of post employment benefit obligations	(1.21)	(9.43)	(4.47)	(4.86)
9.	**Total comprehensive income/(expense) for the period (7+8)**	**6,785.45**	**(536.79)**	**8,320.05**	**10,614.02**
10.	Paid-up equity share capital (Face Value INR 10 each per equity share)	12,483.59	12,483.59	10,872.80	12,483.59
11.	Other equity excluding revaluation reserve as per the audited balance sheet of previous year	-	-	-	76,027.53
12.	**Earnings/(loss) per share (Face value INR 10 each)**	Not Annualised	Not Annualised	Not Annualised	Annualised
	- Basic INR	5.44	(0.61)	7.66	8.96
	- Diluted INR	5.44	(0.61)	7.66	8.96

See accompanying notes to the financial results.

Gateway Distriparks Limited

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

Notes:

1 The above unaudited standalone financial results for the quarter ended June 30, 2021 have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at their respective meetings held on July 28, 2021. The Statutory Auditors have conducted a "Limited Review" of these results in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2 Pursuant to the approval by the Board of Directors in their meeting held on April 27, 2021, the Company has paid first Interim Dividend for the Financial Year 2021-22 of 50% (Rs. 5 per Equity Share) on the Equity Share Capital aggregating Rs. 6,241.80 lakhs.

3 The financial results have been prepared in accordance with the Indian Accounting Standards (IND AS) specified in the Companies (Indian Accounting Standard) Rules, 2015 (as amended) under section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India").

4 The Company ("GDL") and its subsidiary company, Gateway Rail Freight Limited ("GRFL") are involved in an arbitration proceeding with Container Corporation of India Limited ("Concor") in respect of agreements entered into by the parties for operation of container trains from the inland container depot and rail siding at Garhi Harsaru, Gurgaon. Concor has raised claims on GDL and GRFL on various issues in respect to the aforesaid agreements. Based on legal opinion, the management has taken a view that these claims are at a preliminary stage and the question of maintainability of the alleged disputes as raised by Concor under the aforesaid agreements is yet to be determined and are not sustainable. Pending conclusion of the arbitration, the parties are maintaining "status quo" in respect of the operations at Garhi Harsaru, Gurgaon.

5 The Company is principally engaged in a single segment viz. Inter-Modal Container Logistics, based on the nature of services, risks, returns and the internal business reporting system.

6 During earlier years, income tax department had raised demands for the assessment years 2008-2009 to 2014-2015 amounting to INR 7,304.15 lakhs primarily on account of disallowance of deduction under Section 80-IA(4)(i) of the Income-tax Act, 1961 and certain other expenditures. Assessment of all such orders are under litigation at various forums. Further in relation to assessment years 2004-2005 to 2007-2008, in earlier years deputy commissioner of income tax had issued notices under Section 148 of the Income-tax Act, 1961 proposing to re-assess the income and disallowed the deduction under section 80-IA(4)(i) of the Income-Tax Act, 1961 amounting to INR 4,460.34 lakhs. The Company has filed a writ petition against the said notices with the Bombay High Court and the honourable High Court has granted Interim stay. Based on lawyer and tax consultant's opinion, the management believes that the Company is entitled to aforesaid deductions and claims and hence no provision for the aforesaid demand/notices has been made in the financial statements as at June 30, 2021.

7 Redeemable non convertable debentures (secured and listed) of Rs.10 lakhs each bearing interest rate of 11.25% and 11.50% aggregating to Rs 55,000 lakhs were allotted on March 28, 2019. Out of Rs 55,000 lakhs, Rs 27,000 lakhs have been redeemed till April 7, 2021 and for balance Rs 28,000 lakhs the Company has maintained asset cover as per the terms of offer document and the Debenture Trust Deed.

Gateway Distriparks Limited

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

8 The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of property, plant & equipment, investments, trade receivables, etc. For this purpose, the Company has considered internal and external sources of information up to the date of approval of the Standalone Financial Results. Based on the current estimates, the Company does not expect any significant impact on such carrying values. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of Standalone Financial Results.

9 The Company was continuously exploring the possibilities of potential disinvestment of its entire shareholding in Snowman Logistics Limited (SLL) and accordingly, the Company had identified investment in SLL as "Non-current assets classified as Asset held for sale" in accordance with Ind AS 105 in the unaudited financial results during financial year ended March 31, 2021.

In view of the improved business prospects for the cold chain logistics business and the improved performance of SLL, the Company is no longer actively pursuing the sale of its investment and will continue to hold its investment in SLL and thus the criteria of assets classified as held for sale as per IND AS 105 are no longer met and the Company has accordingly reclassified the investment in Snowman Logistics Limited as "Non-Current Investment" for quarter ended June 30, 2021.

10 The Board of Directors at their meeting held on 28 September 2020 had approved a composite scheme of amalgamation under Sections 230 to 232 read with other applicable provisions of the Companies Act 2013, involving amalgamation of Gateway East India Private Limited ('subsidiary company') with Gateway Distriparks Limited and post the aforesaid amalgamation, Gateway Distriparks Limited would amalgamate into Gateway Rail Freight Limited ('subsidiary company'). The Company has filed the requisite documents with NCLT, Mumbai after taking necessary approval from BSE / NSE. The matter is pending for hearing before NCLT, Mumbai.

11 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

12 The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the unaudited published year to date figures up to December 31, 2020.

13 The figures for the corresponding previous period have been regrouped / reclassified wherever necessary, to make them comparable.

On behalf of the Board of Directors
For Gateway Distriparks Limited

Gateway Distriparks Limited

Prem Kishan Dass Gupta
Chairman and Managing Director

Place: New Delhi
Dated: July 28, 2021

S.R. BATLIBOI & CO. LLP GURUGRAM

S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
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Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Gateway Distriparks Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Gateway Distriparks Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate and joint venture for the quarter ended June 30, 2021 and year to date from April 01, 2021 to June 30, 2021 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

S. No.	Company Name	Nature
1.	Gateway Distriparks Limited	Holding Company
2.	Gateway Rail Freight Limited	Subsidiary company of Gateway Distriparks Limited
3	Gateway East India Private Limited	Wholly owned Subsidiary company of Gateway Distriparks Limited
4.	Gateway Distriparks (Kerala) Limited	Subsidiary company of Gateway Distriparks Limited
5.	Snowman Logistics Limited	Associate company of Gateway Distriparks Limited
6.	Container Gateway Limited	Jointly Controlled Entity

5. Based on our review conducted and procedures performed as stated in paragraph 3, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and

other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. **Emphasis of Matter – SEIS Benefits**

We draw your attention to Note 11 to the unaudited consolidated Ind AS financial results wherein it has been stated that Gateway Rail Freight Limited, subsidiary company, has received a notice dated November 11, 2019 from Additional Director General of Foreign trade (ADGFT) questioning SEIS benefits received by the subsidiary company for financial years 2015-16 to 2017-2018 under the provisions of Foreign Trade (Development and Regulation) Act, 1992.

The subsidiary company has submitted its initial response dated January 31, 2020 for the notice so received and has also responded to subsequent queries/requirements of ADGFT and has also obtained a legal opinion basis which it believes that it has a good case and accordingly no provision has been considered in the books of account.

Our conclusion is not modified in respect of this matter.

7. **Emphasis of Matter – Recoverability of MAT Credit**

We draw your attention to Note 13 of the unaudited consolidated Ind AS financial results, regarding recognition of Rs 1,986.32 lakhs of MAT credit by Gateway East India Private Limited, subsidiary company based on its assessments. The management of the Company based on the future business plans believes that the Company will be able to utilize the MAT credit accordingly no provision has been made in the books of accounts.

Our conclusion is not modified in respect of this matter.

For S.R. BATLIBOI & Co. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 096766
UDIN: 21096766AAAAM0961Q
Place: Faridabad
Date: July 28, 2021

GATEWAY DISTRIPARKS LIMITED
Registered Office: Sector - 6, Dronagiri, Taluka - Uran, District Raigad, Navi Mumbai - 400 707
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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

(Rs. In Lakhs)

Sr. No.	Particulars	3 months ended 30/06/2021	Preceding 3 months ended 31/03/2021	Corresponding 3 months ended 30/06/2020	Previous year ended 31/03/2021
		(Unaudited)	(Audited) (Refer Note 16)	(Unaudited)	(Audited)
1.	**Income**				
	(a) Revenue from operations	32,959.36	35,025.29	25,278.27	1,17,932.28
	(b) Other income	265.28	286.18	154.30	1,133.31
	Total income	33,224.64	35,311.47	25,432.57	1,19,065.59
2.	**Expenses**				
	(a) Operating expenses	20,328.63	21,088.09	14,454.34	71,017.54
	(b) Employee benefit expense	1,575.82	2,087.33	1,256.57	6,760.04
	(c) Depreciation and amortisation expense	3,248.18	3,217.45	3,343.99	13,142.06
	(d) Finance costs	1,596.73	1,734.75	2,297.19	7,947.85
	(e) Other expenses	2,138.12	2,321.57	2,576.18	8,857.38
	Total expenses	28,887.48	30,449.19	23,928.27	1,07,724.87
3.	**Profit before exceptional items, share of net profits of investments accounted for using equity method and tax (1-2)**	4,337.16	4,862.28	1,504.30	11,340.72
4.	Share of net profit/(loss) of associate accounted for using equity method [refer note 12 below]	26.48	(22.33)	33.11	5.93
5.	**Profit before exceptional items and tax (3+4)**	4,363.64	4,839.95	1,537.41	11,346.65
6.	Exceptional items	-	-	-	-
7.	**Profit before tax (5+6)**	4,363.64	4,839.95	1,537.41	11,346.65
8.	Income tax expense [refer note 7 & 8 below]				
	a. Current tax	859.88	985.24	739.20	3,924.03
	b. Adjustment of tax relating to earlier periods	-	(1.07)	-	(137.80)
	c. Deferred tax	(856.05)	(766.28)	(347.48)	(1,888.12)
	Total tax expense	3.83	217.89	391.72	1,898.11
9.	**Net profit after tax for the period (7-8)**	4,359.81	4,622.06	1,145.69	9,448.54

Gateway Distriparks Limited

S.R. BATLIBOI & CO. LLP GURUGRAM

GATEWAY DISTRIPARKS LIMITED
Registered Office: Sector - 6, Dronagiri, Taluka - Uran, District Raigad, Navi Mumbai - 400 707
CIN: L74899MH1994PLC164024
Ph: +91 22 2724 6500, Fax: +91 22 2724 6538, Email: gdlcfs@gateway-distriparks.com, Website: www.gateway-distriparks.com
STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

Sr. No.	Particulars	3 months ended 30/06/2021	Preceding 3 months ended 31/03/2021	Corresponding 3 months ended 30/06/2020	Previous year ended 31/03/2021
		(Unaudited)	(Audited) (Refer Note 16)	(Unaudited)	(Audited)
10.	**Other comprehensive income/(expense), net of tax**				
	Items that will not be reclassified to profit or loss				
	i. Remeasurement of post employment benefit obligations	13.28	15.48	(5.33)	22.34
11.	**Total comprehensive income for the period (9+10)**	4,373.09	4,637.54	1,140.36	9,470.88
12.	**Profit is attributable to:**	4,359.81	4,622.06	1,145.69	9,448.54
	Owners	4,353.31	4,587.00	1,159.56	9,436.50
	Non-controlling interests	6.50	35.06	(13.87)	12.04
13.	**Other comprehensive income is attributable to:**	13.28	15.48	(5.33)	22.34
	Owners	13.18	14.92	(5.16)	21.95
	Non-controlling interests	0.10	0.56	(0.17)	0.39
14.	**Total comprehensive income is attributable to:**	4,373.09	4,637.54	1,140.36	9,470.88
	Owners	4,366.49	4,601.92	1,154.40	9,458.45
	Non-controlling interests	6.60	35.62	(14.04)	12.43
15.	Paid-up equity share capital (face value Rs. 10 each per equity share)	12,483.59	12,483.59	10,872.80	12,483.59
16.	Other equity excluding revaluation reserve as per the audited balance sheet of previous year	-	-	-	1,34,901.74
17.	**Earnings per share attributable to equity holders of the parent: (Face value Rs. 10 each)**	Not Annualised	Not Annualised	Not Annualised	Annualised
	- Basic Rs.	3.49	3.82	1.04	7.96
	- Diluted Rs.	3.49	3.82	1.04	7.96

See accompanying notes to the financial results.

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Notes:

1 The above unaudited consolidated financial results of following entities have been consolidated with the financial results of Gateway Distriparks Limited (Parent Company/Company):

Subsidiaries:

a) Gateway Rail Freight Limited
b) Gateway Distriparks (Kerala) Limited
c) Gateway East India Private Limited

Joint Ventures:

a) Container Gateway Limited (Joint venture of Gateway Rail Freight Limited)

Associate:

Snowman Logistics Limited

2 The above unaudited consolidated financial results for the quarter ended June 30, 2021, have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at their respective meetings held on July 28, 2021. The Statutory Auditors have conducted a "Limited Review" of these results in terms of Regulation 33 and 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3 Pursuant to the approval by the Board of Directors in their meeting held on April 27, 2021, the Company has paid first Interim Dividend for the Financial Year 2021-22 of 50% (Rs. 5 per Equity Share) on the Equity Share Capital aggregating Rs. 6,241.80 lakhs.

4 The financial results have been prepared in accordance with the Indian Accounting Standards (IND AS) specified in the Companies (Indian Accounting Standard) Rules, 2015 (as amended) under section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India").

5 The Company ("GDL") and its subsidiary company, Gateway Rail Freight Limited ("GRFL") are involved in an arbitration proceeding with Container Corporation of India Limited ("Concor") in respect of agreements entered into by the parties for operation of container trains from the inland container depot and rail siding at Garhi Harsaru, Gurgaon. Concor has raised claims on GDL and GRFL on various issues in respect to the aforesaid agreements. Based on legal opinion, the management has taken a view that these claims are at a preliminary stage and the question of maintainability of the alleged disputes as raised by Concor under the aforesaid agreements is yet to be determined and are not sustainable. Pending conclusion of the arbitration, the parties are maintaining "status quo" in respect of the operations at Garhi Harsaru, Gurgaon.

6 The Group is principally engaged in a single segment viz. Inter-Modal Container Logistics, based on the nature of services, risks, returns and the internal business reporting system.

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7 During earlier years, income tax department had raised demands for the assessment years 2008-2009 to 2014-2015 amounting to Rs. 7,304.15 lakhs primarily on account of disallowance of deduction under Section 80-IA(4)(i) of the Income-tax Act, 1961 and certain other expenditures. Assessment of all such orders are under litigation at various forums. Further in relation to assessment years 2004-2005 to 2007-2008, in earlier years deputy commissioner of income tax had issued notices under Section 148 of the Income-tax Act, 1961 proposing to re-assess the income and disallowed the deduction under section 80-IA(4)(i) of the income-tax Act, 1961 amounting to Rs. 4,460.34 lakhs. The Company has filed a writ petition against the said notices with the Bombay High Court and the honourable High Court has granted Interim stay. Based on lawyer and tax consultant's opinion, the management believes that the Company is entitled to aforesaid deductions and claims and hence no provision for the aforesaid demand/notices has been made in the financial statements as at June 30, 2021.

8 During earlier years, for Gateway East India Private Limited (Subsidiary Company), income tax department had raised demands for the assessment years 2011-12 to 2014-2015 and AY 2017-18 amounting to Rs. 1,094.73 lakhs primarily on account of disallowance of deduction under Section 80-IA(4)(i) of the Income-tax Act, 1961 and certain other expenditures. Assessment of all such other orders are under litigation at various forums. Based on lawyer and tax consultant's opinion, the management believes that the Company is entitled to aforesaid deductions and claims and hence no provision for the aforesaid demand/notices has been made in the financial statements as at June 30, 2021.

9 Redeemable non convertable debentures (secured and listed) of Rs.10 lakhs each bearing interest rate of 11.25% and 11.50% aggregating to Rs 55,000 lakhs were allotted on March 28, 2019. Out of Rs 55,000 lakhs, Rs 27,000 lakhs have been redeemed till April 7, 2021 and for balance Rs 28,000 lakhs the Company has maintained asset cover as per the terms of offer document and the Debenture Trust Deed.

10 The Group has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of property, plant & equipment, investments, trade receivables, etc. For this purpose, the Group has considered internal and external sources of information up to the date of approval of the Standalone Financial Results. Based on the current estimates, the Group does not expect any significant impact on such carrying values. The impact of COVID-19 on the Group's financial results may differ from that estimated as at the date of approval of Consolidated Financial Results.

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11 The subsidiary Company, Gateway Rail Freight Limited (GRFL), has accounted for the benefits available under Service Exports from India Scheme (SEIS) amounting to INR 10,068.78 lakhs for the financial years 2015-16 to 2017-18. During the financial year 2019-20, GRFL has received a notice dated November 11, 2019 from Additional Director General of Foreign Trade [ADGFT] questioning SEIS benefits for the aforesaid financial years. GRFL submitted its initial response dated January 31, 2020 and has also responded to subsequent queries/requirements of ADGFT. The Company, backed by a legal opinion, believes that the SEIS scrips for aforesaid financial years were correctly availed in terms of the provisions of FTP 2015-20 and accordingly no provision has been made in the books of account for the same.

12 The Company was continuously exploring the possibilities of potential disinvestment of its entire shareholding in Snowman Logistics Limited (SLL) and accordingly, the Company had identified investment in SLL as "Non-current assets classified as Asset held for sale" in accordance with Ind AS 105 in the unaudited financial results during financial year ended March 31, 2021.

In view of the improved business prospects for the cold chain logistics business and the improved performance of SLL, the Company is no longer actively pursuing the sale of its investment and will continue to hold its investment in SLL and thus the criteria of assets classified as held for sale as per IND AS 105 are no longer met and the Company has accordingly reclassified the investment in Snowman Logistics Limited as "Non-Current Investment" for quarter ended June 30, 2021.

13 Gateway East India Private Limited (GEIPL), a subsidiary company had claimed deduction under section 80IA of the Income Tax Act, 1961 @ 100% on the profits for business and profession from Container Freight Station and was under tax holiday period till financial year 2019-2020. GEIPL has recognised MAT credit aggregating to Rs. 1,986.32 lakhs as at June 30, 2021 which represents that portion of the MAT Liability, the credit of which would be available based on the provision of Section 115JAA of the Income Tax Act, 1961. The group management based on the future projections, business plans and all viable options is confident that there would be sufficient taxable profits in the future to utilise the MAT credit within the stipulated period from the date of origination.

14 The Board of Directors at their meeting held on 28 September 2020 had approved a composite scheme of amalgamation under Sections 230 to 232 read with other applicable provisions of the Companies Act 2013, involving amalgamation of Gateway East India Private Limited ('subsidiary company') with Gateway Distriparks Limited and post the aforesaid amalgamation, Gateway Distriparks Limited would amalgamate into Gateway Rail Freight Limited ('subsidiary company'). The Company has filed the requisite documents with NCLT, Mumbai after taking necessary approval from BSE / NSE. The matter is pending for hearing before NCLT, Mumbai.

15 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Gateway Distriparks Limited

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16 The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the unaudited published year to date figures up to December 31, 2020.

17 The figures for the corresponding previous period have been regrouped / reclassified wherever necessary, to make them comparable.

On behalf of the Board of Directors
For **Gateway Distriparks Limited**

Prem Kishan Dass Gupta
Chairman and Managing Director

Place: New Delhi
Dated: July 28, 2021

GATEWAY DISTRIPARKS LTD.

GATEWAY EAST INDIA PRIVATE LIMITED

CONTAINER FREIGHT STATION

Registered Office : Sector 6, Dronagiri, Taluka Uran, District Raigad, Navi Mumbai, Maharashtra-400707

Tel: 022-27246500, Fax: 022-27246538 Email: vizagacts@gateway-distriparks.com,

Web : www.gateway-distriparks.com CIN No : U51909MH1994PTC346843

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GATEWAY EAST INDIA PRIVATE LIMITED AT ITS MEETING HELD ON 28th SEPTEMBER, 2020 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION (MERGER BY ABSORPTION) AMONGST GATEWAY DISTRIPARKS LIMITED, GATEWAY EAST INDIA PRIVATE LIMITED AND GATEWAY RAIL FREIGHT LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013 ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. Background

1.1. The Board of Directors ("**Board**") of Gateway East India Private Limited ("**Company**") at its meeting held on 28th September, 2020 have approved the composite scheme of amalgamation for: (i) amalgamation (merger by absorption) of the Company, a wholly owned subsidiary of Gateway Distriparks Limited ("**GDL**"), with GDL; and (ii) amalgamation (merger by absorption) of GDL (post amalgamation of the Company with GDL) with Gateway Rail Freight Limited ("**GRFL**") ("**Scheme**"), under Sections 230 to 232 and other applicable provisions of the Companies Act 2013 ("**Companies Act**").

1.2. Section 232(2)(c) of the Companies Act requires the directors to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio and specifying any special valuation difficulties and the same is required to be circulated to the members or class of members or creditors or class of creditors, as the case may be, for the meeting of the members or class of members or creditors or class of creditors, as the case may be, along with the notice convening such meeting to be held for the purpose of approving the Scheme.

1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act.

2. Documents Reviewed

2.1. The following documents were, *inter alia*, placed before the Board:

1) Draft Scheme, duly initialled by the Chairman of the Board for the purpose of identification;

2) Valuation report dated 28th September, 2020 ("**Valuation Report**") prepared by SSPA & Co., independent Chartered Accountants, setting out the valuation of GRFL, GDL and the Company for the purpose of the Scheme, the share exchange ratio for the Scheme and the methodology adopted by them in arriving at the share exchange ratio;

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3) Fairness opinion dated 28th September, 2020 ("**Fairness Opinion**") prepared by Corporate Professionals Capital Private Limited, SEBI registered Category I Merchant Banker, providing the Fairness Opinion on the share exchange ratio as recommended by SSPA & Co., independent Chartered Accountants; and

4) Letter dated 28th September, 2020, obtained from S.R. Batliboi & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, on the accounting treatment prescribed in the Scheme.

3. Effect of the Scheme on the equity shareholders (promoter and non-promoter) and KMPs of the Company

Based on the review of the draft Scheme and the above-mentioned documents, the Board is of the opinion that:

3.1. GDL, GRFL and the Company are all group companies. GRFL is a subsidiary of GDL. The Company is a wholly owned subsidiary of GDL.

3.2. Upon the Scheme becoming effective, with effect from the Appointed Date 1 (i.e., opening of business hours on 1 April 2020 or such other date as may be directed by the NCLT, Mumbai Bench or other appropriate authority as may be applicable), all assets, properties, licenses, contracts, rights, litigations, intellectual property rights, insurance policies, liabilities and obligations of the Company shall stand transferred to and vest with GDL, as a going concern, in accordance with Part C of the Scheme. Further, with effect from the Appointed Date 2 (i.e., opening of business hours on 1 April 2020 or such other date as may be directed by the NCLT, Mumbai Bench or other appropriate authority as may be applicable), all assets, properties, licenses, contracts, rights, litigations, intellectual property rights, insurance policies, liabilities (including debentures) and obligations of GDL (including assets and liabilities of the Company transferred to GDL in terms of Part C of the Scheme) shall stand transferred to GRFL, as a going concern, in accordance with Part D of the Scheme.

3.3. The following consideration shall be payable for (i) amalgamation of the Company with GDL; and (ii) amalgamation of GDL (post amalgamation of the Company with GDL) with GRFL, in terms of Part C and Part D of the Scheme respectively:

For the amalgamation of the Company with GDL

For amalgamation of the Company with GDL, no consideration will be discharged to the shareholders of the Company and no shares will be allotted to GDL since the entire paid-up equity share capital of the Company is held directly by GDL.

For the amalgamation of GDL with GRFL

4 (Four) fully paid up equity shares of GRFL of INR 10 (Rupees 10) each, for every 1 (One) fully paid up equity shares of INR 10 (Rupees Ten) each, held by the equity shareholders of GDL whose names appear in the register of members or register of beneficial owners maintained by the registrar and

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transfer agent as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be.

3.4. Upon the Scheme becoming effective, all the equity shares and all compulsorily convertible preference shares of GRFL held by GDL shall stand cancelled. Further, all the equity shares of the Company held by GDL (whether through a nominee), shall, without any other consideration, application, act, instrument or deed be deemed to have been automatically cancelled and be of no effect.

3.5. The equity shares of GRFL including but not limited to the equity shares issued by GRFL pursuant to the Scheme shall after the relevant approvals be listed /admitted to trading on BSE Limited and the National Stock Exchange of India Limited where equity shares of GDL are listed and/or admitted to trading. The shares issued by GRFL pursuant to the Scheme, shall remain frozen in the depository system until the receipt of trading permission from the relevant stock exchanges(s).

3.6. Upon the Scheme becoming effective, subject to the requirement, if any, imposed or concession, if any, by BSE Limited, and other terms and conditions agreed with BSE Limited, the outstanding non-convertible debentures of face value of INR 10,00,000 issued by GDL as of the date of effectiveness of the Scheme, which shall stand transferred to the Company pursuant to the Scheme shall be listed and admitted to trading on the Wholesale Debt Market Segment of BSE Limited, where the debentures are currently listed.

3.7. Upon the Scheme becoming effective, GDL and the Company shall be dissolved without being wound-up.

3.8. The equity shares to be issued by GRFL to the equity shareholders of GDL shall be subject to the Memorandum of Association and Articles of Association of GRFL and shall rank *pari passu* with the existing equity shares of GRFL in all respects including dividends.

3.9. No fractional shares shall be issued by GRFL. If any member of GDL is entitled to a fraction of share, on issue and allotment of the shares of GRFL in terms of the Scheme, then such fraction shall be rounded off to the nearest integer.

3.10. There shall be no change in the shareholding pattern or control of the GRFL between the Record Date and date of listing of shares of the GRFL on the Stock Exchanges. GRFL will not issue/ reissue any shares, not covered under the Scheme.

3.11. The pre and indicative post amalgamation shareholding pattern of GDL, the Company and GRFL shall be as follows:

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Gateway Distriparks Limited

Particulars (Shareholders)	Pre-amalgamation		Post-Amalgamation
	No of shares	%	
Promoter & Promoter Group	40123283	32.14	GDL will cease to exist
Public	84712625	67.86	
Total	124835908	**100%**	

Gateway East India Private Limited

Particulars (Shareholders)	Pre-amalgamation		Post-Amalgamation
	No of shares	%	
Gateway Distriparks Limited	7,999,990	100%	The Company will cease to exist
Prem Kishan Dass Gupta	10	0%	
Total	**8,000,000**	**100%**	

Gateway Rail Freight Limited

Particulars (Shareholders)	Pre-amalgamation		Post-Amalgamation*	
	No of shares	%	No of shares	%
Promoters	201199800	99.85	160493136	32.12
Public	300200	0.15	339150700	67.88
Total	201500000	**100%**	499643836	**100%**

*(*Note: The above shareholding has been calculated on the basis of the shareholding pattern of GDL, the Company and GRFL as on 25 September 2020. The actual shareholding depends upon the shareholding pattern as on the record date and may vary to that extent.)*

3.12. None of the Directors and/or the KMPs (including their relatives) of GDL, the Company and/or GRFL have any interest in the Scheme except to the extent of their shareholding in the transferor and/or the transferee company, if any.

3.13. Upon the Scheme coming into effect, the Board of the Company shall be dissolved with the dissolution of the Company.

3.14. The Scheme will not have an adverse effect on the existing KMPs of the Company. The KMPs concerned of the Company shall be transferred to GDL (and thereafter to GRFL) without any interruption in their service in terms of the Scheme.

3.15. There shall be no adverse effect of the said Scheme on the equity shareholders (only class of shareholders), the KMPs, the promoter and the non-promoter shareholders of the Company.

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3.16. The Board observes that no issues or difficulties regarding the valuation has been mentioned in the Valuation Report.

For and on behalf of the Board of Directors of Gateway East India Private Limited

Prem Kishan Dass Gupta
Chairman
DIN: 00011670
Place: New Delhi
Date: 28/09/2020

S.R. BATLIBOI & CO. LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Gateway East India Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Gateway East India Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 financial statements under the provisions of the Act 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 audit opinion on the Ind AS financial statements.

Emphasis of Matter – Impact of Outbreak of Coronavirus (Covid-19)

We draw your attention to Note 31 to the accompanying Ind AS financial statements, which describes the management's assessment of the impact of the uncertainties related to outbreak of COVID-19 on the future business operations of the Company.

Our opinion is not modified in respect of this matter.

Emphasis of Matter – Recoverability of MAT credit

We draw attention to Note 5 of the Ind AS financial statements, regarding recognition of Rs. 1999.96 lakhs of MAT credit by the Company based on its assessments. The management based on the future business plans believes that the Company will be able to utilize the MAT credit accordingly no provision has been made in the books of accounts.

Our opinion is not modified in respect of this matter.

S.R. BATLIBOI & CO. LLP * GURUGRAM *

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain

S.R. BATLIBOI & CO. LLP
GURUGRAM

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.

- 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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 Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 the Statement of 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) 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, as amended 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 its Ind AS financial statements – Refer Note 25 to the Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma
Partner
Membership Number: 096766
UDIN: 21096766AAAAKF4072
Place of Signature: Faridabad
Date: 26 April 2021

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Gateway East India Private Limited ("the Company")

(i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties, included in property, plant and equipment are held in the name of the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to duty of excise are not applicable to the Company.

(b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise are not applicable to the Company.



(c) According to the records of the company, the dues of income-tax on account of dispute, are as follows:

Name of statue	Nature of Dues	Amount (Rs. lakhs)	Amount paid under protest (Rs. lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	26	13	2010-11	High Court, Hyderabad
The Income Tax Act, 1961	Income Tax	88.15	15	2011-12	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	274.19	-	2012-13	High Court, Hyderabad
The Income Tax Act, 1961	Income Tax	270.76	-	2013-14	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	435.63	-	2016-17	CIT (Appeals)

According to the information and explanations given to us, there are no dues of sales-tax, service tax, customs duty, value added tax, goods and services tax, cess and other statutory dues which have not been deposited on account of any dispute. The provisions relating to duty of excise are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given by the management and audit procedures performed by us, monies raised by way of term loans were applied for the purposes for which they were raised.

Further, based on the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.



(xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, hence not commented upon.

(xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005





per Vishal Sharma
Partner
Membership Number: 96766
UDIN: 21096766AAAAKF4072
Place of Signature: Faridabad
Date: 26 April 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF GATEWAY EAST INDIA PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Gateway East India Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 over financial reporting with reference to these financial statements were 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial

S.R. BATLIBOI & CO. LLP GURUGRAM

reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting with reference to these financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting 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, adequate internal financial controls over financial reporting with reference to financial statements and such internal financial controls over financial reporting with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

S.R. BATLIBOI & CO. LLP * GURUGRAM *

per Vishal Sharma
Partner
Membership No.: 096766
UDIN: 21096766AAAAKF4072
Place of Signature: Faridabad
Date: 26 April 2021

GATEWAY EAST INDIA PRIVATE LIMITED
CIN-U51909AP1994PTC017523
Balance sheet as at 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,942.55	1,902.25
Right-of-use assets	26(b)	1,698.47	1,833.91
Financial assets			
i. Other financial assets	4(d)	43.82	41.44
Deferred tax assets (net)	5	1,948.76	2,007.59
Income tax assets (net)	6	229.68	220.90
Other non-current assets	7	28.00	28.00
Total non-current assets		**5,891.28**	**6,034.09**
Current assets			
Contract assets	4(a)	29.96	51.30
Financial assets			
i. Trade receivables	4(a)	973.41	1,062.67
ii. Cash and cash equivalents	4(b)	0.23	0.57
iii. Bank balances other than (ii) above	4(c)	3.96	3.69
iv. Other financial assets	4(d)	0.22	0.22
Other current assets	7	36.30	46.07
Total current assets		**1,044.08**	**1,164.52**
Total Assets		**6,935.36**	**7,198.61**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8(a)	800.00	800.00
Other equity			
i. Reserves and surplus	8(b)	2,909.12	3,422.73
Total equity		**3,709.12**	**4,222.73**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	9(a)	265.31	159.21
ii. Lease liabilities	26(b)	1,586.55	1,635.21
Employee benefit obligations	10	30.75	26.23
Total non-current liabilities		**1,882.61**	**1,820.65**
Current liabilities			
Contract liabilities	9(b)	8.78	5.75
Financial liabilities			
i. Borrowings	9(c)	688.99	692.13
ii. Lease liabilities	26(b)	213.37	205.10
iii. Trade payables	9(d)		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		232.96	100.08
iv. Other financial liabilities	9(e)	146.32	121.33
Employee benefit obligations	10	12.44	15.05
Other current liabilities	11	40.77	15.79
Total current liabilities		**1,343.63**	**1,155.23**
Total liabilities		**3,226.24**	**2,975.88**
Total Equities And Liabilities		**6,935.36**	**7,198.61**
Summary of significant accounting polices	2		

The accompanying notes are an integral part of financial statements

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 096766
Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
Gateway East India Private Limited

Prem Kishan Dass Gupta
Chairman
DIN: 00011670
Place: New Delhi
Date: 26 April 2021

Ishaan Gupta
Director
DIN: 5298583
Place: New Delhi
Date: 26 April 2021

Anuj Kalia
Company Secretary
Membership No. A31850
Place: New Delhi
Date: 26 April 2021

GATEWAY EAST INDIA PRIVATE LIMITED
CIN-U51909AP1994PTC017523
Statement of Profit and Loss for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue			
Revenue from contracts with customers	12	3,065.90	3,316.91
Other income	13	145.87	9.31
Total Income (I)		**3,211.77**	**3,326.22**
Expense			
Operating expenses	14	1,590.18	1,672.41
Employee benefits expense	15	115.24	100.64
Depreciation and amortisation expense	16	332.85	334.59
Finance cost	17	231.85	253.60
Other expenses	18	532.50	674.58
Total expenses (II)		**2,802.62**	**3,035.82**
Profit before tax III (I-II)		**409.15**	**290.40**
Tax expense			
-Current tax	19	45.21	70.62
-Deferred tax charge/(credit)	19	58.48	(27.94)
Total tax expense (IV)		**103.69**	**42.68**
Profit for the year V (III-IV)		**305.46**	**247.72**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	10	1.28	(2.20)
Income tax relating to the above		(0.35)	-
Other Comprehensive Income for the year, net of tax VI		**0.93**	**(2.20)**
Total Comprehensive Income for the year, net of tax VII (V+VI)		**306.39**	**245.52**
Earnings per share [Face Value INR 10 per share(31 March 2020: INR 10 per share)]			
Basic earnings per share (INR)	28	3.82	3.10
Diluted earnings per share (INR)	28	3.82	3.10
Summary of significant accounting polices	2		

The accompanying notes are an integral part of financial statements

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 096766
Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
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Anuj Kalia
Company Secretary
Membership No. A31850
Place: New Delhi
Date: 26 April 2021

GATEWAY EAST INDIA PRIVATE LIMITED
CIN-U51909AP1994PTC017523
Statement of changes in equity for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

(A) Equity share capital (refer note 8)
Equity Shares of INR 10 each issued, subscribed and fully paid up

Particulars	No. of Shares	Amount
Balance as at 1 April 2019	**80.00**	**800.00**
Changes in equity share capital	-	-
Balance as at 31 March 2020	**80.00**	**800.00**
Changes in equity share capital	-	-
Balance as at 31 March 2021	**80.00**	**800.00**

(B) Other equity

Particulars	Reserves and Surplus		Total Other Equity
	Securities premium reserve	Retained earnings	
Balance as at 1 April 2019	400.00	3,076.18	3,476.18
Profit for the year	-	247.72	247.72
Other comprehensive income	-	(2.20)	(2.20)
Total comprehensive income for the year	-	245.52	245.52
Dividend paid	-	248.00	248.00
Dividend distribution tax	-	50.97	50.97
Balance as at 31 March 2020	**400.00**	**3,022.73**	**3,422.73**
Balance as at 1 April 2020	400.00	3,022.73	3,422.73
Profit for the year	-	305.46	305.46
Other comprehensive income	-	0.93	0.93
Total comprehensive income for the year	-	306.39	306.39
Dividend paid	-	820.00	820.00
Balance as at 31 March 2021	**400.00**	**2,509.12**	**2,909.12**

Summary of significant accounting polices (refer note 2)
The accompanying notes are an integral part of financial statements

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
Gateway East India Private Limited

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Chairman
DIN: 00011670
Place: New Delhi
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Ishaan Gupta
Director
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Date: 26 April 2021

Anuj Kalia
Company Secretary
Membership No. A31850
Place: New Delhi
Date: 26 April 2021

GATEWAY EAST INDIA PRIVATE LIMITED
CIN-U51909AP1994PTC017523
Statement of Cash Flows for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
A Cash flow from operating activities			
Profit before income tax		409.15	290.40
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation and amortisation expense	**16**	332.85	334.59
Write back of provision for doubtful ground rent no longer required	**13**	(5.17)	-
Provision for doubtful debts and doubtful ground rent	**18**	-	132.66
Loss on sale of property, plant and equipment	**18**	-	7.64
Liabilities/ provisions no longer required written back	**13**	(133.20)	-
Interest income	**13**	(2.45)	0.24
Finance cost	**17**	231.85	253.60
Working capital adjustments			
(Increase)/decrease in trade receivables	**4(a)**	222.47	(85.01)
(Increase)/decrease in other financial assets and contract assets	**4(d),4(a)**	24.13	(17.74)
(Increase)/decrease in lease liability	**26(b)**	-	101.21
(Increase)/decrease in other assets	**7**	9.77	(46.80)
Increase/(decrease) in trade payables	**9(d)**	132.87	(49.01)
Increase/(decrease) in other current liabilities and contract liabilities	**11,9(b)**	28.12	32.87
Increase/(decrease) in employee benefit obligation	**10**	3.19	(3.71)
Cash generated from operations		**1,253.58**	**950.94**
Income taxes paid	**6**	(53.99)	(74.72)
Net cash flows from operating activities		**1,199.59**	**876.22**
B Cash flow from investing activities:			
Purchase of property, plant and equipment	**3**	(237.71)	(221.60)
Sale of property, plant and equipment	**3**	-	26.00
Fixed deposit made	**4(c)**	(0.27)	(0.23)
Interest received	**13**	2.45	0.26
Net cash flows used in investing activities		**(235.53)**	**(195.57)**
C Cash flow from financing activities			
Repayment of long term borrowings	**9(a)**	(71.70)	(127.11)
Proceeds from borrowings	**9(a)**	202.78	199.72
Dividend Paid	**8(b)**	(820.00)	(248.00)
Dividend Distribution Tax	**8(b)**	-	(50.97)
Payment of principal portion of lease liabilities	**26(b)**	(205.10)	(197.19)
Interest paid	**17**	(67.24)	(85.69)
Net cash flows used in financing activities		**(961.26)**	**(509.24)**
Net increase/(decrease) in cash and cash equivalents		2.80	171.41
Add: Cash and cash equivalents at the beginning of the year	**4(b)**	(691.56)	(862.97)
Cash and cash equivalents at the end of the year		**(688.76)**	**(691.56)**

GATEWAY EAST INDIA PRIVATE LIMITED
CIN-U51909AP1994PTC017523
Statement of Cash Flows for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Balances with banks			
- on current accounts	4(b)	0.15	0.16
Cash on hand	4(b)	0.08	0.41
		0.23	**0.57**
Bank overdraft	9(b)	(688.99)	(692.13)
		(688.76)	**(691.56)**

Summary of significant accounting polices 2
The accompanying notes are an integral part of financial statements

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
Gateway East India Private Limited

Prem Kishan Dass Gupta
Chairman
DIN: 00011670
Place: New Delhi
Date: 26 April 2021

Ishaan Gupta
Director
DIN: 5298583
Place: New Delhi
Date: 26 April 2021

Anuj Kalia
Company Secretary
Membership No. A31850
Place: New Delhi
Date: 26 April 2021

1 **Corporate Information**

Gateway East India Private Limited (the 'Company') is engaged in the business of providing services of Container Freight Station ('CFS'). The CFS is located on the Exim Park, Sheela Nagar, Visakhapatnam. The CFS is about 16 Kms from Visakha Container Terminal Port. CFS provides common user facilities offering services forContainer Handling, Transport and Storage of import/ export laden and empty containers and cargo carried under customs control.

The financial statements were approved for issue in accordance with a resolution of the directors on 26th April 2021.

2 **SIGNIFICANT ACCOUNTING POLICIES:**

2.1 Basis of Preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

These are Company's separate financial statements.

The financial statements are presented in Indian National Rupee ('INR') and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following.
-- Certain financial instruments that are measured at fair value:
-- Define benefit plan-plan assets measured at fair value; and
-- Assets held for sale-measured at lower of carrying value and fair value less cost to sell.

(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 treated as current when it is:
a. Expected to be realised or intended to be sold or consumed in normal operating cycle
b. Held primarily for the purpose of trading.
c. Expected to be realised within twelve months after the reporting period, or
d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is current when:
a. It is expected to be settled in normal operating cycle
b. It is held primarily for the purpose of trading
c. It is due to be settled within twelve months after the reporting period, or
d. 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.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman and Managing Director of the Company. The Company has identified one reportable segment "Container Freight Station" i.e. based on the information reviewed by CODM. Refer note 23 for segment information presented.

(c) Foreign currency translation:

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing on the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance cost. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when thefair value was determined. Translation difference on assets and liabilities carried at fair value are reported as part of the fair value gain orloss. For example, translation differences on non- monetary assets and liabilities such as equity instruments held at fair value throughprofit or loss are recognised in statement of profit and loss as part of the fair value gain or loss and translation differences on non-monetaryassets such as equity investments classified as FVOCI are recognised in other comprehensive income.

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

Long Term foreign currency monetary item taken upto 31 March 2016 on depreciable assets:

• Foreign exchange difference on account of long term foreign currency loan on a depreciable asset, are adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset.

Long Term foreign currency monetary item taken after 01 April 2016 on depreciable assets:

• Foreign exchange difference on account of a depreciable assets, are included in the Statement of profit and Loss.

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

(d) Revenue Recognition.

The Company is principally engaged in a single segment viz. Inter-Modal Container Logistics, based on the nature of services, risks, returns and the internal business reporting system.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer
- Identify the performance obligations
- Determine the transaction price
- Allocate the transaction price to the performance obligations
- Recognise revenue when or as an entity satisfies performance obligation

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services, because it typically controls the services before transferring them to the customer.

Revenue excludes amounts collected on behalf of third parties.

Rendering of services :

(i) 'Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

(ii) The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefit will flow to the entity and specific criteria have been met for each of the Company activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(iii) Income from Container handling, storage and transportation are recognised on proportionate completion of the movement and delivery of goods to the party/designated place.

(iv) Income from Ground Rent is recognised for the period the container is lying in the Container Freight Station. However, in case of long standing containers, the income from Ground Rent is not accrued for a period beyond 60 days as on the basis of past history the collectability is not reasonably assured.

(v) Income from auction sales is recognised when the Company auctions long-standing cargo that has not been cleared by customs. Revenue and expenses for Auction sales are recognised when auction is completed after obtaining necessary approvals from appropriate authorities. Auction sales include recovery of the cost incurred in conducting auctions, accrued ground rent and handling charges relating to long-standing cargo. Surplus, out of auctions, if any, after meeting all expenses and the actual ground rent, is credited to a separate account 'Auction Surplus' and is shown under the head 'Other Current Liabilities'. Unclaimed Auction Surplus, if any, in excess of period specified under the Limitations Act is written back as 'Income' in the following financial year.

Variable consideration

If the consideration in a contract includes a variable amount, estimates the amount of consideration to which it will be entitled in exchange for transferring the service to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company recognizes changes in the estimated amount of variable consideration in the period in which the change occurs. Some contracts for the sale of service provide customers with volume rebates and pricing incentives, which give rise to variable consideration.

The Company provides retrospective volume rebates and pricing incentives to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Contract balances

Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section financial instruments – initial recognition and subsequent measurement.

Contract assets
A contract asset is initially recognised for revenue earned from services because the receipt of consideration is conditional on successful completion of the service. Upon completion of the services and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.
Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets and contract assets in section I(iii).

Contract liabilities
A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Cost to obtain a contract
The Company pays sales commission to its selling agents for each contract that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in advertisement and sales promotion expense under other expenses) because the amortization period of the asset that the Company otherwise would have used is one year or less.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

Critical judgements
The Company's contracts with customers include promises to transfer service to the customers. Judgement is 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 schemes, incentives, cash discounts, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

Costs to obtain a contract are generally expensed as incurred. 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.

Other revenue streams

Export Benefits
Export Entitlements in the form of Service Exports from India Scheme (SEIS) and other schemes are recognized in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Dividend
Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

(e) Income Tax:

Current income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period where the Company generate taxable income. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for the temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Current and deferred tax is recognised in Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(f) Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.
If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.
The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii)Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

"Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(g) Impairment of assets.

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

(h) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdraft. Bank overdraft are shown within borrowing in current liabilities in the balance sheet.

(i) Trade Receivables

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(j) Investments and other financial assets

(i) Classification

The Company classifies financial assets in the following measurement categories:

-- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss and

-- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For the assets measured at fair value, gain and losses will either be recorded in statement of profit and loss or other comprehensive income. For investment in debt instrument, this will depends on the business model in which the investment is held.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial assets at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition to the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are recognised immediately in statement of profit and loss.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

1. Amortised Cost: Assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

2. Fair value through other comprehensive Income (FVOCI): Assets that are held for the collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss. Interest Income from these financial assets is included in finance income using the effective interest rate method.

3. Fair Value through profit or loss (FVPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured as fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Dividend income from these financial assets is included in other income.

(iii) Impairment of financial assets and contract assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial assets.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

In accordance with Ind AS 109, the Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVTOCI debt instruments. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(iv) Derecognition of financial assets

A financial assets is derecognised only when

-- The Company has transferred the right to receive cash flows from the financial assets or

-- Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

(i) Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate.

(ii) Dividend: Dividend income is recognised when the right to receive dividend is established.

(k) Financial Liabilities

(i) Classification

The Company classifies its financial liabilities in the following measurement categories:

'-- those to be measured subsequently at fair value through the Statement of Profit and Loss, and

'-- those measured at amortised cost

(ii) Measurement

1. Financial liabilities at amortised cost- Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost.

2. Financial liabilities at fair value through profit and loss- Financial liabilities at fair value through profit and loss are measured at fair value with all changes recognized in the statement of profit and loss.

(iii) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of profit and loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

(l) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(m) Property, Plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and cost can be measured reliably. The carrying amount of any component accounted for as a separate assets is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred. The management review the useful life of the assets at each reporting date.

Depreciation methods, estimated useful lives and residual value

Depreciation on additions/ deletions to Tangible and Intangible Assets is calculated on pro-rata basis from the month of such additions/ deletions. The Company provides depreciation on straight-line method at the rates specified under Schedule II to the Companies Act, 2013, except for:

- Reach Stackers and forklifts (included in Other Equipment's) are depreciated over a period of ten years, based on the technical evaluation;

- Additions/ construction of Building and Leasehold Improvements is being amortised over the balance period of the lease period;

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

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

(n) Intangible Assets

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. Intangible assets of the Company consist of computer software and is amortised under straight line method over a period of three years.

(o) Trade and other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using effective interest method.

(p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(q) Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying assets are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(r) Provisions:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provision are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(s) Employee Benefits:

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in Statement of profit and loss in respect of employees service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(iii) Post employment obligations

The Company operates the following post-employment schemes:

1.) Defined benefit plans such as gratuity; and
2.) Defined contribution plans such as provident fund.

Gratuity Obligations

The liability recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflow by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of defined benefit obligations and fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss .

Remeasurement gains and losses arising from experience adjustment and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

Defined Contribution Plans

The Company pays provident fund contribution to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

(iv) Bonus Plan

The Company recognise the liability and an expenses for bonus. The Company recognise a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(t) Earnings per Share:

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

1) The profit attributable to the owner of the Company
2) by the weighted average number of equity share outstanding during the financial year, adjusted for bonus elements in equity shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figure used in the determination of basis earnings per share to take into account:

1) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
2) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(u) Contributed Equity

Equity shares are classified as equity.
Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(v) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(w) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

(x) Embedded foreign currency derivatives

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract.
-the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world.
-a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

(y) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the :

1) fair values of the assets transferred;
2) liabilities incurred to the former owners of the acquired business;
3) equity interests issued by the Company; and
4) fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interests' proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.
The excess of the
1) consideration transferred;
2) amount of any non-controlling interest in the acquired entity, and
3) acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

(z) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.
Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

(aa) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed separately as Exceptional items.

(ab) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

(ac) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(ad) Rounding of amounts

All amounts disclosed in the financial statements and notes have been round off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2.3 Changes in accounting policies and disclosures

New and amended standards

(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019.

This amendment had no impact on the financial statements of the Company.

(ii) Amendments to Ind AS 103 Business Combinations

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the financial statements of the Company but may impact future periods if the Company enter into any business combinations.

(iii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users.

These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Company.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Company's financial statements.

(iv) Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Company as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the 1 April 2020. These amendments are not expected to have a significant impact on the Company's financial statements.

2.4 Significant accounting judgements, estimates and assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income , expenses, and the accompanying disclosures, and the disclosure 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

-Provisions & Contingent Liabilities

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision. (refer note 25)

-Useful lives of property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. For the relative size of the Company's intangible assets. (refer note 3)

-Defined benefit plans (gratuity benefits)

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 11 for the details of the assumptions used in estimating the defined benefit obligation. (refer note 11)

- Impairment of trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. (refer note 21)

- Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions (refer note 20).

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

GATEWAY EAST INDIA PRIVATE LIMITED

Notes annexed to and forming part of financial statements for the year ended 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

Note 3: Property, Plant and Equipment

Particulars	Buildings	Yard Equipments [Refer Note 3(ii)]	Electrical Installations and Equipment	Furniture and fittings	Office Equipments	Computer hardware	Vehicles	Total
Gross carrying amount								
As at 1 April 2019	1,813.72	881.54	31.38	13.47	16.06	16.02	1.05	**2,773.24**
Additions	-	209.25	6.06	0.09	0.47	-	-	**215.87**
Disposals	-	191.53	-	-	-	-	-	**191.53**
As at 31 March 2020	**1,813.72**	**899.26**	**37.44**	**13.56**	**16.53**	**16.02**	**1.05**	**2,797.58**
As at 1 April 2020	1,813.72	899.26	37.44	13.56	16.53	16.02	1.05	**2,797.58**
Additions	84.60	147.55	4.84	-	0.31	0.41	-	**237.71**
Disposals	-	-	-	-	-	-	-	**-**
As at 31 March 2021	**1,898.32**	**1,046.81**	**42.28**	**13.56**	**16.84**	**16.43**	**1.05**	**3,035.29**
Accmulated depreciation and impairment								
As at 1 April 2019	358.23	445.04	26.72	6.87	7.38	13.67	0.54	**858.45**
Depreciation charge for the year	103.22	85.41	1.63	0.94	2.51	0.95	0.14	**194.80**
Disposals	-	157.92	-	-	-	-	-	**157.92**
As at 31 March 2020	**461.45**	**372.53**	**28.35**	**7.81**	**9.89**	**14.62**	**0.68**	**895.33**
As at 1 April 2020	461.45	372.53	28.35	7.81	9.89	14.62	0.68	**895.33**
Depreciation charge for the year	106.51	86.69	0.19	0.86	1.98	1.04	0.14	**197.41**
Disposals	-	-	-	-	-	-	-	**-**
As at 31 March 2021	**567.96**	**459.22**	**28.54**	**8.67**	**11.87**	**15.66**	**0.82**	**1,092.74**
Net carrying amount as at 31 March 2021	**1,330.36**	**587.59**	**13.74**	**4.89**	**4.97**	**0.77**	**0.23**	**1,942.55**
Net carrying amount as at 31 March 2020	**1,352.27**	**526.73**	**9.09**	**5.75**	**6.64**	**1.40**	**0.37**	**1,902.25**

NOTES:

(i) Contractual obligations - Refer note 26 for disclosure of contractual commitments for estimated amount of contracts remaining to be executed.

(ii) Yard Equipment's includes reach stackers having gross carrying amount of INR 996.10 lakhs (31 March 2020- INR 925.53 lakhs) and net carrying amount of INR 564.17 lakhs (31 March 2020- INR 506.14 lakhs).

(iii) Asset pledged as security -Refer to Note 29 for information on property, plant and equipment, pledged as security by the company.

Note 4: Financial assets

Note 4(a) Trade receivables and contract assets

Particulars	31 March 2021	31 March 2020
Trade receivables	1,024.56	1,247.03
Less: Impairment allowance*	51.15	184.36
Total receivables	**973.41**	**1,062.67**
Current portion	973.41	1,062.67
Non-current portion	-	-

Break-up of securities details

Particulars	31 March 2021	31 March 2020
Secured, considered good	-	-
Unsecured, considered good	973.41	1,062.67
Trade receivables – credit impaired	51.15	184.36
Total	**1,024.56**	**1,247.03**
Less: Impairment allowance*	51.15	184.36
Total trade receivables	**973.41**	**1,062.67**

(a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
(b) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
(c) Refer Note 29 for details relating to receivables pledged.
* The provision for impairment allowance has been made basis the expected credit loss method and on case to case basis management judgement.

Contract assets

Particulars	31 March 2021	31 March 2020
Accrued ground rent net		
-Considered good	29.96	51.30
-Considered doubtful	0.99	6.16
	30.95	57.46
Less: Provision for expected credit losses	0.99	6.16
Accrued Ground Rent (net)	29.96	51.30

Contract Assets relate to ongoing services for which the Company has entered into agreement with customer wherein the Company has identified its performance obligations in contract as per Ind AS 115 "Revenue from contract with customers". The Company's right to receive consideration is conditional upon satisfaction of these performance obligation. Contract Assets are in the nature of unbilled receivables which arises when Company satisfies performance obligation but does not have unconditional rights to consideration

As at 31 March 2021, the Company has contract assets of INR 29.96 lacs (March 2020: INR 51.30 lacs) which is net of an allowance for expected credit losses of INR 0.99 lakhs (March 2020: INR 6.16 lakhs).

The performance obligation in respect of services being provided by the Company, are satisfied over a period of time and upon acceptance of the customer. Billing and payment is made upon delivery of services.

4(b) Cash and cash equivalents

Particulars	31 March 2021	31 March 2020
Balances with banks		
- on current accounts	0.15	0.16
Cash on hand	0.08	0.41
Total cash and cash equivalents	**0.23**	**0.57**

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	31 March 2021	31 March 2020
Balances with banks		
- on current accounts	0.15	0.16
Cash on hand	0.08	0.41
	0.23	**0.57**
Bank overdraft	(688.99)	(692.13)
	(688.76)	**(691.56)**

Changes in liabilities arising from financial activities

Particulars	Current borrowings	Interest on borrowings (refer note 9(a))	Non-Current borrowings (including current maturities) (refer note 9(a))	Lease liabilities (Current & Non-Current)
Opening balance as at April 1, 2019	863.37	0.85	206.00	-
Recognition on April 01, 2019 due to adoption of Ind AS 116	-		-	1,870.12
Cash flow (net)	(171.24)	(85.69)	72.61	(197.19)
Interest expenses	-	85.92	-	167.38
Other changes	-		0.85	-
As at March 31, 2020	**692.13**	**1.08**	**279.46**	**1,840.31**
Cash flow (net)	(3.14)	(67.24)	131.08	(205.10)
Interest expenses	-	67.14	-	164.71
Others	-		0.11	-
As at March 31, 2021	**688.99**	**0.98**	**410.65**	**1,799.92**

4(c) Bank balances other than (b) above

Particulars	31 March 2021	31 March 2020
Deposits with original maturity of more than 3 months but less than 12 months	3.96	3.69
Total bank balances other than 4(b) above	**3.96**	**3.69**

Note 4(d) Other financial assets

Particulars	31 March 2021		31 March 2020	
	Current	Non-Current	Current	Non-current
Security and other deposits	-	43.82	-	41.44
Interest accrued on fixed deposits with banks	0.22	-	0.22	-
Total other financial assets	**0.22**	**43.82**	**0.22**	**41.44**

Note 5: Deferred tax assets (net)

The balance comprises temporary differences attributable to:

Particulars	31 March 2021	31 March 2020
Deferred Tax Assets:		
Minimum alternate credit entitlement	1,999.96	2,054.11
On Lease liabilities	500.74	511.97
Total:	**2,500.70**	**2,566.08**
Deferred Tax Liability:		
Temporary difference between book and tax depreciation	(80.28)	(74.67)
On Right-of-use Assets	(471.31)	(483.82)
Employee benefit obligations	(0.35)	-
Total:	(551.94)	(558.49)
Net Deferred tax assets	**1,948.76**	2,007.59

Note

(i) The Company is claiming deduction under section 80IA of the Income Tax Act, 1961 @ 100% on the profits for business and profession from Container Freight Station and was under tax holiday period till financial year 2019-2020. The Company has MAT credit as at March 31, 2021 of INR 1,999.96 lakhs (March 31, 2020: INR 2,054.11 lakhs). The Company has utilised MAT credit during the year of INR 54.15 lakhs (March 31, 2020: NIL) against the tax liability. The credit of which would be available based on the provision of Section 115JAA of the Income Tax Act, 1961. The management based on the future projections, business plans and all viable options is confident that there would be sufficient taxable profits in the future to utilise the MAT credit within the stipulated period from the date of origination.

Movement in deferred tax assets/liabilities (net)

Particulars	Deferred Tax	MAT Credit	Total
As At April 1 2019	(74.46)	2,054.11	1,979.65
(Charged)/credited			
-to profit or loss	27.94	-	27.94
As at March 31 2020	**(46.52)**	**2,054.11**	**2,007.59**
(Charged)/credited			
-to profit or loss	(4.33)	(54.15)	(58.48)
-to other comprehensive income	(0.35)	-	(0.35)
As at March 31 2021	**(51.20)**	**1,999.96**	**1,948.76**

Note 6: Income Tax Assets (net)

Particulars	31 March 2021	31 March 2020
	Non-current	Non-current
Opening balance	220.90	216.80
Current tax payable for the year (net)	(45.21)	(70.62)
Taxes paid	53.99	74.72
Total	229.68	220.90

Note 7: Other Current assets

Particulars	31 March 2021		31 March 2020	
	Current	Non-current	Current	Non-current
Balance with Government authorities				
Income tax paid under protest	-	28.00	-	28.00
Input credit receivable	33.29	-	42.19	-
Advance to suppliers	-	-	0.13	-
Prepaid expenses	3.01	-	3.75	-
Total other current assets	**36.30**	**28.00**	**46.07**	**28.00**

Note 8: Equity share capital and other equity

8(a) Equity share capital

Authorised equity share capital

Particulars	Number of shares	Amount
As at 31 March 2020 - Equity share of INR 10 per share	100.00	1,000.00
As at 31 March 2021 - Equity share of INR 10 per share	100.00	1,000.00

Issued Subscribed and Paid Up Share Capital

Particulars	Number of shares	Amount
As at 31 March 2020 - Equity share of INR 10 per share	80.00	800.00
As at 31 March 2021 - Equity share of INR 10 per share	80.00	800.00

(i) Reconciliation of shares outstanding at the beginning and end of reporting period.

Particulars	Number of shares	Equity share capital
As at 1 April 2019	80.00	800.00
Change during the year	-	-
As at 31 March 2020	**80.00**	**800.00**
Change during the year	-	-
As at 31 March 2021	**80.00**	**800.00**

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(ii) Shares of the company held by holding/ultimate holding company

Particulars	31 March 2021	31 March 2020
Gateway Distriparks Limited(immediate and ultimate holding company)	80.00	80.00

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

Particulars	31 March 2021		31 March 2020	
	Number of shares	% holding	Number of shares	% holding
Gateway Distriparks Limited	80.00	100%	80.00	100%

8(b) Reserve and surplus

Particulars	31 March 2021	31 March 2020
Securities premium reserve	400.00	400.00
Retained earnings	2,509.12	3,022.73
Total reserves and surplus	**2,909.12**	**3,422.73**

(i) Securities premium reserve

Particulars	31 March 2021	31 March 2020
Opening balance	400.00	400.00
Proceeds received	-	-
Closing Balance	**400.00**	**400.00**

(ii) Retained earnings

Particulars	31 March 2021	31 March 2020
Opening balance	3,022.73	3,076.18
Profit for the year	305.46	247.72
Items of other comprehensive income(loss) recognised directly in retained earnings:		-
-Remeasurements of post-employment benefit obligation	0.93	(2.20)
Dividend paid	(820.00)	(248.00)
Dividend distribution Tax	-	(50.97)
Closing Balance	**2,509.12**	**3,022.73**

Nature and purpose of other reserves

Securities premium reserve
Securities premium reserve is used to record the premium received on issue of shares. The reserve is utilized in accordance with the provision for the Act. In the current year, there are no utilisation from the security premium reserve

Retained earnings
Retained earnings represents all accumulated net income netted by all dividends paid to shareholders Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

Dividend
An Interim dividend of INR 6.25 and INR 4 per equity share on the face value of INR 10/- each amounting to INR 500 lakh and INR 320 lakhs has been declared by the Board of Directors in its meeting dated 28th September 2020 and 29th December 2020 respectively.

Note 9: Financial liabilities

9(a) Non-current borrowings

Particulars	31 March 2021	31 March 2020
Secured		
From Bank		
-Vehicle Finance Loan from HDFC Bank (refer note 9(c)(i, ii, iii))	323.63	280.54
-Working Capital Term loan from HDFC Bank (refer note 9(c)(iv))	88.00	-
Total non-current borrowings	**411.63**	**280.54**
Less: Current maturities of long term debt (included in note 9(e))	145.34	120.25
Less: Interest accrued but not due (included in note 9(e))	0.98	1.08
Non-Current borrowings	**265.31**	**159.21**

9 (b) Contract Liabilities

Particulars	31 March 2021	31 March 2020
Advances received from customers	8.78	5.75
	8.78	**5.75**

The Company has entered into agreements with customers for rendering of specified services. The Company has identified these performance obligations and recognised the same as contract liabilities in respect of contracts where the Company has obligation to render specified services to a customer for which the Company has received consideration. Contract Liabilities also include surplus realisations from auction proceedings.

9 (c) Current borrowings

Particulars	31 March 2021	31 March 2020
Secured		
Bank overdraft (refer note 9(c)(v))	688.99	692.13
Total current borrowings	**688.99**	**692.13**
Current borrowings	**688.99**	**692.13**

Nature of Security & Terms of Repayment:

(i) Vehicle Finance Loan from HDFC Bank of INR 59.58 lakhs (31 March 2020 INR 86.38 lakhs) are secured by way of hypothecation on the Company's Commercial Vehicles purchased through the loan amount. Repayable in 65 equal monthly instalments amounting to INR 4.90 lakhs on 20th day of each month along with interest @ 9.24% per annum on reducing monthly balance.

(ii) Vehicle Finance Loan from HDFC Bank of INR 151.22 lakhs (31 March 2020 INR 171.06 lakhs) are secured by way of hypothecation on the Company's Commercial Vehicles purchased through the loan amount. Repayable in 55 equal monthly instalments amounting to INR 4.94 lakhs on 15th day of each month along with interest @ 8.72% per annum on reducing monthly balance.

(iii) Vehicle Finance Loan from HDFC Bank of INR 111.84 lakhs (31 March 2020 Nil) are secured by way of hypothecation on the Company's Commercial Vehicles purchased through the loan amount. Repayable in 35 equal monthly instalments amounting to INR 3.67 lakhs on 20th day of each month along with interest @ 7.61% per annum on reducing monthly balance.

(iv) Working Capital Term Loan from HDFC Bank of INR 88 lakhs taken on 30th January, 2021 for working capital requirements under ECLGS Scheme is secured by way of hypothecation of book debts and moveable fixed assets of the company and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company. The moratorium period of the loan is 12 months. Loan will be repayable in 36 equal monthly instalments starting from Feb 28, 2022 to Jan 30, 2025 along with interest of 8.25% p.a. on reducing monthly balance.

v) Cash Credit from HDFC Bank amounting to INR 688.99 lakhs (31 March 2020 INR 692.13 lakhs) is secured by first exclusive charge on stock in trade, book debts and receivables, plant & machinery consisting of reach stackers, movable assets of the company and Corporate Guarantee of Gateway Distriparks Limited, the Holding Company.

9(d) Trade payables

Particulars	31 March 2021	31 March 2020
Total outstanding dues of micro enterprises and small enterprises (refer note 27)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
-Payable to related party	-	-
-Other payable	232.96	100.08
Total trade payables	**232.96**	**100.08**

Note (a):

Trade payables are non interest bearing and are normally settled in the range of 30 to 90 days terms

9(e) Other financial liabilities

Particulars	31 March 2021	31 March 2020
Current maturities of Long-Term Borrowings		
-HDFC vehicle loan (refer note 9(a))	140.45	120.25
-HDFC Term loan (refer note 9(a))	4.89	-
Sub Total	**145.34**	**120.25**
Interest accrued but not due	0.98	1.08
Total other current financial liabilities	**146.32**	**121.33**

Note 10: Employee benefit obligations

Particulars	31 March 2021		31 March 2020	
	Current	Non-current	Current	Non-current
Leave obligation	3.02	7.16	5.65	3.75
Gratuity	1.16	23.59	1.14	22.48
Total employee benefit obligations	**4.18**	**30.75**	**6.79**	**26.23**
Director Commission Payable	8.26	-	8.26	-
Total employee benefit obligations	**12.44**	**30.75**	**15.05**	**26.23**

(i) Leave obligation

The leave obligation cover the company liability for sick and earned leave. The charge towards leave encashment to the Statement of profit and loss amounts to INR 5.08 lakhs (March 31, 2020: INR 4.32 lakhs) (refer note 15)

(ii) Post Employment obligations

(a) Gratuity

The Company provides for gratuity for employees in India as per Payment of Gratuity Act, 1972. Employee who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Gratuity plan of the company is unfunded.

(b) Defined Contribution Plans

The Company makes contributions to Provident Fund, which are defined contribution plan, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised INR 5.65 lakhs (31 March 2020 INR 5.70 lakhs) for these contribution in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

The company also has certain defined contribution plans. Contribution are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the year are as follows:

Balance sheet amount (Gratuity)

(a) Movement of Present Value Obligation

Present value of obligation	Amount
1 April 2020	23.62
Current service cost	2.25
Interest expense/(income)	1.61
Total amount recognised in profit and loss	3.86
Remeasurements	
Return on plan assets, excluding amount included in interest expense/(income)	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	(0.09)
Experience (gains)/losses	(1.19)
Total amount recognised in other comprehensive income	(1.28)
Employer contributions	
Benefit payments	(1.45)
31 March 2021	24.75

Present value of obligation	Amount
1 April 2019	18.50
Current service cost	1.53
Interest expense/(income)	1.38
Total amount recognised in profit and loss	2.91
Remeasurements	
Return on plan assets, excluding amount included in interest expense/(income)	
(Gain)/loss from change in demographic assumptions	-
(Gain)/loss from change in financial assumptions	1.12
Experience (gains)/losses	1.08
Total amount recognised in other comprehensive income	2.20
Employer contributions	
Benefit payments	0.01
31 March 2020	**23.62**

The net liability disclosed above relates to unfunded plans are as follows:

Particulars	31 March 2021	31 March 2020
Present value of unfunded plan	24.75	23.62
Fair value of plan assets	-	-
Deficit of funded plan	24.75	23.62
Unfunded plans	-	-
Deficit of gratuity plan	24.75	23.62

(iii) Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	31 March 2021	31 March 2020
Discount rate	6.86%	6.82%
Salary growth rate	8.25%	8.25%
Attrition rate	5.00%	5.00%

Notes:

1) The discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligation.

2) The salary escalation rate is the estimate of future salary increase considered taking into account the inflation, seniority, promotion and other relevant factors.

iv) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumptions		Impact on defined benefit obligation(INR in lakhs)				
			Increase in assumptions			Decrease in assumptions	
	31 March 2021	31 March 2020		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Discount rate	1%	1%	Increase by	(2.04)	(1.17) Decrease by	2.34	1.92
Salary growth rate	1%	1%	Increase by	2.28	1.88 Decrease by	(2.03)	(1.68)
Attrition rate	1%	1%	Increase by	(0.22)	(0.19) Decrease by	0.25	0.21

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(v) Risk Exposure

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

(i) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Plan investment is a mix of investments in government securities, and other debt instruments.

(ii) Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

(iii) Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(iv) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

vi) Defined benefit liability and employers contributions

Expected contributions to post employment benefits for the year ended 31 March 2021 is NIL (31 March 2020 - NIL) for the unfunded plan.

vii) Defined benefit obligation and employers contributions

The weighted average duration of the projected benefit obligation is 10 years (2020 - 9 years). The expected maturity analysis of undiscounted gratuity is as follows :

Particulars	31 March 2021	31 March 2020
1st Following Year	1.16	1.14
2nd Following Year	1.26	1.17
3rd Following Year	1.32	6.73
4th Following Year	1.36	0.91
5th Following Year	1.40	0.93
Sum of Years 6 To 10	13.70	7.54
Sum of Years 11 and Above	30.50	26.03

Note 11: Other liabilities

Particulars	31 March 2021	31 March 2020
Statutory dues	40.77	15.79
Total other liabilities	**40.77**	**15.79**

GATEWAY EAST INDIA PRIVATE LIMITED
Notes annexed to and forming part of financial statements for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

Note 12: Revenue From Contracts With Customers

Particulars	31 March 2021	31 March 2020
Container Handling, Transport, Storage and Ground Rent income	3,065.90	3,316.91
Total Revenue from Contracts with Customers	**3,065.90**	**3,316.91**

I.Geographical markets

Particulars	31 March 2021	31 March 2020
Sale of Services - India	3,065.90	3,316.91
Sale of Services - Outside India	-	-
Total Revenue from Contracts with Customers	**3,065.90**	**3,316.91**

II.Timing of Revenue Recognition

Particulars	31 March 2021	31 March 2020
Services Transferred at point in time	-	-
Services Transferred over time	3,065.90	3,316.91
Total Revenue from Contracts with Customers	**3,065.90**	**3,316.91**

III.Contract Balances

Particulars	31 March 2021	31 March 2020
Trade Receivables (refer Note 4(a))	973.41	1,062.67
Contract Asset (refer Note 4(a))	29.96	51.30
Contract Liabilities (refer Note 9(b))	8.78	5.75

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
Contract assets relates to revenue earned from container ground storage & handling service. As such, the balances of this account vary and depend on the number of containers available at the end of the year.

Contract liabilities include short-term advances received to render container handling & transportation services.

IV. Reconciliation of Revenue as per Contract Price and as recognized in the Statement of Profit and Loss

Particulars	31 March 2021	31 March 2020
Revenue as per Contract Price	3,459.41	3,614.40
Less: Discounts and Incentives	393.51	297.49
Total Revenue from Contracts with Customers	**3,065.90**	**3,316.91**

V.Performance Obligation
The performance obligation in respect of services provided being provided by the Company, are satisfied over a period of time and upon acceptance of the customer. Container will be not cleared from CFS till the acceptance is provided by the customer for the amount to be receivable for the underlying container. Contracts can be cancelled however the customer are liable to pay the amount of handling and rent for the services which they have availed till the date of cancellation Payment is generally due upon delivery of services and acceptance of customer. Payments are generally due within 30 to 90 days.

Note 13: Other income

Particulars	31 March 2021	31 March 2020
Interest -		
- From bank on fixed deposits	0.27	0.24
- From financial asset at amortized income	2.18	1.84
Liabilities/ provisions no longer required written back	133.20	-
Miscellaneous Income	10.22	7.23
Total other income	**145.87**	**9.31**

Note 14: Operating expenses

Particulars	31 March 2021	31 March 2020
Incentives and commission	36.19	49.61
Transportation charges	929.18	974.68
Labour charges	362.71	356.30
Sub contract charges	140.87	157.08
Equipment hire charges	76.17	95.35
Surveyor charges	38.61	38.80
Auction Expenses	6.45	0.59
Total Operating Expenses	**1,590.18**	**1,672.41**

GATEWAY EAST INDIA PRIVATE LIMITED
Notes annexed to and forming part of financial statements for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

Note 15: Employee benefit expense

Particulars	31 March 2021	31 March 2020
Salaries, wages and Bonus	100.33	87.13
Contribution to provident and other funds (refer note 10)	5.65	5.70
Leave Compensation (refer note 10)	5.08	4.32
Gratuity (refer note 10)	3.86	2.91
Staff welfare expenses	0.32	0.58
Total Employee Benefit Expenses	115.24	100.64

Note 16: Depreciation and amortisation expense

Particulars	31 March 2021	31 March 2020
Depreciation on property, plant and equipment (refer note 3)	197.41	194.80
Amortisation of intangible Assets	-	5.16
Depreciation on Right-of-use Assets (refer note 26(b))	135.44	134.63
Total depreciation and amortisation expense	332.85	334.59

Note 17: Finance costs

Particulars	31 March 2021	31 March 2020
Interest-		
-On borrowings	24.59	24.37
-On lease liabilities	164.71	167.38
-On Cash credit	42.30	61.31
-On income tax	-	0.36
Others	0.25	0.18
Total finance cost	231.85	253.60

Note 18: Other expenses

Particulars	31 March 2021	31 March 2020
Power and fuel	224.78	228.98
Rates and taxes	39.82	41.01
Repairs & Maintenance:		
Building	30.19	31.23
Plant and machinery	90.03	69.63
Others	1.95	1.12
Insurance	1.47	8.42
Directors Sitting Fees	21.00	15.00
Printing and Stationery	3.98	4.32
Travelling expenses	19.47	19.88
Communication expenses	4.34	6.63
Security Charges	59.54	59.07
Audit Fees (refer note 18(a) below)	4.34	4.48
Professional charges	25.15	10.44
Corporate Social Responsibility (refer note 18(b) below)	-	26.83
Provision for doubtful debts and doubtful ground rent	-	132.66
Miscellaneous expenses	6.44	7.24
Loss on sale of Fixed Assets	-	7.64
Total Other expenses	532.50	674.58

18(a) Details of payments to auditors

Particulars	31 March 2021	31 March 2020
Payment to auditors		
As auditor:		
Audit fee	2.00	2.00
Limited Review	2.25	2.25
In Other Capacities		
Reimbursement of expenses	0.09	0.23
Total	4.34	4.48

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Notes annexed to and forming part of financial statements for the year ended 31 March 2021
(All amounts in INR lakhs, unless otherwise stated)

18(b) Corporate social responsibility expenditure

Particulars	31 March 2021	31 March 2020
Contribution to Prime Minister Relief Fund	-	-
Contribution to Bana Development Foundation	-	9.50
Contribution to Other Developments	-	17.33
Total	-	**26.83**
Amount required to be spent as per section 135 of the act		25.35
Amount spent during the year on		
(i) Construction / acquisition of an asset	-	-
(ii) on purposes other than (i) above	-	26.83

Note 19: Income tax expense

19(a) Income Tax Expense:

Particulars	31 March 2021	31 March 2020
Income tax expense		
Current tax		
Current tax on profits for the year	45.21	70.62
Total current tax expense	**45.21**	**70.62**
Deferred tax		
Decrease/(increase) in deferred tax assets	4.33	(27.94)
MAT Credit Entitlement	54.15	-
Total deferred tax expense/(benefit)	**58.48**	**(27.94)**
Income tax expense	**103.69**	**42.68**

19(b) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate:

Particulars	31 March 2021	31 March 2020
Profit before tax	409.15	290.40
Statutory income tax rate	28.60%	27.82%
Computed expected tax expenses	117.02	80.79
Differences due to:		
Tax effect on temporary differences increased/(reversed) during the tax holiday period	(1.78)	42.68
Income that is exempt from Tax under section 80IA (4) of Income Tax Act	-	(80.79)
Other permanent differences	(11.55)	-
Income tax expense	**103.69**	**42.68**

19(c) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have not been recognised in net profit or loss or other comprehensive income but directly debited/ (credited) to equity.

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20 FAIR VALUE MEASUREMENTS

(a) Financial instrument by category.

Particulars	31 March 2021			31 March 2020		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Trade receivable	-	-	973.41	-	-	1,062.67
Cash and cash equivalent	-	-	0.23	-	-	0.57
Other bank balances	-	-	3.96	-	-	3.69
Other financial assets	-	-	44.04	-	-	41.66
Total financial assets	-	-	1,021.64	-	-	1,108.59
Financial liabilities						
Borrowings (including current maturities)	-	-	1,099.64	-	-	971.59
Trade Payables	-	-	232.96	-	-	100.08
Other Financial Liabilities	-	-	0.98	-	-	1.08
Lease Liabilities (current and non current)			1,799.92	-	-	1,840.31
Total Financial Liabilities	-	-	3,133.49	-	-	2,913.06

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as prescribed in the accounting standards. An explanation of each level follows underneath the table.

For 31 March 2021

Financial assets which are measured at amortised cost for which fair values are disclosed on 31 March 2021	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Security Deposit	4(d)	-	-	43.82	43.82
Total Financial Assets		-	-	43.82	43.82
Financial Liabilities					
Borrowings (including current maturities)	9(a) & 9(b)	-	-	1,099.64	1,099.64
Total Financial Liabilities		-	-	1,099.64	1,099.64

For 31 March 2020

Financial assets which are measured at amortised cost for which fair values are disclosed 31 March 2020	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Security Deposit	4(d)	-	-	41.44	41.44
Total Financial Assets		-	-	41.44	41.44
Financial Liabilities					
Borrowings (including current maturities)	9(a) & 9(b)	-	-	971.59	971.59
Total Financial Liabilities		-	-	971.59	971.59

Except for those financial assets/liabilities mentioned in the above table, the Company considers that the carrying amounts recognised in the financial statements approximate their fair values. For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

Level 1 : Level 1 Hierarchy includes financial instruments measured using quoted price. This includes listed equity instruments, traded bonds and mutual funds that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation technique which maximise the use of observable market data and rely as little as possible on entity -specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between level 1 and level 2 during the year.

The fair values of investment in security deposit and non current borrowings were calculated based on cash flows discounted at current lending rate/ borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

(ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:
The fair value of the financial instruments is determined using discounted cash flow analysis.
All of the resulting fair value estimates are included in level 3.

(iii) Fair value of financial assets and liabilities measured as amortised cost

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial Assets				
Security Deposit	43.82	43.82	41.44	41.44
Total Financial Assets	43.82	43.82	41.44	41.44
Financial Liabilities				
Borrowings	1,099.64	1,099.64	971.59	971.59
Total Financial Liabilities	1,099.64	1,099.64	971.59	971.59

Significant Estimates
The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, if any. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

21 FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.
The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, liquidity risk and credit risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors. This process provides assurance to the Company's senior management that the Company's financial risk taking activities are governed by appropriate policies and procedures and that the financial risks are identified, measured and managed in accordance with the Company policies and Company risk objective. In the event of crisis caused due to external factors such as by the recent pandemic "COVID-19", the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure that there is enough liquidity in these situations through internal and external source of funds.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalent, trade receivable, financial assets measured at amortised cost,	Aging analysis	Bank deposit, credit limits
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecast	Availability of committed borrowings facilities (Cash Credit)
Market risk -interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Monitoring and shifting benchmark interest rates

(A) Credit Risk
Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with bank and financial institution and other financial instruments.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. Other factors of default are determined by considering the business environment in which the Company operates and other macro-economic factors. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as: adverse changes in business, changes in the operating results of the counterparty, change to the counterparty's ability to meet its obligations etc. Financial assets are written off when there is no reasonable expectation of recovery.

(i) Credit Risk Management
Financial instruments and cash deposits
The Company maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have good credit ratings, good reputation and hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company. For banks and financial institutions, only high rated banks/institutions are accepted.
The Company's maximum exposure to credit risk as at 31 March 2021 and 31 March 2020 is the carrying value of each class of financial assets as disclosed in note 5.

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Trade Receivable and Contract Assets

Trade receivables are typically unsecured and are derived from revenue earned from customers. Contract assets are unsecured receivables. It comprises of accrued income on containers lying at the warehouse/yard but have not been invoiced.

Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. The Company based on past experiences does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss ('ECL'). The credit quality of the Company's customers is monitored on an ongoing basis and assessed for impairment where indicators of such impairment exist. The Company uses simplified approach (i.e. lifetime expected credit loss model) for impairment of trade receivables. The solvency of the debtor and their ability to repay the receivable is considered in assessing receivables for impairment. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms. For all other financial assets, if credit risk has not increased significantly, 12-month expected credit loss is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime expected credit loss is used.

Of the Trade Receivables balance as at March 31, 2021, the top 5 customers of the Company represent the balance of INR 579.26 lakhs (31 March 2020- INR 752.21 lakhs). There are 5 customers who represent more than 5% of total balance of Trade Receivables.

Total maximum credit exposure on trade receivable as at 31 March 2021 is INR 1,024.56 lakhs (31 March 2019 is INR 1,247.03 lakhs).

Ageing	0-30 days	31-60 days past due	61-90 days past due	91-180 days past due	Above 180 days	Total
March 31, 2021	367.79	247.33	221.27	127.62	60.55	**1,024.56**
March 31, 2020	221.39	312.75	234.37	286.94	191.58	**1,247.03**

(ii) Reconciliation of loss allowances provision - Trade Receivable and Contract Assets

Impairment Allowances on 1 April 2019	51.70
Bad debt written off	-
Provision provided/(reversed) for the year	132.66
Impairment Allowances on 31 March 2020	**184.36**
Bad debt written off	-
Provision provided/(reversed) for the year	(133.21)
Impairment Allowances on 31 March 2021	**51.15**

Credit Risk on cash & cash equivalents is limited as the company is generally deposit surplus fund with banks . The Company is not exposed to any other credit risks.

(B) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2021	As at 31 March 2020
Floating Rate		
Expiring within one year(Bank overdraft and other facilities)	411.01	407.87
Total	**411.01**	**407.87**

The Bank Overdraft facilities may be drawn at any time within one year. The said facility is being extended at the sole discretion of the bank and terms & conditions as well as pricing would be subject to periodic review, amendment or cancellation.

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity grouping based on their contractual maturities for all non- derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant. Contractual maturities of financial liability is as follows:

Contractual maturities of financial liabilities	Repayable on demand	Less than 3 month	3 months to 6 months	6 months to 1 years	More than 1 Year	Total
31 March 2021						
Borrowings	688.99	33.99	34.73	76.62	265.31	1,099.64
Lease liabilities (undiscounted value)	-	-	-	213.37	3,473.58	3,686.95
Trade payables	-	166.54	24.27	-	-	190.81
Other Financial Liabilities	-	5.87	-	-	-	5.87
Total Non derivative liabilities	**688.99**	**206.40**	**59.00**	**289.99**	**3,738.89**	**4,983.27**

Contractual maturities of financial liabilities	Repayable on demand	Less than 3 month	3 months to 6 months	6 months to 1 years	More than 1 Year	Total
31 March 2020						
Borrowings	692.13	37.10	33.46	50.78	158.12	971.59
Lease liabilities (undiscounted value)	-	-	-	205.10	3,686.95	3,892.05
Trade payables	-	96.65	1.32	0.27	-	98.24
Other Financial Liabilities	-	1.08	-	-	-	1.08
Total Non derivative liabilities	**692.13**	**134.83**	**34.78**	**256.15**	**3,845.07**	**4,962.96**

(C) Market Risk

Market risks comprises of price risk and interest rate risk. The Company does not designate any fixed rate financial assets as fair value through profit and loss nor at fair value through OCI. Therefore Company does not have any financial instrument which is exposed to change in price.

(a) Interest Rate risk exposure

The exposure of the company's borrowings to interest rate changes at the end of the reporting period are as follows.

Particulars	As at 31 March 2021	As at 31 March 2020
Variable Rate Borrowings	688.99	692.13
Fixed Rate Borrowings	410.65	279.46
Total Borrowings	**1,099.64**	**971.59**

(b) Sensitivity

Profit or loss is sensitive to higher /lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax Increase / (Decrease)	
	As at 31 March 2021	As at 31 March 2020
Interest Rate - Increase by 1 basis point*	(4.55)	(4.57)
Interest Rate - Decrease by 1 basis point*	4.55	4.57

* Holding all other variable constant

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

22 CAPITAL MANAGEMENT

Total equity as shown in the balance sheet includes retained profit and share capital.
The Company considers total equity as shown in the balance sheet including retained profit and share capital as managed capital
The company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.
The company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. company is not subject to financial covenants in any of its significant financing agreements.
The management monitors the return on capital as well as the level of dividends to shareholders.

The capital components of the Company are as given below:

Particulars	31 March 2021	31 March 2020
Total Equity	**3,709.12**	**4,222.73**
Total Borrowings	1,099.64	971.59
Cash & Cash Equivalents	0.23	0.57
Net debt	**3,643.23**	**4,074.25**
Debt to Equity Ratio	1.50	1.68

Dividends

Particulars	As at 31 March 2021	As at 31 March 2020
Interim Dividend paid during the year ended 31 March 2021 of INR 10.25 (31 March 2020 - INR 3.00) per fully paid share.	820.00	240.00

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23 SEGMENT INFORMATION:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chairman of the company. The company has identified one reportable segment "Container Freight Station" i.e. based on the information reviewed by CODM. Thus, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the Financial Statement as of and for the year ended 31 March 2021.

(a) Description of segments and principal activities

The Company is engaged in business of Container Freight Station. "Container Freight Station" segment includes common user facilities located at various sea ports in India, offering services for handling (including related transport), temporary storage of import / export laden and empty containers and cargo carried under customs control.

(b) Segment revenue

The company operates as a single segment. The segment revenue is measured in the same way as in the statement of profit or loss.

Segment	31 March 2021		31 March 2020	
	Revenue from external customers	Total segment revenue	Revenue from external customers	Total segment revenue
Container Freight Station	3,065.90	3,065.90	3,316.91	3,316.91
Total Segment revenue	**3,065.90**	**3,065.90**	**3,316.91**	**3,316.91**

The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from external customers	31 March 2021	31 March 2020
India	3,065.90	3,316.91
Outside India	-	-
Total	**3,065.90**	**3,316.91**

The amount of its non-current assets broken down by location of the customers is shown in the table below.

Non-current assets*	31 March 2021	31 March 2020
India	3,942.53	4,026.50
Outside India	-	-
Total	**3,942.53**	**4,026.50**

*Other than deferred tax assets

	31 March 2021	31 March 2020
Number of Customers from whose Revenue is more than 10% of total revenue	2	2

24 Related Party Transactions

24(a) Parent entities

The Company is controlled by the following entity:

Name	Type	Place of incorporation	31 March 2021	31 March 2020
Gateway Distriparks Limited	Immediate and Ultimate parent entity	India	100%	100%

24(b) Key management personnel

Non-Executive Directors
- Mr. Prem Kishan Dass Gupta
- Mr. Ishaan Gupta

Non Executive Independent Director
- Mr. Shabbir Hassanbhai

24(c) Key management personnel compensation

	31 March 2021	31 March 2020
Short-term employee benefits	12.00	12.00
Total	**12.00**	**12.00**

24(d) Transactions with related parties

The following transactions occurred with related parties:

Nature of Transaction	Holding Company		Key Management Personnel	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Interim Dividend paid	820.00	248.00	-	-
Sitting Fees to Mr. Prem Kishan Gupta	-	-	7.00	5.00
Sitting fees to Mr Shabbir Hassanbhai	-	-	7.00	5.00
Sitting Fees to Mr. Ishaan Gupta	-	-	7.00	5.00
Commission Payable to Mr Shabbir Hassanbhai	-	-	12.00	12.00

24(e) The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	Key Management personnel / Directors	
Particulars	**31 March 2021**	**31 March 2020**
Commission Payable to Non- Executive Directors	8.26	8.26

24(f) Loans to/from related parties
No loan has been given/ received to/ from any related parties.

24(g) Notes
Services provided from/to related parties are generally priced at arm's length. Other reimbursement of expenses to/from related parties is on cost basis.
All other transactions were made on normal commercial terms and conditions and at market rates.

25 CONTIGENT LIABILITIES

The Company had following contingent liabilities:

Particulars	31 March 2021	31 March 2020
(a) Guarantees excluding financial guarantees: Bank Guarantees and Continuity Bonds executed in favor of The President of India through the Commissioners of Excise and Customs	12,650.00	12,653.24
(b) Claims against the company not acknowledge as debts Disputed Income tax claims (including interest and penalty to the extent ascertainable) not acknowledged as debts (Refer below)	1,094.73	1,094.73

Deputy Commissioner of Income Tax had issued orders under Section 143(3) of the Income Tax Act, 1961 of India ("the Income Tax Act"), for the Assessment Years (A.Y.) 2011-2012 to 2014-15 disallowing the claim of deduction by the Company under Section 80-IA(4)(i) of the Income Tax Act and other expenses and further issued notices of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest aggregating INR 659.10 lakhs and initiated proceedings to levy penalty.

Basis the appeal filed by the Company against the aforesaid order for A.Y. 2011-2012 to 2014-2015, Income Tax Appellate Tribunal had allowed the aforesaid deductions. The Deputy Commissioner of Income Tax has appealed with Honourable High Court of Andhra Pradesh for A.Y. 2011-12 & 2013-14. The Income Tax department has not gone on appeal against orders of A.Y. 2012-13 & 2014-15. Pending conclusion of the appeal, the Company has deposited INR 13 lakhs & INR 15 lakhs against demand for A.Y. 2011-12 & A.Y. 2012-13 till March 31, 2020.

For A.Y. 2017-18, Company has received a demand u/s 156 of the Income tax Act 1961 for INR 435.63 lakhs against which Company has gone into appeal with CIT (A) Vishakhapatnam.

Based on ITAT order for the A.Y. 2011-12 to 2014-15, which are in favour of the Company and the Honourable Delhi High Court judgment in the case of Container Corporation of India, the Company believes that it has a good case and are entitled to deduction under section 80-IA(4)(i) of the Income Tax Act 1961.

26 COMMITMENTS:

(a) Estimated amount of contracts remaining to be executed on capital account of INR. NIL lakhs (31 March 2020: INR. NIL lakhs).

(b) Leases

The Company has lease contracts for land used in its operations. Leases of land have lease terms of 10-30 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company is restricted from assigning and subleasing the leased assets.

The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Land
As on 01 April 2019	**1,968.54**
Add: Additions during the year	-
Less: Depreciation expense for the year	134.63
As on 31 March 2020	**1,833.91**
Add: Additions during the year	-
Less: Depreciation expense for the year	135.44
As on 31 March 2021	**1,698.47**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Particulars	March 31, 2021	March 31, 2020
As at 01 April	1,840.31	1,870.12
Add: Additions during the year	-	-
Add: Accretion of interest	164.71	167.38
Less: Payment of lease liabilities	205.10	197.19
As at 31 March	**1,799.92**	**1,840.31**
Non Current	1,586.55	1,635.21
Current	213.37	205.10

The maturity analysis of lease liabilities are disclosed in Note 21.
The weighted average incremental borrowing rate of 8.5% p.a. has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The following are the amounts recognised in profit or loss:

Particulars	March 31, 2021	March 31, 2020
Depreciation expense of right-of-use assets	135.44	134.63
Interest expense on lease liabilities	164.71	167.38
Total amount recognised in profit or loss	**300.15**	**302.01**

The Company had total cash outflows for leases of INR 205.10 Lakhs in 31 March 2021 (INR 197.19 Lakhs in 31 March 2020).

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 and March 31, 2020 on an undiscounted basis:

Particulars	March 31, 2021	March 31, 2020
Less than One year	213.37	205.10
One to five years	1,204.70	1,157.35
More than five years	2,268.88	2,529.60
Total	**3,686.95**	**3,892.05**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

27 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

The Micro, Small and Medium Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors. According to such identification, the disclosures as per Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 are as follows:

Particulars		31 March 2021	31 March 2020
i)	The principal amount and the interest due thereon remaining unpaid to any supplier		
	- Principal amount	-	-
	- Interest thereon	-	-
ii)	The amount of interest paid by the buyer in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act.	-	-
iv)	The amount of interest accrued and remaining unpaid.	-	-
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor.	-	-

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED.

28 EARNINGS PER SHARE

The number of shares used in computing Basic and Diluted Earnings per Share is the weighted average number of shares outstanding during the year. Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Particulars	31 March 2021	31 March 2020
Profit attributable to the equity holders of the company used in calculating basic/ diluted earnings per share	305.46	247.72
Weighted average number of equity shares used as the denominator in calculating basic/ diluted earnings per share (number lakhs)	80.00	80.00
Total basic/ diluted earnings per share attributable to the equity holders of the company	3.82	3.10

29 Collateral against borrowings

Book debts and receivables, plant & machinery consisting of reach stackers, movable assets of the company are hypothecated as a security against Cash Credit as at 31 March 2021.

30

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

31

On account of COVID-19 pandemic, nationwide lockdown was imposed by Government of India effective March 24, 2020 which extended for a couple of months in varied parts of the country and in varied forms. At the time of finalisation of these financial statements the severity of the pandemic is peaking day by day across the country and on account of which various state Governments have started imposing lockdown like restrictions in various parts of the country. Consequent to these uncertainties caused due to continuation of pandemic, the Company has done a detailed assessment for carrying amount of financial and non-financial assets and does not anticipate any impairment to these assets. Also, the management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The situation though is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future spread of COVID-19 and due to which the Company will continue to closely monitor any material changes to future economic conditions, if any. Considering that the Company is in the business of providing inter-modal container logistics services which is considered under essential Services and the management believes that the impact of this outbreak on the business and financial position of the Company will not be significant.

32

The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

As per our report of even date.
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Vishal Sharma
Partner
Membership No.: 96766
Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
Gateway East India Private Limited

Prem Kishan Dass Gupta
Chairman
DIN: 00011670
Place: New Delhi
Date: 26 April 2021

Ishaan Gupta
Director
DIN: 5298583
Place: New Delhi
Date: 26 April 2021

Anuj Kalia
Company Secretary
Membership No. A31850
Place: New Delhi
Date: 26th April 2021

GATEWAY EAST INDIA PRIVATE LIMITED
Registered Office: Sector - 6, Dronagiri, Taluka - Uran, District Raigad, Navi Mumbai - 400 707
CIN: U51909MH1994PTC346843
Ph: +91 22 2724 6500, Fax: +91 22 2724 6538
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

(INR In lakhs)

Sr. No.	Particulars	3 months ended 30/06/2021	Preceding 3 months ended 31/03/2021	Corresponding 3 months ended 30/06/2020	Previous year ended 31/03/2021
		(Unaudited)	(Audited) (Refer Note 9)	(Unaudited)	(Audited)
1.	**Income**				
	(a) Revenue from operations	686.85	807.68	653.25	3,065.90
	(b) Other income	2.41	8.71	3.15	145.87
	Total income	689.26	816.39	656.40	3,211.77
2.	**Expenses**				
	(a) Operating expenses	292.64	390.58	342.15	1,590.18
	(b) Employee benefit expense	26.20	28.07	25.31	115.24
	(c) Depreciation and amortisation expense	85.82	86.87	81.45	332.85
	(d) Finance costs	60.77	59.66	58.31	231.85
	(e) Other expenses	167.07	148.97	123.32	532.50
	Total expenses	632.50	714.15	630.54	2,802.62
3.	**Profit/ (loss) before exceptional items and tax (1-2)**	56.76	102.24	25.86	409.15
4.	Exceptional item	-	-	-	-
5.	**Profit/ (loss) before tax (3+4)**	56.76	102.24	25.86	409.15
6.	**Tax expense [refer Note 4 & 5]**				
	a. Current tax	23.26	(61.93)	4.60	45.21
	b. Adjustment of tax relating to earlier periods	-	-	-	-
	c. Deferred tax	11.91	(5.13)	(6.10)	58.48
	Total tax expense	35.17	(67.06)	(1.50)	103.69
7.	**Net profit/ (loss) after tax for the period (5-6)**	21.59	169.30	27.36	305.46
8.	**Other comprehensive income/(expense), net of tax**				
	Items that will not be reclassified to Profit or Loss				
	i. Remeasurement of post employment benefit obligations	0.32	2.03	(0.55)	0.93
9.	**Total comprehensive income/(expense) for the period (7+8)**	21.91	171.33	26.81	306.39
10.	Paid-up equity share capital (Face Value INR 10 each per equity share)	800.00	800.00	800.00	800.00
11.	Other equity excluding revaluation reserve as per the audited balance sheet of previous year	-	-	-	2,909.12
12.	**Earnings/ (loss) per share (Face value INR 10 each)**	Annualised	Not Annualised	Not Annualised	Annualised
	- Basic INR	0.27	2.14	0.34	3.82
	- Diluted INR	0.27	2.14	0.34	3.82

See accompanying notes to the financial results.

Notes:

1 The above unaudited standalone financial results for the quarter ended June 30, 2021, have been reviewed and taken on record by the Board of Directors of the Company at their meeting held on July 27, 2021.

2 The financial results have been prepared in accordance with the Indian Accounting Standards (IND AS) specified in the Companies (Indian Accounting Standard) Rules, 2015 (as amended) under section 133 of the Companies Act, 2013 (the "accounting principles generally accepted in India").

3 The Company is principally engaged in a single segment viz. Inter-Modal Container Logistics, based on the nature of services, risks, returns and the internal business reporting system.

4 During earlier years, income tax department had raised demands for the assessment years 2011-12 to 2014-2015 and AY 2017-18 amounting to Rs. 1,094.73 lakhs primarily on account of disallowance of deduction under Section 80-IA(4)(i) of the Income-tax Act, 1961 and certain other expenditures. Assessment of all such other orders are under litigation at various forums. Based on lawyer and tax consultant's opinion, the management believes that the Company is entitled to aforesaid deductions and claims and hence no provision for the aforesaid demand/notices has been made in the financial statements as at June 30, 2021.

5 The company had claimed deduction under section 80IA of the Income Tax Act, 1961 @ 100% on the profits for business and profession from Container Freight Station and was under tax holiday period till financial year 2019-2020. GEIPL has recognised MAT credit aggregating to Rs. 1,986.32 lakhs as at June 30, 2021 which represents that portion of the MAT Liability, the credit of which would be available based on the provision of Section 115JAA of the Income Tax Act, 1961. The group management based on the future projections, business plans and all viable options is confident that there would be sufficient taxable profits in the future to utilise the MAT credit within the stipulated period from the date of origination.

6 On account of COVID-19 pandemic, nationwide lockdown was imposed by Government of India effective March 24, 2020 which extended for a couple of months in varied parts of the country and in varied forms. At the time of finalisation of these Ind AS financial results the severity of the pandemic is peaking day by day across the country and on account of which various state Governments have started imposing lockdown like restrictions in various parts of the country. Consequent to these uncertainties caused due to continuation of pandemic, the Company has done a detailed assessment for carrying amount of financial and non-financial assets and does not anticipate any impairment to these assets. Also, the management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The situation is though changing rapidly and giving rise to inherent uncertainty around the extent and timing of the potential future spread of COVID-19 and due to which the Company will continue to closely monitor any material changes to future economic conditions, if any. Considering that the Company is in the business of providing inter-modal container logistics services which is considered under essential services, the management believes that the impact of this outbreak on the business and financial position of the Company will not be significant.

7 The Board of Directors at their meeting held on 28 September 2020 had approved a composite scheme of amalgamation under Sections 230 to 232 read with other applicable provisions of the Companies Act 2013, involving amalgamation of Gateway East India Private Limited with Gateway Distriparks Limited ('holding company')and post the aforesaid amalgamation, Gateway Distriparks Limited would amalgamate into Gateway Rail Freight Limited ('subsidiary company of the holding company'). The Company has filed the requisite documents with NCLT, Mumbai after taking necessary approval from BSE / NSE. The matter is pending for hearing before NCLT, Mumbai.

8 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

9 The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the unaudited published year to date figures up to December 31, 2020.

10 The figures for the corresponding previous period have been regrouped / reclassified wherever necessary, to make them comparable.

On behalf of the Board of Directors
For **Gateway East India Private Limited**

Prem Kishan Dass Gupta
Chairman

Place: New Delhi
Dated: July 27, 2021

GatewayRail

Gateway Rail Freight Limited
(A Gateway Distriparks Company)

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF GATEWAY RAIL FREIGHT LIMITED AT ITS MEETING HELD ON 28th SEPTEMBER, 2020 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION (MERGER BY ABSORPTION) AMONGST GATEWAY DISTRIPARKS LIMITED, GATEWAY EAST INDIA PRIVATE LIMITED AND GATEWAY RAIL FREIGHT LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT 2013 ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. Background

1.1. The Board of Directors ("**Board**") of Gateway Rail Freight Limited ("**Company**") at its meeting held on 28th September, 2020 have approved the composite scheme of amalgamation for: (i) amalgamation (merger by absorption) of Gateway East India Private Limited ("**GEIPL**"), a wholly owned subsidiary of Gateway Distriparks Limited ("**GDL**"), with GDL; and (ii) amalgamation (merger by absorption) of GDL (post amalgamation of GEIPL with GDL) with the Company ("**Scheme**"), under Sections 230 to 232 and other applicable provisions of the Companies Act 2013 ("**Companies Act**").

1.2. Section 232(2)(c) of the Companies Act requires the directors to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio and specifying any special valuation difficulties and the same is required to be circulated to the members or class of members or creditors or class of creditors, as the case may be, for the meeting of the members or class of members or creditors or class of creditors, as the case may be, along with the notice convening such meeting to be held for the purpose of approving the Scheme.

1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act.

2. Documents Reviewed

2.1. The following documents were, *inter alia*, placed before the Board:

(a) Draft Scheme, duly initialled by the Chairman of the Board for the purpose of identification;

(b) Valuation report dated 28th September, 2020 ("**Valuation Report**") prepared by SSPA & Co., independent Chartered Accountants, setting out the valuation of the Company, GDL and GEIPL for the purpose of the Scheme, the share exchange ratio for the Scheme and the methodology adopted by them in arriving at the share exchange ratio;

(c) Fairness opinion dated 28th September, 2020 ("**Fairness Opinion**") prepared by Corporate Professionals Capital Private Limited, SEBI registered Category I Merchant Banker, providing the Fairness Opinion on the share exchange ratio as recommended by SSPA & Co., independent Chartered Accountants;

(d) Certificate dated 28th September, 2020 2020, obtained from S.R. Batliboi & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, on the accounting treatment prescribed in the Scheme; and

(e) Report of the Audit Committee of the Board dated 28th September, 2020.

3. Effect of the Scheme on the equity shareholders (promoter and non-promoter) and KMPs of the Company

Based on the review of the draft Scheme and the above-mentioned documents, the Board is of the opinion that:

3.1. The Company, GDL and GEIPL are all group companies. The Company is a subsidiary of GDL. GEIPL is a wholly owned subsidiary of GDL.

3.2. Upon the Scheme becoming effective, with effect from the Appointed Date 1 (i.e., opening of business hours on 1 April 2020 or such other date as may be directed by the NCLT, Mumbai Bench or other appropriate authority as may be applicable), all assets, properties, licenses, contracts, rights, litigations, intellectual property rights, insurance policies, liabilities and obligations of GEIPL shall stand transferred to and vest with GDL, as a going concern, in accordance with Part C of the Scheme. Further, with effect from the Appointed Date 2 (i.e., opening of business hours on 1 April 2020 or such other date as may be directed by the NCLT, Mumbai Bench or other appropriate authority as may be applicable), all assets, properties, licenses, contracts, rights, litigations, intellectual property rights, insurance policies, liabilities (including debentures) and obligations of GDL (including assets and liabilities of GEIPL transferred to GDL in terms of Part C of the Scheme) shall stand transferred to GRFL, as a going concern, in accordance with Part D of the Scheme.

3.3. The following consideration shall be payable for (i) amalgamation of GEIPL with GDL; and (ii) amalgamation of GDL (post amalgamation of GEIPL with GDL) with GRFL, in terms of Part C and Part D of the Scheme respectively:

For the amalgamation of GEIPL with GDL

For amalgamation of GEIPL with GDL, no consideration will be discharged to the shareholders of GEIPL and no shares will be allotted to GDL since the entire paid-up equity share capital of GEIPL is held directly by GDL.

For the amalgamation of GDL with the Company (post amalgamation of GEIPL with GDL)

4 (Four) fully paid up equity shares of the Company of INR 10 (Rupees 10) each, for every 1 (One) fully paid up equity shares of INR 10 (Rupees Ten) each, held by the equity shareholders of GDL whose names appear in the register of members or register of beneficial owners maintained by the registrar and transfer agent as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be.

3.4. Upon the Scheme becoming effective, all the equity shares and all compulsorily convertible preference shares of the Company held by GDL shall stand cancelled. Further, all the equity shares of GEIPL held by GDL (whether through a nominee), shall, without any other

consideration, application, act, instrument or deed be deemed to have been automatically cancelled and be of no effect.

3.5. The equity shares of the Company including but not limited to the equity shares issued by the Company pursuant to the Scheme shall after the relevant approvals be listed /admitted to trading on BSE Limited and the National Stock Exchange of India Limited where equity shares of GDL are listed and/or admitted to trading. The shares issued by the Company pursuant to the Scheme, shall remain frozen in the depository system until the receipt of trading permission from the relevant stock exchanges(s).

3.6. Upon the Scheme becoming effective, subject to the requirement, if any, imposed or concession, if any, by BSE Limited, and other terms and conditions agreed with BSE Limited, the outstanding non-convertible debentures of face value of INR 10,00,000 issued by GDL as of the date of effectiveness of the Scheme, which shall stand transferred to the Company pursuant to the Scheme shall be listed and admitted to trading on the Wholesale Debt Market Segment of BSE Limited, where the debentures are currently listed.

3.7. Upon the Scheme becoming effective, GDL and GEIPL shall be dissolved without being wound-up.

3.8. The equity shares to be issued by the Company to the equity shareholders of GDL shall be subject to the Memorandum of Association and Articles of Association of the Company and shall rank *pari passu* with the existing equity shares of the Company in all respects including dividends.

3.9. No fractional shares shall be issued by the Company. If any member of GDL is entitled to a fraction of share, on issue and allotment of the shares of the Company in terms of the Scheme, then such fraction shall be rounded off to the nearest integer.

3.10. There shall be no change in the shareholding pattern or control of the Company between the Record Date and date of listing of shares of the Company on the Stock Exchanges. The Company will not issue/ reissue any shares, not covered under the Scheme.

3.11. The pre and indicative post amalgamation shareholding pattern of GDL, GEIPL and the Company shall be as follows:

Gateway Distriparks Limited

Particulars (Shareholders)	**Pre-amalgamation**		**Post-Amalgamation**
	No of shares	**%**	
Promoter & Promoter Group	40123283	32.14	GDL will cease to exist
Public	84712625	67.86	
Total	124835908	**100%**	

Gateway East India Private Limited

Particulars (Shareholders)	**Pre-amalgamation**		**Post-Amalgamation**
	No of shares	**%**	
Gateway Distriparks Limited	7,999,990	100%	GEIPL will cease to exist
Prem Kishan Dass Gupta jointly with Gateway Distriparks Limited	10	0%	

Total	**8,000,000**	**100%**	

Gateway Rail Freight Limited

Particulars (Shareholders)	Pre-amalgamation		Post-Amalgamation*	
	No of shares	%	No of shares	%
Promoters	201199800	99.85	160493136	32.12
Public	300200	0.15	339150700	67.88
Total	201500000	**100%**	499643836	**100%**

(**Note: The above shareholding has been calculated on the basis of the shareholding pattern of GDL, GEIPL and the Company as on 25 September, 2020. The actual shareholding depends upon the shareholding pattern as on the record date and may vary to that extent.*)

3.12. None of the Directors and/or the KMPs (including their relatives) of GDL, GEIPL and/or the Company have any interest in the Scheme except to the extent of their shareholding in the transferor and/or the transferee company, if any.

3.13. The Scheme will not have an adverse effect on the Board of the Company. From the Appointed Date 1, the Board of GEIPL shall be dissolved with the dissolution of GEIPL; and from the Appointed Date 2, the Board of GDL shall be dissolved with the dissolution of GDL.

3.14. The Scheme will not have an adverse effect on the existing KMPs of the Company. The KMPs concerned of the Company will remain engaged in the Company without any interruption in their service in terms of the Scheme.

3.15. There shall be no adverse effect of the said Scheme on the equity shareholders, preference shareholders, the KMPs, the promoter and the non-promoter shareholders of the Company.

3.16. The Board observes that no issues or difficulties regarding the valuation has been mentioned in the Valuation Report.

For and on behalf of the Board of Directors of Gateway Rail Freight Limited

Gateway Rail Freight Limited

Prem Kishan Dass Gupta
Chairman & Managing Director
DIN: 00011670
Place: New Delhi
Date: 28/09/2020

S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of Gateway Rail Freight Limited

Report on the Audit of the consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Gateway Rail Freight (hereinafter referred to as "the Holding Company") and its joint ventures comprising of the consolidated Ind AS Balance sheet as at March 31 2021, the consolidated Ind AS Statement of Profit and Loss, including other comprehensive income, the Consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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 Holding Company and its joint ventures as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Holding Company and its joint ventures 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 financial statements under the provisions of the Act 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 audit opinion on the Consolidated Ind AS financial statements.

Emphasis of Matter – SEIS benefits

We draw your attention to Note 31(iii) to the accompanying consolidated Ind AS financial statements wherein it has been stated that the Holding Company had received a notice dated November 11, 2019 from the Additional Director General of Foreign Trade (ADGFT) which had questioned SEIS benefits received by the Holding Company for financial years 2015-16 to 2017-18 under the provisions of Foreign Trade (Development and Regulation) Act, 1992.

The Holding Company had submitted its initial response dated January 31, 2020 for the notice so received and had also responded to subsequent queries/requirements of ADGFT, and had also obtained a legal opinion basis which it believes that it has a good case and accordingly no provision has been considered in the books of account.

Our report is not modified in respect of this matter.

S.R. BATLIBOI & CO. LLP * GURUGRAM *

Emphasis of Matter – Impact for outbreak of Coronavirus (Covid-19)

We draw your attention to Note 39 to the accompanying consolidated Ind AS financial statements, which describes the management's assessment of the impact of the uncertainties related to outbreak of COVID-19 on the future business operations of the Holding Company and its joint venture.

Our report is not modified in respect of this matter.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the financial position, financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Holding Company and its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Board of Directors of the Holding Company and its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Holding Company and its joint ventures 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 the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the Board of Directors of the Holding Company and joint ventures are responsible for assessing the 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 Holding Company and its joint venture or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Holding Company's and its joint venture's financial reporting process. .

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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.
- 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 Act, we are also responsible for expressing our opinion on whether the Holding Company and its joint venture has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 ability of the Holding Company and joint ventures 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 consolidated Ind AS 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 Holding Company and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

Other Matter

The consolidated Ind AS financial statements include the Holding Company's share of net profit of Rs. Nil for the year ended March 31, 2021, as considered in the consolidated Ind AS financial statements, in respect of one joint venture, whose financial statements, other financial information have been

audited by other auditor and whose reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of such joint venture and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture, is based solely on the report of such other auditor. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid Consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Ind AS Balance Sheet, the Consolidated Ind AS Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated statement of changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Companies Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended);

(e) The matter described in Emphasis of Matter-SEIS benefits paragraph above, in our opinion, may have an adverse effect on the functioning of the Holding Company;

(f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) With respect to the adequacy the internal financial controls over financial reporting with reference to Consolidated Ind AS financial statements of the Holding Company and its joint ventures incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;

(h) In our opinion the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company and its joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Holding Company and its joint ventures in its Consolidated Ind AS financial statements – Refer Note 31 to the Consolidated Ind AS financial statements;



ii. The Holding Company and its joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2021;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its joint ventures incorporated in India during the year ended March 31, 2021.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vishal Sharma
Partner
Membership Number: 096766

UDIN: 21096766AAAAKI5994

Place of Signature: Faridabad
Date: 26 April 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF GATEWAY RAIL FREIGHT LIMITED

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

In conjunction with our audit of the consolidated Ind AS financial statement of Gateway Rail Freight Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Gateway Rail Freight Limited (hereinafter referred to as the "Holding Company") and its joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Director of Holding Company and its joint venture, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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 the Holding 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting with reference to these consolidated Ind AS 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 over financial reporting with reference to these consolidated Ind AS financial statements were 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 over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated Ind AS financial statements for external purposes

in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated Ind AS 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 consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS 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 over financial reporting with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated Ind AS 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 Holding Company and its joint venture which are companies incorporated in India, have maintained , in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financials reporting with reference to these consolidated Ind AS financial statements of the Holding Company, insofar as it relates to one joint venture company, which is company incorporated in India and to the extent applicable, is based on the corresponding reports of the auditor of such joint venture incorporated in India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005





per Vishal Sharma
Partner
Membership Number: 096766
UDIN: 21096766AAAAKI5994
Place of Signature: Faridabad
Date: 26 April 2021

GATEWAY RAIL FREIGHT LIMITED
CIN: U60231MH2005PLC344764
Consolidated Balance Sheet as at 31 March 2021
(All amounts in Rupees in Lakhs, unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	70,630 47	75,156 90
Capital work in progress	3(a)	1,143 12	542 21
Intangible Assets	4	1,786 95	2,046 95
Right-of-use Assets	32(b)	9,973 13	12,108 25
Investment in Joint Venture	5	-	-
Financial Assets			
(i) Loans	6(f)	-	-
(ii) Other Financial Assets	6(e)	514 09	841 07
Deferred Tax Assets (Net)	7	2,851 47	1,037 88
Income Tax Assets (Net)	9	334 84	515 99
Other Non-Current Assets	8	741.09	576.22
Total Non-Current Assets		87,975.16	92,825.47
Current Assets			
Contract Assets	6(b),19	75 32	88 93
Financial Assets			
(i) Investments	6(a)	-	5,973 39
(ii) Loans	6(f)	2,500 00	-
(iii) Trade Receivables	6(b)	9,268 33	9,113 50
(iv) Cash and Cash Equivalent	6(e)	8,118 97	448 52
(v) Bank Balances other than (iv) above	6(d)	7 53	4 25
(vi) Other Financial Assets	6(e)	499 77	171 09
Other Current Assets	10	875.46	482.08
Total Current Assets		21,345.38	16,282.66
TOTAL ASSETS		109,320.54	109,108.13
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11(a)	20,150 03	20,150 03
Instruments Entirely Equity in Nature	11(b)	29,580 00	29,580 00
Other Equity			
Reserve & Surplus	11(c)	20,254.27	20,511.40
Total Equity		69,984.30	70,241.43
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	12	11,035 89	9,560 82
(ii) Lease Liabilities	32(b)	9,189 64	10,982 77
Employee Benefit Obligations	13	752 88	705 05
Government Grant	18	204.96	275.90
Total Non-Current Liabilities		21,183.37	21,524.54
Current Liabilities			
Contract Liabilities	15(a),19	858 56	692 19
Financial Liabilities			
(i) Borrowings	14	1,911 13	3,015 15
(ii) Lease Liabilities	32(b)	1,793 13	1,674 09
(iii) Trade Payables			
- Total Outstanding dues of Micro Enterprises and Small Enterprises	15(b)	117 36	115 48
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	15(b)	5,801 86	4,891 56
(iv) Other Financial Liabilities	16	5,461 86	5,018 86
Employee Benefit Obligations	13	47 00	80 40
Other Current Liabilities	17	1,145 77	1,771 36
Government Grant	18	70 94	83 07
Income Tax Liabilities (Net)	9	945.26	-
Total Current Liabilities		18,152.87	17,342.16
TOTAL LIABILITIES		39,336.24	38,866.70
TOTAL EQUITY AND LIABILITIES		109,320.54	109,108.13

The above balance sheet should be read in conjunction with the accompanying notes
In terms of our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Vishal Sharma
Partner
Membership No. : 096766

For and on behalf of the Board of Directors of
Gateway Rail Freight Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN:- 00011670

Sachin Surendra Bhanushali
Director and Chief Executive Officer
DIN:- 01479918

Nandan Chopra
Chief Financial Officer and Company Secretary

Place: Faridabad
Date: 26 April 2021

Place: New Delhi
Date: 26 April 2021

GATEWAY RAIL FREIGHT LIMITED
CIN: U60231MH2005PLC344764
Consolidated Statement of Profit and Loss for the year ended 31 March 2021
(All amounts in Rupees in Lakhs, unless otherwise stated)

	Notes	Year Ended 31 March 2021	Year Ended 31 March 2020
INCOME			
Revenue from Operations	19	81,589.91	86,865.38
Other Income	20	736.08	1,106.53
Total Income		**82,325.99**	**87,971.91**
EXPENSES			
Operating Expenses	21	51,609.64	60,590.73
Employee Benefits Expenses	22	3,706.33	3,499.15
Depreciation and Amortisation Expenses	23	7,943.84	7,762.51
Finance Costs	24	2,305.23	2,333.15
Other Expenses	25	4,860.76	5,124.49
Total Expenses		**70,425.80**	**79,310.03**
Profit before share of net profit of investment accounted using equity method and tax		**11,900.19**	**8,661.88**
Share of net profit of joint venture accounted using the equity method		-	-
			-
Profit before tax		**11,900.19**	**8,661.88**
INCOME TAX EXPENSE	26		
-- Current Tax		1,941.27	1,364.02
-- Adjustment of tax relating to earlier periods		(86.38)	(263.84)
-- Deferred Tax		(1,739.92)	(1,564.11)
Total Income Tax Expense		**114.97**	**(463.93)**
Profit for the year		**11,785.22**	**9,125.81**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	13	38.06	13.34
Income tax relating to the above		(12.71)	(4.45)
Other Comprehensive Income for the year, net of tax		**25.35**	**8.89**
Total Comprehensive Income for the year		**11,810.57**	**9,134.70**
Earnings per equity share	34		
(Nominal value of share of Rs. 10/- and Rs.25/- each)			
-- Basic and Diluted earnings per share (Rs.)		2.93	2.27

The above statement of profit and loss should be read in conjunction with the accompanying notes.
In terms of our report of even date.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Vishal Sharma
Partner
Membership No. : 096766

Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
Gateway Rail Freight Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN:- 00011670

Sachin Surendra Bhanushali
Director and Chief Executive Officer
DIN:- 01479918

Nandan Chopra
Chief Financial Officer and Company Secretary

Place: New Delhi
Date: 26 April 2021

GATEWAY RAIL FREIGHT LIMITED
CIN: U60231MH2005PLC344764
(All amounts in Rupees in Lakhs, unless otherwise stated)

Consolidated Statement of changes in equity for the year ended 31 March 2021

A Equity Share Capital

Particulars	Amount
As at 1 April 2019	20,150.03
Changes in equity share capital	-
As at 31 March 2020 (Refer Note 11)	20,150.03
Changes in equity share capital	-
As at 31 March 2021 (Refer Note 11)	20,150.03

B Instruments entirely equity in nature - Compulsory Convertible Preference Shares

Particulars	Amount
As at 1 April 2019	29,580.00
As at 31 March 2020 (Refer Note 11)	29,580.00
As at 31 March 2021 (Refer Note 11)	29,580.00

C Other Equity attributable to equity shareholders

Particulars	Reserves and Surplus			Total
	Security Premium Reserve (Refer Note 11(c))	Capital Redemption Reserve (Refer Note 11(c))	Retained Earnings (Refer Note 11(c))	
Balance as at 1 April 2019	132.05	11,500.00	5,369.07	17,001.12
Profit for the year	-	-	9,125 81	9,125 81
Other comprehensive income, net of tax	-	-	8 89	8 89
Total comprehensive income for the year	-	-	9,134.70	9,134.70
Dividends paid	-	-	4,665 43	4,665 43
Dividend distribution tax	-	-	958 99	958 99
Balance as at 31 March 2020	132.05	11,500.00	8,879.35	20,511.40
Profit for the year	-	-	11,785 22	11,785 22
Other comprehensive income, net of tax	-	-	25.35	25.35
Total comprehensive income for the year	-	-	11,810.57	11,810.57
Dividends paid	-	-	12,067.70	12,067.70
Balance as at 31 March 2021	132.05	11,500.00	8,622.22	20,254.27

The above Statement of changes in equity should be read in conjunction with the accompanying notes
In terms of our report of even date.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Vishal Sharma
Partner
Membership No. : 096766

Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
Gateway Rail Freight Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN:- 00011670

Sachin Surendra Bhanushali
Director and Chief Executive Officer
DIN:- 01479918

Nandan Chopra
Chief Financial Officer and Company Secretary

Place: New Delhi
Date: 26 April 2021

GATEWAY RAIL FREIGHT LIMITED
CIN: U60231MH2005PLC344764
Consolidated Statement of Cash Flow for the year ended 31 March 2021
(All amounts in Rupees in Lakhs, unless otherwise stated)

	Notes		Year Ended 31 March 2021	Year Ended 31 March 2020
A	**Cash flow from operating activities:**			
	Profit Before income tax from Operations		11,900.19	8,661.88
	Adjustments for:			
	Depreciation and impairment of property, plant and equipment, intangible assets and right-of-use assets	23	7,943.84	7,762.51
	Provision for Doubtful Debts (Net)	25	(8.79)	(6.07)
	Provision for Doubtful Ground Rent (Net)	25	16.21	(11.46)
	Gain on sale of investments (Net)	20	(14.49)	(125.56)
	Gain in fair value of financial assets at fair value through profit or loss	20	-	(181.22)
	Loss/ (Gain) on Sale of Property, Plant & Equipment	25	(2.43)	(0.36)
	Finance Costs	24	2,305.23	2,333.15
	Interest Income classified as investing cash flows	20	(173.49)	(28.85)
	Net exchange differences	20	-	(11.76)
	Amortization of Government Grant	20	(83.07)	(83.07)
	Liabilities/ Provisions no Longer Required Written Back	20	(227.93)	(323.90)
	Operating Profit before working capital changes		**21,656.17**	**17,985.29**
	Change in Operating assets and liabilities:			
	- (Increase)/ Decrease in Trade Receivables		(146.04)	(1,509.43)
	- Increase/ (Decrease) in Trade Payables		1,139.21	916.38
	- (Increase)/ Decrease in Other Financial Assets and Contract Assets		37.25	7.95
	- (Increase)/ Decrease in Other Assets		(2,858.83)	199.90
	- (Increase)/ Decrease in Other Bank Balances Other than considered as Cash and Cash Equivalent		(3.28)	(1.39)
	- Increase/ (Decrease) in Employee Benefit Obligation		52.49	54.62
	- Increase/ (Decrease) in Other Financial Liabilities and Contract Liabilities		358.11	(776.57)
	- Increase/ (Decrease) in Other Current Liabilities		(625.59)	25.01
	Cash generated from operations		**19,609.49**	**16,901.76**
	- Income Taxes Paid		814.86	932.31
	Net cash inflow from operating activities	**(A)**	**18,794.63**	**15,969.45**
B	**Cash flow from investing activities :**			
	Purchase of Property, Plant and equipment		(1,895.82)	(4,617.81)
	Proceeds from Property, Plant and equipment		2.43	0.36
	(Increase)/ Decrease in Fixed Deposits with Banks	6(e)	(7.85)	(5.44)
	Purchase of Investments		-	(8,145.00)
	Proceeds from sale of Investments		5,987.88	4,700.43
	Interest Received		139.78	5.66
	Net cash inflow/ (outflow) from investing activities	**(B)**	**4,226.42**	**(8,061.80)**
C	**Cash flow from financing activities :**			
	Proceeds of Long-Term Borrowings		3,604.11	1,796.07
	Repayment of Long-Term Borrowings		(1,808.31)	(3,445.18)
	Repayment of short term borrowings		-	(492.98)
	Dividend Paid to Share holders		(12,064.42)	(4,664.04)
	Interest Paid		(1,242.23)	(1,346.66)
	Payment towards principal portion of lease liability	32(b)	(1,674.09)	(1,336.83)
	Interest paid on lease liabilities		(1,061.64)	(1,017.85)
	Net cash outflow from financing activities	**(C)**	**(14,246.58)**	**(10,507.47)**
	Net Increase/ (Decrease) in Cash and Cash Equivalents	**(A+B+C)**	**8,774.47**	**(2,599.82)**
	Cash and Cash Equivalents at the beginning of the year	6(e)	**(2,566.63)**	**33.19**
	Cash and Cash Equivalents at the end of the year		**6,207.84**	**(2,566.63)**



GATEWAY RAIL FREIGHT LIMITED
CIN: U60231MH2005PLC344764
Consolidated Statement of Cash Flow for the year ended 31 March 2021
(All amounts in Rupees in Lakhs, unless otherwise stated)

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and Cash Equivalents as per above comprise of the following

	Notes	Year Ended 31 March 2021	Year Ended 31 March 2020
Cash and Cash Equivalents	6(c)	15.69	17.38
Bank Balance in Current Account	6(c)	2,707.84	431.14
Bank Deposits with maturity of period less than 3 months	6(c)	5,395.44	-
		8,118.97	448.52
Bank Overdrafts	14	(1,911.13)	(3,015.15)
Balances per statement of cash flows		6,207.84	(2,566.63)

The above statement of cash flow should be read in conjunction with the accompanying notes.
In terms of our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Vishal Sharma
Partner
Membership No : 096766

Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
Gateway Rail Freight Limited

Prem Kishan Dass Gupta
Chairman and
Managing Director
DIN:- 00011670

Sachin Surendra Bhanushali
Director and Chief Executive Officer
DIN:- 01479918

Nandan Chopra
Chief Financial Officer and Company Secretary

Place: New Delhi
Date: 26 April 2021

Background

Gateway Rail Freight Limited (the 'Group') is engaged in providing inter-modal logistics services. It provides container logistics solution between major Indian ports and Inland Container Depots (ICD) by providing rail services for Export, Import and Domestic containerised cargo, integrated with road transportation, transit and bonded warehousing, refrigerated container facilities and other value added services. The Group operates from its four owned ICD's at Garhi Harsaru (Gurgaon), Sanehwal (Ludhiana), Asaoti (Faridabad) and Viramgham (Ahmedabad) and a private freight terminal at Navi Mumbai under agreement. The Group owns and operates through its rakes and a fleet of trailers.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on 26 April 2021.

1. Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of Preparation:

i. Compliance With Ind AS

The financial statements of the Group have been prepared as a separate set of financial statement in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. (as amended from time to time).

ii. Historical Cost Convention

The financial statements have been prepared on a historical cost basis, Except for the following:

— Certain financial assets and liabilities that is measured at fair value.
— Define benefit plan-plan assets measured at fair value; and

iii. Current and non-current classification

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

An asset is treated as current when it is:

a. Expected to be realised or intended to be sold or consumed in normal operating cycle
b. Held primarily for the purpose of trading.
c. Expected to be realised within twelve months after the reporting period, or
d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

a. It is expected to be settled in normal operating cycle
b. It is held primarily for the purpose of trading
c. It is due to be settled within twelve months after the reporting period, or
d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.



b. Basis of consolidation:

i. Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Gateway Rail Freight Limited has joint venture Container Gateway Limited which is non-operational.

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

ii. Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity accounted investment equals or exceeds its interests in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy.

iii. Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to statement of profit or loss where appropriate.

c. Investment in Joint Venture



Investment in Joint Venture are recognised at cost as per Ind AS 27 in these separate financial statements.

d. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group.

The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Group. The Group has identified one reportable segment "Rail Logistics Business" i.e. based on the information reviewed by CODM. Refer note 30 for segment information presented.

e. Foreign currency translation:

i. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Group's functional and presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing on the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance cost. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation difference on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non- monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in statement of profit and loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

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

Long Term foreign currency monetary item taken upto 31 March 2016 on depreciable assets:

Foreign exchange difference on account of long term foreign currency loan on a depreciable asset, are adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset

Long Term foreign currency monetary item taken after 01 April 2016 on depreciable assets:

Foreign exchange difference on account of a depreciable assets, are included in the Profit and Loss.



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

f. Revenue recognitions

Group derives revenue from providing inter-modal logistics services between major Indian ports and Inland Container Depots (ICD) by providing rail services for Export, Import and Domestic containerised cargo, integrated with road transportation, transit and bonded warehousing, refrigerated container facilities and other value added services.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition

— Identify the contract(s) with a customer
— Identify the performance obligations
— Determine the transaction price
— Allocate the transaction price to the performance obligations
— Recognise revenue when or as an entity satisfies performance obligation

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the agency services, because it typically controls the services before transferring them to the customer.

Revenue excludes amounts collected on behalf of third parties

Rendering of services:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed are revenue net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefit will flow to the entity and specific criteria have been met for each of the Group activities as described below. The Group bases its estimates on historical results, taking consideration the type of customer, the type of transaction and the specific of each arrangement.

i. Income from Rail transportation is recognised on the basis of actual journey completed from one destination to another.
ii. Income from Road transportation is recognised on proportionate completion of the movement and delivery of goods to the party/ designated place.
iii. Income from Container handling, storage and transportation are recognised on proportionate completion of the movement and delivery of goods to the party/designated place.
iv. Income from Ground Rent is recognised for the period the container is lying in the Container Freight Station. However, in case of long standing containers, the income from Ground Rent is not accrued for a period beyond 60 days as on the basis of past history the collectability is not reasonably assured.
v. Income from auction is recognised when the Group auctions long-standing cargo that has not been cleared by customer. Revenue and expenses for Auction are recognised when auction is completed after obtaining necessary approvals from appropriate authorities. Auction sales include recovery of the cost incurred in conducting auctions, custom duties on long-standing cargo and accrued ground rent and handling charges relating to long-standing cargo. Surplus, out of auctions, if any, after meeting all expenses and the actual ground rent, is credited to a separate account 'Auction Surplus' and is shown under the head 'Other Current Liabilities'. Unclaimed Auction Surplus, if any, in excess of period specified under the Limitations Act is written back as 'Income' in the following financial year.

Variable consideration



If the consideration in a contract includes a variable amount, estimates the amount of consideration to which it will be entitled in exchange for transferring the service to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group recognizes changes in the estimated amount of variable consideration in the period in which the change occurs. Some contracts for the sale of service provide customers with volume rebates and pricing incentives, which give rise to variable consideration.

The Group provides retrospective volume rebates and pricing incentives to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Group then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section financial instruments – initial recognition and subsequent measurement.

Contract assets

A contract asset is initially recognised for revenue earned from services because the receipt of consideration is conditional on successful completion of the service. Upon completion of the services and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets and contract assets.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract

Cost to obtain a contract

The Group pays sales commission to its selling agents for each contract that they obtain for the Group. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (included in advertisement and sales promotion expense under other expenses) because the amortization period of the asset that the Group otherwise would have used is one year or less.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

Critical judgements

The Group's contracts with customers include promises to transfer service to the customers. Judgement is 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 schemes, incentives, cash discounts, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Group's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

Costs to obtain a contract are generally expensed as incurred. 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.

g. Other revenue streams

Export Benefits

Export Entitlements in the form of Service Exports from India Scheme (SEIS) and other schemes are recognized in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Dividend

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

h. Income Tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period where the Group operates and generate taxable income. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

'Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.



Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in interest in joint venture where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum alternate tax (MAT)

"Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period."

i. Leases:

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group's lease asset classes primarily comprise of lease for rakes, land, building and terminal. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.



Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

Land Lease – 3 to 17 years

Building Lease – 9 Years

Terminal Lease – 3 years

Rake Lease – 4 to 12 years

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

"Lease liabilities" and "Right-of-Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

j. Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable



amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

k. Cash and Cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowing in Short term borrowings on current liabilities in the balance sheet.

l. Trade Receivable

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

m. Investments and other financial assets

i. Classification

The Group classifies financial assets in the following measurement categories.

— those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss and
— those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For the assets measured at fair value, gain and losses will either be recorded in profit or loss or other comprehensive income. For investment in debt instrument, this will depend on the business model in which the investment is held.

ii. Measurement

At initial recognition, the Group measures a financial assets at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition to the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are recognised immediately in profit or loss.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Debt Instruments



Subsequent measurement of debt instruments depends on the Group's business model for managing the assets and cash flows characteristic. There are three measurement categories into which the Group classifies its debt instruments.

1. Amortised Cost: Assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

2. Fair value through other comprehensive Income (FVOCI): Assets that are held for the collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

3. Fair Value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured as fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Dividend income from these financial assets is included in other income.

iii. Impairment of financial assets and contract assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets and contract assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial assets and contract assets. The Group measures the ECL associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For recognition of impairment loss on other financial assets and on contract assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument and contract assets. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

iv. De-recognition of financial assets

A financial asset is derecognised only when

— The Group has transferred the right to receive cash flows from the financial assets, or



— Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

When the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v. Income recognition

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

Dividends: Dividends are recognised when the right to receive payment is established.

n. Financial Liabilities

i. Classification

The Group classifies financial assets in the following measurement categories.

— those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss and
— those measured at amortised cost.

ii. Measurement

Financial liabilities at amortised cost- Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit and loss- Financial liabilities at fair value through profit and loss are measured at fair value with all changes recognized in the statement of profit and loss.

iii. Reclassification of financial liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification

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		date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

o. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

p. Property, Plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and cost can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, or, in case of certain assets, the remaining estimated useful life is as follows:

— Reach Stackers and forklifts (included in Other Equipment's) are depreciated over a period of ten years, based on the technical evaluation;
— Containers and Reefer Power Packs (included in Rolling Stocks- Containers and Reefer Power Packs) are depreciated over a period of ten years, based on the technical evaluation;
— Leasehold Improvements are amortised over non-cancellable lease period; and
— Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition/ construction.

The useful lives have been determined based on technical evaluation done by the management which are lower than those specified by schedule II to the companies Act 2013, in order to reflect the actual



usage of the assets. The Group carries Nil residual value for all assets. The assets useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

q. Intangible Assets

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable less accumulated amortisation and accumulated impairment, if any.

Intangible assets of the Group consist of Rail Licence Fees, PFT Licence Fees, Technical Know-How and Computer Software.

The Group amortises Intangible Assets with a finite useful life using the straight-line method over the following periods:

- Rail License fees paid towards concession agreement, is being amortised over a period of agreement (i.e. 20 years) from the date of commencement of commercial operations;
- Private Freight Terminal (PFT) Licence fees paid to Railway Administration is amortised over the period of contract (i.e. 30 years).
- Technical Know-How, is amortised over a period of agreement (i.e. 5 years) from the date of technology being put to use or over balance period of agreement from the date of commencement of the commercial operations, whichever is later;
- Computer Software is amortised under straight line method over a period of five years.

r. Trade and other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using effective interest method.

s. Borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.



t. Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

u. Provisions:

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provision are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre -tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

v. Employee Benefits:

i. Short term obligation

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are recognised in profit and loss in respect of employees service up to the end of reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the balance sheet.

ii. Other long term employee benefit obligations

The liabilities for the earned leave and sick leave are not expected to be settled wholly within the 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payment to be made in respect of services provided by employees up to end of the reporting period using projected unit credit method (PUC method). The benefits are discounted using the market yields at the end of the reporting period that have approximating to the terms of the related obligation.

Remeasurements as a result of experience adjustment and changes in actuarial assumptions are recognised in profit or loss.

iii. Post employment obligation

The Group operates the following post-employment schemes:

— Defined benefit plans such as gratuity; and
— Defined contribution plan such as provident fund.

Gratuity Obligations



The liability recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the balance of defined benefit obligations. This cost is included in employee benefit expenses in the statement of profit or loss .

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plans

The Group pays provident fund contribution to publicly administered provident funds as per local regulation. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contribution are recognised as employee benefit expense when they are due.

iv. Bonus Plan

The Group recognises a liability and an expenses for bonus. The Group recognise a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

w. Contributed equity

Equity shares are classified as equity

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

x. Compound Financial Instrument

Compound financial instrument issued by the Group comprises of compulsorily redeemable non-convertible preference shares. Compound financial instruments are split into separate equity and liability components. The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have discretionary dividend feature/ off market interest rate. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Interest related to the liability component of compound instrument is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset).



y. Earnings per Share:

i. Basic earnings per share

Basic earnings per share is calculated by dividing:

The Net profit or loss attributable to the owner of the Group by the weighted average number of equity share outstanding during the financial year, adjusted for bonus elements in equity shares.

ii. Diluted earnings per share

Diluted earnings per share adjusts the figure used in the determination of basic earnings per share to take into account:

— the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
— the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

z. Government grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

aa. Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Group for the year, the nature and amount of such items is disclosed separately as Exceptional items.

bb. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

cc. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

dd. New and amended standards

(i) **Amendments to Ind AS 116: Covid-19-Related Rent Concessions.**

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for

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any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019. This amendment had no impact on the consolidated financial statements of the Group.

(ii) **Amendments to Ind AS 103 Business Combinations**

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the financial statements of the Group but may impact future periods should the Group enter into any business combinations.

(iii) **Amendments to Ind AS 1 and Ind AS 8: Definition of Material**

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Group.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Group's financial statements.

(iv) **Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform**

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Group as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the 1 April 2020. These amendments are not expected to have a significant impact on the consolidated financial statements.



2. CRITICAL ESTIMATES AND JUDGEMENTS:

The Preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different that those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

a. Estimation of Provisions & Contingent Liabilities.

The Group exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision. (Refer Note 31).

b. Estimated useful life of intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. For the relative size of the Group's intangible assets (Refer Notes 4).

c. Estimation of defined benefit obligation

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Group considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 13 for the details of the assumptions used in estimating the defined benefit obligation.

d. Impairment of trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. Refer note 28.



e. Estimated fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see Note 27.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

f. Leases – estimates the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the credit rating).



3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land (Refer Note (a) below)	Buildings	Railway Sidings (Refer Note (b) below)	Plant and Machinery	Other Equipments (Refer Notes (c) and (d) below)	Office Equipments	Computers	Furniture and Fittings	Leasehold Improvements	Motor Vehicles (Refer Note (e))	Rolling Stocks: Containers and Reefer Power Packs	Rolling Stocks: Rakes & Break Van	Electrical Installations and Equipment	Total
Gross Carrying amount														
At 01 April 2019	31,508.90	25,097.85	8,015.21	847.48	5,788.95	368.05	491.28	1,290.97	5.66	1,578.79	1,174.13	18,643.40	1,939.42	96,750.12
Additions during the year	1,518.90	141.41	-	38.97	110.17	9.87	17.77	21.89	-	1,884.76	-	320.71	30.34	4,094.79
Disposals during the year	-	-	-	-	-	-	-	-	-	-	(1.11)	-	-	(1.11)
At 31 March 2020	33,027.80	25,239.26	8,015.21	886.45	5,899.12	377.92	509.05	1,312.86	5.68	3,463.55	1,173.02	18,964.11	1,969.76	100,843.80
Gross Carrying amount														
At 01 April 2020	33,027.80	25,239.26	8,015.21	886.45	5,899.12	377.92	509.05	1,312.86	5.68	3,463.55	1,173.02	18,964.11	1,969.76	100,843.80
Additions during the year	-	514.92	29.20	24.10	56.85	62.18	25.84	48.46	257.22	-	-	-	3.52	1,022.29
Disposals during the year	-	-	-	-	-	-	(0.54)	-	-	-	(1.11)	-	-	(1.65)
At 31 March 2021	33,027.80	25,754.18	8,044.42	910.55	5,955.98	440.10	534.35	1,361.32	262.90	3,463.55	1,171.91	18,964.11	1,973.28	101,864.44
Accumulated Depreciation and Impairment														
At 01 April 2019	-	3,674.00	2,083.91	127.69	2,169.59	209.41	404.10	548.33	5.68	677.30	1,024.70	8,405.12	781.13	20,110.94
Depreciation charge during the year	-	1,084.05	639.03	59.70	646.13	50.62	43.21	156.72	-	392.20	101.85	2,179.23	222.33	5,577.07
Disposal	-	-	-	-	-	-	-	-	-	-	(1.11)	-	-	(1.11)
At 31 March 2020	-	4,758.05	2,722.94	187.39	2,817.72	260.03	447.31	705.05	5.68	1,069.50	1,125.44	10,584.35	1,003.44	25,686.90
Accumulated Depreciation and Impairment														
At 01 April 2020	-	4,758.05	2,722.94	187.39	2,817.72	260.03	447.31	705.05	5.68	1,069.50	1,125.44	10,584.35	1,003.44	25,686.90
Depreciation charge during the year	-	1,065.99	572.93	62.09	645.23	53.45	35.37	145.58	15.70	516.63	23.16	2,200.87	211.72	5,548.72
Disposal	-	-	-	-	-	-	(0.54)	-	-	-	(1.11)	-	-	(1.65)
At 31 March 2021	-	5,824.04	3,295.87	249.48	3,462.95	313.48	482.14	850.64	21.38	1,586.13	1,147.49	12,785.22	1,215.16	31,233.97
Net carrying amount														
At 01 April 2019	31,508.90	21,423.85	5,931.30	719.79	3,619.36	158.64	87.18	742.64	-	901.49	149.42	10,238.28	1,158.31	76,639.16
At 31 March 2020	33,027.80	20,481.21	5,292.27	699.06	3,081.40	117.89	61.74	607.81	-	2,394.05	47.58	8,379.76	966.32	75,156.90
At 31 March 2021	33,027.80	19,930.14	4,748.55	661.07	2,493.03	126.62	52.21	510.68	241.52	1,877.42	24.42	6,178.89	758.12	70,610.47

Notes:

a) Land situated at Asaoti (Piyala) aggregating Rs. 20.33 Lakhs (31-March-20: Rs. 20.33 Lakhs) is yet to be transferred in the name of the Group.

b) Certain railway sidings are constructed on land not owned by the Group.

c) Other Equipments include reach stackers having net carrying amount Rs. 1,685.32 Lakhs (31-March-20: Rs. 2,134.56 Lakhs).

d) Other Equipments include grant received under Export promotion Capital Goods Scheme (EPCG) for imported reach stackers of Rs. 610.03 Lakhs (31-March-20: Rs. 610.03 Lakhs) and having net carrying value of Rs. 275.90 Lakhs (31-March-20: Rs. 358.97 Lakhs)

e) Motor Vehicles include trailers having net carrying amount Rs. 1,766.75 Lakhs (31-March-20: Rs. 2,250.60 Lakhs).

f) Charge on Property, plant and equipment as security
- Refer to note 36 for information on charged created on property, plant and equipment by the Group

g) Contractual obligations
- Refer to note 32 (a) for disclosure of contractual commitments for the acquisition of property, plant and equipment

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3(a) CAPITAL WORK IN PROGRESS

Particulars	Total
Cost	
At 1 April 2019	159.59
Additions during the year	3,584.32
Capitalisation during the year	3,201.70
At 31 March 2020	542.21
At 1 April 2020	542.21
Additions during the year	1,511.75
Capitalisation during the year	910.84
At 31 March 2021	1,143.12
At 31 March 2020	542.21
At 31 March 2021	1,143.12

Capital work-in-progress as at 31 March 2021 mainly comprises construction cost of Warehouse at ICD Viramgam of Rs. 1,132.08 lakhs.

4 INTANGIBLE ASSETS

Particulars	Rail License Fees [Refer Note (a) below]	PFT Licence Fees [Refer Note (b) below]	Computer Software [Refer Note (c) below]	Total
Gross Carrying amount				
At 01 April 2019	3,041.67	300.00	13.46	3,355.13
Additions during the year	-	-	-	-
At 31 March 2020	3,041.67	300.00	13.46	3,355.13
Gross Carrying amount				
At 01 April 2020	3,041.67	300.00	13.46	3,355.13
Additions during the year	-	-	-	-
At 31 March 2021	3,041.67	300.00	13.46	3,355.13
Accumulated Amortisation and impairment				
At 01 April 2019	1,000.00	34.72	13.46	1,048.18
Amortisation charge for the year	250.00	10.00	-	260.00
At 31 March 2020	1,250.00	44.72	13.46	1,308.18
Accumulated Amortisation and impairment				
At 01 April 2020	1,250.00	44.72	13.46	1,308.18
Amortisation charge for the year	250.00	10.00	-	260.00
At 31 March 2021	1,500.00	54.72	13.46	1,568.18
Net carrying amount				
At 01 April 2019	2,041.67	265.28	-	2,306.95
At 31 March 2020	1,791.67	255.28	-	2,046.95
At 31 March 2021	1,541.67	245.28	-	1,786.95

Notes:

a) Rail License Fees aggregating Rs. 5,000 Lakhs (31-March-20: Rs. 5,000 Lakhs) paid to Railway Administration towards concession agreement is amortised over the period of contract (i.e. 20 years) from date of commencement of commercial operations (June 1, 2007). Balance useful life of Rail License Fees as at March 31, 2021 is 6 years and 2 months (31-March-20: 7 years 2 months).

b) Private Freight Terminal (PFT) Licence fees aggregating Rs. 300 Lakhs (31-March-20: Rs. 300 Lakhs) paid to Railway Administration is amortised over the period of contract (i.e. 30 years).

c) Computer software consists of cost of ERP licences and development cost. Useful life of computer software is estimated to be 5 years, based on technical obsolescence of such assets.



5 INVESTMENT IN JOINT VENTURE

	As at 31 March 2021	As at 31 March 2020
Equity Investment in Joint Venture		
Unquoted Equity Instruments (At cost)		
50,997 Equity Shares (31-March-2020: 50,997) of Rs. 10 each held in Container Gateway Limited.	5.10	5.10
Less: Impairment in the value of investment	5.10	5.10
	-	-
Aggregate amount of unquoted investment	5.10	5.10
Aggregate amount of impairment in value of investment	5.10	5.10

6 FINANCIAL ASSETS

6(a) INVESTMENTS

Investment in Mutual Fund at Fair value through Profit and Loss Account (Quoted)		
Nil unit (31-March-20: 37,883.814 units) UTI Money Market Fund - Institutional Plan - Direct Plan - Growth, NAV Rs. NA (31-March-20: Rs. 2,267.7571)	-	859.11
Nil unit (31-March-20: 260,349.3760 units) ICICI Prudential Saving Fund - Direct Plan Growth, NAV Rs. NA (31-March-20: Rs. 390.3702)	-	1,016.33
Nil unit (31-March-20: 31,786.1250 units) Kotak Low Duration Fund Fund - Direct Plan Growth, NAV Rs. NA (31-March-20: Rs. 2,581.2431)	-	820.48
Nil unit (31-March-20: 3,491,451.2470 units) Franklin India Savings Fund -Retail Option Direct Growth, NAV Rs. NA (31-March-20: Rs. 37.9130)	-	1,323.71
Nil unit (31-March-20: 259,659.8680 units) Aditya Birla Sun Life Money Manager Fund - Growth - Direct Plan, NAV Rs. NA (31-March-20: Rs. 270.9226)	-	703.48
Nil unit (31-March-20: 25,087.5540 units) Nippon India Low Duration Fund -Direct Plan Growth Option , NAV Rs. NA (31-March-20: Rs. 2,822.8697)	-	708.19
Nil unit (31-March-20: 194,113.922 units) ICICI Prudential Money Market Fund - Direct Plan Growth, NAV Rs. NA (31-March-20: Rs. 279.2649)	-	542.09
	-	5,973.39
Aggregate amount of quoted investment and market value thereof	-	**5,973.39**
Aggregate amount of impairment in value of investment	-	-

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6(b) TRADE RECEIVABLES AND CONTRACT ASSETS

	As at 31 March 2021	As at 31 March 2020
Trade receivables	10,204.72	10,058.69
Receivables from related parties	-	-
Less: Impairment Allowance (allowance for bad and doubtful debts)*	936.39	945.19
Total Receivables	**9,268.33**	**9,113.50**
Current Portion	9,268.33	9,113.50
Non-current portion	-	-
Break-up of security details		
Secured, considered good	-	-
Unsecured, considered good	10,204.72	10,058.69
Trade Receivables which have significant increase in Credit Risk	-	-
	10,204.72	10,058.69
Less: Impairment Allowance (allowance for bad and doubtful debts)*	936.39	945.19
Total Trade Receivables	**9,268.33**	**9,113.50**

Trade or other receivable is Rs Nil (31-March-20: Rs Nil) from directors or other officers of the Group Trade or other receivable is Rs Nil (31-March-20: Rs Nil) from firms or Private Companies in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days

* The provision for the impairment of trade receivable has been made basis the expected credit loss method and specific identification based on management judgement

Contract Assets

Accrued Ground Rent		
-- Considered good	23.77	72.43
-- Considered doubtful	81.80	65.60
	105.57	138.03
Less: Provision for doubtful ground rent	81.80	65.60
	23.77	72.43
Unbilled Revenue		
-- Considered good	51.55	16.50
-- Considered doubtful	-	-
	51.55	16.50
Less: Provision for unbilled revenue	-	-
	51.55	16.50
Total Contract Assets	**75.32**	**88.93**

Contract Assets relate to ongoing services for which the Group has entered into agreement with customer wherein the Group has identified its performance obligations in contract as per Ind AS 115 "Revenue from contract with customers". The Group's right to receive consideration is conditional upon satisfaction of these performance obligation. Contract Assets are in the nature of unbilled receivables which arises when Group satisfies performance obligation but does not have unconditional right to consideration

6(c) CASH AND CASH EQUIVALENT

Balances with Banks:-		
- On Current accounts	2,707.64	431.14
- Deposits with original maturity periods less than 3 months	5,395.44	-
Cash on hand	15.69	17.38
Total Cash And Cash Equivalent	**8,118.97**	**448.52**

There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting periods

Cash at banks earns interest at floating rates based on daily bank deposits rates. Short term deposits are made for varying period between one day to three months depending upon the immediate cash requirement of the Group and earn interest at the respective short term deposit rate

At 31 March 2021, the Group had available Rs. 1,911.13 Lakhs (31 March 2020: Rs. 3,015.15 Lakhs) of undrawn committed borrowing facilities

Changes in liabilities arising from financial activities

	Interest on borrowing	Current borrowings	Non-Current borrowings (including current maturities)	Lease liabilities (Current & Non-Current)
Net Debt as on 01 April 2019	124.63	1,033.21	15,559.91	-
Recognition on April 01, 2019 due to adoption of Ind AS 116	-	-	-	13,993.70
Cash flow (net)	(1,346.66)	(492.98)	(1,649.11)	(2,351.68)
Bank Overdraft		2,474.92	-	
Interest expenses	1,315.30	-	-	1,017.85
Others	(2.58)	-	(43.12)	-
Net Debt as on 31 March 2020	**90.69**	**3015.15**	**13,867.68**	**12,656.86**
Cash flow (net)	(1,242.23)	-	1,796.80	(2,735.73)
Bank Overdraft		(1,104.02)	-	-
Interest expenses	1,243.59	-	-	1,061.64
Others	(2.11)	-	1.38	-
Net Debt as on 31 March 2021	**89.94**	**1,911.13**	**15,364.86**	**10,982.77**

For the purpose of the statement of cash flows, cash and cash equivalent comprise the following:

Balances with Banks:-		
- On Current accounts	2,707.64	431.14
- Deposits with original maturity periods less than 3 months	5,395.44	-
Cash on hand	15.69	17.38
Total Cash And Cash Equivalent	**8,118.97**	**448.52**
Less- Bank overdraft (note 14)	**1,911.13**	**3,015.15**
	6,207.84	(2,566.63)

6(d) OTHER BANK BALANCES OTHER THAN 6(c) ABOVE

Earmarked balances with banks:		
- in unclaimed Dividend Accounts	7.53	4.25
	7.53	4.25

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6(e) OTHER FINANCIAL ASSETS

	As at 31 March 2021		As at 31 March 2020	
	Current	Non-current	Current	Non-current
Security deposits				
-- Considered good	14.01	344.26	2.50	351.53
-- Considered doubtful	-	2.00	-	2.00
	14.01	346.26	2.50	353.53
Less: Provision for doubtful deposits	-	2.00	-	2.00
	14.01	344.26	2.50	351.53
Bank deposits with original maturity period more than 12 months	406.33	20.89	80.77	340.60
Related Party Dues				
-- Considered good	4.67	-	48.77	-
-- Considered doubtful	2.17	-	2.17	-
	6.84	-	50.94	-
Less: Provision for doubtful Related Party Dues	2.17	-	2.17	-
	4.67	-	48.77	-
Interest Accrued but not due on Fixed Deposits with Banks	72.76	-	39.05	-
Advances recoverable in cash	-	148.94	-	148.94
	499.77	514.09	171.09	841.07

6(f) LOANS

	As at 31 March 2021		As at 31 March 2020	
	Current	Non-current	Current	Non-current
Loan to related party (refer note 33)				
– Considered good	2,500.00	-	-	-
Loan to customer				
– Considered doubtful	-	50.00	-	50.00
	2,500.00	50.00	-	50.00
Less: Allowances for doubtful loans	-	50.00	-	50.00
	2,500.00	-	-	-

The loan classified as current are repayable on demand
The loan to related party are made on the terms equivalent to those that prevails in arm's length transaction

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7 DEFERRED TAX ASSETS/ (LIABILITIES) (NET)

	As at 31 March 2021	As at 31 March 2020
Deferred Tax Assets:		
Lease Liabilities *	806.71	806.71
Minimum Alternate Tax Credit Entitlement	3,861.97	2,071.02
Other Items		
– Provision for Doubtful Debts and Advances	107.40	145.70
– Provision for Gratuity & Leave Encashment	35.83	26.28
– Provision for Bonus	-	3.76
Total	4,811.91	3,053.47
Deferred Tax Liability:		
Right-of-use asset *	573.47	573.47
Financial Assets at Fair Valuation through profit and loss account		64.40
Depreciation on Property, plant and equipment and intangible assets	1,386.97	1,379.72
Total	1,960.44	2,017.59
Net Deferred Tax Asset/ (Liabilities)	2,851.47	1,035.88

* Deferred tax assets/(liabilities) has been calculated considering the benefit of Section 80IA availed by the Group till FY 2026-27

Movements in Deferred Tax Assets/ (Liabilities) (Net)

Particulars	Property, plant and equipment	Intangible Assets	Right-of-use lease & Lease liabilities	Minimum Alternate Tax Credit Entitlement	Other Items	Total
At 31 March 2020	(1,309.89)	(69.83)	233.24	2,071.02	113.34	1,037.88
Less: Charged/ (Credited)						
–to profit and loss	(6.09)	(1.16)	-	1,790.95	42.60	1,826.30
–to other comprehensive income	-	-	-	-	(12.71)	(12.71)
At 31 March 2021	(1,315.98)	(70.99)	233.24	3,861.97	143.23	2,851.47

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws

8 OTHER NON-CURRENT ASSETS

	As at 31 March 2021	As at 31 March 2020
Capital Advances		
-- Considered good	735.19	536.69
– Considered doubtful	52.31	52.31
	787.50	589.00
Less: Provision for Doubtful Advances	52.31	52.31
	735.19	536.69
Prepaid Expenses	5.90	39.53
	741.09	576.22

9 INCOME TAX ASSETS/ LIABILITIES (NET)

Opening balance	518.99	947.70
Less: Current tax payable for the year	1,941.27	1,364.02
Less: Refund received (net of provision reversed)	329.29	723.66
Add: Taxes paid	1,144.15	1,665.99
Closing balance	(610.42)	518.99
Shown under Income tax Assets	334.84	518.99
Shown under Income tax Liability	945.26	-

10 OTHER CURRENT ASSETS

Advances Recoverable in Kind or for Value to be Received		
-- Considered good	401.90	232.67
-- Considered doubtful	-	-
	401.90	232.67
Less: Provision for Doubtful Advances	-	-
	401.90	232.67
Balances with Government Authorities	221.85	25.33
Prepaid Expenses	251.71	224.98
	875.46	482.98

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11 EQUITY SHARE CAPITAL

11(a) Equity

	Number of Shares	Amount
Authorised Equity Share Capital:		
Equity Shares having par value of Rs. 10 each		
As at 1 April 2019	4,027.00	40,270.00
Increase during the year	-	-
As at 31 March 2020	4,027.00	40,270.00
Increase during the year	-	-
As at 31 March 2021	4,027.00	40,270.00
Equity Shares having par value of Rs. 25 each		
As at 1 April 2019	0.001	0.025
Increase during the year	-	-
As at 31 March 2020	0.001	0.025
Increase during the year	-	-
As at 31 March 2021	0.001	0.025

Issued, Subscribed and Paid-up Share Capital:

Movement in Equity Share Capital

	Number of Shares	Amount
Equity Shares having par value of Rs. 10 each		
As at 1 April 2019	2,015.00	20,150.00
Increase during the year	-	-
As at 31 March 2020	2,015.00	20,150.00
Increase during the year	-	-
As at 31 March 2021	2,015.00	20,150.00
Equity Shares having par value of Rs. 25 each		
As at 1 April 2019	0.001	0.025
Increase during the year	-	-
As at 31 March 2020	0.001	0.025
Increase during the year	-	-
As at 31 March 2021	0.001	0.025
Total as at 31 March 2021	**2,015.001**	**20,150.025**

Terms and rights attached to Equity Shares

There are two class of Equity Shares issued by the Group having par value of Rs 10 and Rs 25 each Each shareholder of equity shares is entitled to one vote per share The Group declares and pays dividend in Indian Rupees The final dividend, if any, proposed by the Board of Directors is subject to shareholders approval in the ensuing Annual General Meeting
In the event of liquidation of the Group, the equity shareholders will be entitled to receive the remaining assets of the Group, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders

11(b) Instruments Entirely Equity in Nature

Compulsory Convertible Preference Shares (CCPS)

	Number of Shares	Amount
Compulsory Convertible Preference Shares having par value of Rs. 24.65 each		
As at 1 April 2019	1,200.00	29,580.00
Increase during the year	-	-
As at 31 March 2020	1,200.00	29,580.00
Increase during the year	-	-
As at 31 March 2021	1,200.00	29,580.00

	Number of Shares	Amount
Movement in Compulsory Convertible Preference Shares Capital of Rs.24.65 each		
Gateway Distriparks Limited		
As at 01 April 2019	1,200.00	29,580.00
Increase during the year	-	-
As at 31 March 2020	1,200.00	29,580.00
Increase during the year	-	-
As at 31 March 2021	1,200.00	29,580.00
	1,200.00	29,580.00

The Group has only once class of Compulsorily Convertible Preference Shares (CCPS) having a face value of Rs 24 65 each The Holders of CCPS shall also be entitled to participate in dividends issued by the Group over and above the preferred dividend on an 'as-if converted' basis Subject to applicable laws, holders of CCPS shall have the voting rights to vote on all matters to be decided by the Group as if the CCPS had been converted into Equity Shares at the Conversion ratio These CCPS represents 2,006.96 Lakhs underlying equity shares which will be issued to the holders on the date of conversion The tenure of CCPS is the expiry of 19 (Nineteen) years from the Completion date



	Number of Shares	Amount
(I) Shares of the Group held by Holding Company		
Equity Shares having par value of Rs. 10 each		
Gateway Distriparks Limited		
As at 31 March 2020	2,011 998	20,119 98
Increase during the year	-	-
As at 31 March 2021	2,011 998	20,119 98

	As at 31 March 2021	As at 31 March 2020
(II) Details of shareholders, holding more than 5% shares in the Group		
Equity Shares having par value of Rs. 10 each		
Gateway Distriparks Limited	No of Shares (Lakhs)	2,011 998	2,011 998
	% Share holding	99 85%	99 85%
Compulsory Convertible Preference Shares of Rs. 24.65 each		
Gateway Distriparks Limited	No of Shares (Lakhs)	1,200 00	1,200 00
	% Share holding	100 00%	100 00%

(III) Aggregative number of shares issued for consideration other than cash
No Equity shares has been issued for consideration other than cash in the last 5 years

11(c) Reserve and surplus

Particulars	31 March 2021	31 March 2020
Securities premium reserve	132 05	132 05
Retained Earnings	8,622 22	8,879 35
Capital Redemption Reserve	11,500 00	11,500 00
Total	20,254.27	20,511.40

(i) Securities premium reserve

Particulars	31 March 2021	31 March 2020
Opening balance	132 05	132 05
Increase / (Decrease) during the year	-	-
Closing balance	132.05	132.05

(ii) Retained Earnings

Particulars	31 March 2021	31 March 2020
Opening balance	8,879 35	5,369.07
Net Profit for the year	11,810 57	9,134 70
Less: Dividends paid	12,067 70	4,665 43
Less : Dividend distribution tax	-	958.99
Closing balance	8,622.22	8,879.35

Cash dividends declared and paid :

Particulars	31 March 2021	31 March 2020
Interim Dividend II for the year ended on 31 March 2020: Rs. 1.50 per share on Equity Share and Rs 1.75 per share on CCPS, declared in the Month of April 2020	6,034 53	-
Interim Dividend I for the year ended on 31 March 2021: Rs. 0.63 per share (31 March 2020: Rs 1 16 per share) on Equity Share and Rs 1 58 per share (31 March 2020: Rs. 1 94 per share) on CCPS	2,533 87	4,665 43
Dividend distribution tax (DDT) on above	-	958.99
Interim Dividend II for the year ended on 31 March 2021: Rs 0 44 per share (31 March 2020: Rs. Nil per share) on Equity Share and Rs. 0 74 per share (31 March 2020: Rs. Nil per share) on CCPS	1,769 83	-
Interim Dividend III for the year ended on 31 March 2021: Rs. 0.43 per share (31 March 2020: Rs. Nil per share) on Equity Share and Rs. 0 72 per share (31 March 2020: Rs Nil per share) on CCPS	1,729.47	-

(iii) Capital Redemption Reserve

Particulars	31 March 2021	31 March 2020
Opening balance	11,500 00	11,500.00
Addition during the year	-	-
Closing balance	11,500.00	11,500.00

Nature and purpose of other reserves
Securities premium reserve
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized only for the limited purpose in accordance with the provision of the Companies Act 2013.
Retained Earnings
Retained earnings represents all accumulated net income netted by all dividends paid to shareholders.Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss Retained earnings is a free reserve available to the Group

Capital Redemption Reserve (CRR)
CRR is created out of profits on redemption of Zero Coupon Redeemable Preference Shares. The reserve is utilized only for the limited purpose in accordance with the provision of the Companies Act 2013



FINANCIAL LIABILITIES

12 NON-CURRENT BORROWINGS

	As at 31 March 2021	As at 31 March 2020
Secured:		
Term Loans		
From Banks:		
Rupee Loan [Refer Note (a) and (b) below]	14,187.79	11,708.48
Vehicle Loans		
HDFC Vehicle Loan [Refer Note (c) below]	1,177.07	1,859.20
Total Non-Current Borrowings	15,364.86	13,567.68
Less: Current maturities of long term debt from bank	3,516.28	3,235.67
Less: Current maturities of HDFC vehicle loan	722.75	680.50
Less: Interest accrued but not due	89.94	90.69
Non-Current Borrowings	11,035.89	9,560.82

Nature of security and terms of repayment for secured borrowings

Nature of Security	Terms of Repayment
a) Term Loan from HDFC Bank amounting to Rs 11,703.88 Lakhs (31-March-20 Rs 11,627.58 Lakhs) is secured by first exclusive charge on all the assets (fixed and current, present and future) of the Group and Corporate Guarantee by Gateway Distriparks Limited, the Holding Company, for Term Loans 1 and 2.	1) The Term Loan 1 from HDFC Bank is repayable in 24 quarterly instalments within 8 years with 2 years moratorium from the date of each drawdown Term Loan of Rs 3,500.00 Lakhs taken on April 15, 2015 is repayable in instalments of Rs 145.83 Lakhs starting from July 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as 15 October 2023. Interest for current year is in the range of 7.50% - 8.55% p.a 2) The Term Loan 2 from HDFC Bank is repayable in 24 Quarterly instalments within 8 years with 2 years moratorium from the first drawdown a) Term Loan of Rs 1,000.00 Lakhs taken on December 22, 2014 is repayable in instalments of Rs 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a b) Term Loan of Rs 1,000.00 Lakhs taken on January 19, 2015 is repayable in instalments of Rs 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% 8.55% p.a c) Term Loan of Rs 1,500.00 Lakhs taken on January 11, 2016 is repayable in instalments of Rs 62.50 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% 8.55% p.a d) Term Loan of Rs 1,000.00 Lakhs taken on February 10, 2016 is repayable in instalments of Rs 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a e) Term Loan of Rs 1,000.00 Lakhs taken on March 15, 2016 is repayable in instalments of Rs 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% 8.55% p.a f) Term Loan of Rs 770.00 Lakhs taken on May 07, 2016 is repayable in instalments of Rs 32.08 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% 8.55% p.a 3) The Term Loan 4 from HDFC Bank is repayable in 24 quarterly instalments within 8 years with 2 years moratorium from the date of each drawdown a) Term Loan of Rs 1,000.00 Lakhs taken on March 31, 2016 is repayable in instalments of Rs 41.67 Lakhs starting from June 2018 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 30 September 2024. Interest for current year is in the range of 7.50% - 8.55% p.a b) Term Loan of Rs 7,000.00 Lakhs taken on July 28, 2016 is repayable in instalments of Rs. 291.67 Lakhs starting from October 2018 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 26 January 2025. Interest for current year is in the range of 7.50% - 8.55% p.a. c) Term Loan of Rs. 644.00 Lakhs taken on August 11, 2016 is repayable in instalments of Rs. 26.83 Lakhs starting from November 2018 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 09 February 2025. Interest for current year is in the range of 7.50% - 8.55% p.a 4) The Term Loan 5 from HDFC Bank is repayable in 24 Quarterly instalments within 8 years with 2 years moratorium from the first drawdown Term Loan of Rs 10 Crore taken on August 11, 2016 is repayable in instalments of Rs 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a. 5) The Term Loan Facility No 1 from HDFC Bank is repayable in 20 Quarterly instalments within 5 years and 6 months with moratorium till June 30, 2021 a) Term Loan of Rs 710 Lakhs taken on January 30, 2021 is repayable in instalments of Rs 35.53 Lakhs started from September 2021 with interest rate benchmark MCLR + 25 bps, with maturity date as on 30 June 2026. Interest for current year is in the range of 7.50% p.a.
b) Working Capital Term Loan from HDFC Bank amounting to Rs. 2,400 Lakhs (31-March-20 Rs. Nil) is secured by first exclusive charge on all the assets (fixed and current, present and future) of the Group	6) The working capital term loan under Guaranteed Emergency Credit Line from HDFC bank is repayable in 48 monthly installments within 5 years with 1 year moratorium from the date of drawdown i.e with maturity date as 02 January 2026 Term Loan of Rs. 2,400 Lakhs taken on January 2, 2021 is repayable in monthly installments of Rs 50.00 Lakhs started from February 2022 with interest @ Reference rate + spread of 3.50% p.a. Interest for current year is 7.50% p.a.
c) Vehicle Finance Loan from HDFC Bank of Rs. 1,174.23 Lakhs (31-March-20 Rs. 1,854.72) is secured by way of hypothecation of trailers purchased against the same.	a) Vehicle Loan from HDFC Bank of Rs. 376.26 Lakhs taken on February 23, 2018 is repayable in 46 monthly installments of Rs. 9.64 lakhs starting from April 2018, with maturity date as January, 2022. b) Vehicle Loan from HDFC Bank of Rs. 1,796.07 Lakhs taken on November 2019 is repayable in 35 monthly instalments of Rs. 58,29,365 starting from January 2020, with maturity date as November, 2022

Details of loan covenants disclosed in note 29
The carrying amounts of financial and non-financial assets are charged against current and non-current borrowings are disclosed in note 36



13 EMPLOYEE BENEFIT OBLIGATIONS

	As at 31 March 2021			As at 31 March 2020		
	Current	Non-current	Total	Current	Non-current	Total
- Leave Obligations	25.76	246.64	272.40	60.93	240.21	301.14
- Gratuity	21.24	506.24	527.48	19.47	464.84	484.31
	47.00	**752.88**	**799.88**	**80.40**	**705.05**	**785.45**

(i) Leave Obligation

The leave obligation cover the Group liability for sick and earned leave.

(ii) Post Employment obligations

Gratuity
The Group provides for gratuity for employees in India as per payment of gratuity Act, 1972. Employee who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Gratuity plan of the Group is unfunded.

(iii) Defined Contribution Plans

The Group also has certain defined contribution plans such as Provident Fund and Employee State Insurance Corporation (ESIC). Contribution are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs. 123.54 Lakhs (31 March 20 Rs. 131.73 Lakhs).

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation
01 April 2019	430.91
Current service cost	54.64
Interest Cost	33.44
Total amount recognised in profit or loss	**88.08**
Remeasurements:	
Actuarial (Gains) / Losses on Obligations - Due to Change in Demographic Assumptions	(6.51)
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	(13.89)
Actuarial (Gains) / Losses on Obligations - Due to Experience	7.06
The amount recognised in other comprehensive income	**(13.34)**
Benefit payments	(21.34)
31 March 2020	**484.31**

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Particulars	Present value of obligation
01 April 2020	484.31
Current service cost	55.09
Interest Cost	33.08
Total amount recognised in profit or loss	**88.17**
Remeasurements:	
Actuarial (Gains) / Losses on Obligations - Due to Change in Demographic Assumptions	0.22
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	(0.95)
Actuarial (Gains) / Losses on Obligations - Due to Experience	(37.33)
The amount recognised in other comprehensive income	**(38.06)**
Benefit payments	(6.94)
31 March 2021	**527.48**

The net liability disclosed relates to unfunded plans as follows:

Particulars	31 March 2021	31 March 2020
Present value of unfunded plans	527.48	484.31
Deficit of gratuity plan	**527.48**	**484.31**

(iv) Post employment benefits (Gratuity)
Significant estimates: Actuarial assumptions and sensitivity
The significant actuarial assumptions were as follows:

Particulars	31 March 2021	31 March 2020
Discount Rate	6.85%	6.83%
Salary growth rate	8.50%	8.50%
Attrition Rate	4 - 10%	4 - 9%

(v) Sensitivity Analysis
The sensitivity of the defined benefit obligation to change in the weighted principal assumption is:

Particulars	Change in assumption		Change	Impact on defined benefit obligation				
				Increase in assumption		Change	Decrease in assumption	
	31 March 2021	31 March 2020		31 March 2021	31 March 2020		31 March 2021	31 March 2020
Discount Rate	1%	1%	Decrease by	(8.32%)	(8.74%)	Increase by	9.70%	10.21%
Salary growth rate	1%	1%	Increase by	9.45%	9.94%	Decrease by	(8.28%)	(8.68%)
Employee Turnover	1%	1%	Decrease by	(1.14%)	(1.24%)	Increase by	1.28%	1.40%

The above sensitivity analysis are based on a change in an assumption while holding all other assumption constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumption the same method(present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.
The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

vi) Defined benefit obligation and employers contributions
The defined benefit obligation shall mature after year end 31 March 2021 as follows:

Particulars	Amount
1st Following Year	21.24
2nd Following Year	47.25
3rd Following Year	48.28
4th Following Year	35.89
5th Following Year	95.90
Sum of 6 to 10 Years	121.88

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14 CURRENT BORROWINGS

	As at 31 March 2021	As at 31 March 2020
Secured		
Overdraft from bank*	1,911.13	3,015.15
	1,911.13	3,015.15

*Loan repayable on demand. Outstanding overdraft carry an average interest rate of ` MCLR + 25 bps' (31 March 2020: ` MCLR + 25 bps') and is secured by first exclusive charge on all assets

15(a) CONTRACT LIABILITIES

Advances from Customers	802.67	636.30
Auction Surplus	55.89	55.89
	858.56	692.19
Current	**858.56**	**692.19**
Non-Current	-	-

The Group has entered into agreements with customers for rendering of specified services. The Group has identified these performance obligations and recognised the same as contract liabilities in respect of contracts where the Group has obligation to render specified services to a customer for which the Group has received consideration. Contract Liabilities also include surplus realisations from auction proceedings

15(b) TRADE PAYABLES

-- Outstanding dues of Micro Enterprises and Small Enterprises [Refer Note below]	117.36	115.48
-- Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	5,801.86	4,891.56
	5,919.22	5,007.04

Note:

There are no Micro and Small Enterprises, to whom the Group owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The information has been determined to the extent such parties could be identified on the basis of the information available with the Group regarding the status of suppliers under the MSMED (Refer Note 38)

Trade payables are non-interest bearing and are normally settled in the range of 1 to 180 days terms
For explanation in the Group's credit risk management process, refer Note 28

16 OTHER CURRENT FINANCIAL LIABILITIES

Current maturities of long term debt from Banks (Refer Note 12)	3,516.28	3,235.67
Current maturities of HDFC Vehicle Loan (Refer Note 12)	722.75	680.50
Retention Money/ Deposits from Creditors for Tangible Assets	26.71	15.31
Other Payables:		
-- Creditors for Tangible and Intangible Assets	14.18	99.70
-- Employees	19.84	256.53
-- Directors' remuneration (Net) (Refer Note 33)	1,064.63	636.21
Interest accrued but not due on borrowings	89.94	90.69
Unclaimed Dividend	7.53	4.25
	5,461.86	5,018.86

17 OTHER CURRENT LIABILITIES

Other Payables:		
-- Statutory dues	1,145.77	1,771.36
	1,145.77	1,771.36

18 GOVERNMENT GRANT

Government Grant (EPCG)		
Opening Balance	358.97	442.04
Addition	-	-
Less:- Income to be recognised in statement of P&L	83.07	83.07
Closing Balance	275.90	358.97
Current Grant (Income to be booked in 12 months)	**70.94**	**83.07**
Non- Current Grant	**204.96**	**275.90**

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19 REVENUE FROM OPERATIONS

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
(A) Revenue from Contracts with Customers			
Sale of Services			
– Rail Transport		65,059.78	72,375.45
-- Road Transport		4,737.50	4,790.50
-- Container Storage, Handling and Ground Rent		11,017.57	9,372.85
Auction Income		519.01	126.10
Total Revenue from Contracts with Customers (A)		**81,333.86**	**86,664.90**
I. Geographical markets			
Sale of Services - India		81,333.86	86,664.90
Sale of Services - Outside India		-	-
Total Revenue from Contracts with Customers		**81,333.86**	**86,664.90**
II. Timing of Revenue Recognition			
Services Transferred at point in time		-	-
Services Transferred over time		81,333.86	86,664.90
Total Revenue from Contracts with Customers		**81,333.86**	**86,664.90**
III. Contract Balances			
Trade Receivables	6(b)	9,268.33	9,113.50
Contract Asset	6(b)	75.32	88.93
Contract Liabilities	15(a)	858.56	692.19
IV. Reconciliation of Revenue as per Contract Price and as recognized in the Statement of Profit and Loss			
Revenue as per Contract Price		83,386.91	90,268.86
Less: Discounts and Incentives		2,053.05	3,603.96
Total Revenue from Contracts with Customers		**81,333.86**	**86,664.90**

V. Performance Obligation
The performance obligation in respect of services provided being provided by the Group, are satisfied over a period of time and upon acceptance of the customer. Payment is generally due upon delivery of services and acceptance of customer. Payments are generally due within 30 to 90 days.

(B) Other Operating Revenues			
Rent		256.05	200.48
Total Other Operating Revenue (B)		**256.05**	**200.48**
Total Revenue from Operations (A + B)		**81,589.91**	**86,865.38**

20 OTHER INCOME

Interest Income on financial asset measured at amortized cost			
- Interest on Fixed Deposit with Banks - Gross	6(e)	71.39	28.85
- Interest on Income Tax Refund		-	67.78
- Interest on Loans		102.10	-
Unwinding of Discount on Security Deposit	6(e)	3.74	4.23
Liabilities/ Provisions no longer required Written back		227.03	323.90
Sale of Scrap		35.53	19.86
Miscellaneous Income		187.51	242.41
Provision for Doubtful Ground Rent written back (Net)	6(b),19	-	11.46
Provision for Doubtful Debts written back (Net)	6(b)	8.79	6.07
Profit on sale of Fixed Assets	3	2.43	0.36
Gain on fair valuation of financial assets recognised at fair value through profit or loss	6(a)	-	181.22
Gain on Sale of Investment in Mutual Funds	6(a)	14.49	125.56
Foreign Exchange Gain		-	11.76
Government Grant	18	83.07	83.07
Total other income		**736.08**	**1,106.53**

The Government grants have been received for the purchase of certain items of property, plant and equipment. There are no fulfilled conditions or contingencies attached to these grants.



21 OPERATING EXPENSES

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
Rail Transport (Refer Note (i) below)		44,135.30	53,325.77
Road Transport (Refer Note (ii) below)		5,842.34	5,548.86
Container Storage, Handling and Repairs (Refer Note (iii) below)		1,584.02	1,702.66
Auction Expenses		47.98	13.44
Total Operating Expenses		**51,609.64**	**60,590.73**
(i) Details of Rail Transport			
Rail Haulage Charges		41,959.65	50,970.54
Rake Hiring Charges		45.47	84.13
Incentives		701.97	855.03
Others		1,428.21	1,416.07
Total Rail Transport		**44,135.30**	**53,325.77**
(ii) Details of Road Transport			
Trip Expenses		3,292.71	2,741.64
Trailer Hiring Charges		879.56	1,114.57
Trailer Maintenance Charges		878.29	954.17
Trailer Drivers Salary		663.43	606.19
Others		128.35	132.29
Total Road Transport		**5,842.34**	**5,548.86**
(iii) Details of Container Storage, Handling and Repairs			
Equipment Handling Charges		529.32	513.80
Labour Charges		520.43	532.31
Surveyor Expenses		384.81	403.70
Internal Shifting Charges		50.48	111.59
Others		98.98	141.26
Total Container Storage, Handling and Repairs		**1,584.02**	**1,702.66**

22 EMPLOYEE BENEFITS EXPENSES

	Notes		
Salaries, Allowances and Bonus		3,450.01	3,191.36
Contribution to Provident and Other Funds	13	123.54	131.73
Gratuity	13	88.17	88.08
Staff Welfare		44.61	87.98
Total Employee Benefits Expenses		**3,706.33**	**3,499.15**

23 DEPRECIATION AND AMORTISATION EXPENSES

Depreciation on Property, Plant and Equipment	3	5,548.72	5,577.07
Amortisation of Intangible Assets	4	260.00	260.00
Depreciation of Right-of-use assets	32(b)	2,135.12	1,925.44
Total Depreciation And Amortisation Expenses		**7,943.84**	**7,762.51**

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		Notes	Year ended 31 March 2021	Year ended 31 March 2020
24	**FINANCE COSTS**			
	-- Interest on Term Loans	12	1,025.07	1,177.70
	-- Interest on Buyers' Credit	14	-	3.56
	-- Interest on Cash Credit (bank overdrafts)	14	85.51	70.12
	-- Interest on Vehicle Loans	12	133.01	63.92
	-- Interest on Lease Liabilities	32(b)	1,061.64	1,017.85
	Total Finance Costs		2,305.23	2,333.15
25	**OTHER EXPENSES**			
	Power and Fuel		1,197.27	1,078.00
	Rent		61.33	132.29
	Rates and Taxes		117.28	248.87
	Repairs and Maintenance			
	-- Plant and Equipment (including Yard Equipments)		598.77	561.24
	-- Buildings/ Yard		165.28	234.74
	-- Others		346.77	331.54
	Insurance		412.91	460.32
	Customs Staff Expenses		214.09	184.21
	Printing and Stationery		55.94	81.06
	Travelling and Conveyance		316.13	421.32
	Vehicle Maintenance Expenses		8.93	11.40
	Communication		76.68	88.18
	Advertisement and Business Promotion		105.90	119.52
	Corporate Social Responsibility [Refer Note 25(a)]		206.19	191.90
	Legal and Professional Charges		196.71	253.81
	Director Sitting Fees		55.00	41.00
	Security Charges		629.59	589.60
	Auditors' Remuneration [Refer note 25(b)]			
	-- Audit Fees		39.75	37.00
	-- Out of Pocket Expenses		0.16	1.24
	Provision for Doubtful Ground Rent (Net)	6(b),19	16.21	-
	Bank Charges		39.87	57.25
	Total Other Expenses		4,860.76	5,124.49
25(a)	**Corporate Social Responsibility expenditure**			
	Gross amount required to be spent as per section 135 of the Act		*202.87*	*191.74*
	Amount spent during the year on			
	Construction/ acquisition of any asset		206.19	180.90
	On purposes other than above		-	11.00
			206.19	191.90
	Details			
	Contribution to Bharat Lok Shiksha Parishad		-	11.00
	Rural Development Projects		206.19	180.90
	Total Corporate Social Responsibility expenditure		206.19	191.90
25(b)	**Details of payment to auditors**			
	Payment to auditors			
	Audit Fee		21.00	21.00
	Limited Review		11.00	16.00
	In other capacities			
	Other services (certification fees)		7.75	-
	Reimbursement of expenses		0.16	1.24
	Total payment to auditors		39.91	38.24



	Year ended 31 March 2021	Year ended 31 March 2020
26 INCOME TAX EXPENSE		
(a) Income tax Expenses		
Current Tax		
Current Tax on profits for the year	1,941.27	1,364.02
Adjustments in respect of current income tax of earlier year	(86.38)	(263.84)
Total Current tax expenses	**1,854.89**	**1,100.18**
Deferred Tax		
Decrease/ (Increase) in deferred tax assets	(1,670.06)	(2,060.80)
(Decrease)/ Increase in deferred tax liabilities	(57.15)	501.14
Total deferred tax expense/(benefit)	**(1,727.21)**	**(1,559.66)**
Income tax expenses	**127.68**	**(459.48)**
Disclosed under		
Statement of Profit and Loss	114.97	(463.93)
Other Comprehensive Income	12.71	4.45
	127.68	**(459.48)**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	11,938.24	8,675.22
Total	**11,938.24**	**8,675.22**
Tax at the Indian tax rate of 33.384% (31-March-20: 33.384%)	**3,985.46**	**2,896.14**
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income		
-- Corporate social responsibility expenditure	68.83	64.06
-- Deferred Tax not created where it is expected to reverse within tax holiday period	1,496.36	258.90
-- Adjustments in respect of current income tax of previous year	(86.38)	(263.84)
--Income that is exempt from tax u/s 80IA of Income Tax Act, 1961	(5,286.43)	(3,490.70)
--Tax Benefit U/s 80 G	-	(1.25)
-- Other Items	(50.16)	77.21
Income Tax Expenses	**127.68**	**(459.48)**

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27 FAIR VALUE MEASUREMENTS

27 (a) Financial instrument by category.

Particulars	Notes	As at 31 March 2021			As at 31 March 2020		
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets							
Investment							
- Mutual Funds	6(a)	-	-	-	5,973 39	-	-
Loans	6(f)	-	-	2,500.00	-	-	-
Trade Receivable	6(b)	-	-	9,268 33	-	-	9,113 50
Cash and Cash equivalent	6(c)	-	-	8,118 97	-	-	448 52
Other Bank Balances	6(d)	-	-	7 53	-	-	4 25
Security Deposit	6(e)	-	-	358.27	-	-	354 03
Bank Deposits	6(e)	-	-	429 22	-	-	421 37
Advance recoverable in cash	6(e)	-	-	148 94	-	-	148 94
Other Financial Assets	6(e)	-	-	77.43	-	-	87 82
Total Financial Assets		-	-	**20,908.69**	**5,973.39**	-	**10,578.43**
Financial Liabilities							
Borrowings	12,14	-	-	17,275.99	-	-	16,582 83
Trade Payables	15(b)	-	-	5,919 22	-	-	5,007 04
Retention Money	16	-	-	26 71	-	-	15 31
Other Payables:							
– Creditors for Tangible and Intangible Assets	16	-	-	14.18	-	-	99 70
– Employees	16	-	-	19.84	-	-	256 53
– Directors' commission	16	-	-	1,064 63	-	-	636.21
–Unclaimed Dividend	16	-	-	7 53	-	-	4 25
Total Financial Liabilities		-	-	**24,328.10**	-	-	**22,601.87**

(i) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements To provide an indication about the reliability of the inputs used in determining the fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard An explanation of each level follows underneath the table.

Financial assets and labilities measured at fair value- recurring fair value measurement at 31-March-2021	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial instrument at FVPL					
Mutual Fund - Growth Plan	6(a)	-	-	-	-
Total Financial Assets		-	-	-	-

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Financial assets and labilities measured at amortised cost for which fair values are disclosed at 31-March-2021	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets					
Security Deposit	6(e)	-	-	358.00	358.00
Total Financial Assets		-	-	**358.00**	**358.00**
Financial Liabilities					
Borrowings - Non Current (including current maturities)	12	-	-	15,368.06	15,368.06
Borrowings - Current	14	-	-	1,911.13	1,911.13
Total Financial Liabilities		-	-	**17,279.19**	**17,279.19**

Financial assets and labilities measured at fair value- recurring fair value measurement at 31-March-2020	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets					
Financial instrument at FVPL					
Mutual Fund - Growth Plan	6(a)	5,973.39	-	-	5,973.39
Total Financial Assets		**5,973.39**	-	-	**5,973.39**

Financial assets and labilities measured at amortised cost for which fair values are disclosed 31-March-2020	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial Assets					
Security Deposit	6(e)	-	-	355.43	355.43
Total Financial Assets		-	-	**355.43**	**355.43**
Financial Liabilities					
Borrowings - Non Current (including current maturities)	12	-	-	13,573.00	13,573.00
Borrowings - Current	14	-	-	3,015.15	3,015.15
Total Financial Liabilities		-	-	**16,588.15**	**16,588.15**

For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

Fair Value Hierarchy
Level 1 - Hierarchy includes financial instruments measured using quoted price. This includes mutual funds that have quoted price The mutual funds are valued using the closing NAV

Level - 2 The fair value of financial instruments that are not traded in an active market is determined using valuation technique which maximize the use of observable market data and rely as little as possible on entity - specific estimates If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2

Level -3 If one or more of the significant inputs is not based on observable market data, the instrument is include in level 3 This is the case for security deposits, bank deposits and borrowings

There are no transfers between level 1 and level 2 during the year.

The fair values of bank deposits and non current borrowings were calculated based on cash flows discounted at current lending rate/ borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.



(ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

1) The use of quoted market price or dealer quotes for similar instruments
2) The fair value of the remaining financial instruments is determined using discounted cash flow analysis

All of the resulting fair value estimates are included in level 3 except for investment in mutual funds, where the fair value has been determined using the closing NAV

(iii) Fair value of financial assets and liabilities measured at amortised cost

Set out below is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying Amounts	Fair Value	Carrying Amounts	Fair Value
Financial Assets Security Deposit	358 27	358 99	354 03	355 43
Total Financial Assets	358.27	358.99	354.03	355.43
Financial Liabilities Borrowings - Non Current (including current maturities) Borrowings - Current	15,364.86 1,911 13	15,368 06 1,911 13	13,567 68 3,015 15	13,573 00 3,015 15
Total Financial Liabilities	17,275.99	17,279.19	16,582.83	16,588.15

The carrying amounts of trade receivables, cash and cash equivalent, other bank balances, advance recoverable in cash, other financial asset, trade payables, retention money and other payables are considered to be the same as their fair values, due to their short-term nature

The Fair value for security deposits were calculated based on cash flows discounted using a current deposit rate They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk

Significant Estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period For details of the key assumptions used and the impact of changes to these assumptions see (ii) and (iii) above

28 FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Group's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group is exposed to market risk, liquidity risk and credit risk.

The Group's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Group are accountable to the Board of Directors and the Audit Committee. This process provides assurance to the Group's senior management that the Group's financial risk taking activities are governed by appropriate policies and procedures and that the financial risks are identified, measured and managed in accordance with the Group policies and Group risk objective. In the event of crisis caused due to external factors such as by the recent pandemic "COVID-19", the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure that there is enough liquidity in these situations through internal and external source of funds.
This note explain the sources of risk which the entity is exposed to and how the entity manage the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalent, trade receivable, financial assets measured at amortised cost.	Ageing analysis, credit ratings	Diversification of bank deposit, credit limits and letter of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecast	Availability of bank credit lines and borrowings facilities (cash credit)
Market risk -foreign exchange	Foreign currency borrowings	Rolling cash flow forecast Sensitivity analysis	Availability of bank credit lines and borrowings facilities
Market risk -interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Monitoring and shifting benchmark interest rates*.
Market risk -Security price	Investment in Mutual Funds	Sensitivity analysis	Portfolio diversification

* There is no shifting of benchmark interest rates during the year.

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with bank and financial institution, foreign exchange transactions and other financial instruments.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. Other factors of default are determined by considering the business environment in which the Group operates and other macro-economic factors. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as: adverse changes in business, changes in the operating results of the counterparty, change to the counterparty's ability to meet its obligations etc. Financial assets are written off when there is no reasonable expectation of recovery.

(i) Credit Risk Management

Financial Assets
The Group maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds. The Group has diversified portfolio of investment with various number of counter-parties which have good credit ratings, good reputation and hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Group.

The Group's maximum exposure to credit risk as at 31 March 2021 and 31 March 2020 is the carrying value of each class of financial assets as disclosed in note 6.

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Trade receivable and other financial assets

Trade receivables are typically unsecured and are derived from revenue earned from customers. Other financial assets are unsecured receivables. It comprises of margin money with the bank, utility deposits with the government authorities and accrued income on containers lying at the warehouse/yard but have not been invoiced.

Credit risk has been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. There are no significant credit risk pertaining to bank deposits.

Out of the Gross Trade Receivables balance as at 31 March 2021 of Rs. 10,204.72 Lakhs (31-March-20: Rs. 10,058.69), the top 5 customers of the Group represent the balance of Rs. 5,530.48 Lakhs (31-March-20: Rs. 4,419.40 Lakhs).

The amount of Trade receivable outstanding as at 31 March 2021 & 31 March 2020 is as follows:

Particulars	0-30 Days	31-60 Days	61-90 Days	91-180 Days	181-365 Days	More than 365 Days	Total
31 March 2021	5,717.66	3,052.93	492.69	250.82	(99.48)	790.10	**10,204.72**
31 March 2020	5,137.12	3,159.64	693.25	286.85	7.97	773.86	**10,058.69**

(ii) Reconciliation of loss allowances provision - Trade receivable, Other financial assets and Contract assets

Particulars	Trade receivable	Other Financial Assets and Contract Assets
Loss Allowances on 01 April 2019	**951.26**	**81.22**
Changes in loss allowances	(6.07)	(11.46)
Loss Allowances on 31 March 2020	**945.19**	**69.76**
Changes in loss allowances	(8.80)	16.21
Loss Allowances on 31 March 2021	**936.39**	**85.97**

(B) Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Group has unutilized credit limits with banks.

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31 March 2021	31 March 2020
Floating Rate		
Expiring within one year (Bank overdraft, Term Loans and other facilities)	7,336.53	4,986.62
Expiring beyond one year (Term loans)	-	-
Total	7,336.53	4,986.62

On the event of default, the Bank has an unconditional right to cancel the undrawn/ unused/ un-availed portion of the loan/ facility sanctioned at any time during the period of the loan/ facility, without any prior notice to the Group.

The working capital position of the Group is given below:

Particulars	31 March 2021	31 March 2020
Cash & Cash Equivalents	8,118.97	448.52
Investments in Mutual Funds	-	5,973.39
Total	**8,118.97**	**6,421.91**

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(ii) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non derivative financial liabilities.
The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Repayable on demand	Less than 1 Year	1 - 2 Years	2 Year and Above	Total
31 March 2021 (Non-Derivative)					
Borrowings	1,911.13	5,247.44	5,189.57	7,051.81	19,399.95
Lease liabilities	-	2,697.01	2,298.30	9,905.61	14,900.92
Trade payables	-	5,919.22	-	-	5,919.22
Other Financial Liabilities	-	1,132.89	-	-	1,132.89
Total Non - derivative liabilities	**1,911.13**	**14,996.56**	**7,487.87**	**16,957.42**	**41,352.98**

Contractual maturities of financial liabilities	Repayable on demand	Less than 1 Year	1 - 2 Years	2 Year and Above	Total
31 March 2020 (Non-Derivative)					
Borrowings	3,015.15	4,909.85	4,613.93	6,053.75	18,592.68
Lease liabilities	-	2,735.73	2,697.01	12,203.92	17,636.66
Trade payables	-	5,007.04	-	-	5,007.04
Other Financial Liabilities	-	1,012.00	-	-	1,012.00
Total Non - derivative liabilities	**3,015.15**	13,664.62	**7,310.94**	**18,257.67**	**42,248.38**

(C) Market Risk

(i) Foreign currency risk

The Group's operations are such that all activities are confined to India. Hence, there is no exposure to foreign currency risk.

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(ii) Cash Flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

(a) Interest Rate risk exposure

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows.

Particulars	31 March 2021	31 March 2020
Variable Rate Borrowings	14,103.88	11,627.58
Fixed Rate Borrowings	1,174.23	1,854.72
Total Borrowings	**15,278.11**	**13,482.30**

(b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax		Impact on other components of equity	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Interest Rate - Increase by 100 basis points*	77.30	86.80	-	-
Interest Rate - Decrease by 100 basis points*	(77.30)	(86.80)	-	-

Particulars (Foreign Currency Loans)	Impact on profit after tax		Impact on other components of equity	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Interest Rate - Increase by 20 basis points*	-	-	-	-
Interest Rate - Decrease by 20 basis points*	-	-	-	-

* Holding all other variable constant

(iii) Price risk

(a) Exposure
The Group's exposure to Investments arises from investment held by the Group in mutual funds and classified in the balance sheet as fair value through profit or loss.
To manage its price risk arising from investments in mutual funds, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

(b) Sensitivity
Profit or loss is sensitive to higher/ lower value of investments as a result of changes in price. Impact on profit after tax of increase/ decrease of 10% of price is as follows:

Particulars	Impact on profit after tax		Impact on other components of equity	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Net Asset Value - Increase 10% (31 March 2020 10%)*	-	388.60	-	-
Net Asset Value - Decrease 10% (31 March 2020 10%)*	-	(388.60)	-	-

Profit for the period would increase/ decrease as a result of gains/ losses on investments classified at fair value through profit or loss.

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29 CAPITAL MANAGEMENT

The Group considers total equity as shown in the balance sheet includes retained profit and share capital as managed capital:

The Group aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Group monitors capital on the basis gearing ratio. The Group's policy is to keep the gearing ratio between 0% and 20%. Gearing ratio is Net Debt (total borrowings net of cash and cash equivalents) divided by Total Equity plus net debts. The capital components of the Group are as given below:

Particulars	31 March 2021	31 March 2020
Total Equity	**69,984.30**	**70,241.43**
Total Borrowings (excluding interest accruals)	15,278.11	13,482.31
Cash & Cash Equivalents	(8,118.97)	(448.52)
Net debt	**7,159.14**	**13,033.79**
Equity and net debts	**77,143.44**	**83,275.21**
Gearing ratio	**9%**	**16%**

(i) Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- Total Outside Liabilities to Total Net worth should be maximum 1
- Minimum DSCR of 1.13 times
- Fixed Asset Cover ratio should be greater than 1.9 times
- Financial projections to be met with 10% variations

The Group has complied with these covenants throughout the reporting period.

(ii) Dividends

Particulars	31 March 2021	31 March 2020
Interim Dividend II for the year ended on 31 March 2020: Rs. 1.50 per share on Equity Share and Rs. 1.75 per share on CCPS, declared in the Month of April 2020	6,034.53	-
Interim Dividend I for the year ended on 31 March 2021: Rs. 0.63 per share (31 March 2020: Rs. 1.16 per share) on Equity Share and Rs. 1.58 per share (31 March 2020: Rs. 1.94 per share) on CCPS	2,533.87	4,665.43
Dividend distribution tax (DDT) on above	-	958.99
Interim Dividend II for the year ended on 31 March 2021: Rs. 0.44 per share (31 March 2020: Rs. Nil per share) on Equity Share and Rs. 0.74 per share (31 March 2020: Rs. Nil per share) on CCPS	1,769.83	-
Interim Dividend III for the year ended on 31 March 2021: Rs. 0.43 per share (31 March 2020: Rs. Nil per share) on Equity Share and Rs. 0.72 per share (31 March 2020: Rs. Nil per share) on CCPS	1,729.47	-



30 SEGMENT INFORMATION:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Group The Group has identified one reportable segment "Inter-Modal Logistics" i e based on the information reviewed by CODM Thus, the segment revenue, segment results, total carrying amount of segment assets and segment liabilities is as reflected in these financial statement as of and for the year ended March 31, 2021

(a) Description of segments and principal activities

The Group is engaged in business of inter-modal logistics It provides container logistics solution between major Indian ports and Inland Container Depots (ICD) by providing rail services for Export, Import and Domestic containerised cargo, integrated with road transportation, transit and bonded warehousing, refrigerated container facilities and other value added services

(b) Segment revenue/results

The Group operates as a single segment The segment revenue is measured in the same way as in the statement of profit or loss

Segment - Inter-Modal Logistics	31 March 2021 Revenue from external customers	31 March 2020 Revenue from external customers
Segment revenue	81,589.91	86,865.38
Segment results		
Profit before Tax	11,900.19	8,661.88
Less: Tax expenses	114.97	(463.93)
Profit for the year	11,785.22	9,125.81

The Group is domiciled in India The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from external customers	31 March 2021	31 March 2020
India	81,589.91	86,865.38
Outside India	-	-
Total	**81,589.91**	**86,865.38**

No customer individually contributed to 10% or more of total revenue

Segment assets and Segment liabilities	31 March 2021	31 March 2020
Segment assets - India	109,320.54	109,108 13
Segment liabilities - India	39,336 24	38,866.70

31 CONTIGENT LIABILITIES AND CONTINGENT ASSESTS

Contingent Liabilities

The Group had guarantees and contingent liabilities at March 31, 2021 in respect of the following:

Particulars	31 March 2021	31 March 2020
Bank Guarantees and Continuity Bonds executed in favour of The President of India through the Commissioners of Excise and Customs, Sales Tax and Gatx India Private Limited	360,048 23	385,748 23
Claims made by the parties not acknowledged as debts:		
- Container Corporation of India [Refer Note (i) below]	Not Ascertainable	Not Ascertainable
- Northern Railway [Refer Note (ii) below]	148.94	148.94

(i) The Group and its Holding Group (Joint venturer till 29 March 2019 and the holding thereafter), Gateway Distriparks Limited ("GDL") are involved in an arbitration proceeding with Container Corporation of India Limited ("Concor") in respect of agreements entered into by the parties for operation of container trains from the Inland Container Depot and Rail Siding of the Group at Garhi Harsaru, Gurgaon Concor has raised claims on the Group and GDL on various issues in respect to the aforesaid agreements Based on legal opinion, the Management has taken a view that these claims are at a preliminary stage and the question of maintainability of the alleged disputes as raised by Concor under the aforesaid agreements is yet to be determined and are not sustainable Pending conclusion of the arbitration, the parties are maintaining "status quo" in respect of the operations at Garhi Harsaru, Gurgaon.

(ii) The Railway Authorities had deducted Rs 148.94 Lakhs towards Siding & Shunting charges for financial year 2010-11, however letter has been received in April'13 from Railway Authorities that the deduction made by Railways is not justified and will be refunded back to the Group However till now the Group has not received the money, hence the same has been disclosed as 'Claims made by the parties not acknowledged as debts' The matter is under arbitration

(iii) The Group had accounted for the benefits available under Service Exports from India Scheme (SEIS) amounting to Rs 10,068 78 lakhs for the financial years 2015-16 to 2017-18 During the year, the Group had received a notice dated November 11, 2019 from Additional Director General of Foreign Trade [ADGFT] questioning SEIS benefits for the aforesaid financial years

The Group had submitted its response dated January 31, 2020 to ADGFT and backed by legal opinion, believes that the SEIS scrips for aforesaid financial years were correctly availed by the Group in terms of the provisions of FTP 2015-20 and accordingly no provision has been made in the books of accounts

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32 COMMITMENTS:

a) Capital Commitments:
Capital expenditure contracted (net of capital advance) for at the end of the reporting period but not recognised as liabilities as follows:

Particulars	31 March 2021	31 March 2020
Property, plant and equipment: Net of Capital Advance of Rs. 196.44 Lakhs (31-March-20: Rs. Nil)	908.88	461.45

b) Leases:

Right-of-Use Assets (ROU)

Particulars	Rakes	Land	Building	Terminal	Total
As at 01 April 2019	4,779.02	3,929.18	-	979.15	9,687.36
Additions during the year	3,306.54	80.03	959.76	-	4,346.33
Depreciation Expense	1,017.32	534.48	17.58	356.06	1,925.44
As at 31 March 2020	**7,068.24**	**3,474.73**	**942.18**	**623.10**	**12,108.25**
Additions during the year	-	-	-	-	-
Depreciation Expense	1,122.27	550.15	106.64	356.06	2,135.12
As at 31 March 2021	**5,945.97**	**2,924.58**	**835.54**	**267.04**	**9,973.13**

(i) Depreciation has been charged to ROU Assets on a straight line method based on the lease term and is included under depreciation and amortization expense in the statement of Profit and Loss.

Lease Liabilities

Particulars	31 March 2021	31 March 2020
Opening Balance	12,656.86	9,687.36
Additions during the year	-	4,306.34
Accretion of Interest	1,061.64	1,017.85
Payment of lease liabilities	2,735.73	2,354.69
Closing Balance	**10,982.77**	**12,656.86**
Current	**1,793.13**	**1,674.09**
Non-current	**9,189.64**	**10,982.77**

(i) The Lease Liability is recognised on various Lands, Buildings and Rakes taken on lease by the Group.
(ii) The Group recognized rent expense from short-term leases of Rs. 61.33 lakhs for the year ended 31 March 2021 (31 March 2020: Rs. 132.29 Lakhs)
(iii) The weighted average incremental borrowing rate applied to lease liabilities is 8.95% p.a.

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 and 31 March 2020 on an undiscounted basis:

Particulars	31 March 2021	31 March 2020
Less than one year	2,697.01	2,735.73
One to five years	7,796.80	8,765.39
More than five years	4,407.11	6,135.53
Total	**14,900.92**	**17,636.65**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of the Consolidated Financial Statements for the year ended 31 March 2021
(All amounts in Rupees in Lakhs, unless otherwise stated)

33 RELATED PARTY TRANSACTIONS

Related Party Disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below :

(A) Holding Company
The Group is controlled by the following entity:

Name	Type	Place of incorporation	Ownership Interest 31 March 2021
Gateway Distriparks Limited (GDL)	Holding Company	India	99.930%

(B) Jointly Controlled Entity

Name of the Entity	Place of Business	% of Ownership Interest	Relationship	Accounting Method
Container Gateway Limited	India	51%	Joint Venture	Equity Method
Total Equity Accounting Investments				

(C) Subsidiary Companies of Holding Company
Gateway East India Private Limited
Gateway Distriparks (Kerala) Limited#

There are no transaction with these Company during the year

(D) Entities in which directors have control/ significant influence
Newsprint Trading and Sales Corporation (NTSC)
Perfect Communications Private Limited
Snowman Logistics Limited
Prism International Private Limited
Star Cineplex Private Limited
Rocksolid Enterprises Private Limited

(E) Directors of the Company
(i) Executive Directors
Mr. Prem Kishan Dass Gupta (Chairman and Managing Director)
Mr. Samvid Gupta (Joint Managing Director)
Mr Sachin Surendra Bhanushali (Chief Executive Officer)

(ii) Independent and Non-Executive Directors
Mr. Ishaan Gupta (Non-Executive Director)
Mrs Mamta Gupta (Non-Executive Director)
Mr. Arun Kumar Gupta (Independent Director)
Mr. Anil Aggarwal (Independent Director) w e f 18 April 2020

Particulars	31 March 2021	31 March 2020
(i) Executive Directors (Key Managerial Personnel)		
Remuneration	222.77	217.14
Post-employment gratuity and leave benefits	1.06	6.71
Director Sitting Fees	23.00	18.00
Commission	1,050.00	700.00
Dividend	0.003	0.001
(ii) Non Executive and Independent Director		
Director Sitting Fees	32.00	23.00
Commission	120.00	90.00
Total compensation	**1,448.83**	**1,054.85**

(F) Relatives of Directors
Mr. Amod Sachin Bhanushali

Particulars	31 March 2021	31 March 2020
Remuneration	5.50	3.40
Total	**5.50**	**3.40**



nsactions entered into with Parties referred to in Category A, B, C and D

Sr. No.	Particulars	Gateway Distriparks Limited		Container Gateway Limited		Snowman Logistics Limited		Navayuga Trading & Sales Corporation		Gateway Rail India Private Limited		Perfect Communications Private Limited		Prism International Private Limited		Star Graphics Private Limited		Rothschild Enterprises Private Limited		Total	
		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
1	Payment of Dividend	12,058.71	4,661.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,058.71	4,661.05
2	Rendering of Services (excluding tax)	2.20	-	-	-	6.08	70.70	4.00	-	3.00	-	4.00	-	11.80	-	0.80	-	0.80	-	21.88	70.70
3	Reimbursement of KMP remuneration (excluding tax)	32.23	42.96	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32.23	42.96
4	Receiving of Operating Services (excluding tax)	2.65	1.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.65	1.20
5	Payment of Loan	2,500.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,500.00	-
6	Receiving of Interest on Loan	103.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	103.10	-
7	Reimbursement of Other Administrative expenses incurred on their behalf	-	-	0.90	1.58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.90	1.58
8	Reimbursement of Other Administrative expenses incurred on our behalf	4.66	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.66	-
		14,702.74	4,706.11	0.90	1.58	6.08	70.70	4.00	-	3.00	-	4.00	-	11.80	-	0.80	-	0.80	-	14,723.11	4,778.30

e following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Sr. No.	Particulars	Gateway Distriparks Limited*		Container Gateway Limited		Snowman Logistics Limited		Key Management personnel / Directors		Total	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
1	Advance Recoverable	-	45.00	6.84	5.05	0.88	-	-	-	7.72	50.05
2	Remuneration Payable to Executive Directors (net of TDS)	-	-	-	-			908.63	564.75	908.63	564.75
3	Commission Payable to Non-Executive and Independent Directors (net of TDS)	-	-	-	-			111.00	71.40	111.00	71.40
4	Post employment benefits	-	-	-	-			73.77	77.71	73.77	77.71
	Total	-	45.00	6.84	5.05	0.88	-	1,143.40	713.86	1,151.12	764.87

ms to/from related parties
ring Current Year Group has given Loan of Rs. 2,500 Lakhs to Gateway Distriparks Limited (31-March-20: Rs. Nil)

rms and Conditions
vices provided from/to related parties are generally priced at arm's length. Other reimbursement of expenses to/from related parties is on cost basis.
other transactions were made on normal commercial terms and conditions and at market rates.
outstanding balances are unsecured and are repayable/ receivable in cash



34 EARNINGS PER SHARE

The number of shares used in computing Basic and Diluted Earnings per Share is the weighted average number of shares outstanding during the year.

(a) Reconciliation of earnings used in calculating earnings per share

Particulars	31 March 2021	31 March 2020
Profit attributable to the equity holders of the Group used in calculating basic earnings per share	11,785.22	9,125.81

(b) Weighted average number of shares used as the denominator

Particulars	31 March 2021	31 March 2020
Weighted average number of ordinary equity shares	2,015.00	2,015.00
Weighted average number of ordinary equity shares to be issued upon conversion of compulsory convertible preference shares	2,006.96	2,006.96
Total Number of shares used as the denominator for calculating earning per share	4,021.96	4,021.96

(c) Basic and Diluted earnings per share

Particulars	31 March 2021	31 March 2020
Total Basic and Diluted earnings per share attributable to the equity holders of the Group (Rs.)	2.93	2.27

(d) Information concerning the classification of securities

Compulsorily Convertible Preference Shares (CCPS): There are 120,000,000 Compulsory Convertible Preference Shares of Rs. 24.65 each. These CCPS holders shall be entitled to non-cumulative dividend of 0.0001% of the face value of CCPS, as and when declared by the Group's Board prior to and in preference to the payment of any dividend on the Equity Shares. The Holders of CCPS shall also be entitled to participate in dividends issued by the Group over and above the Preferred Dividend on an 'as-if converted' basis. These CCPS represents 2,006.96 Lakhs underlying equity shares which will be issued to the holders on the date of conversion.

35 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Collateral against borrowings
All current and non-current assets of the Group are charged as security against debt facilities from the lender. For carrying amount of assets charged as security refer note 36.

36 ASSETS CHARGED AS SECURITY

The carrying amounts of assets charged as security for current and non - current borrowings are :

Particulars	Notes	31 March 2021	31 March 2020
Current Assets			
Financial Assets			
First Charge			
- Contract Assets	6(b),19	75.32	88.93
- Current Investments	6(a)	-	5,973.39
- Loans	6(f)	2,500.00	-
- Trade Receivables	6(b)	9,268.33	9,113.50
- Cash and Cash Equivalents	6(c)	8,118.97	448.52
- Bank Balances other than above	6(d)	7.53	4.25
- Others Financial Assets	6(e)	499.77	171.09
- Others Current Assets	10	875.46	482.98
Total Current Assets charged as Security		**21,345.38**	**16,282.66**
Non-Current Assets			
First Charge			
Property, Plant and Equipment	3	70,630.47	75,156.90
Capital Work-in-Progress	3(a)	1,143.12	542.21
Other intangible assets	4	1,786.95	2,046.95
Other Financial Assets	6(e)	514.09	841.07
Income tax assets (Net)	9	334.84	515.99
Other Non-current Assets	8	741.09	576.22
Total Non-Current Assets charged as Security		**75,150.56**	**79,679.34**
Total Assets charged as Security		**96,495.94**	**95,962.00**



37 INTERESTS IN OTHER ENTITIES

(a) Individually immaterial joint venture

Gateway Rail Freight Limited has interest in one number of individually immaterial joint venture that is accounted for using equity method. The joint venture as at 31 March 2021, in the opinion of the directors, is immaterial. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is same as the proportion of voting rights held.

Name of the entity	Place of business	% of Ownership interest	Relationship	Accounting Method	Quoted Fair Value		Carrying Amount	
					31 March 2021	31 March 2020	31 March 2021	31 March 2020
Container Gateway Limited	India	51.00%	Joint Venture	Equity Method	5.10	5.10	-	-
Total Equity Accounting Investments					**5.10**	**5.10**	-	-

(b) Summarised Balance Sheet

Particulars	31 March 2021	31 March 2020
Current Assets		
Cash and cash equivalents	0.31	0.26
Other Assets	0.04	0.05
Total Current Assets	**0.35**	**0.31**
Non-Current Assets		
Other Financial Assets	8.40	7.90
Total Non-Current Assets	**8.40**	**7.90**
Current Liabilities		
Financial Liabilities	7.19	6.29
Other Liabilities	0.02	0.02
Total Current Liabilities	**7.21**	**6.31**
Non-Current Liabilities		
Financial Liabilities	-	-
Other Liabilities	-	-
Total Non-Current Liabilities	-	-
Net Assets	**1.54**	**1.90**

(c) Summarised Statement of Profit and Loss

Particulars	31 March 2021	31 March 2020
Revenue	-	-
Interest Income	0.54	0.51
Other Expenses	0.90	1.23
Interest Expenses	-	-
Profit/(loss) from continuing operations	(0.36)	(0.72)
Other comprehensive income	-	-
Total comprehensive income	**(0.36)**	**(0.72)**

Particulars	31 March 2021	31 March 2020
Share of profits from joint ventures	-	-
Total share of profits from associates and joint ventures	-	-

S. R. BATLIBOI & CO. LLP * GURUGRAM *

38 DUES TO MICRO AND SMALL ENTERPRISES

The Micro, Small and Medium Enterprises have been identified by the Group from the available information, which has been relied upon by the auditors. According to such identification, the disclosures as per Section 22 of 'The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006' are as follows:

Particulars	31 March 2021	31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier - Principal amount	117.36	115.48
- Interest thereon	-	-
The amount of interest paid by the buyer in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act.	-	-
The amount of interest accrued and remaining unpaid.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor.	-	-

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Group regarding the status of suppliers under the MSMED.

39 On account of COVID-19 pandemic, nationwide lockdown was imposed by Government of India effective March 24, 2020 which extended for a couple of months in varied parts of the country and in varied forms. At the time of finalisation of these financial statements the severity of the pandemic is peaking day by day across the country and on account of which various state Governments have started imposing lockdown like restrictions in various parts of the country. Consequent to these uncertainties caused due to continuation of pandemic, the Group has done a detailed assessment for carrying amount of financial and non-financial assets and does not anticipate any impairment to these assets. Also, the management does not see any risks in the Group's ability to continue as a going concern and meeting its liabilities as and when they fall due. The situation though is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future spread of COVID-19 and due to which the Group will continue to closely monitor any material changes to future economic conditions, if any. Considering that the Group is in the business of providing inter-modal logistics services and is operating Inland Container Depot (ICD) which is considered under essential Services and the management believes that the impact of this outbreak on the business and financial position of the Group will not be significant.

40 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

41 The figures for the corresponding previous period have been regrouped/reclassified wherever necessary, to make them comparable.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Vishal Sharma
Partner
Membership No. : 096766

Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
Gateway Rail Freight Limited

Prem Kishan Dass Gupta
Chairman and
Managing Director
DIN:- 00011670

Sachin Surendra Bhanushali
Director and Chief Executive Officer
DIN:- 01479918

Nandan Chopra
Chief Financial Officer and Company Secretary

Place: New Delhi
Date: 26 April 2021

S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of Gateway Rail Freight Limited

Report on the Audit of the standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Gateway Rail Freight Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone Ind AS 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 financial statements under the provisions of the Act 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 audit opinion on the standalone Ind AS financial statements.

Emphasis of Matter – SEIS benefits

We draw your attention to Note 31(iii) in the accompanying statement of standalone Ind AS financial statements wherein it has been stated that the Company had received a notice dated November 11, 2019 from the Additional Director General of Foreign Trade (ADGFT) which had questioned SEIS benefits received by the Company for financial years 2015-16 to 2017-18 under the provisions of Foreign Trade (Development and Regulation) Act, 1992.

The Company had submitted its initial response dated January 31, 2020 for the notice so received and had also responded to subsequent queries/requirements of ADGFT, and had also obtained a legal opinion basis which it believes that it has a good case and accordingly no provision has been considered in the books of account.

Our report is not modified in respect of this matter.



Emphasis of Matter – Impact for outbreak of Coronavirus (Covid-19)

We draw your attention to Note 38 to the accompanying standalone Ind AS financial statements, which describes the management's assessment of the impact of the uncertainties related to outbreak of COVID-19 on the future business operations of the Company.

Our report is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 standalone Ind AS 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 Ind AS 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS 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.
- 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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 Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 the Statement of 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) The matter described in Emphasis of Matter- SEIS benefits paragraph above, 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended 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 its standalone Ind AS financial statements – Refer Note 31 to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005



per Vishal Sharma
Partner
Membership Number: 096766
UDIN: 21096766AAAAKE1894
Place of Signature: Faridabad
Date: 26 April 2021

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Gateway Rail Freight Limited ("the Company")

(i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties, included in property, plant and equipment are held in the name of the Company, except for land situated at Asaoti, Haryana having gross and net book value of Rs. 20.34 lakhs as at March 31, 2021, whose title deeds are not held in the Company's name as the agreement was entered into by the guardian's (sellers) on behalf of the minor (original owner).

Further, title deeds in respect of certain immovable properties having gross and net book value of Rs. 30,184.23 lakhs included in plant, property and equipment are pledged with HDFC Bank and are not available with the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 of the Companies Act 2013 in respect of loans and guarantees given have been complied with by the company. The provisions of Section 186 are not applicable to the Company and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to duty of excise are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise are not applicable to the Company.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, value added tax, goods and services tax, cess and other statutory

dues which have not been deposited on account of any dispute. The provisions relating to duty of excise are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank as at balance sheet date. The Company has neither taken any loan from financial institutions or Government nor has any dues to debenture holders.

(ix) In our opinion and according to the information and explanations given by the management, the monies raised by way of term loans were applied for the purposes for which they were raised. Further based on the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005





per Vishal Sharma
Partner
Membership Number: 096766
UDIN: 21096766AAAAKE1894
Place of Signature: Faridabad
Date: 26 April 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF GATEWAY RAIL FREIGHT LIMITED

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

We have audited the internal financial controls over financial reporting of Gateway Rail Freight Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS 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 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. 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 over financial reporting with reference to these standalone Ind AS financial statements were 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 over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.



Meaning of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone Ind AS 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 standalone Ind AS 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS 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 over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS 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, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005



per Vishal Sharma
Partner
Membership No.: 096766
UDIN: 21096766AAAAKE1894
Place: Faridabad
Date: 26 April 2021

GATEWAY RAIL FREIGHT LIMITED
CIN: U60231MH2005PLC344764
Standalone Balance Sheet as at 31 March 2021
(All amounts in Rupees in Lakhs, unless otherwise stated)

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	70,630.47	75,156.90
Capital work in progress	3(a)	1,143.12	542.21
Intangible Assets	4	1,786.95	2,046.95
Right-of-use Assets	32(b)	9,973.13	12,108.25
Investment in Joint Venture	5	-	-
Financial Assets			
(i) Loans	6(f)	-	-
(ii) Other Financial Assets	6(e)	514.09	841.07
Deferred Tax Assets (Net)	7	2,851.47	1,037.88
Income Tax Assets (Net)	9	334.84	515.99
Other Non-Current Assets	8	741.09	576.22
Total Non-Current Assets		87,975.16	92,825.47
Current Assets			
Contract Assets	6(b),19	75.32	88.93
Financial Assets			
(i) Investments	6(a)	-	5,973.39
(ii) Loans	6(f)	2,500.00	-
(iii) Trade Receivables	6(b)	9,268.33	9,113.50
(iv) Cash and Cash Equivalent	6(e)	8,118.97	448.52
(v) Bank Balances other than (iv) above	6(d)	7.53	4.25
(vi) Other Financial Assets	6(e)	499.77	171.09
Other Current Assets	10	875.46	482.98
Total Current Assets		21,345.38	16,282.66
TOTAL ASSETS		109,320.54	109,108.13
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11(a)	20,150.03	20,150.03
Instruments Entirely Equity in Nature	11(b)	29,580.00	29,580.00
Other Equity			
Reserve & Surplus	11(c)	20,254.27	20,511.40
Total Equity		69,984.30	70,241.43
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	12	11,035.89	9,560.82
(ii) Lease Liabilities	32(b)	9,189.64	10,962.77
Employee Benefit Obligations	13	752.88	705.05
Government Grant	18	204.96	275.90
Total Non-Current Liabilities		21,183.37	21,524.54
Current Liabilities			
Contract Liabilities	15(a),19	858.56	692.19
Financial Liabilities			
(i) Borrowings	14	1,911.13	3,015.15
(ii) Lease Liabilities	32(b)	1,793.13	1,674.09
(iii) Trade Payables			
- Total Outstanding dues of Micro Enterprises and Small Enterprises	15(b)	117.36	115.48
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	15(b)	5,801.86	4,891.56
(iv) Other Financial Liabilities	16	5,461.86	5,018.86
Employee Benefit Obligations	13	47.00	80.40
Other Current Liabilities	17	1,145.77	1,771.36
Government Grant	18	70.94	83.07
Income Tax Liabilities (Net)	9	945.26	-
Total Current Liabilities		18,152.87	17,342.16
TOTAL LIABILITIES		39,336.24	38,866.70
TOTAL EQUITY AND LIABILITIES		109,320.54	109,108.13

The above balance sheet should be read in conjunction with the accompanying notes.
In terms of our report of even date.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Vishal Sharma
Partner
Membership No : 096766

Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
Gateway Rail Freight Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN:- 00011670

Sachin Surendra Bhanushali
Director and Chief Executive Officer
DIN:- 01479918

Nandan Chopra
Chief Financial Officer and Company Secretary

Place: New Delhi
Date: 26 April 2021

GATEWAY RAIL FREIGHT LIMITED
CIN: U60231MH2005PLC344764
Standalone Statement of Profit and Loss for the year ended 31 March 2021
(All amounts in Rupees in Lakhs, unless otherwise stated)

	Notes	Year Ended 31 March 2021	Year Ended 31 March 2020
INCOME			
Revenue from Operations	19	81,589.91	86,865.38
Other Income	20	736.08	1,106.53
Total Income		82,325.99	87,971.91
EXPENSES			
Operating Expenses	21	51,609.64	60,590.73
Employee Benefits Expenses	22	3,706.33	3,499.15
Depreciation and Amortisation Expenses	23	7,943.84	7,762.51
Finance Costs	24	2,305.23	2,333.15
Other Expenses	25	4,860.76	5,124.49
Total Expenses		70,425.80	79,310.03
Profit before tax		11,900.19	8,661.88
INCOME TAX EXPENSE	26		
-- Current Tax		1,941.27	1,364.02
-- Adjustment of tax relating to earlier periods		(86.38)	(263.84)
-- Deferred Tax		(1,739.92)	(1,564.11)
Total Income Tax Expense		114.97	(463.93)
Profit for the year		11,785.22	9,125.81
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	13	38.06	13.34
Income tax relating to the above		(12.71)	(4.45)
Other Comprehensive Income for the year, net of tax		25.35	8.89
Total Comprehensive Income for the year		11,810.57	9,134.70
Earnings per equity share	34		
(Nominal value of share of Rs. 10/- and Rs.25/- each)			
-- Basic and Diluted earnings per share (Rs.)		2.93	2.27

The above statement of profit and loss should be read in conjunction with the accompanying notes.
In terms of our report of even date.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Vishal Sharma
Partner
Membership No. : 096766

Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
Gateway Rail Freight Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN:- 00011670

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DIN:- 01479918

Nandan Chopra
Chief Financial Officer and Company Secretary

Place: New Delhi
Date: 26 April 2021

GATEWAY RAIL FREIGHT LIMITED
CIN: U60231MH2005PLC344764
(All amounts in Rupees in Lakhs, unless otherwise stated)

Standalone Statement of changes in equity for the year ended 31 March 2021

A Equity Share Capital

Particulars	Amount
As at 1 April 2019	20,150.03
Changes in equity share capital	-
As at 31 March 2020 (Refer Note 11)	20,150.03
Changes in equity share capital	-
As at 31 March 2021 (Refer Note 11)	20,150.03

B Instruments entirely equity in nature - Compulsory Convertible Preference Shares

Particulars	Amount
As at 1 April 2019	29,580.00
As at 31 March 2020 (Refer Note 11)	29,580.00
As at 31 March 2021 (Refer Note 11)	29,580.00

C Other Equity attributable to equity shareholders

Particulars	Reserves and Surplus			Total
	Security Premium Reserve (Refer Note 11(c))	Capital Redemption Reserve (Refer Note 11(c))	Retained Earnings (Refer Note 11(c))	
Balance as at 1 April 2019	132.05	11,500.00	5,369.07	17,001.12
Profit for the year	-	-	9,125.81	9,125.81
Other comprehensive income, net of tax	-	-	8.89	8.89
Total comprehensive income for the year	-	-	9,134.70	9,134.70
Dividends paid	-	-	4,665.43	4,665.43
Dividend distribution tax	-	-	958.99	958.99
Balance as at 31 March 2020	132.05	11,500.00	8,879.35	20,511.40
Profit for the year	-	-	11,785.22	11,785.22
Other comprehensive income, net of tax	-	-	25.35	25.35
Total comprehensive income for the year	-	-	11,810.57	11,810.57
Dividends paid	-	-	12,067.70	12,067.70
Balance as at 31 March 2021	132.05	11,500.00	8,622.22	20,254.27

The above Statement of changes in equity should be read in conjunction with the accompanying notes
In terms of our report of even date.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per **Vishal Sharma**
Partner
Membership No. : 096766

Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
Gateway Rail Freight Limited

Prem Kishan Dass Gupta
Chairman and Managing Director
DIN:- 00011670

Sachin Surendra Bhanushali
Director and Chief Executive Officer
DIN:- 01479918

Nandan Chopra
Chief Financial Officer and Company Secretary

Place: New Delhi
Date: 26 April 2021

GATEWAY RAIL FREIGHT LIMITED
CIN: U60231MH2005PLC344764
Standalone Statement of Cash Flow for the year ended 31 March 2021
(All amounts in Rupees in Lakhs, unless otherwise stated)

	Notes		Year Ended 31 March 2021	Year Ended 31 March 2020
A	**Cash flow from operating activities:**			
	Profit Before income tax from Operations		11,900.19	8,661.88
	Adjustments for:			
	Depreciation and impairment of property, plant and equipment, intangible assets and right-of-use assets	23	7,943.84	7,762.51
	Provision for Doubtful Debts (Net)	25	(8.79)	(6.07)
	Provision for Doubtful Ground Rent (Net)	25	16.21	(11.46)
	Gain on sale of investments (Net)	20	(14.49)	(125.56)
	Gain in fair value of financial assets at fair value through profit or loss	20	-	(181.22)
	Loss/ (Gain) on Sale of Property, Plant & Equipment	25	(2.43)	(0.36)
	Finance Costs	24	2,305.23	2,333.15
	Interest Income classified as investing cash flows	20	(173.49)	(28.85)
	Net exchange differences	20	-	(11.76)
	Amortization of Government Grant	20	(83.07)	(83.07)
	Liabilities/ Provisions no Longer Required Written Back	20	(227.03)	(323.90)
	Operating Profit before working capital changes		**21,656.17**	**17,985.29**
	Change in Operating assets and liabilities:			
	- (Increase)/ Decrease in Trade Receivables		(146.04)	(1,509.43)
	- Increase/ (Decrease) in Trade Payables		1,139.21	916.38
	- (Increase)/ Decrease in Other Financial Assets and Contract Assets		37.25	7.95
	- (Increase)/ Decrease in Other Assets		(2,858.83)	199.90
	- (Increase)/ Decrease in Other Bank Balances Other than considered as Cash and Cash Equivalent		(3.28)	(1.39)
	- Increase/ (Decrease) in Employee Benefit Obligation		52.49	54.62
	- Increase/ (Decrease) in Other Financial Liabilities and Contract Liabilities		358.11	(776.57)
	- Increase/ (Decrease) in Other Current Liabilities		(625.59)	25.01
	Cash generated from operations		**19,609.49**	**16,901.76**
	- Income Taxes Paid		814.86	932.31
	Net cash inflow from operating activities	**(A)**	**18,794.63**	**15,969.45**
B	**Cash flow from investing activities :**			
	Purchase of Property, Plant and equipment		(1,895.82)	(4,617.81)
	Proceeds from Property, Plant and equipment		2.43	0.36
	(Increase)/ Decrease in Fixed Deposits with Banks	6(e)	(7.85)	(5.44)
	Purchase of Investments		-	(8,145.00)
	Proceeds from sale of Investments		5,987.88	4,700.43
	Interest Received		139.78	5.66
	Net cash inflow/ (outflow) from investing activities	**(B)**	**4,226.42**	**(8,061.80)**
C	**Cash flow from financing activities :**			
	Proceeds of Long-Term Borrowings		3,604.11	1,796.07
	Repayment of Long-Term Borrowings		(1,808.31)	(3,445.18)
	Repayment of short term borrowings		-	(492.98)
	Dividend Paid to Share holders		(12,064.42)	(4,664.04)
	Interest Paid		(1,242.23)	(1,346.66)
	Payment towards principal portion of lease liability	32(b)	(1,674.09)	(1,336.83)
	Interest paid on lease liabilities		(1,061.64)	(1,017.85)
	Net cash outflow from financing activities	**(C)**	**(14,246.58)**	**(10,507.47)**
	Net Increase/ (Decrease) in Cash and Cash Equivalents	**(A+B+C)**	**8,774.47**	**(2,599.82)**
	Cash and Cash Equivalents at the beginning of the year	6(e)	**(2,566.63)**	**33.19**
	Cash and Cash Equivalents at the end of the year		**6,207.84**	**(2,566.63)**



GATEWAY RAIL FREIGHT LIMITED
CIN: U60231MH2005PLC344764
Standalone Statement of Cash Flow for the year ended 31 March 2021
(All amounts in Rupees in Lakhs, unless otherwise stated)

Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and Cash Equivalents as per above comprise of the following

	Notes	Year Ended 31 March 2021	Year Ended 31 March 2020
Cash and Cash Equivalents	6(c)	15.69	17.38
Bank Balance in Current Account	6(c)	2,707.84	431.14
Bank Deposits with maturity of period less than 3 months	6(c)	5,395.44	-
		8,118.97	448.52
Bank Overdrafts	14	(1,911.13)	(3,015.15)
Balances per statement of cash flows		6,207.84	(2,566.63)

The above statement of cash flow should be read in conjunction with the accompanying notes.
In terms of our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Vishal Sharma
Partner
Membership No. : 096766

For and on behalf of the Board of Directors of
Gateway Rail Freight Limited

Prem Kishan Dass Gupta
Chairman and
Managing Director
DIN:- 00011670

Sachin Surendra Bhanushali
Director and Chief Executive Officer
DIN:- 01479918

Nandan Chopra
Chief Financial Officer and Company Secretary

Place: Faridabad
Date: 26 April 2021

Place: New Delhi
Date: 26 April 2021

Background

Gateway Rail Freight Limited (the 'Company') is engaged in providing inter-modal logistics services. It provides container logistics solution between major Indian ports and Inland Container Depots (ICD) by providing rail services for Export, Import and Domestic containerised cargo, integrated with road transportation, transit and bonded warehousing, refrigerated container facilities and other value added services. The Company operates from its four owned ICD's at Garhi Harsaru (Gurgaon), Sanehwal (Ludhiana), Asaoti (Faridabad) and Viramgham (Ahmedabad) and a private freight terminal at Navi Mumbai under agreement. The Company owns and operates through its rakes and a fleet of trailers.

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on 26 April 2021.

1. Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of Preparation:

i. Compliance With Ind AS

The financial statements of the Company have been prepared as a separate set of financial statement in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. (as amended from time to time).

ii. Historical Cost Convention

The financial statements have been prepared on a historical cost basis, Except for the following:

— Certain financial assets and liabilities that is measured at fair value.
— Define benefit plan-plan assets measured at fair value; and

iii. Current and non-current classification

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

An asset is treated as current when it is:

a. Expected to be realised or intended to be sold or consumed in normal operating cycle
b. Held primarily for the purpose of trading.
c. Expected to be realised within twelve months after the reporting period, or
d. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

a. It is expected to be settled in normal operating cycle
b. It is held primarily for the purpose of trading
c. It is due to be settled within twelve months after the reporting period, or
d. 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.



The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Investment in Joint Venture

Investment in Joint Venture are recognised at cost as per Ind AS 27 in these separate financial statements.

c. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company.

The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Company. The Company has identified one reportable segment "Rail Logistics Business" i.e. based on the information reviewed by CODM. Refer note 30 for segment information presented.

d. Foreign currency translation:

i. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing on the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance cost. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation difference on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non- monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in statement of profit and loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income.

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

Long Term foreign currency monetary item taken upto 31 March 2016 on depreciable assets:

Foreign exchange difference on account of long term foreign currency loan on a depreciable asset, are adjusted in the cost of the depreciable asset, which would be depreciated over the balance life of the asset

Long Term foreign currency monetary item taken after 01 April 2016 on depreciable assets:



Foreign exchange difference on account of a depreciable assets, are included in the Profit and Loss.

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

e. Revenue recognitions

Company derives revenue from providing inter-modal logistics services between major Indian ports and Inland Container Depots (ICD) by providing rail services for Export, Import and Domestic containerised cargo, integrated with road transportation, transit and bonded warehousing, refrigerated container facilities and other value added services.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition

— Identify the contract(s) with a customer
— Identify the performance obligations
— Determine the transaction price
— Allocate the transaction price to the performance obligations
— Recognise revenue when or as an entity satisfies performance obligation

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services, because it typically controls the services before transferring them to the customer.

Revenue excludes amounts collected on behalf of third parties

Rendering of services:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed are revenue net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefit will flow to the entity and specific criteria have been met for each of the Company activities as described below. The Company bases its estimates on historical results, taking consideration the type of customer, the type of transaction and the specific of each arrangement.

i. Income from Rail transportation is recognised on the basis of actual journey completed from one destination to another.
ii. Income from Road transportation is recognised on proportionate completion of the movement and delivery of goods to the party/ designated place.
iii. Income from Container handling, storage and transportation are recognised on proportionate completion of the movement and delivery of goods to the party/designated place.
iv. Income from Ground Rent is recognised for the period the container is lying in the Container Freight Station. However, in case of long standing containers, the income from Ground Rent is not accrued for a period beyond 60 days as on the basis of past history the collectability is not reasonably assured.
v. Income from auction is recognised when the Company auctions long-standing cargo that has not been cleared by customer. Revenue and expenses for Auction are recognised when auction is completed after obtaining necessary approvals from appropriate authorities. Auction sales include recovery of the cost incurred in conducting auctions, custom duties on long-standing cargo and accrued ground rent and handling charges relating to long-standing cargo. Surplus, out of auctions, if any, after meeting all expenses and the actual ground rent, is credited to a separate account 'Auction Surplus' and is shown under the head 'Other Current Liabilities'. Unclaimed Auction Surplus, if any, in excess of period specified under the Limitations Act is written back as 'Income' in the following financial year.

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GURUGRAM

Variable consideration

If the consideration in a contract includes a variable amount, estimates the amount of consideration to which it will be entitled in exchange for transferring the service to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company recognizes changes in the estimated amount of variable consideration in the period in which the change occurs. Some contracts for the sale of service provide customers with volume rebates and pricing incentives, which give rise to variable consideration.

The Company provides retrospective volume rebates and pricing incentives to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section financial instruments – initial recognition and subsequent measurement.

Contract assets

A contract asset is initially recognised for revenue earned from services because the receipt of consideration is conditional on successful completion of the service. Upon completion of the services and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets and contract assets.

Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

Cost to obtain a contract

The Company pays sales commission to its selling agents for each contract that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in advertisement and sales promotion expense under other expenses) because the amortization period of the asset that the Company otherwise would have used is one year or less.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

Critical judgements

S. R. BATLIBOI & CO. LLP
GURUGRAM

The Company's contracts with customers include promises to transfer service to the customers. Judgement is 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 schemes, incentives, cash discounts, etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Estimates of rebates and discounts are sensitive to changes in circumstances and the Company's past experience regarding returns and rebate entitlements may not be representative of customers' actual returns and rebate entitlements in the future.

Costs to obtain a contract are generally expensed as incurred. 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.

f. Other revenue streams

Export Benefits

Export Entitlements in the form of Service Exports from India Scheme (SEIS) and other schemes are recognized in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Dividend

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

g. Income Tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period where the Company operates and generate taxable income. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

'Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially



enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in interest in joint venture where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum alternate tax (MAT)

"Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period."

h. Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company's lease asset classes primarily comprise of lease for rakes, land, building and terminal. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

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The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (i) Impairment of non-financial assets.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

Land Lease – 3 to 17 years

Building Lease – 9 Years

Terminal Lease – 3 years

Rake Lease – 4 to 12 years

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

"Lease liabilities" and "Right-of-Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

i. Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested for impairment, or more frequently if events or changes in circumstances indicate that they might be



impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

j. Cash and Cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowing in Short term borrowings on current liabilities in the balance sheet.

k. Trade Receivable

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

l. Investments and other financial assets

i. Classification

The Company classifies financial assets in the following measurement categories.

— those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss and
— those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For the assets measured at fair value, gain and losses will either be recorded in profit or loss or other comprehensive income. For investment in debt instrument, this will depend on the business model in which the investment is held.

ii. Measurement

At initial recognition, the Company measures a financial assets at its fair value plus, in the case of a financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition to the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are recognised immediately in profit or loss.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the assets and cash flows characteristic. There are three measurement categories into which the Company classifies its debt instruments.

1. Amortised Cost: Assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

2. Fair value through other comprehensive Income (FVOCI): Assets that are held for the collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

3. Fair Value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured as fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Dividend income from these financial assets is included in other income.

iii. Impairment of financial assets and contract assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets and contract assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial assets and contract assets. The Company measures the ECL associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For recognition of impairment loss on other financial assets and on contract assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument and contract assets. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

iv. De-recognition of financial assets

A financial asset is derecognised only when



— The Company has transferred the right to receive cash flows from the financial assets, or
— Retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay cash flows to one or more recipients.

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v. Income recognition

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

Dividends: Dividends are recognised when the right to receive payment is established.

m. Financial Liabilities

i. Classification

The Company classifies financial assets in the following measurement categories.

— those to be measured subsequently at fair value (either through other comprehensive income, or through profit and loss and
— those measured at amortised cost.

ii. Measurement

Financial liabilities at amortised cost- Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit and loss- Financial liabilities at fair value through profit and loss are measured at fair value with all changes recognized in the statement of profit and loss.

iii. Reclassification of financial liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification

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		date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

n. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

o. Property, Plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and cost can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, or, in case of certain assets, the remaining estimated useful life is as follows:

- Reach Stackers and forklifts (included in Other Equipment's) are depreciated over a period of ten years, based on the technical evaluation;
- Containers and Reefer Power Packs (included in Rolling Stocks- Containers and Reefer Power Packs) are depreciated over a period of ten years, based on the technical evaluation;
- Leasehold Improvements are amortised over non-cancellable lease period; and
- Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition/ construction.

The useful lives have been determined based on technical evaluation done by the management which are lower than those specified by schedule II to the companies Act 2013, in order to reflect the actual



usage of the assets. The Company carries Nil residual value for all assets. The assets useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater that its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

p. Intangible Assets

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable less accumulated amortisation and accumulated impairment, if any.

Intangible assets of the Company consist of Rail Licence Fees, PFT Licence Fees, Technical Know-How and Computer Software.

The Company amortises Intangible Assets with a finite useful life using the straight-line method over the following periods:

— Rail License fees paid towards concession agreement, is being amortised over a period of agreement (i.e. 20 years) from the date of commencement of commercial operations;
— Private Freight Terminal (PFT) Licence fees paid to Railway Administration is amortised over the period of contract (i.e. 30 years).
— Technical Know-How, is amortised over a period of agreement (i.e. 5 years) from the date of technology being put to use or over balance period of agreement from the date of commencement of the commercial operations, whichever is later;
— Computer Software is amortised under straight line method over a period of five years.

q. Trade and other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using effective interest method.

r. Borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.



s. Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

t. Provisions:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provision are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre -tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

u. Employee Benefits:

i. Short term obligation

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are recognised in profit and loss in respect of employees service up to the end of reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligation in the balance sheet.

ii. Other long term employee benefit obligations

The liabilities for the earned leave and sick leave are not expected to be settled wholly within the 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payment to be made in respect of services provided by employees up to end of the reporting period using projected unit credit method (PUC method). The benefits are discounted using the market yields at the end of the reporting period that have approximating to the terms of the related obligation.

Remeasurements as a result of experience adjustment and changes in actuarial assumptions are recognised in profit or loss.

iii. Post employment obligation

The Company operates the following post-employment schemes:

— Defined benefit plans such as gratuity; and
— Defined contribution plan such as provident fund.

Gratuity Obligations

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The liability recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations.

The net interest cost is calculated by applying the discount rate to the balance of defined benefit obligations. This cost is included in employee benefit expenses in the statement of profit or loss .

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plans

The Company pays provident fund contribution to publicly administered provident funds as per local regulation. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contribution are recognised as employee benefit expense when they are due.

iv. Bonus Plan

The Company recognises a liability and an expenses for bonus. The Company recognise a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

v. Contributed equity

Equity shares are classified as equity

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

w. Compound Financial Instrument

Compound financial instrument issued by the Company comprises of compulsorily redeemable non-convertible preference shares. Compound financial instruments are split into separate equity and liability components. The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have discretionary dividend feature/ off market interest rate. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Interest related to the liability component of compound instrument is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset).



x. Earnings per Share:

i. Basic earnings per share

Basic earnings per share is calculated by dividing:

The Net profit or loss attributable to the owner of the Company by the weighted average number of equity share outstanding during the financial year, adjusted for bonus elements in equity shares.

ii. Diluted earnings per share

Diluted earnings per share adjusts the figure used in the determination of basic earnings per share to take into account:

— the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
— the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

y. Government grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

z. Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed separately as Exceptional items.

aa. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

bb. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

cc. New and amended standards

(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for

any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019. This amendment had no impact on the standalone financial statements of the Company.

(ii) Amendments to Ind AS 103 Business Combinations

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the financial statements of the company but may impact future periods should the company enter into any business combinations.

(iii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the company.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the company's financial statements.

(iv) Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the company as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the 1 April 2020. These amendments are not expected to have a significant impact on the company's standalone financial statements.



2. CRITICAL ESTIMATES AND JUDGEMENTS:

The Preparation of financial statements require the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different that those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

a. Estimation of Provisions & Contingent Liabilities.

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision. (Refer Note 31).

b. Estimated useful life of intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. For the relative size of the Company's intangible assets (Refer Notes 4).

c. Estimation of defined benefit obligation

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability. Refer note 13 for the details of the assumptions used in estimating the defined benefit obligation.

d. Impairment of trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. Refer note 28.



e. Estimated fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see Note 27.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

f. Leases – estimates the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the credit rating).



3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land (Refer Note (a) below)	Buildings	Railway Sidings (Refer Note (b) below)	Plant and Machinery	Other Equipments (Refer Notes (c) and (d) below)	Office Equipments	Computers	Furniture and Fittings	Leasehold Improvements	Motor Vehicles (Refer Note (e))	Rolling Stocks- Containers and Reefer Power Packs	Rolling Stocks- Trailers & Brake Van	Electrical Installations and Equipment	Total
Gross Carrying amount														
At 01 April 2019	31,508.90	25,097.85	8,015.21	847.48	5,788.95	368.05	491.28	1,290.97	5.68	1,578.79	1,174.13	16,643.40	1,939.42	96,750.12
Additions during the year	1,518.90	141.41	-	38.97	110.17	9.87	17.77	21.89	-	1,884.76	-	320.71	30.34	4,094.79
Disposals during the year	-	-	-	-	-	-	-	-	-	-	(1.11)	-	-	(1.11)
At 31 March 2020	33,027.80	25,239.26	8,015.21	886.45	5,899.12	377.92	509.05	1,312.86	5.68	3,463.55	1,173.02	16,964.11	1,969.76	100,843.80
Gross Carrying amount														
At 01 April 2020	33,027.80	25,239.26	8,015.21	886.45	5,899.12	377.92	509.05	1,312.86	5.68	3,463.55	1,173.02	16,964.11	1,969.76	100,843.80
Additions during the year	-	514.92	29.20	24.10	56.85	62.18	25.84	48.46	257.22	-	-	-	3.52	1,022.29
Disposals during the year	-	-	-	-	-	-	(0.54)	-	-	-	(1.11)	-	-	(1.65)
At 31 March 2021	33,027.80	25,754.18	8,044.42	910.55	5,955.98	440.10	534.35	1,361.32	262.90	3,463.55	1,171.91	16,964.11	1,973.28	101,864.44
Accumulated Depreciation and Impairment														
At 01 April 2019	-	3,674.00	2,983.91	127.69	2,169.59	209.41	404.10	548.33	5.68	677.30	1,024.70	8,405.12	781.11	20,110.94
Depreciation charge during the year	-	1,084.05	639.03	59.70	648.13	50.62	43.21	156.72	-	392.20	101.85	2,179.23	222.33	5,577.07
Disposal	-	-	-	-	-	-	-	-	-	-	(1.11)	-	-	(1.11)
At 31 March 2020	-	4,758.05	2,722.94	187.39	2,817.72	260.03	447.31	705.05	5.68	1,069.50	1,125.44	10,584.35	1,003.44	25,686.90
Accumulated Depreciation and Impairment														
At 01 April 2020	-	4,758.05	2,722.94	187.39	2,817.72	260.03	447.31	705.05	5.68	1,069.50	1,125.44	10,584.35	1,003.44	25,686.90
Depreciation charge during the year	-	1,065.99	572.93	62.09	645.23	53.45	35.37	145.58	15.70	516.63	23.16	2,200.67	211.72	5,548.72
Disposal	-	-	-	-	-	-	(0.54)	-	-	-	(1.11)	-	-	(1.65)
At 31 March 2021	-	5,824.04	3,295.87	249.48	3,462.95	313.48	482.14	850.64	21.38	1,586.13	1,147.49	12,785.02	1,215.16	31,233.97
Net carrying amount														
At 01 April 2019	**31,508.90**	**21,423.85**	**5,031.30**	**719.79**	**3,619.36**	**158.64**	**87.18**	**742.64**	-	**901.49**	**149.42**	**10,238.28**	**1,158.31**	**76,639.16**
At 31 March 2020	**33,027.80**	**20,481.21**	**5,292.27**	**699.06**	**3,081.40**	**117.89**	**61.74**	**607.81**	-	**2,394.05**	**47.58**	**6,379.76**	**966.32**	**75,156.90**
At 31 March 2021	**33,027.80**	**19,930.14**	**4,748.55**	**661.07**	**2,493.03**	**126.62**	**52.21**	**510.68**	**241.52**	**1,877.42**	**24.42**	**6,178.80**	**758.12**	**70,680.47**

Notes:
a) Land situated at Asaoti (Piyala) aggregating Rs. 20 33 Lakhs (31-March-20: Rs. 20.33 Lakhs) is yet to be transferred in the name of the Company
b) Certain railway sidings are constructed on land not owned by the Company.
c) Other Equipments include reach stackers having net carrying amount Rs. 1,685.32 Lakhs (31-March-20: Rs. 2,134.56 Lakhs)
d) Other Equipments include grant received under Export promotion Capital Goods Scheme (EPCG) for imported reach stackers of Rs 610 03 Lakhs (31-March-20: Rs 610.03 Lakhs) and having net carrying value of Rs. 275 90 Lakhs (31-March-20: Rs 358 97 Lakhs)
e) Motor Vehicles include trailers having net carrying amount Rs. 1,766.75 Lakhs (31-March-20: Rs. 2,250.60 Lakhs).
f) Charge on Property, plant and equipment as security
- Refer to note 36 for information on charged created on property, plant and equipment by the Company
g) Contractual obligations
- Refer to note 32 (a) for disclosure of contractual commitments for the acquisition of property, plant and equipment

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3(a) CAPITAL WORK IN PROGRESS

Particulars	Total
Cost	
At 1 April 2019	159.59
Additions during the year	3,584.32
Capitalisation during the year	3,201.70
At 31 March 2020	542.21
At 1 April 2020	542.21
Additions during the year	1,511.75
Capitalisation during the year	910.84
At 31 March 2021	1,143.12
At 31 March 2020	542.21
At 31 March 2021	1,143.12

Capital work-in-progress as at 31 March 2021 mainly comprises construction cost of Warehouse at ICD Viramgam of Rs. 1,132.08 lakhs.

4 INTANGIBLE ASSETS

Particulars	Rail License Fees [Refer Note (a) below]	PFT Licence Fees [Refer Note (b) below]	Computer Software [Refer Note (c) below]	Total
Gross Carrying amount				
At 01 April 2019	3,041.67	300.00	13.46	3,355.13
Additions during the year	-	-	-	-
At 31 March 2020	3,041.67	300.00	13.46	3,355.13
Gross Carrying amount				
At 01 April 2020	3,041.67	300.00	13.46	3,355.13
Additions during the year	-	-	-	-
At 31 March 2021	3,041.67	300.00	13.46	3,355.13
Accumulated Amortisation and impairment				
At 01 April 2019	1,000.00	34.72	13.46	1,048.18
Amortisation charge for the year	250.00	10.00	-	260.00
At 31 March 2020	1,250.00	44.72	13.46	1,308.18
Accumulated Amortisation and impairment				
At 01 April 2020	1,250.00	44.72	13.46	1,308.18
Amortisation charge for the year	250.00	10.00	-	260.00
At 31 March 2021	1,500.00	54.72	13.46	1,568.18
Net carrying amount				
At 01 April 2019	2,041.67	265.28	-	2,306.95
At 31 March 2020	1,791.67	255.28	-	2,046.95
At 31 March 2021	1,541.67	245.28	-	1,786.95

Notes:

a) Rail License Fees aggregating Rs. 5,000 Lakhs (31-March-20: Rs. 5,000 Lakhs) paid to Railway Administration towards concession agreement is amortised over the period of contract (i.e. 20 years) from date of commencement of commercial operations (June 1, 2007). Balance useful life of Rail License Fees as at March 31, 2021 is 6 years and 2 months (31-March-20: 7 years 2 months).

b) Private Freight Terminal (PFT) Licence fees aggregating Rs. 300 Lakhs (31-March-20: Rs. 300 Lakhs) paid to Railway Administration is amortised over the period of contract (i.e. 30 years).

c) Computer software consists of cost of ERP licences and development cost. Useful life of computer software is estimated to be 5 years, based on technical obsolescence of such assets.



5 INVESTMENT IN JOINT VENTURE

	As at 31 March 2021	As at 31 March 2020
Equity Investment in Joint Venture		
Unquoted Equity Instruments (At cost)		
50,997 Equity Shares (31-March-2020: 50,997) of Rs. 10 each held in Container Gateway Limited.	5.10	5.10
Less: Impairment in the value of investment	5.10	5.10
	-	-
Aggregate amount of unquoted investment	5.10	5.10
Aggregate amount of impairment in value of investment	5.10	5.10

6 FINANCIAL ASSETS

6(a) INVESTMENTS

Investment in Mutual Fund at Fair value through Profit and Loss Account (Quoted)		
Nil unit (31-March-20: 37,883.814 units) UTI Money Market Fund - Institutional Plan - Direct Plan - Growth, NAV Rs. NA (31-March-20: Rs. 2,267.7571)	-	859.11
Nil unit (31-March-20: 260,349.3760 units) ICICI Prudential Saving Fund - Direct Plan Growth, NAV Rs. NA (31-March-20: Rs. 390.3702)	-	1,016.33
Nil unit (31-March-20: 31,786.1250 units) Kotak Low Duration Fund Fund - Direct Plan Growth, NAV Rs. NA (31-March-20: Rs. 2,581.2431)	-	820.48
Nil unit (31-March-20: 3,491,451.2470 units) Franklin India Savings Fund -Retail Option Direct Growth, NAV Rs. NA (31-March-20: Rs. 37.9130)	-	1,323.71
Nil unit (31-March-20: 259,659.8680 units) Aditya Birla Sun Life Money Manager Fund - Growth - Direct Plan, NAV Rs. NA (31-March-20: Rs. 270.9226)	-	703.48
Nil unit (31-March-20: 25,087.5540 units) Nippon India Low Duration Fund -Direct Plan Growth Option , NAV Rs. NA (31-March-20: Rs. 2,822.8697)	-	708.19
Nil unit (31-March-20: 194,113.922 units) ICICI Prudential Money Market Fund - Direct Plan Growth, NAV Rs. NA (31-March-20: Rs. 279.2649)	-	542.09
	-	5,973.39
Aggregate amount of quoted investment and market value thereof	-	5,973.39
Aggregate amount of impairment in value of investment	-	-



6(b) TRADE RECEIVABLES AND CONTRACT ASSETS

	As at 31 March 2021	As at 31 March 2020
Trade receivables	10,204.72	10,058.69
Receivables from related parties	-	-
Less: Impairment Allowance (allowance for bad and doubtful debts)*	936.39	945.19
Total Receivables	9,268.33	9,113.50
Current Portion	9,268.33	9,113.50
Non-current portion	-	-
Break-up of security details		
Secured, considered good	-	-
Unsecured, considered good	10,204.72	10,058.69
Trade Receivables which have significant increase in Credit Risk	-	-
	10,204.72	10,058.69
Less: Impairment Allowance (allowance for bad and doubtful debts)*	936.39	945.19
Total Trade Receivables	9,268.33	9,113.50

Trade or other receivable is Rs Nil (31-March-20: Rs Nil) from directors or other officers of the Company Trade or other receivable is Rs Nil (31-March-20: Rs Nil) from firms or Private Companies in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days

* The provision for the impairment of trade receivable has been made basis the expected credit loss method and specific identification based on management judgement.

Contract Assets

Accrued Ground Rent		
-- Considered good	23.77	72.43
-- Considered doubtful	81.80	65.60
	105.57	138.03
Less: Provision for doubtful ground rent	81.80	65.60
	23.77	72.43
Unbilled Revenue		
-- Considered good	51.55	16.50
-- Considered doubtful	-	-
	51.55	16.50
Less: Provision for unbilled revenue	-	-
	51.55	16.50
Total Contract Assets	75.32	88.93

Contract Assets relate to ongoing services for which the Company has entered into agreement with customer wherein the Company has identified its performance obligations in contract as per Ind AS 115 "Revenue from contract with customers". The Company's right to receive consideration is conditional upon satisfaction of these performance obligation Contract Assets are in the nature of unbilled receivables which arises when Company satisfies performance obligation but does not have unconditional rights to consideration

6(c) CASH AND CASH EQUIVALENT

Balances with Banks:-		
- On Current accounts	2,707.84	431.14
- Deposits with original maturity periods less than 3 months	5,395.44	-
Cash on hand	15.69	17.38
Total Cash And Cash Equivalent	8,118.97	448.52

There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting periods

Cash at banks earns interest at floating rates bases on daily bank deposits rates Short term deposits are made for varying period between one day to three months depending upon the immediate cash requirment of the Company and earn interest at the respective short term deposit rate

At 31 March 2021, the Company had available Rs 1,911.13 Lakhs (31 March 2020: Rs 3,015.15 Lakhs) of undrawn committed borrowing facilities.

Changes in liabilities arising from financial activities

	Interest on borrowing	Current borrowings	Non Current Borrowings (including interest maturities)	Lease liabilities (Current & Non-Current)
Net Debt as on 01 April 2019	124.63	1,033.21	15,259.91	-
Recognition on April 01, 2019 due to adoption of Ind AS 116	-	-	-	13,993.70
Cash flow (net)	(1,346.66)	(492.98)	(1,649.11)	(2,354.68)
Bank Overdraft		2,474.92	-	
Interest expenses	1,315.30	-	-	1,017.85
Others	(2.58)	-	(43.12)	-
Net Debt as on 31 March 2020	90.69	3015.15	13,567.68	12,656.86
Cash flow (net)	(1,242.23)	-	1,795.80	(2,735.73)
Bank Overdraft		(1,104.02)	-	-
Interest expenses	1,243.59	-	-	1,061.64
Others	(2.11)	-	1.38	-
Net Debt as on 31 March 2021	89.94	1,911.13	15,364.86	10,982.77

For the purpose of the statement of cash flows, cash and cash equivalent comprise the following:

Balances with Banks:-		
- On Current accounts	2,707.84	431.14
- Deposits with original maturity periods less than 3 months	5,395.44	-
Cash on hand	15.69	17.38
Total Cash And Cash Equivalent	8,118.97	448.52
Less:- Bank overdraft (note 14)	1,911.13	3,015.15
	6,207.84	(2,566.63)

6(d) OTHER BANK BALANCES OTHER THAN 6(c) ABOVE

Earmarked balances with banks:		
- in unclaimed Dividend Accounts	7.53	4.25
	7.53	4.25



6(e) OTHER FINANCIAL ASSETS

	As at 31 March 2021		As at 31 March 2020	
	Current	Non-current	Current	Non-current
Security deposits				
-- Considered good	14.01	344.26	2.50	351.53
-- Considered doubtful	-	2.00	-	2.00
	14.01	346.26	2.50	353.53
Less: Provision for doubtful deposits	-	2.00	-	2.00
	14.01	344.26	2.50	351.53
Bank deposits with original maturity period more than 12 months	408.33	20.89	80.77	340.60
Related Party Dues				
-- Considered good	4.67	-	48.77	-
-- Considered doubtful	2.17	-	2.17	-
	6.84	-	50.94	-
Less: Provision for doubtful Related Party Dues	2.17	-	2.17	-
	4.67	-	48.77	-
Interest Accrued but not due on Fixed Deposits with Banks	72.76	-	39.05	-
Advances recoverable in cash	-	148.94	-	148.94
	499.77	514.09	171.09	841.07

6(f) LOANS

	As at 31 March 2021		As at 31 March 2020	
	Current	Non-current	Current	Non-current
Loan to related party (refer note 33)				
-- Considered good	2,500.00	-	-	-
Loan to customer				
-- Considered doubtful	-	50.00	-	50.00
	2,500.00	50.00	-	50.00
Less: Allowances for doubtful loans	-	50.00	-	50.00
	2,500.00	-	-	-

The loan classified as current are repayable on demand
The loan to related party are made on the terms equivalent to those that prevails in arm's length transaction

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7 DEFERRED TAX ASSETS/ (LIABILITIES) (NET)

	As at 31 March 2021	As at 31 March 2020
Deferred Tax Assets:		
Lease Liabilities *	806.71	806.71
Minimum Alternate Tax Credit Entitlement	3,861.97	2,071.02
Other Items		
– Provision for Doubtful Debts and Advances	107.40	145.70
– Provision for Gratuity & Leave Encashment	35.83	26.28
– Provision for Bonus	-	3.76
Total	4,811.91	3,053.47
Deferred Tax Liability:		
Right-of-use asset *	573.47	573.47
Financial Assets at Fair Valuation through profit and loss account	-	64.40
Depreciation on Property, plant and equipment and intangible assets	1,386.97	1,379.72
Total	1,960.44	2,017.59
Net Deferred Tax Asset/ (Liabilities)	2,851.47	1,037.88

* Deferred tax assets/(liabilities) has been calculated considering the benefit of Section 80IA availed by the Company till FY 2026-27.

Movements in Deferred Tax Assets/ (Liabilities) (Net)

Particulars	Property, plant and equipment	Intangible Assets	Right-of-use Assets & lease liabilities	Minimum Alternate Tax Credit Entitlement	Other Items	Total
At 31 March 2020	(1,309.89)	(69.83)	233.24	2,071.02	113.34	1,037.88
Less: Charged/ (Credited)						
- to profit and loss	(6.09)	(1.16)	-	1,790.95	42.60	1,826.30
- to other comprehensive income			-		(12.71)	(12.71)
At 31 March 2021	(1,315.98)	(70.99)	233.24	3,861.97	143.23	2,851.47

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws

8 OTHER NON-CURRENT ASSETS

	As at 31 March 2021	As at 31 March 2020
Capital Advances		
-- Considered good	735.19	536.69
-- Considered doubtful	52.31	52.31
	787.50	589.00
Less: Provision for Doubtful Advances	52.31	52.31
	735.19	536.69
Prepaid Expenses	5.90	39.53
	741.09	576.22

9 INCOME TAX ASSETS/ LIABILITIES (NET)

Opening balance	515.99	947.70
Less: Current tax payable for the year	1,941.27	1,364.02
Less: Refund received (net of provisions reversed)	329.29	723.68
Add: Taxes paid	3,144.15	1,655.99
Closing balance	(610.42)	515.99
Shown under Income tax Assets	334.64	515.99
Shown under Income tax Liability	945.26	-

10 OTHER CURRENT ASSETS

Advances Recoverable in Kind or for Value to be Received		
-- Considered good	401.90	232.67
-- Considered doubtful	-	-
	401.90	232.67
Less: Provision for Doubtful Advances	-	-
	401.90	232.67
Balances with Government Authorities	221.85	25.33
Prepaid Expenses	251.71	224.98
	875.46	482.98

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11 EQUITY SHARE CAPITAL

11(a) Equity

	Number of Shares	Amount
Authorised Equity Share Capital:		
Equity Shares having par value of Rs. 10 each		
As at 1 April 2019	4,027.00	40,270.00
Increase during the year	-	-
As at 31 March 2020	4,027.00	40,270.00
Increase during the year	-	-
As at 31 March 2021	4,027.00	40,270.00
Equity Shares having par value of Rs. 25 each		
As at 1 April 2019	0.001	0.025
Increase during the year	-	-
As at 31 March 2020	0.001	0.025
Increase during the year	-	-
As at 31 March 2021	0.001	0.025

Issued, Subscribed and Paid-up Share Capital:

Movement in Equity Share Capital

	Number of Shares	Amount
Equity Shares having par value of Rs. 10 each		
As at 1 April 2019	2,015.00	20,150.00
Increase during the year	-	-
As at 31 March 2020	2,015.00	20,150.00
Increase during the year	-	-
As at 31 March 2021	2,015.00	20,150.00
Equity Shares having par value of Rs. 25 each		
As at 1 April 2019	0.001	0.025
Increase during the year	-	-
As at 31 March 2020	0.001	0.025
Increase during the year	-	-
As at 31 March 2021	0.001	0.025
Total as at 31 March 2021	**2,015.001**	**20,150.025**

Terms and rights attached to Equity Shares

There are two class of Equity Shares issued by the Company having par value of Rs. 10 and Rs. 25 each. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The final dividend, if any, proposed by the Board of Directors is subject to shareholders approval in the ensuing Annual General Meeting.
In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

11(b) Instruments Entirely Equity in Nature

Compulsory Convertible Preference Shares (CCPS)

	Number of Shares	Amount
Compulsory Convertible Preference Shares having par value of Rs. 24.65 each		
As at 1 April 2019	1,200.00	29,580.00
Increase during the year	-	-
As at 31 March 2020	1,200.00	29,580.00
Increase during the year	-	-
As at 31 March 2021	**1,200.00**	**29,580.00**

	Number of Shares	Amount
Movement in Compulsory Convertible Preference Shares Capital of Rs.24.65 each		
Gateway Distriparks Limited		
As at 01 April 2019	1,200.00	29,580.00
Increase during the year	-	-
As at 31 March 2020	1,200.00	29,580.00
Increase during the year	-	-
As at 31 March 2021	**1,200.00**	**29,580.00**
	1,200.00	**29,580.00**

The Company has only once class of Compulsorily Convertible Preference Shares (CCPS) having a face value of Rs. 24.65 each. The Holders of CCPS shall also be entitled to participate in dividends issued by the Company over and above the preferred dividend on an 'as-if converted' basis. Subject to applicable laws, holders of CCPS shall have the voting rights to vote on all matters to be decided by the Company as if the CCPS had been converted into Equity Shares at the Conversion ratio. These CCPS represents 2,006.96 Lakhs underlying equity shares which will be issued to the holders on the date of conversion. The tenure of CCPS is the expiry of 19 (Nineteen) years from the Completion date.



	Number of shares	Amount
(I) Shares of the Company held by Holding Company		
Equity Shares having par value of Rs. 10 each		
Gateway Distriparks Limited		
As at 31 March 2020	2,011,998	20,119.98
Increase during the year	-	-
As at 31 March 2021	2,011,998	20,119.98

(II) Details of shareholders, holding more than 5% shares in the Company		As at 31 March 2021	As at 31 March 2020
Equity Shares having par value of Rs. 10 each			
Gateway Distriparks Limited	No of Shares (Lakhs)	2,011 998	2,011 998
	% Share holding	99 85%	99 85%
Compulsory Convertible Preference Shares of Rs. 24.65 each			
Gateway Distriparks Limited	No of Shares (Lakhs)	1,200 00	1,200 00
	% Share holding	100 00%	100 00%

(III) Aggregative number of shares issued for consideration other than cash
No Equity shares has been issued for consideration other than cash in the last 5 years

11(c) Reserve and surplus

Particulars	31 March 2021	31 March 2020
Securities premium reserve	132 05	132 05
Retained Earnings	8,622 22	8,879 35
Capital Redemption Reserve	11,500 00	11,500.00
Total	**20,254.27**	**20,511.40**

(i) Securities premium reserve

Particulars	31 March 2021	31 March 2020
Opening balance	132 05	132 05
Increase / (Decrease) during the year	-	-
Closing balance	**132.05**	**132.05**

(ii) Retained Earnings

Particulars	31 March 2021	31 March 2020
Opening balance	8,879 35	5,369.07
Net Profit for the year	11,810.57	9,134 70
Less : Dividends paid	12,067 70	4,665 43
Less : Dividend distribution tax	-	958.99
Closing balance	**8,622.22**	**8,879.35**

Cash dividends declared and paid :

Particulars	31 March 2021	31 March 2020
Interim Dividend II for the year ended on 31 March 2020: Rs. 1 50 per share on Equity Share and Rs. 1 75 per share on CCPS, declared in the Month of April 2020	6,034 53	-
Interim Dividend I for the year ended on 31 March 2021: Rs. 0.63 per share (31 March 2020: Rs. 1.16 per share) on Equity Share and Rs. 1.58 per share (31 March 2020: Rs. 1.94 per share) on CCPS	2,533 87	4,665 43
Dividend distribution tax (DDT) on above	-	958.99
Interim Dividend II for the year ended on 31 March 2021: Rs. 0 44 per share (31 March 2020: Rs. Nil per share) on Equity Share and Rs. 0 74 per share (31 March 2020: Rs. Nil per share) on CCPS	1,769.83	-
Interim Dividend III for the year ended on 31 March 2021: Rs. 0.43 per share (31 March 2020: Rs. Nil per share) on Equity Share and Rs. 0 72 per share (31 March 2020: Rs. Nil per share) on CCPS	1,729 47	-

(iii) Capital Redemption Reserve

Particulars	31 March 2021	31 March 2020
Opening balance	11,500.00	11,500.00
Addition during the year	-	-
Closing balance	**11,500.00**	**11,500.00**

Nature and purpose of other reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized only for the limited purpose in accordance with the provision of the Companies Act 2013

Retained Earnings

Retained earnings represents all accumulated net income netted by all dividends paid to shareholders Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

Capital Redemption Reserve (CRR)

CRR is created out of profits on redemption of Zero Coupon Redeemable Preference Shares. The reserve is utilized only for the limited purpose in accordance with the provision of the Companies Act 2013



FINANCIAL LIABILITIES

12 NON-CURRENT BORROWINGS

	As at 31 March 2021	As at 31 March 2020
Secured:		
Term Loans		
From Banks:		
Rupee Loan (Refer Note (a) and (b) below)	14,187.79	11,708.48
Vehicle Loans		
HDFC Vehicle Loan (Refer Note (c) below)	1,177.07	1,859.20
Total Non-Current Borrowings	**15,364.86**	**13,567.68**
Less: Current maturities of long term debt from bank	3,516.28	3,235.67
Less: Current maturities of HDFC vehicle loan	722.75	680.50
Less: Interest accrued but not due	89.94	90.69
Non-Current Borrowings	**11,035.89**	**9,560.82**

Nature of security and terms of repayment for secured borrowings

Nature of Security	Terms of Repayment
a) Term Loan from HDFC Bank amounting to Rs. 11,703.88 Lakhs (31-March-20 Rs. 11,027.58 Lakhs) is secured by first exclusive charge on all the assets (fixed and current, present and future) of the Company and Corporate Guarantee by Gateway Distriparks Limited, the Holding Company, for Term Loans and 2	1) The Term Loan 1 from HDFC Bank is repayable in 24 quarterly instalments within 8 years with 2 years moratorium from the date of each drawdown Term Loan of Rs. 3,500.00 Lakhs taken on April 15, 2015 is repayable in instalments of Rs. 145.83 Lakhs starting from July 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as 15 October 2023. Interest for current year is in the range of 7.50% - 8.55% p.a. 2) The Term Loan 2 from HDFC Bank is repayable in 24 Quarterly instalments within 8 years with 2 years moratorium from the first drawdown a) Term Loan of Rs. 1,000.00 Lakhs taken on December 22, 2014 is repayable in instalments of Rs. 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a. b) Term Loan of Rs. 1,000.00 Lakhs taken on January 19, 2015 is repayable in instalments of Rs. 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a. c) Term Loan of Rs. 1,500.00 Lakhs taken on January 11, 2016 is repayable in instalments of Rs. 62.50 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a. d) Term Loan of Rs. 1,000.00 Lakhs taken on February 10, 2016 is repayable in instalments of Rs. 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a. e) Term Loan of Rs. 1,000.00 Lakhs taken on March 15, 2016 is repayable in instalments of Rs. 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a. f) Term Loan of Rs. 770.00 Lakhs taken on May 07, 2016 is repayable in instalments of Rs. 32.08 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a. 3) The Term Loan 4 from HDFC Bank is repayable in 24 quarterly instalments within 8 years with 2 years moratorium from the date of each drawdown a) Term Loan of Rs. 1,000.00 Lakhs taken on March 31, 2016 is repayable in instalments of Rs. 41.67 Lakhs starting from June 2018 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 30 September 2024. Interest for current year is in the range of 7.50% - 8.55% p.a. b) Term Loan of Rs. 7,000.00 Lakhs taken on July 28, 2016 is repayable in instalments of Rs. 291.67 Lakhs starting from October 2018 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 26 January 2025. Interest for current year is in the range of 7.50% - 8.55% p.a. c) Term Loan of Rs. 644.00 Lakhs taken on August 11, 2016 is repayable in instalments of Rs. 26.83 Lakhs starting from November 2018 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 09 February 2025. Interest for current year is in the range of 7.50% - 8.55% p.a. 4) The Term Loan 5 from HDFC Bank is repayable in 24 Quarterly instalments within 8 years with 2 years moratorium from the first drawdown Term Loan of Rs. 10 Crore taken on August 31, 2016 is repayable in instalments of Rs. 41.67 Lakhs started from March 2017 with interest @ Base rate + 40bps w.e.f 01 December, 2016, interest rate benchmark has been revised to MCLR + 25 bps, with maturity date as on 22 June 2023. Interest for current year is in the range of 7.50% - 8.55% p.a. 5) The Term Loan Facility No. 1 from HDFC Bank is repayable in 20 Quarterly instalments within 5 years and 6 months with moratorium till June 30, 2021 a) Term Loan of Rs. 710 Lakhs taken on January 30, 2021 is repayable in instalments of Rs. 35.53 Lakhs started from September 2021 with interest rate benchmark MCLR + 25 bps, with maturity date as on 30 June 2026 Interest for current year is in the range of 7.50% p.a.
b) Working Capital Term Loan from HDFC Bank amounting to Rs. 2,400 Lakhs (31-March-20 Rs. Nil) is secured by first exclusive charge on all the assets (fixed and current, present and future) of the Company	6) The working capital term loan under Guaranteed Emergency Credit Line from HDFC bank is repayable in 48 monthly installments within 5 years with 1 year moratorium from the date of drawdown i.e with maturity date as 02 January 2026 Term Loan of Rs. 2,400 Lakhs taken on January 2, 2021 is repayable in monthly installments of Rs. 50.00 Lakhs started from February 2022 with interest @ Reference rate + spread of 3.50% p.a. Interest for current year is 7.50% p.a.
c) Vehicle Finance Loan from HDFC Bank of Rs. 1,174.23 Lakhs (31-March-20 Rs. 1,854.72) is secured by way of hypothecation of trailers purchased against the same	a) Vehicle Loan from HDFC Bank of Rs. 376.26 Lakhs taken on February 23, 2018 is repayable in 46 monthly installments of Rs. 9.64 lakhs starting from April 2018, with maturity date as January, 2022 b) Vehicle Loan from HDFC Bank of Rs. 1,796.07 Lakhs taken on November 2019 is repayable in 35 monthly instalments of Rs. 58,29,365 starting from January 2020, with maturity date as November, 2022

Details of loan covenants disclosed in note 29
The carrying amounts of financial and non-financial assets are charged against current and non-current borrowings are disclosed in note 36



13 EMPLOYEE BENEFIT OBLIGATIONS

	As at 31 March 2021			As at 31 March 2020		
	Current	Non-current	Total	Current	Non-current	Total
- Leave Obligations	25.76	246.64	272.40	60.93	240.21	301.14
- Gratuity	21.24	506.24	527.48	19.47	464.84	484.31
	47.00	752.88	799.88	80.40	705.05	785.45

(i) Leave Obligation

The leave obligation cover the Company liability for sick and earned leave.

(ii) Post Employment obligations

Gratuity
The Company provides for gratuity for employees in India as per payment of gratuity Act, 1972. Employee who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Gratuity plan of the Company is unfunded.

(iii) Defined Contribution Plans

The Company also has certain defined contribution plans such as Provident Fund and Employee State Insurance Corporation (ESIC). Contribution are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs. 123.54 Lakhs (31 March 20 Rs. 131.73 Lakhs).

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation
01 April 2019	**430.91**
Current service cost	54.64
Interest Cost	33.44
Total amount recognised in profit or loss	**88.08**
Remeasurements:	
Actuarial (Gains) / Losses on Obligations - Due to Change in Demographic Assumptions	(6.51)
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	(13.89)
Actuarial (Gains) / Losses on Obligations - Due to Experience	7.06
The amount recognised in other comprehensive income	**(13.34)**
Benefit payments	(21.34)
31 March 2020	**484.31**

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Particulars	Present value of obligation
01 April 2020	484.31
Current service cost	55.09
Interest Cost	33.08
Total amount recognised in profit or loss	**88.17**
Remeasurements:	
Actuarial (Gains) / Losses on Obligations - Due to Change in Demographic Assumptions	0.22
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	(0.95)
Actuarial (Gains) / Losses on Obligations - Due to Experience	(37.33)
The amount recognised in other comprehensive income	**(38.06)**
Benefit payments	(6.94)
31 March 2021	**527.48**

The net liability disclosed relates to unfunded plans as follows:

Particulars	31 March 2021	31 March 2020
Present value of unfunded plans	527.48	484.31
Deficit of gratuity plan	**527.48**	**484.31**

(iv) Post employment benefits (Gratuity)
Significant estimates: Actuarial assumptions and sensitivity
The significant actuarial assumptions were as follows:

Particulars	31 March 2021	31 March 2020
Discount Rate	6.85%	6.83%
Salary growth rate	8.50%	8.50%
Attrition Rate	4 - 10%	4 - 9%

(v) Sensitivity Analysis
The sensitivity of the defined benefit obligation to change in the weighted principal assumption is:

Particulars	Change in assumption		Change	Impact on defined benefit obligation: Increase in assumption		Change	Decrease in assumption	
	31 March 2021	31 March 2020		31 March 2021	31 March 2020		31 March 2021	31 March 2020
Discount Rate	1%	1%	Decrease by	(8.32%)	(8.74%)	Increase by	9.70%	10.21%
Salary growth rate	1%	1%	Increase by	9.45%	9.94%	Decrease by	(8.28%)	(8.68%)
Employee Turnover	1%	1%	Decrease by	(1.14%)	(1.24%)	Increase by	1.28%	1.40%

The above sensitivity analysis are based on a change in an assumption while holding all other assumption constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumption the same method(present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.
The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

vi) Defined benefit obligation and employers contributions
The defined benefit obligation shall mature after year end 31 March 2021 as follows:

Particulars	Amount
1st Following Year	21.24
2nd Following Year	47.25
3rd Following Year	48.28
4th Following Year	35.89
5th Following Year	95.90
Sum of 6 to 10 Years	121.88

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14 CURRENT BORROWINGS

	As at 31 March 2021	As at 31 March 2020
Secured		
Overdraft from bank*	1,911.13	3,015.15
	1,911.13	3,015.15

*Loan repayable on demand. Outstanding overdraft carry an average interest rate of ' MCLR + 25 bps' (31 March 2020: ' MCLR + 25 bps') and is secured by first exclusive charge on all assets.

15(a) CONTRACT LIABILITIES

Advances from Customers	802.67	636.30
Auction Surplus	55.89	55.89
	858.56	692.19
Current	858.56	692.19
Non-Current	-	-

The Company has entered into agreements with customers for rendering of specified services. The Company has identified these performance obligations and recognised the same as contract liabilities in respect of contracts where the Company has obligation to render specified services to a customer for which the Company has received consideration. Contract Liabilities also include surplus realisations from auction proceedings.

15(b) TRADE PAYABLES

-- Outstanding dues of Micro Enterprises and Small Enterprises [Refer Note below]	117.36	115.48
-- Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	5,801.86	4,891.56
	5,919.22	5,007.04

Note:

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED (Refer Note 37).

Trade payables are non-interest bearing and are normally settled in the range of 1 to 180 days terms.
For explanation in the Company's credit risk management process, refer Note 28.

16 OTHER CURRENT FINANCIAL LIABILITIES

Current maturities of long term debt from Banks (Refer Note 12)	3,516.28	3,235.67
Current maturities of HDFC Vehicle Loan (Refer Note 12)	722.75	680.50
Retention Money/ Deposits from Creditors for Tangible Assets	26.71	15.31
Other Payables:		
-- Creditors for Tangible and Intangible Assets	14.18	99.70
-- Employees	19.84	256.53
-- Directors' remuneration (Net) (Refer Note 33)	1,064.63	636.21
Interest accrued but not due on borrowings	89.94	90.69
Unclaimed Dividend	7.53	4.25
	5,461.86	5,018.86

17 OTHER CURRENT LIABILITIES

Other Payables:		
-- Statutory dues	1,145.77	1,771.36
	1,145.77	1,771.36

18 GOVERNMENT GRANT

Government Grant (EPCG)		
Opening Balance	358.97	442.04
Addition	-	-
Less:- Income to be recognised in statement of P&L	83.07	83.07
Closing Balance	275.90	358.97
Current Grant (Income to be booked in 12 months)	**70.94**	**83.07**
Non- Current Grant	**204.96**	**275.90**

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19 REVENUE FROM OPERATIONS

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
(A) Revenue from Contracts with Customers			
Sale of Services			
-- Rail Transport		65,059.78	72,375.45
-- Road Transport		4,737.50	4,790.50
-- Container Storage, Handling and Ground Rent		11,017.57	9,372.85
Auction Income		519.01	126.10
Total Revenue from Contracts with Customers (A)		**81,333.86**	**86,664.90**
I. Geographical markets			
Sale of Services - India		81,333.86	86,664.90
Sale of Services - Outside India		-	-
Total Revenue from Contracts with Customers		**81,333.86**	**86,664.90**
II. Timing of Revenue Recognition			
Services Transferred at point in time		-	-
Services Transferred over time		81,333.86	86,664.90
Total Revenue from Contracts with Customers		**81,333.86**	**86,664.90**
III. Contract Balances			
Trade Receivables	6(b)	9,268.33	9,113.50
Contract Asset	6(b)	75.32	88.93
Contract Liabilities	15(a)	858.56	692.19
IV. Reconciliation of Revenue as per Contract Price and as recognized in the Statement of Profit and Loss			
Revenue as per Contract Price		83,386.91	90,268.86
Less: Discounts and Incentives		2,053.05	3,603.96
Total Revenue from Contracts with Customers		**81,333.86**	**86,664.90**

V. Performance Obligation
The performance obligation in respect of services provided being provided by the Company, are satisfied over a period of time and upon acceptance of the customer. Payment is generally due upon delivery of services and acceptance of customer. Payments are generally due within 30 to 90 days.

(B) Other Operating Revenues			
Rent		256.05	200.48
Total Other Operating Revenue (B)		**256.05**	**200.48**
Total Revenue from Operations (A + B)		**81,589.91**	**86,865.38**

20 OTHER INCOME

Interest Income on financial asset measured at amortized cost			
- Interest on Fixed Deposit with Banks - Gross	6(e)	71.39	28.85
- Interest on Income Tax Refund		-	67.78
- Interest on Loans		102.10	-
Unwinding of Discount on Security Deposit	6(e)	3.74	4.23
Liabilities/ Provisions no longer required Written back		227.03	323.90
Sale of Scrap		35.53	19.86
Miscellaneous Income		187.51	242.41
Provision for Doubtful Ground Rent written back (Net)	6(b),19	-	11.46
Provision for Doubtful Debts written back (Net)	6(b)	8.79	6.07
Profit on sale of Fixed Assets	3	2.43	0.36
Gain on fair valuation of financial assets recognised at fair value through profit or loss	6(a)	-	181.22
Gain on Sale of Investment in Mutual Funds	6(a)	14.49	125.56
Foreign Exchange Gain		-	11.76
Government Grant	18	83.07	83.07
Total other income		**736.08**	**1,106.53**

The Government grants have been received for the purchase of certain items of property, plant and equipment. There are no fulfilled conditions or contingencies attached to these grants.



21 OPERATING EXPENSES

	Notes	Year ended 31 March 2021	Year ended 31 March 2020
Rail Transport (Refer Note (i) below)		44,135.30	53,325.77
Road Transport (Refer Note (ii) below)		5,842.34	5,548.86
Container Storage, Handling and Repairs (Refer Note (iii) below)		1,584.02	1,702.66
Auction Expenses		47.98	13.44
Total Operating Expenses		**51,609.64**	**60,590.73**
(i) Details of Rail Transport			
Rail Haulage Charges		41,959.65	50,970.54
Rake Hiring Charges		45.47	84.13
Incentives		701.97	855.03
Others		1,428.21	1,416.07
Total Rail Transport		**44,135.30**	**53,325.77**
(ii) Details of Road Transport			
Trip Expenses		3,292.71	2,741.64
Trailer Hiring Charges		879.56	1,114.57
Trailer Maintenance Charges		878.29	954.17
Trailer Drivers Salary		663.43	606.19
Others		128.35	132.29
Total Road Transport		**5,842.34**	**5,548.86**
(iii) Details of Container Storage, Handling and Repairs			
Equipment Handling Charges		529.32	513.80
Labour Charges		520.43	532.31
Surveyor Expenses		384.81	403.70
Internal Shifting Charges		50.48	111.59
Others		98.98	141.26
Total Container Storage, Handling and Repairs		**1,584.02**	**1,702.66**

22 EMPLOYEE BENEFITS EXPENSES

Salaries, Allowances and Bonus		3,450.01	3,191.36
Contribution to Provident and Other Funds	13	123.54	131.73
Gratuity	13	88.17	88.08
Staff Welfare		44.61	87.98
Total Employee Benefits Expenses		**3,706.33**	**3,499.15**

23 DEPRECIATION AND AMORTISATION EXPENSES

Depreciation on Property, Plant and Equipment	3	5,548.72	5,577.07
Amortisation of Intangible Assets	4	260.00	260.00
Depreciation of Right-of-use assets	32(b)	2,135.12	1,925.44
Total Depreciation And Amortisation Expenses		**7,943.84**	**7,762.51**



GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of the Standalone Financial Statements for the year ended 31 March 2021
(All amounts in Rupees in Lakhs, unless otherwise stated)

		Notes	Year ended 31 March 2021	Year ended 31 March 2020
24	**FINANCE COSTS**			
	-- Interest on Term Loans	12	1,025.07	1,177.70
	-- Interest on Buyers' Credit	14	-	3.56
	-- Interest on Cash Credit (bank overdrafts)	14	85.51	70.12
	-- Interest on Vehicle Loans	12	133.01	63.92
	-- Interest on Lease Liabilities	32(b)	1,061.64	1,017.85
	Total Finance Costs		2,305.23	2,333.15
25	**OTHER EXPENSES**			
	Power and Fuel		1,197.27	1,078.00
	Rent		61.33	132.29
	Rates and Taxes		117.28	248.87
	Repairs and Maintenance			
	-- Plant and Equipment (including Yard Equipments)		598.77	561.24
	-- Buildings/ Yard		165.28	234.74
	-- Others		346.77	331.54
	Insurance		412.91	460.32
	Customs Staff Expenses		214.09	184.21
	Printing and Stationery		55.94	81.06
	Travelling and Conveyance		316.13	421.32
	Vehicle Maintenance Expenses		8.93	11.40
	Communication		76.68	88.18
	Advertisement and Business Promotion		105.90	119.52
	Corporate Social Responsibility [Refer Note 25(a)]		206.19	191.90
	Legal and Professional Charges		196.71	253.81
	Director Sitting Fees		55.00	41.00
	Security Charges		629.59	589.60
	Auditors' Remuneration [Refer note 25(b)]			
	-- Audit Fees		39.75	37.00
	-- Out of Pocket Expenses		0.16	1.24
	Provision for Doubtful Ground Rent (Net)	6(b),19	16.21	-
	Bank Charges		39.87	57.25
	Total Other Expenses		4,860.76	5,124.49
25(a)	**Corporate Social Responsibility expenditure**			
	Gross amount required to be spent as per section 135 of the Act		202.87	191.74
	Amount spent during the year on			
	Construction/ acquisition of any asset		206.19	180.90
	On purposes other than above		-	11.00
			206.19	191.90
	Details			
	Contribution to Bharat Lok Shiksha Parishad		-	11.00
	Rural Development Projects		206.19	180.90
	Total Corporate Social Responsibility expenditure		206.19	191.90
25(b)	**Details of payment to auditors**			
	Payment to auditors			
	Audit Fee		21.00	21.00
	Limited Review		11.00	16.00
	In other capacities			
	Other services (certification fees)		7.75	-
	Reimbursement of expenses		0.16	1.24
	Total payment to auditors		39.91	38.24



GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of the Standalone Financial Statements for the year ended 31 March 2021
(All amounts in Rupees in Lakhs, unless otherwise stated)

	Year ended 31 March 2021	Year ended 31 March 2020
26 INCOME TAX EXPENSE		
(a) Income tax Expenses		
Current Tax		
Current Tax on profits for the year	1,941.27	1,364.02
Adjustments in respect of current income tax of earlier year	(86.38)	(263.84)
Total Current tax expenses	**1,854.89**	**1,100.18**
Deferred Tax		
Decrease/ (Increase) in deferred tax assets	(1,670.06)	(2,060.80)
(Decrease)/ Increase in deferred tax liabilities	(57.15)	501.14
Total deferred tax expense/(benefit)	**(1,727.21)**	**(1,559.66)**
Income tax expenses	**127.68**	**(459.48)**
Disclosed under		
Statement of Profit and Loss	114.97	(463.93)
Other Comprehensive Income	12.71	4.45
	127.68	**(459.48)**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit before income tax expense	11,938.24	8,675.22
Total	**11,938.24**	**8,675.22**
Tax at the Indian tax rate of 33.384% (31-March-20: 33.384%)	**3,985.46**	**2,896.14**
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income		
-- Corporate social responsibility expenditure	68.83	64.06
-- Deferred Tax not created where it is expected to reverse within tax holiday period	1,496.36	258.90
-- Adjustments in respect of current income tax of previous year	(86.38)	(263.84)
--Income that is exempt from tax u/s 80IA of Income Tax Act, 1961	(5,286.43)	(3,490.70)
--Tax Benefit U/s 80 G	-	(1.25)
-- Other Items	(50.16)	77.21
Income Tax Expenses	**127.68**	**(459.48)**

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27 FAIR VALUE MEASUREMENTS

27 (a) Financial instrument by category

Particulars	Notes	As at 31 March 2021			As at 31 March 2020		
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets							
Investment							
- Mutual Funds	6(a)	-	-	-	5,973.39	-	-
Loans	6(f)	-	-	2,500 00	-	-	-
Trade Receivable	6(b)	-	-	9,268 33	-	-	9,113 50
Cash and Cash equivalent	6(c)	-	-	8,118 97	-	-	448 52
Other Bank Balances	6(d)	-	-	7 53	-	-	4 25
Security Deposit	6(e)	-	-	358 27	-	-	354 03
Bank Deposits	6(e)	-	-	429 22	-	-	421 37
Advance recoverable in cash	6(e)	-	-	148 94	-	-	148 94
Other Financial Assets	6(e)	-	-	77.43	-	-	87 82
Total Financial Assets		-	-	**20,908.69**	**5,973.39**	-	**10,578.43**
Financial Liabilities							
Borrowings	12,14	-	-	17,275.99	-	-	16,582 83
Trade Payables	15(b)	-	-	5,919 22	-	-	5,007 04
Retention Money	16	-	-	26.71	-	-	15 31
Other Payables:							
– Creditors for Tangible and Intangible Assets	16	-	-	14 18	-	-	99 70
– Employees	16	-	-	19 84	-	-	256 53
– Directors' commission	16	-	-	1,064.63	-	-	636.21
–Unclaimed Dividend	16	-	-	7.53	-	-	4 25
Total Financial Liabilities		-	-	**24,328.10**	-	-	**22,601.87**

(i) Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard An explanation of each level follows underneath the table.

Financial assets and labilities measured at fair value- recurring fair value measurement at 31-March-2021	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial instrument at FVPL					
Mutual Fund - Growth Plan	6(a)	-	-	-	-
Total Financial Assets		-	-	-	-



Financial assets and labilities measured at amortised cost for which fair values are disclosed at 31-March-2021	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Security Deposit	6(e)	-	-	358.99	358.99
Total Financial Assets		-	-	**358.99**	**358.99**
Financial Liabilities					
Borrowings - Non Current (including current maturities)	12	-	-	15,368.06	15,368.06
Borrowings - Current	14	-	-	1,911.13	1,911.13
Total Financial Liabilities		-	-	**17,279.19**	**17,279.19**

Financial assets and labilities measured at fair value- recurring fair value measurement at 31-March-2020	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial instrument at FVPL					
Mutual Fund - Growth Plan	6(a)	5,973.39	-	-	5,973.39
Total Financial Assets		5,973.39	-	-	5,973.39

Financial assets and labilities measured at amortised cost for which fair values are disclosed 31-March-2020	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Security Deposit	6(e)	-	-	355.43	355.43
Total Financial Assets		-	-	**355.43**	**355.43**
Financial Liabilities					
Borrowings - Non Current (including current maturities)	12	-	-	13,573.00	13,573.00
Borrowings - Current	14	-	-	3,015.15	3,015.15
Total Financial Liabilities		-	-	**16,588.15**	**16,588.15**

For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

Fair Value Hierarchy
Level 1 - Hierarchy includes financial instruments measured using quoted price This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV

Level - 2 The fair value of financial instruments that are not traded in an active market is determined using valuation technique which maximize the use of observable market data and rely as little as possible on entity - specific estimates If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level -3 If one or more of the significant inputs is not based on observable market data, the instrument is include in level 3 This is the case for security deposits, bank deposits and borrowings

There are no transfers between level 1 and level 2 during the year.

The fair values of bank deposits and non current borrowings were calculated based on cash flows discounted at current lending rate/ borrowing rate They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

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(ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include:

1) The use of quoted market price or dealer quotes for similar instruments
2) The fair value of the remaining financial instruments is determined using discounted cash flow analysis

All of the resulting fair value estimates are included in level 3 except for investment in mutual funds, where the fair value has been determined using the closing NAV

(iii) Fair value of financial assets and liabilities measured at amortised cost

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Carrying Amounts	Fair Value	Carrying Amounts	Fair Value
Financial Assets				
Security Deposit	358 27	358 99	354 03	355 43
Total Financial Assets	358.27	358.99	354.03	355.43
Financial Liabilities				
Borrowings - Non Current (including current maturities)	15,364.86	15,368.06	13,567 68	13,573 00
Borrowings - Current	1,911 13	1,911 13	3,015 15	3,015 15
Total Financial Liabilities	17,275.99	17,279.19	16,582.83	16,588.15

The carrying amounts of trade receivables, cash and cash equivalent, other bank balances, advance recoverable in cash, other financial asset, trade payables, retention money and other payables are considered to be the same as their fair values, due to their short-term nature.

The Fair value for security deposits were calculated based on cash flows discounted using a current deposit rate They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Significant Estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions used and the impact of changes to these assumptions see (ii) and (iii) above.

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28 FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, liquidity risk and credit risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and the Audit Committee. This process provides assurance to the Company's senior management that the Company's financial risk taking activities are governed by appropriate policies and procedures and that the financial risks are identified, measured and managed in accordance with the Company policies and Company risk objective. In the event of crisis caused due to external factors such as by the recent pandemic "COVID-19", the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure that there is enough liquidity in these situations through internal and external source of funds.
This note explain the sources of risk which the entity is exposed to and how the entity manage the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalent, trade receivable, financial assets measured at amortised cost.	Ageing analysis, credit ratings	Diversification of bank deposit, credit limits and letter of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecast	Availability of bank credit lines and borrowings facilities (cash credit)
Market risk -foreign exchange	Foreign currency borrowings	Rolling cash flow forecast Sensitivity analysis	Availability of bank credit lines and borrowings facilities
Market risk -interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Monitoring and shifting benchmark interest rates*
Market risk -Security price	Investment in Mutual Funds	Sensitivity analysis	Portfolio diversification

* There is no shifting of benchmark interest rates during the year.

(A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with bank and financial institution, foreign exchange transactions and other financial instruments.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. Other factors of default are determined by considering the business environment in which the Company operates and other macro-economic factors. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as: adverse changes in business, changes in the operating results of the counterparty, change to the counterparty's ability to meet its obligations etc. Financial assets are written off when there is no reasonable expectation of recovery.

(i) Credit Risk Management

Financial Assets
The Company maintains exposure in cash and cash equivalents, term deposits with banks and investments in mutual funds. The Company has diversified portfolio of investment with various number of counter-parties which have good credit ratings, good reputation and hence the risk is reduced. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Company.

The Company's maximum exposure to credit risk as at 31 March 2021 and 31 March 2020 is the carrying value of each class of financial assets as disclosed in note 6.

Trade receivable and other financial assets

Trade receivables are typically unsecured and are derived from revenue earned from customers. Other financial assets are unsecured receivables. It comprises of margin money with the bank, utility deposits with the government authorities and accrued income on containers lying at the warehouse/yard but have not been invoiced.

Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. There are no significant credit risk pertaining to bank deposits.

Out of the Gross Trade Receivables balance as at 31 March 2021 of Rs. 10,204.72 Lakhs (31-March-20: Rs. 10,058.69), the top 5 customers of the Company represent the balance of Rs. 5,530.48 Lakhs (31-March-20: Rs. 4,419.40 Lakhs).

The amount of Trade receivable outstanding as at 31 March 2021 & 31 March 2020 is as follows:

Particulars	0-30 Days	31-60 Days	61-90 Days	91-180 Days	181-365 Days	More than 365 Days	Total
31 March 2021	5,717.66	3,052.93	492.69	250.82	(99.48)	790.10	**10,204.72**
31 March 2020	5,137.12	3,159.64	693.25	286.85	7.97	773.86	**10,058.69**

(ii) Reconciliation of loss allowances provision - Trade receivable, Other financial assets and Contract assets

Particulars	Trade receivable	Other Financial Assets and Contract Assets
Loss Allowances on 01 April 2019	**951.26**	**81.22**
Changes in loss allowances	(6.07)	(11.46)
Loss Allowances on 31 March 2020	**945.19**	**69.76**
Changes in loss allowances	(8.80)	16.21
Loss Allowances on 31 March 2021	**936.39**	**85.97**

(B) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31 March 2021	31 March 2020
Floating Rate		
Expiring within one year (Bank overdraft, Term Loans and other facilities)	7,336.53	4,986.62
Expiring beyond one year (Term loans)	-	-
Total	7,336.53	4,986.62

On the event of default, the Bank has an unconditional right to cancel the undrawn/ unused/ un-availed portion of the loan/ facility sanctioned at any time during the period of the loan/ facility, without any prior notice to the Company.

The working capital position of the Company is given below:

Particulars	31 March 2021	31 March 2020
Cash & Cash Equivalents	8,118.97	448.52
Investments in Mutual Funds	-	5,973.39
Total	**8,118.97**	**6,421.91**



(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non derivative financial liabilities.
The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Repayable on demand	Less than 1 Year	1 - 2 Years	2 Year and Above	Total
31 March 2021 (Non-Derivative)					
Borrowings	1,911.13	5,247.44	5,189.57	7,051.81	19,399.95
Lease liabilities	-	2,697.01	2,298.30	9,905.61	14,900.92
Trade payables	-	5,919.22	-	-	5,919.22
Other Financial Liabilities	-	1,132.89	-	-	1,132.89
Total Non - derivative liabilities	**1,911.13**	**14,996.56**	**7,487.87**	**16,957.42**	**41,352.98**

Contractual maturities of financial liabilities	Repayable on demand	Less than 1 Year	1 - 2 Years	2 Year and Above	Total
31 March 2020 (Non-Derivative)					
Borrowings	3,015.15	4,909.85	4,613.93	6,053.75	18,592.68
Lease liabilities	-	2,735.73	2,697.01	12,203.92	17,636.66
Trade payables	-	5,007.04	-	-	5,007.04
Other Financial Liabilities	-	1,012.00	-	-	1,012.00
Total Non - derivative liabilities	**3,015.15**	**13,664.62**	**7,310.94**	**18,257.67**	**42,248.38**

(C) Market Risk

(i) Foreign currency risk

The Company's operations are such that all activities are confined to India. Hence, there is no exposure to foreign currency risk.

(ii) Cash Flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

(a) Interest Rate risk exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows.

Particulars	31 March 2021	31 March 2020
Variable Rate Borrowings	14,103.88	11,627.58
Fixed Rate Borrowings	1,174.23	1,854.72
Total Borrowings	**15,278.11**	**13,482.30**

(b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax		Impact on other components of equity	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Interest Rate - Increase by 100 basis points*	77.30	86.80	-	-
Interest Rate - Decrease by 100 basis points*	(77.30)	(86.80)	-	-

Particulars (Foreign Currency Loans)	Impact on profit after tax		Impact on other components of equity	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Interest Rate - Increase by 20 basis points*	-	-	-	-
Interest Rate - Decrease by 20 basis points*	-	-	-	-

* Holding all other variable constant

(iii) Price risk

(a) Exposure
The Company's exposure to Investments arises from investment held by the Company in mutual funds and classified in the balance sheet as fair value through profit or loss.
To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

(b) Sensitivity
Profit or loss is sensitive to higher/ lower value of investments as a result of changes in price. Impact on profit after tax of increase/ decrease of 10% of price is as follows:

Particulars	Impact on profit after tax		Impact on other components of equity	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Net Asset Value - Increase 10% (31 March 2020 10%)*	-	388.60	-	-
Net Asset Value - Decrease 10% (31 March 2020 10%)*	-	(388.60)	-	-

Profit for the period would increase/ decrease as a result of gains/ losses on investments classified at fair value through profit or loss.

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29 CAPITAL MANAGEMENT

The Company considers total equity as shown in the balance sheet includes retained profit and share capital as managed capital:

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company monitors capital on the basis gearing ratio. The Company's policy is to keep the gearing ratio between 0% and 20%. Gearing ratio is Net Debt (total borrowings net of cash and cash equivalents) divided by Total Equity plus net debts. The capital components of the Company are as given below:

Particulars	31 March 2021	31 March 2020
Total Equity	**69,984.30**	**70,241.43**
Total Borrowings (excluding interest accruals)	15,278.11	13,482.31
Cash & Cash Equivalents	(8,118.97)	(448.52)
Net debt	**7,159.14**	**13,033.79**
Equity and net debts	**77,143.44**	**83,275.21**
Gearing ratio	**9%**	**16%**

(i) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with the following financial covenants:

- Total Outside Liabilities to Total Net worth should be maximum 1
- Minimum DSCR of 1.13 times
- Fixed Asset Cover ratio should be greater than 1.9 times
- Financial projections to be met with 10% variations

The Company has complied with these covenants throughout the reporting period.

(ii) Dividends

Particulars	31 March 2021	31 March 2020
Interim Dividend II for the year ended on 31 March 2020: Rs. 1.50 per share on Equity Share and Rs. 1.75 per share on CCPS, declared in the Month of April 2020	6,034.53	-
Interim Dividend I for the year ended on 31 March 2021: Rs. 0.63 per share (31 March 2020: Rs. 1.16 per share) on Equity Share and Rs. 1.58 per share (31 March 2020: Rs. 1.94 per share) on CCPS	2,533.87	4,665.43
Dividend distribution tax (DDT) on above	-	958.99
Interim Dividend II for the year ended on 31 March 2021: Rs. 0.44 per share (31 March 2020: Rs. Nil per share) on Equity Share and Rs. 0.74 per share (31 March 2020: Rs. Nil per share) on CCPS	1,769.83	-
Interim Dividend III for the year ended on 31 March 2021: Rs. 0.43 per share (31 March 2020: Rs. Nil per share) on Equity Share and Rs. 0.72 per share (31 March 2020: Rs. Nil per share) on CCPS	1,729.47	-

30 SEGMENT INFORMATION:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Company. The Company has identified one reportable segment "Inter-Modal Logistics" i.e. based on the information reviewed by CODM. Thus, the segment revenue, segment results, total carrying amount of segment assets and segment liabilities is as reflected in these financial statement as of and for the year ended March 31, 2021

(a) Description of segments and principal activities

The Company is engaged in business of inter-modal logistics. It provides container logistics solution between major Indian ports and Inland Container Depots (ICD) by providing rail services for Export, Import and Domestic containerised cargo, integrated with road transportation, transit and bonded warehousing, refrigerated container facilities and other value added services

(b) Segment revenue/results

The Company operates as a single segment. The segment revenue is measured in the same way as in the statement of profit or loss

Segment - Inter-Modal Logistics	31 March 2021 Revenue from external customers	31 March 2020 Revenue from external customers
Segment revenue	81,589.91	86,865.38
Segment results		
Profit before Tax	11,900.19	8,661.88
Less: Tax expenses	114.97	(463.93)
Profit for the year	11,785.22	9,125.81

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from external customers	31 March 2021	31 March 2020
India	81,589.91	86,865.38
Outside India	-	-
Total	**81,589.91**	**86,865.38**

No customer individually contributed to 10% or more of total revenue

Segment assets and Segment liabilities	31 March 2021	31 March 2020
Segment assets - India	109,320.54	109,108.13
Segment liabilities - India	39,326.24	38,866.70

31 CONTIGENT LIABILITIES AND CONTINGENT ASSESTS

Contingent Liabilities

The Company had guarantees and contingent liabilities at March 31, 2021 in respect of the following:

Particulars	31 March 2021	31 March 2020
Bank Guarantees and Continuity Bonds executed in favour of The President of India through the Commissioners of Excise and Customs, Sales Tax and Gatx India Private Limited	350,048.23	385,748.23
Claims made by the parties not acknowledged as debts:		
- Container Corporation of India [Refer Note (i) below]	Not Ascertainable	Not Ascertainable
- Northern Railway [Refer Note (ii) below]	148.94	148.94

(i) The Company and its Holding Company (Joint venturer till 29 March 2019 and the holding thereafter), Gateway Distriparks Limited ("GDL") are involved in an arbitration proceeding with Container Corporation of India Limited ("Concor") in respect of agreements entered into by the parties for operation of container trains from the Inland Container Depot and Rail Siding of the Company at Garhi Harsaru, Gurgaon. Concor has raised claims on the Company and GDL on various issues in respect to the aforesaid agreements. Based on legal opinion, the Management has taken a view that these claims are at a preliminary stage and the question of maintainability of the alleged disputes as raised by Concor under the aforesaid agreements is yet to be determined and are not sustainable. Pending conclusion of the arbitration, the parties are maintaining "status quo" in respect of the operations at Garhi Harsaru, Gurgaon

(ii) The Railway Authorities had deducted Rs. 148.94 Lakhs towards Siding & Shunting charges for financial year 2010-11, however letter has been received in April'13 from Railway Authorities that the deduction made by Railways is not justified and will be refunded back to the Company. However till now the Company has not received the money, hence the same has been disclosed as 'Claims made by the parties not acknowledged as debts'. The matter is under arbitration

(iii) The Company had accounted for the benefits available under Service Exports from India Scheme (SEIS) amounting to Rs 10,068.78 lakhs for the financial years 2015-16 to 2017-18. During the year, the Company had received a notice dated November 11, 2019 from Additional Director General of Foreign Trade [ADGFT] questioning SEIS benefits for the aforesaid financial years

The Company had submitted its response dated January 31, 2020 to ADGFT and backed by legal opinion, believes that the SEIS scrips for aforesaid financial years were correctly availed by the Company in terms of the provisions of FTP 2015-20 and accordingly no provision has been made in the books of accounts



32 COMMITMENTS:

a) Capital Commitments:
Capital expenditure contracted (net of capital advance) for at the end of the reporting period but not recognised as liabilities as follows:

Particulars	31 March 2021	31 March 2020
Property, plant and equipment: Net of Capital Advance of Rs. 196.44 Lakhs (31-March-20: Rs. Nil)	908.88	461.46

b) Leases:

Right-of-Use Assets (ROU)

Particulars	Rakes	Land	Building	Terminal	Total
As at 01 April 2019	4,779.02	3,929.18	-	979.16	9,687.36
Additions during the year	3,306.54	80.03	959.76	-	4,346.33
Depreciation Expense	1,017.32	534.48	17.58	356.06	1,925.44
As at 31 March 2020	**7,068.24**	**3,474.73**	**942.18**	**623.10**	**12,108.25**
Additions during the year	-	-	-	-	-
Depreciation Expense	1,122.27	550.15	106.64	356.06	2,135.12
As at 31 March 2021	**5,945.97**	**2,924.58**	**835.54**	**267.04**	**9,973.13**

(i) Depreciation has been charged to ROU Assets on a straight line method based on the lease term and is included under depreciation and amortization expense in the statement of Profit and Loss

Lease Liabilities

Particulars	31 March 2021	31 March 2020
Opening Balance	12,656.86	9,687.36
Additions during the year	-	4,306.34
Accretion of Interest	1,061.64	1,017.85
Payment of lease liabilities	2,735.73	2,354.69
Closing Balance	**10,982.77**	**12,656.86**
Current	**1,793.13**	**1,674.09**
Non-current	**9,189.64**	**10,982.77**

(i) The Lease Liability is recognised on various Lands, Buildings and Rakes taken on lease by the company
(ii) The Company recognized rent expense from short-term leases of Rs 61.33 lakhs for the year ended 31 March 2021 (31 March 2020: Rs 132.29 Lakhs)
(iii) The weighted average incremental borrowing rate applied to lease liabilities is 8.95% p.a

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2021 and 31 March 2020 on an undiscounted basis:

Particulars	31 March 2021	31 March 2020
Less than one year	2,697.01	2,735.73
One to five years	7,796.80	8,765.39
More than five years	4,407.11	6,135.53
Total	**14,900.92**	**17,636.65**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due

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GATEWAY RAIL FREIGHT LIMITED
Notes annexed to and forming part of the Standalone Financial Statements for the year ended 31 March 2021
(All amounts in Rupees in Lakhs, unless otherwise stated)

33 RELATED PARTY TRANSACTIONS

Related Party Disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below :

(A) Holding Company
The Company is controlled by the following entity:

Name	Type	Place of incorporation	Ownership Interest 31 March 2021
Gateway Distriparks Limited (GDL)	Holding Company	India	99.930%

(B) Jointly Controlled Entity

Name of the Entity	Place of Business	% of Ownership Interest	Relationship	Accounting Method
Container Gateway Limited	India	51%	Joint Venture	Equity Method
Total Equity Accounting Investments				

(C) Subsidiary Companies of Holding Company
Gateway East India Private Limited
Gateway Distriparks (Kerala) Limited#

There are no transaction with these company during the year

(D) Entities in which directors have control/ significant influence
Newsprint Trading and Sales Corporation (NTSC)
Perfect Communications Private Limited
Snowman Logistics Limited
Prism International Private Limited
Star Cineplex Private Limited
Rocksolid Enterprises Private Limited

(E) Directors of the Company
(i) Executive Directors
Mr. Prem Kishan Dass Gupta (Chairman and Managing Director)
Mr. Samvid Gupta (Joint Managing Director)
Mr. Sachin Surendra Bhanushali (Chief Executive Officer)

(ii) Independent and Non-Executive Directors
Mr Ishaan Gupta (Non-Executive Director)
Mrs Mamta Gupta (Non-Executive Director)
Mr Arun Kumar Gupta (Independent Director)
Mr Anil Aggarwal (Independent Director) w e f 18 April 2020

Particulars	31 March 2021	31 March 2020
(i) Executive Directors (Key Managerial Personnel)		
Remuneration	222.77	217.14
Post-employment gratuity and leave benefits	1.06	6.71
Director Sitting Fees	23.00	18.00
Commission	1,050.00	700.00
Dividend	0.003	0.001
(ii) Non Executive and Independent Director		
Director Sitting Fees	32.00	23.00
Commission	120.00	90.00
Total compensation	**1,448.83**	**1,054.85**

(F) Relatives of Directors
Mr. Amod Sachin Bhanushali

Particulars	31 March 2021	31 March 2020
Remuneration	5.50	3.40
Total	**5.50**	**3.40**

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AY RAIL FREIGHT LIMITED

nexed to and forming part of the Standalone Financial Statements for the year ended 31 March 2021

nts in Rupees in Lakhs, unless otherwise stated)

ansactions entered into with Parties referred to in Category A, B, C and D

Sr. No.	Particulars	Gateway Distriparks Limited		Container Gateway Limited		Snowman Logistics Limited		Newspoint Trading & Sales Corporation		Gateway East India Private Limited		Perfect Communications Private Limited		Prism International Private Limited		Abc Cbe Box Private Limited		Embarkbd Enterprises Private Limited		Total	
		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended		Year ended	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
1	Payment of Dividend	12,058.70	4,661.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,058.70	4,661.05
2	Rendering of Services (excluding tax)	2.40	-	-	-	6.08	70.70	4.00	-	3.00	-	4.00	-	0.80	-	0.80	-	0.80	-	21.88	70.70
3	Reimbursement of KMP remuneration (excluding tax)	32.23	42.99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32.23	42.99
4	Receiving of Operating Services (excluding tax)	2.65	1.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.65	1.20
5	Payment of Loan	2,500.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,500.00	-
6	Receiving of Interest on Loan	159.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	159.10	-
7	Reimbursement of Other Administrative expenses incurred on their behalf	-	-	0.90	1.58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.90	1.58
8	Reimbursement of Other Administrative expenses incurred on our behalf	4.66	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.66	-
		14,762.74	4,706.11	0.90	1.58	6.08	70.70	4.00	-	3.00	-	4.00	-	0.80	-	0.80	-	0.80	-	14,779.31	4,776.30

e following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Sr. No.	Particulars	Gateway Distriparks Limited		Container Gateway Limited		Snowman Logistics Limited		Key Management personnel / Directors		Total	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
1	Advance Recoverable	-	45.00	6.84	5.05	0.88			-	7.72	50.05
2	Remuneration Payable to Executive Directors (net of TDS)							953.03	564.75	953.03	564.75
3	Commission Payable to Non-Executive and Independent Directors (net of TDS)	-	-	-	-			111.00	71.46	111.00	71.46
4	Post employment benefits	-	-	-	-			78.77	77.71	78.77	77.71
	Total	-	45.00	6.84	5.05	0.88	-	1,143.40	713.92	1,151.12	764.87

ans to/from related parties

ring Current Year Company has given Loan of Rs. 2,500 Lakhs to Gateway Distriparks Limited (31-March-20: Rs. Nil)

rms and Conditions

rvices provided from/to related parties are generally priced at arm's length. Other reimbursement of expenses to/from related parties is on cost basis.

l other transactions were made on normal commercial terms and conditions and at market rates.

l outstanding balances are unsecured and are repayable/ receivable in cash

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34 EARNINGS PER SHARE

The number of shares used in computing Basic and Diluted Earnings per Share is the weighted average number of shares outstanding during the year.

(a) Reconciliation of earnings used in calculating earnings per share

Particulars	31 March 2021	31 March 2020
Profit attributable to the equity holders of the Company used in calculating basic earnings per share	11,785.22	9,125.81

(b) Weighted average number of shares used as the denominator

Particulars	31 March 2021	31 March 2020
Weighted average number of ordinary equity shares	2,015.00	2,015.00
Weighted average number of ordinary equity shares to be issued upon conversion of compulsory convertible preference shares	2,006.96	2,006.96
Total Number of shares used as the denominator for calculating earning per share	4,021.96	4,021.96

(c) Basic and Diluted earnings per share

Particulars	31 March 2021	31 March 2020
Total Basic and Diluted earnings per share attributable to the equity holders of the Company (Rs.)	2.93	2.27

(d) Information concerning the classification of securities

Compulsorily Convertible Preference Shares (CCPS): There are 120,000,000 Compulsory Convertible Preference Shares of Rs. 24.65 each. These CCPS holders shall be entitled to non-cumulative dividend of 0.0001% of the face value of CCPS, as and when declared by the Company's Board prior to and in preference to the payment of any dividend on the Equity Shares. The Holders of CCPS shall also be entitled to participate in dividends issued by the Company over and above the Preferred Dividend on an 'as-if converted' basis. These CCPS represents 2,006.96 Lakhs underlying equity shares which will be issued to the holders on the date of conversion.

35 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Collateral against borrowings
All current and non-current assets of the company are charged as security against debt facilities from the lender. For carrying amount of assets charged as security refer note 36.

36 ASSETS CHARGED AS SECURITY

The carrying amounts of assets charged as security for current and non - current borrowings are :

Particulars	Notes	31 March 2021	31 March 2020
Current Assets			
Financial Assets			
First Charge			
- Contract Assets	6(b),19	75.32	88.93
- Current Investments	6(a)	-	5,973.39
- Loans	6(f)	2,500.00	-
- Trade Receivables	6(b)	9,268.33	9,113.50
- Cash and Cash Equivalents	6(c)	8,118.97	448.52
- Bank Balances other than above	6(d)	7.53	4.25
- Others Financial Assets	6(e)	499.77	171.09
- Others Current Assets	10	875.46	482.98
Total Current Assets charged as Security		**21,345.38**	**16,282.66**
Non-Current Assets			
First Charge			
Property, Plant and Equipment	3	70,630.47	75,156.90
Capital Work-in-Progress	3(a)	1,143.12	542.21
Other intangible assets	4	1,786.95	2,046.95
Other Financial Assets	6(e)	514.09	841.07
Income tax assets (Net)	9	334.84	515.99
Other Non-current Assets	8	741.09	576.22
Total Non-Current Assets charged as Security		**75,150.56**	**79,679.34**
Total Assets charged as Security		**96,495.94**	**95,962.00**

S.R. BATLIBOI & CO. LLP
GURUGRAM

37 DUES TO MICRO AND SMALL ENTERPRISES

The Micro, Small and Medium Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors. According to such identification, the disclosures as per Section 22 of 'The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006' are as follows:

Particulars	31 March 2021	31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier - Principal amount	117.36	115.48
- Interest thereon	-	-
The amount of interest paid by the buyer in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act.	-	-
The amount of interest accrued and remaining unpaid.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor.	-	-

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED.

38 On account of COVID-19 pandemic, nationwide lockdown was imposed by Government of India effective March 24, 2020 which extended for a couple of months in varied parts of the country and in varied forms. At the time of finalisation of these financial statements the severity of the pandemic is peaking day by day across the country and on account of which various state Governments have started imposing lockdown like restrictions in various parts of the country. Consequent to these uncertainties caused due to continuation of pandemic, the Company has done a detailed assessment for carrying amount of financial and non-financial assets and does not anticipate any impairment to these assets. Also, the management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The situation though is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future spread of COVID-19 and due to which the Company will continue to closely monitor any material changes to future economic conditions, if any. Considering that the Company is in the business of providing inter-modal logistics services and is operating Inland Container Depot (ICD) which is considered under essential Services and the management believes that the impact of this outbreak on the business and financial position of the Company will not be significant.

39 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

40 The figures for the corresponding previous period have been regrouped/reclassified wherever necessary, to make them comparable.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number : 301003E/E300005

per Vishal Sharma
Partner
Membership No. : 096766

Place: Faridabad
Date: 26 April 2021

For and on behalf of the Board of Directors of
Gateway Rail Freight Limited

Prem Kishan Dass Gupta
Chairman and
Managing Director
DIN:- 00011670

Sachin Surendra Bhanushali
Director and Chief Executive Officer
DIN:- 01479918

Naudan Chopra
Chief Financial Officer and Company Secretary

Place: New Delhi
Date: 26 April 2021

S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
Sector - 42, Sector Road
Gurugram - 122 002, Haryana, India
Tel : +91 124 681 6000

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company

Review Report to
The Board of Directors
Gateway Rail Freight Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Gateway Rail Freight Limited (the "Company") for the quarter ended June 30, 2021 (the "Statement") attached herewith.

2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. **Emphasis of Matter – SEIS Benefit**

   We draw your attention to Note 5 in the accompanying statement of unaudited financial results wherein it has been stated that the Company has received a notice dated November 11, 2019 from the Additional Director General of Foreign Trade (ADGFT) which has questioned SEIS benefits received by the Company for financial years 2015-16 to 2017-18 under the provisions of Foreign Trade (Development and Regulation) Act, 1992.

   The Company has submitted its initial response dated January 31, 2020 for the notice so received and has also responded to subsequent queries/requirements of ADGFT, and has also obtained a legal opinion basis which it believes that it has a good case and accordingly no provision has been considered in the books of account.

   Our conclusion is not modified in respect of this matter.

S. R. BATLIBOI & CO. LLP * GURUGRAM *

S.R. BATLIBOI & CO. LLP
Chartered Accountants

6. This report on the unaudited standalone Ind AS financial results is issued solely for preparation of quarterly and year to date unaudited consolidated financial results of Gateway Distriparks Limited ('Holding Company') and should not be used or referred to for any other purpose, or distributed to any other person, without our prior written consent.

For S.R. BATLIBOI & Co. LLP
ICAI Firm registration number: 301003E/E300005

per **Vishal Sharma**
Partner
Membership No.: 096766
UDIN: 21096766AAAAMK9866
Place: Gurugram
Date: July 27, 2021

GATEWAY RAIL FREIGHT LIMITED
Sector 6, Dronagiri, Taluka - Uran, District - Raigarh, Navi Mumbai - 400707
CIN: U60231MH2005PLC344764
Statement of Un Audited Standalone Results for the quarter ended June 30, 2021

(INR in Lakhs excluding Earnings per share data)

Sr. No.	Particulars	Three Months Ended			Year Ended
		30.06.2021 (Un-audited)	31.03.2021 (Audited) (Refer note 9)	30.06.2020 (Un-audited)	31.03.2021 (Audited)
1	**Income**				
	(a) Revenue from Operations	24,206	25,463	15,855	81,590
	(b) Other Income	213	250	104	736
	Total Income	**24,419**	**25,713**	**15,959**	**82,326**
2	**Expenses**				
	(a) Rail Transport	13,016	13,431	8,436	44,135
	(b) Road Transportation	1,748	1,744	1,038	5,842
	(c) Container Storage, Handling and Repairs	487	468	335	1,584
	(d) Employee benefits expense	913	1,102	698	3,706
	(e) Finance costs	520	541	595	2,305
	(f) Depreciation and amortisation expense	1,943	1,943	2,012	7,944
	(g) Other expenses	1,195	1,368	1,327	4,909
	Total Expenses	**19,822**	**20,597**	**14,441**	**70,425**
3	**Profit before exceptional items and tax (1-2)**	**4,597**	**5,116**	**1,518**	**11,901**
3a	**Profit before finance cost, depreciation and amortisation expenses & exceptional items (EBITDA) (3+2e+2f)**	**7,060**	**7,600**	**4,125**	**22,150**
4	Exceptional Items				
5	**Profit before Tax (3+4)**	**4,597**	**5,116**	**1,518**	**11,901**
6	**Tax Expense**				
	(a) Current tax	806	855	265	1,941
	(b) Tax adjustment for earlier Year				(86)
	(c) Deferred tax	(785)	(733)	(211)	(1,740)
	Total Tax Expense	**21**	**122**	**54**	**115**
7	**Net Profit for the period (5-6)**	**4,576**	**4,994**	**1,464**	**11,786**
8	Other Comprehensive Income (after taxes) - Items that will not be reclassified to profit or loss	14	22		25
9	**Total Comprehensive Income (7+8)**	**4,590**	**5,016**	**1,464**	**11,811**
10	Paid-up equity share capital (Face value INR 10/- per share)	20,150	20,150	20,150	20,150
11	Other Equity excluding Revaluation Reserves as per the audited balance sheet of previous year				20,254
12	Earnings per share (of INR 10/- each)	Not Annualised	Not Annualised	Not Annualised	Annualised
	(a) Basic (INR)	1.14	1.24	0.36	2.93
	(b) Diluted (INR)	1.14	1.24	0.36	2.93
	See accompanying note to the financial results				

Notes:

1. The above financial results for the quarter ended June 30, 2021, have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at their respective meetings held on July 27, 2021

2. These financial results have been prepared in accordance with Indian Accounting Standards (Ind- AS) as prescribed under section 133 of Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment thereafter.

3. The Company and its Holding Company, Gateway Distriparks Limited ("GDL") are involved in an arbitration proceeding with Container Corporation of India Limited ("Concor") in respect of agreements entered into by the parties for operation of container trains from the Inland Container Depot and Rail Siding of the Company at Garhi Harsaru, Gurgaon. Concor has raised claims on the Company and GDL on various issues in respect to the aforesaid agreements. Based on legal opinion, the Management has taken a view that these claims are at a preliminary stage and the question of maintainability of the alleged disputes as raised by Concor under the aforesaid agreements is yet to be determined and are not sustainable. Pending conclusion of the arbitration, the parties are maintaining "status quo" in respect of the operations at Garhi Harsaru, Gurgaon.

4. **Segment Results:**
   Primary Segment:
   Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Group. The Group has identified one reportable segment "Rail Logistics Business" i.e. based on the information reviewed by CODM.
   Secondary Segment:
   The Company's operations are such that all activities are confined only to India and hence, there is no secondary reportable segment relating to the Company's business.

5. The Company has accounted for the benefits available under Service Exports from India Scheme (SEIS) amounting to INR 10,068.78 lakhs for the financial years 2015-16 to 2017-18. During the financial year 2019-20, the Company has received a notice dated November 11, 2019 from Additional Director General of Foreign Trade [ADGFT] questioning SEIS benefits for the aforesaid financial years. The Company submitted its initial response dated January 31, 2020 and has also responded to subsequent queries/requirements of ADGFT. The Company, backed by a legal opinion, believes that the SEIS scrips for aforesaid financial years were correctly availed in terms of the provisions of FTP 2015-20 and accordingly no provision has been made in the books of account for the same.

6. The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of property, plant & equipment, trade receivables, etc. For this purpose, the Company has considered internal and external sources of information up to the date of approval of the Standalone Financial Results. Based on the current estimates, the Company does not expect any significant impact on such carrying values. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of Standalone Financial Results.

7. The Board of Directors at their meeting held on 28 September 2020 had approved a composite scheme of amalgamation under Sections 230 to 232 read with other applicable provisions of the Companies Act 2013, involving amalgamation of Gateway East India Private Limited ('subsidiary company of Gateway Distriparks Limited') with Gateway Distriparks Limited ('Holding company') and post the aforesaid amalgamation, Gateway Distriparks Limited would amalgamate into Gateway Rail Freight Limited. The Company has filed the requisite documents with NCLT, Mumbai after taking necessary approval from BSE / NSE. The matter is pending for hearing before NCLT, Mumbai.

8. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

9. The figures of the quarter ended March 31, 2021 are the balancing figures between audited figures in respect of full the financial year ended March 31, 2021 and nine months unaudited year to date figures up to December 31, 2020.

For and on behalf of the Board of Directors
Gateway Rail Freight Limited

Sachin Surendra Bhanushali
Director and Chief Executive Officer
DIN:- 01479918

S. R. BATLIBOI & CO. LLP GURUGRAM

Gateway Rail Freight Ltd.

Place: New Delhi
Date: July 27, 2021

APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS of GATEWAY RAIL FREIGHT LIMITED (AS PROVIDED IN PART E OF SCHEDULE VI OF SEBI (ICDR) REGULATIONS, 2018)

The information mentioned hereinafter are in terms of the provisions of SEBI's Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 for the Composite Scheme of Amalgamation of (i) Gateway East India Private Limited ("GEIPL") with Gateway Distriparks Limited ("GDL"); and (ii) GDL (post amalgamation of GEIPL with GDL) with Gateway Rail Freight Limited ("GRFL").

THIS ABRIDGED PROSPECTUS CONTAINS 10 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

GATEWAY RAIL FREIGHT LIMITED

CIN: U60231MH2005PLC344764

Registered Office: Sector – 6, Dronagiri, Taluka-Uran, District – Raigarh, Navi Mumbai – 400707

Corporate Office: SF-7, Second Floor, D-2, Southern Park, Saket District Centre, Saket, New Delhi – 110017

Contact Person: Mr. Anuj Kalia **Tel. No.:** +91-11-40554400; **Fax No.:** +91-11-40554413

E-mail: secretarial@gatewayrail.in **Website:** www.gatewayrail.in

STATUTORY AUDITORS OF THE COMPANY

S.R. Batliboi & Co. LLP

Address: 2nd & 3rd Floor Golf View Corporate Tower – B, Sector - 42, Sector Road Gurugram - 122002, Haryana, India, **Tel No.:** 0124 681 6000; **Fax No.:** 0124-464050; **Website:** N.A.

PROMOTERS OF GATEWAY RAIL FREIGHT LIMITED

Gateway Distriparks Limited, Mr. Prem Kishan Dass Gupta, Mrs. Mamta Gupta, Mr. Ishaan Gupta and Mr. Samvid Gupta

PROCEDURE

Pursuant to the Composite Scheme of Amalgamation for: (i) amalgamation (merger by absorption) of GEIPL with GDL; and (ii) amalgamation (merger by absorption) of GDL (post amalgamation of GEIPL with GDL) with GRFL and issuance of shares by GRFL to the shareholders of GDL in accordance with provisions of applicable laws and on the basis of share exchange ratio as set out in the Composite Scheme, post receipt of approval from Hon'ble National Company Law Tribunal ("NCLT"). Such equity shares (issued by GRFL) will be listed and admitted for trading on the Stock Exchanges.

DETAILS OF PROMOTERS OF GATEWAY RAIL FREIGHT LIMITED

Particulars	Details
GATEWAY DISTRIPARKS LIMITED (AAACG3425C)	
Business overview	Gateway Distriparks Ltd is an integrated inter-modal logistics service provider, providing cargo transportation, handling, storage, and other-related facilities and services in India
List of Companies promoted	Gateway Rail Freight Ltd., Gateway East India Pvt. Ltd., Gateway Distriparks (Kerala) Ltd., Snowman Logistics Ltd.
No. & % of shares held in the Company	20,11,99,796 Equity Shares (99.85%) 100 shares of Rs. 25 each (100%) 12,00,00,000 Compulsorily Convertible Shares of Rs. 24.65 each (100%)
MR. PREM KISHAN DASS GUPTA (AAKPG2127J)	
Educational Qualification	Graduate

Experience in business or employment	43 years He is Chairman & MD of GDL and GRFL which are the market leaders of container-based logistics through container freight stations next to ports, inland container depots, and transportation through own fleet of trains and trailers. He is also Chairman of Snowman Logistics, which is India's largest cold chain company He has also been running his newsprint business, Newsprint Trading & Sales Corporation since 1978, and represents internationally reputed newsprint manufacturers from various regions including the United States of America, Canada, and Europe.
List of Companies promoted	Gateway Distriparks Ltd., Gateway Rail Freight Ltd., Prism International Private Ltd., Star Cineplex Private Ltd.
List of Companies in which person is Director	Gateway East India Pvt. Ltd., Snowman Logistics Ltd., Star Cineplex Pvt. Ltd., Perfect Communications Pvt. Ltd., Gateway Distriparks Ltd., Prism International Pvt. Ltd., Gateway Rail Freight Ltd., Prestige Infracon Pvt. Ltd., Gateway Distriparks (Kerala) Ltd.
No. & % of shares held in the Company	1 Equity Share (0.00%)
MRS. MAMTA GUPTA (AAAPG3773E)	
Educational Qualification	Graduate
Experience in business or employment	27 years Mrs. Mamta Gupta is a founding member of Gateway Distriparks Limited. She represents the Promoter group, Prism International and is also Director of Gateway Distriparks Ltd. and Snowman Logistics Ltd. She also has experience being on the Boards of several companies and is a partner in the family owned newsprint business. She is also a member of the Parents Leadership Council of Boston University and is looking after the Corporate Social Responsibilities of the Group.
List of Companies promoted	Gateway Distriparks Ltd., Gateway Rail Freight Ltd., Star Cineplex Private Ltd., Prism International Pvt. Ltd.
List of Companies in which person is Director	Gateway Distriparks Ltd. and Gateway Rail Freight Ltd.
No. & % of shares held in the Company	1 Equity Share (0.00%)
MR. ISHAAN GUPTA (APFPG1166F)	
Educational Qualification	Bachelor of Science in Business Administration from Boston University
Experience in business or employment	11 years He is Joint MD of Gateway Distriparks Ltd and Director in Gateway Rail Freight Limited, which are the market leaders of container-based logistics through container freight stations next to ports, inland container depots, and transportation through own fleet of trains and trailers. He is also a Director in Snowman Logistics, which is India's largest cold chain company w He has

	experience in various fields such as strategy, sales, legal and information technology. He is also involved in supply of imported newsprint and other publication paper as a partner in Newsprint Trading and Sales Corporation. He is also a member of the Boston University India Leadership Council.
List of Companies promoted	Gateway Distriparks Ltd., Gateway Rail Freight Ltd. , Rocksolid Enterprises Pvt. Ltd.
List of Companies in which person is Director	Gateway East India Pvt. Ltd., Snowman Logistics Ltd., Perfect Communications Pvt. Ltd., Gateway Distriparks Ltd., Prism International Pvt. Ltd., Gateway Rail Freight Ltd., Rocksolid Enterprises Pvt. Ltd.
No. & % of shares held in the Company	1 Equity Share (0.00%)
MR. SAMVID GUPTA (AXOPG2763K)	
Educational Qualification	Graduate from Boston University
Experience in business or employment	7 years He is Joint MD of Gateway Rail Freight Ltd and Director in Gateway Distriparks Limited, which are the market leaders of container-based logistics through container freight stations next to ports, inland container depots, and transportation through own fleet of trains and trailers. He is also a Director in Snowman Logistics, which is India's largest cold chain company He has experience in various aspects of business including financial planning, sales, projects, business analysis and strategic planning. He is also managing the sales of newsprint and coated paper in the Newsprint Trading & Sales Corporation as a partner.
List of Companies promoted	Gateway Distriparks Ltd, Gateway Rail Freight Ltd.
List of Companies in which person is Director	Snowman Logistics Ltd., Star Cineplex Pvt. Ltd., Perfect Communications Pvt. Ltd., Gateway Distriparks Ltd., Prism International Pvt. Ltd., Gateway Rail Freight Ltd., Prestige Infracon Pvt. Ltd.
No. & % of shares held in the Company	1 Equity Share (0.00%)

CHANGES IN THE SHAREHOLDING STRUCTURE OF PROMOTERS

Date	Name of the Promoter	No. of Shares	Shares (%)	Cumulative Shares (%)	Particular of Change
07.02.2017	Mr. Ishaan Gupta jointly with Gateway Distriparks Limited	1	0.00	98.31	Acquisition
04.05.2017	Gateway Distriparks Limited	2525000	1.25	99.57	Acquisition
08.05.2017	Gateway Distriparks Limited	475000	0.24	99.80	Acquisition
30.03.2019	Gateway Distriparks Limited	74898	0.04	99.84	Acquisition
30.03.2019	Gateway Distriparks Limited	24900	0.01	99.85	Acquisition
12.04.2019	Mrs. Mamta Gupta	1	0.00	99.85	Acquisition
12.04.2019	Mr. Samvid Gupta Jointly with Mr. Ishaan Gupta	1	0.00	99.85	Acquisition

BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY

GRFL is a private container train operator. It provides intermodal rail transportation service for EXIM containers between its rail-linked inland container depots (ICD) at Gurugram, Ludhiana, Faridabad and Viramgam and maritime ports at Nhava Sheva, Mundra and Pipavav. It also provides logistics service from a domestic terminal at Navi Mumbai. It is an authorised Container Train Operator (CTO) of Indian Railways and operates a fleet of 31 train-sets and 338 Road Trailers to provide Rail – cum – Road Transportation Solutions to the trade. It also provides container handling and storage as well as cargo handling and warehousing solutions in the Bonded and Transit warehouses at its ICD.

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience including current/past position held in other firms
1	**Mr. Prem Kishan Dass Gupta** **PAN:** AAKPG2127J **DIN:** 00011670	**Chairman and Managing Director**	**Qualification:** Mentioned on page 1, not repeated for the sake of brevity **Experience:** Mentioned on page 2, not repeated for the sake of brevity **Present Directorship:** Mentioned on page 2, not repeated for the sake of brevity **Past Directorship (Last three years):** Chandra CFS and Terminal Operators Pvt. Ltd.
2	**Mr. Samvid Gupta** **PAN:** AXOPG2763K **DIN:** 05320765	**Joint Managing Director**	**Qualification:** Mentioned on page 3, not repeated for the sake of brevity **Experience:** Mentioned on page 3, not repeated for the sake of brevity **Present Directorship:** Mentioned on page 3, not repeated for the sake of brevity **Past Directorship (Last three years):** Nil
3	**Mr. Sachin Surendra Bhanushali** **PAN:** AHDPB9671Q **DIN:** 01479918	**Whole Time Director**	**Qualification:** Master in Commerce and Business Economics **Experience:** 38 years Mr. Sachin Surendra Bhanushali has been engaged in the Indian Railway & CONCOR. He is working with Gateway Rail Freight Limited from 10 Years and currently designated as Director & CEO in Gateway Rail Freight Limited. **Present Directorship:** Gateway Rail Freight Limited, Container Gateway Limited **Past Directorship (Last three years):** Nil
4	**Mrs. Mamta Gupta** **PAN:** AAAPG3773E **DIN:** 00160916	**Director**	**Qualification:** Mentioned on page 2, not repeated for the sake of brevity **Experience:** Mentioned on page 2, not repeated for the sake of brevity **Present Directorship:** Mentioned on page 2, not repeated for the sake of brevity **Past Directorship (Last three years):** Prestige Infracon Private Limited, Star Cineplex Private Limited , Perfect Communications Private Limited, Prism International Private Limited, Snowman Logistics Limited.
5	**Mr. Ishaan Gupta** **PAN:** APFPG1166F **DIN:** 05298583	**Director**	**Qualification:** Mentioned on page 2, not repeated for the sake of brevity **Experience:** Mentioned on page 2, not repeated for the sake of brevity **Present Directorship:** Mentioned on page 3, not repeated for the sake of brevity **Past Directorship (Last three years):** Nil
6	**Mr. Arun Kumar Gupta** **PAN:** AAAPG4063H **DIN:** 06571270	**Independent Director**	**Qualification:** Engineer and MBA **Experience:** 36 years Mr. Arun Kumar Gupta has over 30 years of work experience and has performed management roles at renowned organizations such as Saxo Bank, CSC, Syntel, Sapient, NIIT, and TCS. Currently, he serves as Additional Director on the board of a leading ITES Company.

			Present Directorship: Snowman Logistics Limited, Gateway Distriparks Ltd., Gateway Rail Freight Limited, Silverskills Pvt. Ltd., Gateway Distriparks (Kerala) Ltd **Past Directorship (Last three years):** Nil
7	**Mr. Anil Aggarwal** **PAN:** AABPA5289J **DIN:** 01385684	**Independent Director**	**Qualification:** Chartered Accountant, MBA & CFA **Experience:** 38 years Mr. Anil Aggarwal is a management professional with 30+ years of work experience in accounting, risk & financial management, treasury and corporate planning. Mr. Anil Aggarwal has worked with Reliance Capital, Unit trust of India, Indian Oil Corporation, Cargill India, Bunge Agribusiness India, Punj Lloyd, Ireo group etc in leadership positions. He has also led a couple of acquisitions & divestments transactions. **Present Directorship:** Vriksh Advisors Private Limited, Maple Infra Invit Investment Manager Private Limited, Snowman Logistics Limited, Gateway Rail Freight Limited, Gluebomb Digital Media Private Limited (under process of striking off), Rolling Stove Hospitality Private Limited (under process of striking off), Gateway Distriparks Ltd **Past Directorship (Last three years):** MB Power (Madhya Pradesh) Limited (06/08/2018)

Changes in Directorship in last three years

S. No.	Name	Designation	Experience including current/past position held in other firms
1	**Mr. Gurdeep Singh** **PAN:** AAOPS7063D **DIN:** 00036922	Non - Executive Director (Nominee of Blackstone GPV Capital Partners (Mauritius) V-H Ltd	**Qualification:** Management Graduate and B.Tech **Present Directorship:** Nil **Past Directorship (Last three years):** Gateway Rail Freight limited, Blue Star Limited, Creative Polypack Ltd., Technova India Private Limited, Kloeckner Pentaplast India Private Limited
2	**Mr. Neeraj Mohan** **PAN:** ABMPM1188L **DIN:** 05117389	Non - Executive Director (Nominee of Blackstone GPV Capital Partners (Mauritius) V-H Ltd	**Qualification: Chartered Accountant and MBA** **Present Directorship:** Nil **Past Directorship (Last three years):** Aadhar Housing Finance Limited, William J. Clinton Foundation, Gateway Rail Freight Limited, MB Power (Madhya Pradesh) Limited, Hindustan Power Projects Private limited, Sona BLW Precision Forgings Limited, Comstar Automotive Technologies Private Limited
3	**Mr. Himanshu Dodeja** **PAN:** AIJPD2480J **DIN:** 07624809	Non - Executive Director (Nominee of Blackstone GPV Capital Partners (Mauritius) V-H Ltd	**Qualification: LL.M** **Present Directorship:** Blackstone Advisors India Private Limited, Future Lifestyle Fashions Limited **Past Directorship (Last three years):** Gateway Rail Freight limited
4	**Ramaswammy Kumar** **PAN:** AAAPK7499P **DIN:** 07975455	Non - Executive Director	**Qualification:** Chartered Accountant, Cost Accountant and Company Secretary **Present Directorship:** Nil **Past Directorship (Last three years):** Gateway Rail Freight Limited

5	**Mr. Shabbir Hakimuddin Hassanbhai** **PAN:** AAAPH5019E **DIN:** 00268133	Independent Director	**Qualification:** Accountancy from the Association of Certified and Corporate Accountants, UK and Fellow of the Chartered Management Institute, UK **Present Directorship:** Gateway Distriparks Limited, Gateway Distriparks (Kerala) Limited, Gateway East India Private Limited **Past Directorship (Last three years):** Chandra CFS and Terminal Operators Private Limited , Gateway Rail Freight Limited, Snowman Logistics Limited

SHAREHOLDING PATTERN (AS ON DATE)

S. No.	Particulars	Number of Shares (of face value Rs. 10 each)	Percentage holding of pre-scheme	Number of Shares (of face value Rs. 25 each)	Percentage holding of pre-scheme	Number of Compulsory Convertible Shares (of face value Rs. 24.65 each)	Percentage holding of pre-scheme
1.	Promoter & Promoter Group	201199800	99.85	100	100	120000000	100
2.	Public	300200	0.15	0	0	0	0
Total		**201500000**	**100.00**	**100**	**100.00**	**120000000**	**100**

CHANGES OF CAPITAL STRUCTURE OF THE COMPANY

Date of allotment	Details of Capital structure				Mode of allotment	Identity of allottees
	Shares issued		Cumulative paid up shares			
	No.	%	No.	%		
12.07.2005	5,000	0.002	5,000	0.0025	Subscriber to Memorandum	
12.07.2005	5,000	0.002	10,000	0.0050	Subscriber to Memorandum	
21.11.2006	10,09,90,000	50.119	10,10,00,000	50.12	Preferential Allotment	Promoter
21.11.2006	25,00,000	1.241	10,35,00,000	51.36	Sweat Equity	
21.11.2006	25,00,000	1.241	10,60,00,000	52.61	Sweat Equity	
31.01.2007	25,00,000	1.241	10,85,00,000	53.85	Sweat Equity	
31.01.2007	5,00,000	0.248	10,90,00,000	54.09	Sweat Equity	
29.11.2007	30,00,000	1.489	11,20,00,000	55.58	Preferential Allotment	Promoter
29.11.2007	30,00,000	1.489	11,50,00,000	57.07	Preferential Allotment	
29.11.2007	10,00,000	0.496	11,60,00,000	57.57	Preferential Allotment	
29.11.2007	10,00,000	0.496	11,70,00,000	58.06	Preferential Allotment	
29.11.2007	10,00,000	0.496	11,80,00,000	58.56	Preferential Allotment	
29.11.2007	10,00,000	0.496	11,90,00,000	59.06	Preferential Allotment	
29.11.2007	4,00,000	0.199	11,94,00,000	59.26	Preferential Allotment	
29.11.2007	4,00,000	0.199	11,98,00,000	59.45	Preferential Allotment	
29.11.2007	4,00,000	0.199	12,02,00,000	59.65	Preferential Allotment	
29.11.2007	4,00,000	0.199	12,06,00,000	59.85	Preferential Allotment	
29.11.2007	4,00,000	0.199	12,10,00,000	60.05	Preferential Allotment	
29.11.2007	10,00,000	0.496	12,20,00,000	60.55	Sweat Equity	
29.11.2007	3,00,000	0.149	12,23,00,000	60.69	Sweat Equity	

18.03.2008	6,00,000	0.298	12,29,00,000	60.99	Preferential Allotment	
18.03.2008	5,00,000	0.248	12,34,00,000	61.24	Preferential Allotment	
18.03.2008	5,00,000	0.248	12,39,00,000	61.49	Preferential Allotment	
18.03.2008	5,00,000	0.248	12,44,00,000	61.74	Preferential Allotment	
18.03.2008	5,00,000	0.248	12,49,00,000	61.99	Preferential Allotment	
18.03.2008	50,000	0.025	12,49,50,000	62.01	Preferential Allotment	
18.03.2008	1,00,000	0.050	12,50,50,000	62.06	Sweat Equity	
18.03.2008	1,00,000	0.050	12,51,50,000	62.11	Sweat Equity	
18.03.2008	1,00,000	0.050	12,52,50,000	62.16	Sweat Equity	
18.03.2008	1,00,000	0.050	12,53,50,000	62.21	Sweat Equity	
26.05.2008	3,00,000	0.149	12,56,50,000	62.36	Sweat Equity	
24.10.2008	7,43,50,000	36.898	20,00,00,000	99.26	Preferential Allotment	Promoter
15-12-2009	15,00,000	0.744	20,15,00,000	100.00	Sweat Equity	

RESTATED AUDITED FINANCIALS

STANDALONE *(Amount in Lakhs)*

Particulars	LR as on 30-Jun-21	Audited as on 31-Mar-21	Audited as on 31-Mar-20	Audited as on 31-Mar-19	Audited as on 31-Mar-18	Audited as on 31-Mar-17
Total Income from operations	24,206.19	81,589.91	86,865.38	86,741.46	78,879.96	76.337.09
Net Profit / (Loss) before tax and extraordinary items	4,597.60	11,900.19	8,661.88	13,917.98	9,755.44	7,479.79
Net Profit / (Loss) after tax and extraordinary items	4,577.04	11,785.22	9,125.81	11,132.33	8,318.08	3,990.36
Equity Share Capital	20,150.03	20,150.03	20,150.03	20,150.03	20,150.03	20,150.03
Reserves and Surplus	17,891.27	20,254.27	20,511.40	17,001.12	29,646.17	21,341.18
Net Worth	55,989.25	58,352.25	58,609.38	55,099.10	67,744.15	70,939.26
Basic earnings per share	1.14	2.93	2.27	2.76	2.06	0.99
Diluted Earnings per share	1.14	2.93	2.27	2.76	2.06	0.99
Return on net worth (%)	8.17%	20.20%	15.57%	20.20%	12.28%	5.63%
Net asset value per share	33.56	34.73	34.86	33.12	39.39	35.7

CONSOLIDATED *(Amount in Lakhs)*

Particulars	**LR as on** 30-Jun-21	**Audited as on** 31-Mar-21	**Audited as on** 31-Mar-20	**Audited as on** 31-Mar-19	**Audited as on** 31-Mar-18	**Audited as on** 31-Mar-17
Total Income from operations	24,206.19	81,589.91	86,865.38	86,741.46	78,879.96	76.337.09
Net Profit / (Loss) before tax and extraordinary items	4,597.60	11,900.19	8,661.88	13,917.98	97,55.44	7,479.79
Net Profit / (Loss) after tax and extraordinary items	4,577.04	11,785.22	9,125.81	11,132.33	8,318.08	3,990.36
Equity Share Capital	20,150.03	20,150.03	20,150.03	20,150.03	20,150.03	20,150.03
Reserves and Surplus	17,891.27	20,254.27	20,511.40	17,001.12	29,646.17	21,341.18
Net Worth	55,989.25	58,352.25	58,609.38	55,099.10	67,744.15	70,939.26
Basic earnings per share	1.14	2.93	2.27	2.76	2.06	0.99
Diluted Earnings per share	1.14	2.93	2.27	2.76	2.06	0.99
Return on net worth (%)	8.17%	20.20%	15.57%	20.20%	12.28%	5.63%
Net asset value per share	33.56	34.73	34.86	33.12	39.39	35.7

Note 1: Networth = Equity Share Capital + CCPS +Free Reserves - Miscellaneous Expenditure written off, along with the detailed working

Note 2: Return on Net Worth = Net Profit or (Loss) after tax and extraordinary items/ Net Worth * 100
Note 3: EPS = PAT / Equity paid up capital
Note 4: Net Asset Value per Share = Assets – Liabilities/ Share outstanding

RISK FACTORS

1. The impact of COVID-19 pandemic on our business, cash flows, results of operations and financial condition are uncertain and cannot be predicted.
2. The lack of an efficient transportation network and reliable transportation infrastructure may have an adverse effect on our business, results of operations and financial condition.
3. Adverse developments impacting trade volumes may have an adverse effect on our business, results of operations and financial condition.
4. A downturn in the business performance of manufacturers, retailers, large importers and exporters, and other customers who engage shipping lines and other intermediaries to transport their cargo could adversely affect our business, margins, results of operations and financial condition.
5. We operate public bonded warehouses pursuant to licenses granted to us, the subsistence of which licenses is subject to certain conditions. Failure to comply with such conditions could result in its cancellation, thereby adversely affecting our business, operations and financial condition.
6. We own and lease large tracts of land, hold a large fleet of vehicles and machinery, and have a large number of employees, resulting in significant fixed costs to our Company. In the event we are not able to generate adequate cash flows it may have a material adverse impact on our operations.
7. The Company is presently an unlisted company and its equity shares are not available for trading on the stock exchange.
8. Implementation of the Scheme completely depends on the approval of Shareholders, Creditors and Regulatory Authorities. Any modification or revision in the Scheme by the competent authorities may delay the completion of the process.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the Company and amount involved: 22 outstanding litigations and total amount involved in all proceedings, wherever quantifiable is Rs. 74,79,973

B. Brief details of top 5 material outstanding litigations against the Company and amount involved:

Sr. No.	Particulars	Litigation filed by	Current Status	Amount involved
1	Hemlata Vs. RAG Freight Ltd. / GRFL	Hemlata	Framing of Issues / Petitioner Evidence	Rs.39,96,000/-
2	Govind Ram Vs. Neeraj Kapoor & Ors.	Govind Ram	Gateway Rail Freight Ltd has also filed counter appeal. Same is also tagged with thes appeal and is fixed for same date.	Rs.5,40,000/-
3	Sarag Vs. GRFL	Sarag	Accused is not appearing. Hence Non Bailable Warrants have been issued.	Rs.3,43,973/-
4	Oriental Insurance Co/Vardhman PolyTex Vs GRFL	Oriental Insurance Co/Vardhman PolyTex Vs GRFL	Pending for Final Arguments	Rs. 26,00,000/-
5	Sona Cereal Products Pvt Ltd vs Gateway Rail Freight Limited	Sona Cereal Products Pvt Ltd	Sona Cereal Products Pvt Ltd has sought to amend the suit. The said application for amendment of suit is pending	Amount not Quantifiable

C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the promoters in last 5 financial years including outstanding action, if any: No

D. Brief details of outstanding criminal proceedings against Promoters:

Sr. No.	First Party	Respondent	Court	Current Status
1	Labour Enforcement Officer (Central) -II, Mumbai	Gateway Distriparks Ltd.	Court of Judicial Magistrate, First Class, Uran	Initial Stage

2	Labour Enforcement Officer (Central) -II, Mumbai	Gateway Distriparks Ltd.	Court of Judicial Magistrate, First Class, Uran	Initial Stage
3	SP Infrastructure Pvt Ltd	Gateway Distriparks Ltd.	Addl. Chief Judicial Magistrate (.B.) Sr.-21, Jaipur City, Jaipur	Matter is Pending for final Arguments

RATIONALE OF THE SCHEME

This Scheme provides for: (i) amalgamation (merger by absorption) of the Transferor Company 1 / Gateway East India Private Limited (GEIPL) with the Transferee Company 1 / Gateway Distriparks Ltd (GDL); and (ii) amalgamation (merger by absorption) of GDL / the Transferor Company 2 (post amalgamation of the Transferor Company 1 / GEIPL with the Transferee Company 1 / GDL) with the Transferee Company 2 / Gateway Rail Freight Limited (GRFL),as per the provisions of section 230-232 of the Companies Act, 2013 with effect from the Appointed Date. This Scheme shall have the following benefits:

1. Consolidation of businesses presently being carried on by the Transferor Companies and the Transferee Company 2, which shall create greater operational synergies and efficiencies at multiple levels of business operations and shall provide significant impetus to their growth;
2. Improved earnings, cash flow, debt servicing abilities of the amalgamated Transferee Company 2;
3. The amalgamation would result in financial resources of the Companies being efficiently pooled, leading to centralized and more efficient management of funds, greater economies of scale and a bigger and stronger resource base for future growth, which are presently divided amongst multiple corporate entities within the group;
4. Creation of value for shareholders of the Companies and other stakeholders, by way of creation of a large asset base, facilitating access to better financial resources, stronger consolidated revenue and profitability, diversification in product portfolio and thereby reducing business risks;
5. Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the Companies, thereby contributing to the future growth of the merged entity;
6. Consolidating and improving the internal systems, procedures and controls will also bring greater management and operational efficiency due to integration of various similar functions presently being carried out in each individual entity within the group such as information technology, human resources, finance, legal and general management, and this will lead to the organization becoming more efficient and capable of responding swiftly to volatile and rapidly changing market scenarios;
7. Simplicity in working, reducing various statutory and regulatory compliances and related costs, which presently have to be duplicated in the Companies, reduction in operational and administrative expenses and overheads, better cost and operational efficiencies and it would also result in coordinated optimum utilization of resources;
8. The Transferor Companies and the Transferee Company 2 operate businesses that complement each other and therefore, can be conveniently combined for mutual benefit of the shareholders of the Companies; and
9. This Scheme shall be in the beneficial interest of all the stakeholders and the shareholders of the Companies.

ANY OTHER IMPORTANT INFORMATION: Not Applicable

DECLARATION BY THE COMPANY

We hereby declare that all the relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines / regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the

Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this document are true and correct.

For Gateway Rail Freight Limited

Gateway Rail Freight Limited

Prem Kishan Dass Gupta
Chairman & Managing Director
Din: 00011670

Place: New Delhi
Date: 19th August, 2021

Corporate Professionals

Date: August 21, 2021

Ref. No.: CPC/MB/61/2021-22

The Board of Directors
Gateway Rail Freight Limited
Sector – 6, Dronagiri, Taluka-Uran, District – Raigarh, Navi Mumbai – 400707

Dear Sir(s),

Subject: Proposed Composite Scheme of Amalgamation for Amalgamation of Gateway East India Private Limited with Gateway Distriparks Limited and Gateway Distriparks Limited with Gateway Rail Freight Limited ("Scheme") and their respective shareholders and creditors

Re: Due Diligence Certificate in adherence to para 3 of Part I of the SEBI's Master Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020

PURPOSE:

This has reference to our engagement for providing Due Diligence Certificate ("Certificate") on the accuracy and adequacy of the disclosures made in the Abridged Prospectus by **Gateway Rail Freight Limited** (''the Company'') as per the format provided in Part E of Schedule VI of SEBI (ICDR) Regulations, 2018 as amended from time to time, read with the SEBI's Master Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020. The Scheme, under Section 230 to Section 232 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) thereof), has been approved by the Board of Directors of the Company on September 28, 2020 and shall be effective from the Appointed Date i.e. April 01, 2020 or such other date as may be fixed or approved by the Hon'ble National Company Law Tribunal or any other Appropriate Authority.

The information contained herein and our Certificate is intended only for the sole use of captioned purpose of obtaining requisite approvals as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and compliance of the SEBI's Master Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020.

SCOPE AND LIMITATIONS:

- This Certificate is for a specific purpose and is issued in terms of and in compliance with the SEBI's Master Circular dated December 22, 2020 and hence should not be used for any other purpose or transaction.

Corporate Professionals Capital Pvt. Ltd. D-28 South Extn. Part-I New Delhi 110049

- Our due diligence and result are specific to the date of this Certificate and based on information as at August 19, 2021. Further, we have no responsibility to update this Certificate on the circumstances or events after the date hereof.
- We have relied upon the financials and the information and representations furnished to us by the management of the Company and the information available in public domain and have not carried out any audit of such information. Our work does not constitute audit of financials including working results of the Company and accordingly, we are unable to and do not express an opinion on the fairness of any financial information referred to in the Abridged Prospectus.
- This Certificate is issued on the undertaking that the Company have drawn our attention to all the matters, which they are aware of concerning inter-alia the financial position of the Company, its business, and any other matter, which may have an impact on our Certificate, including any material risk concerning the Company or are likely to take place in the financial position of the Company or its business.
- We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of reliance on the information set out here in this Certificate.
- Our opinion is not, nor should it be construed as our opining or certifying the compliance with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

CONCLUSION:

In the circumstances, having regard to all relevant factors, on the basis of information and explanations given to us and on the basis of due diligence conducted by us, we certify as on the date hereof, that the disclosures made in the Abridged Prospectus dated August 19, 2021 is in conformity with the relevant documents, materials and other papers related to the Company and are fair, accurate and adequate.

Yours Faithfully,

For **Corporate Professionals Capital Private Limited**



(Manoj Kumar)
Partner and Head – M&A and Transactions

APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS of GATEWAY EAST INDIA PRIVATE LIMITED (AS PROVIDED IN PART E OF SCHEDULE VI OF SEBI (ICDR) REGULATIONS, 2018)

The information mentioned hereinafter are in terms of the provisions of SEBI's Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 for the Composite Scheme of Amalgamation for (i) Gateway East India Private Limited with Gateway Distriparks Limited; and (ii) Gateway Distriparks Limited (post amalgamation of GEIPL with GDL) with Gateway Rail Freight Limited.

THIS INFORMATION MEMORANDUM CONTAINS 07 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

GATEWAY EAST INDIA PRIVATE LIMITED

CIN: The Company was incorporated under the provisions of the Companies Act, 1956 having Company Identification No. U51909MH1994PTC346843

Registered Office: Sector 6, Dronagiri, Taluka Uran, District Raigad, Navi Mumbai – 400707

Site Office: VPT - EXIM PARK, Opp. GAIL, Sheela Nagar, Visakhapatnam – 530012

Contact Person: Mr. Ishaan Gupta, Director

Tel. No.: +91-22-27246500; **Fax No.:** +91-22-27246538

E-mail: vizagacts@gateway-distriparks.com

Website: www.gateway-distriparks.com

STATUTORY AUDITORS OF THE COMPANY

S.R. Batliboi & Co. LLP

Address: 2nd & 3rd floor, Golf view Corporate Tower-B, Sector 42, Sector Road, Gurugram- 122002

Tel No.: +91-24-6816000

Fax No.: 0124-464050

Website: N.A.

PROMOTERS OF GATEWAY EAST INDIA PRIVATE LIMITED

1. GATEWAY DISTRIPARKS LIMITED

PROCEDURE

Pursuant to the Composite Scheme of Amalgamation for: (i) amalgamation (merger by absorption) of GEIPL with GDL; and (ii) amalgamation (merger by absorption) of GDL (post amalgamation of GEIPL with GDL) with GRFL and issuance of shares by GRFL to the shareholders of GDL in accordance with provisions of applicable laws and on the basis of share exchange ratio as set out in the Composite Scheme, post receipt of approval from Hon'ble National Company Law Tribunal ("NCLT"). Such equity shares (issued by GRFL) will be listed and admitted for trading on the Stock Exchanges.

DETAILS OF PROMOTERS OF GATEWAY EAST INDIA PRIVATE LIMITED

Particulars	Details
GATEWAY DISTRIPARKS LIMITED	
PAN	AAACG3425C
Business overview	Gateway Distriparks Ltd is an integrated inter-modal logistics service provider, providing cargo

	transportation, handling, storage, and other-related facilities and services in India
List of Companies promoted	Gateway East India Private Limited Gateway Distriparks (Kerala) Limited Gateway Rail Freight Limited Snowman Logistics Limited
No. & % of shares held in the Company	80,00,000 Equity Shares representing 100% of the paid-up share capital of the Company.

CHANGES IN THE SHAREHOLDING STRUCTURE OF PROMOTER

There are no changes in the Promoter and Promoter group shareholding in last 8 years prior to the issuance of Abridged Prospectus.

BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY

Gateway East India Private Limited operates a Container freight station near Visakhapatnam Port. The Container Freight Station is located 200 meters off NH-5, near Sheela Nagar and is built in the Visakhapatnam Port Trust's EXIM PARK (Opposite GAIL). The facility has been developed on a 20 Acre Plot. The approach to the facility is on the four lane Port connecting National Highway which takes off at Sheela Nagar and leads into the Port premises. On the new road, the container journey time from the CFS to the Terminal would be just about 15 - 20 minutes. The facility is strategically located and will be the very first CFS that the Exporter will approach on his way to the Terminal. Similarly, for Imports also the CFS will be the very first with respect to taking deliveries of Customs cleared cargoes.

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience including current/past position held in other firms
1.	Mr. Prem Kishan Dass Gupta PAN: AAKPG2127J DIN:00011670	Chairman	**Qualification:** Graduate **Experience:** 43 years Mr. Prem Kishan Dass Gupta is the Chairman & Managing Director of Gateway Rail Freight Ltd. and Gateway Distriparks Ltd. He also runs his newsprint business - Newsprint Trading & Sales Corporation since 1978 and represents internationally reputed newsprint manufacturers from USA, Canada and Europe with strong tie ups in South-East Asia in India. **Present Directorship:** Gateway East India Private Limited, Snowman Logistics Limited, Star Cineplex Private Limited, Perfect Communications Private Limited, Gateway Distriparks Ltd., Prism International Private Limited, Gateway Rail Freight Limited, Prestige Infracon Private Limited, Gateway Distriparks (Kerala) Limited **Past Directorship (Last three years):** Chandra CFS and Terminal Operators Pvt. Ltd.
2.	Mr. Ishaan Gupta PAN:APFPG1166F	Director	**Qualification:** Bachelor of Science in Business Administration from Boston University

	DIN: 05298583		**Experience:** 11 years Mr. Ishaan Gupta holds a degree in Bachelor of Science in Business Administration (BSBA) from Boston University. He has made valuable contribution towards the operations and strategy of the Company and is deeply involved in all the three verticals of the Group. Enthusiastic and pro-active, he remains focused towards bringing seamless synergy within the group. **Present Directorship:** Gateway East India Private Limited, Snowman Logistics Limited, Perfect Communications Private Limited, Gateway Distriparks Ltd., Prism International Private Limited, Gateway Rail Freight Limited, Rocksolid Enterprises Private Limited **Past Directorship (Last three years):** Nil
3.	Mr. Shabbir Hassanbhai PAN:AAAPH5019E DIN:00268133	Independent Director	**Qualification:** Accountancy from the Association of Certified and Corporate Accountants, UK and Fellow of the Chartered Management Institute, UK **Experience:** **Present Directorship:** Gateway Distriparks Limited, Gateway Distriparks (Kerala) Limited, Gateway East India Private Limited **Past Directorship (Last three years):** Chandra CFS and Terminal Operators Private Limited , Gateway Rail Freight Limited, Snowman Logistics Limited

Please note that there is no change in Directorship of the Company, in last three years.

SHAREHOLDING PATTERN (AS ON DATE)

S. No.	Particulars	Number of Shares	Percentage holding of pre-scheme
1.	Promoter & Promoter Group	80,00,000	100.00%
2.	Public	0	0.00%
Total		**80,00,000**	**100.00%**

CHANGES OF CAPITAL STRUCTURE OF THE COMPANY

Date of allotment	Details of Capital structure				Mode of allotment	Identity of allottees
	Shares issued		Cumulative paid up capital			
	No.	%	No.	%		
14-Dec-04	50,290	0.63	50,290	0.63	Physical	Public
14-Dec-04	20,000	0.25	70,290	0.88	Physical	Public
14-Dec-04	5,000	0.06	75,290	0.94	Physical	Public
14-Dec-04	8,500	0.11	83,790	1.05	Physical	Public

14-Dec-04	8,500	0.11	92,290	1.15	Physical	Public
14-Dec-04	5,200	0.07	97,490	1.22	Physical	Public
14-Dec-04	10	0.00	97,500	1.22	Physical	Public
14-Dec-04	2,500	0.03	1,00,000	1.25	Physical	Public
14-Dec-04	1,50,000	1.88	2,50,000	3.13	Physical	Public
14-Dec-04	1,50,000	1.88	4,00,000	5.00	Physical	Public
14-Dec-04	1,00,000	1.25	5,00,000	6.25	Physical	Public
14-Dec-04	7,50,000	9.38	12,50,000	15.63	Physical	Promoter
22-Nov-06	66,950	0.84	13,16,950	16.46	Physical	Public
22-Nov-06	18,050	0.23	13,35,000	16.69	Physical	Public
22-Nov-06	9,15,000	11.44	22,50,000	28.13	Physical	Promoter
03-Jun-08	5,85,000	7.31	28,35,000	35.44	Physical	Public
03-Jun-08	16,65,000	20.81	45,00,000	56.25	Physical	Promoter
04-Feb-09	35,00,000	43.75	80,00,000	100.00	Physical	Promoter

RESTATED AUDITED FINANCIALS

STANDALONE

(Amount in Lacs)

Particulars	For the period as at [30.06.21]	Audited as on [31.03.21]	Audited as on [31.03.20]	Audited as on [31.03.19]	Audited as on [31.03.18]	Audited as on [31.03.17]
Total Income from operations	686.85	3065.90	3316.91	3796.42	4763.96	5321.58
Net Profit / (Loss) before tax and extraordinary items	56.76	409.15	290.40	517.58	1,273.88	1,941.72
Net Profit / (Loss) after tax and extraordinary items	21.58	305.46	247.72	38.70	1,266.59	1,956.79
Equity Share Capital	800.00	800.00	800.00	800.00	800.00	800
Reserves and Surplus	2,931.02	2,909.12	3,422.73	3,476.18	4,405.89	4101.49
Net Worth	3,331.02	3,309.12	3,822.73	3,876.18	4,805.89	4501.49
Basic earnings per share	0.27	3.82	3.10	0.48	15.83	24.46
Diluted Earnings per share	0.27	3.82	3.10	0.48	15.83	24.46
Return on net worth (%)	0.58	8.24	5.87	0.91	24.33	39.92
Net asset value per share	46.64	46.36	52.78	53.45	65.07	61.27

Note 1: Networth = Equity Share Capital + Free Reserves **-** Miscellaneous Expenditure written off, along with the detailed working
Note 2: Return on Net Worth = Net Profit or (Loss) after tax and extraordinary items/ Net Worth * 100
Note 3: EPS = PAT / Equity paid up capital
Note 4: Net Asset Value per Share = Assets **–** Liabilities/ Share outstanding

CONSOLIDATED – NOT APPLICABLE

RISK FACTORS

1. The impact of COVID-19 pandemic on our business, cash flows, results of operations and financial condition are uncertain and cannot be predicted.
2. The lack of an efficient transportation network and reliable transportation infrastructure may have an adverse effect on our business, results of operations and financial condition.
3. Adverse developments impacting trade volumes may have an adverse effect on our business, results of operations and financial condition.
4. A downturn in the business performance of manufacturers, retailers, large importers and exporters, and other customers who engage shipping lines and other intermediaries to transport their cargo could adversely affect our business, margins, results of operations and financial condition.
5. We operate public bonded warehouses pursuant to licenses granted to us, the subsistence of which licenses is subject to certain conditions. Failure to comply with such conditions could result in its cancellation, thereby adversely affecting our business, operations and financial condition.
6. We own and lease large tracts of land, hold a large fleet of vehicles and machinery, and have a large number of employees, resulting in significant fixed costs to our Company. In the event we are not able to generate adequate cash flows it may have a material adverse impact on our operations.
7. The Company is presently an unlisted company and its equity shares are not available for trading on the stock exchange.
8. Implementation of the Scheme completely depends on the approval of Shareholders, Creditors and Regulatory Authorities. Any modification or revision in the Scheme by the competent authorities may delay the completion of the process.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total **number** of outstanding litigations against the Company and amount involved: **4** outstanding litigations and **Rs. 993.58 lakhs**

B. Brief details of top 5 material outstanding litigations against the Company and amount involved:

Sr. No.	Particulars	Litigation filed by	Current Status	Amount involved (Rs. in lakhs)
1	The income Tax Act, 1961 -2010-11	The Principle Commissioner of Income Tax-1, Visakhapatnam	The Case is Pending in High Court, Hyderabad. Telangana State	**13.00**
2	The income Tax Act, 1961-2012-13	The Principle Commissioner of Income Tax-1, Visakhapatnam	The Case is Pending in High Court, Hyderabad. Telangana State	**274.19**
3	The income Tax Act, 1961-2013-14	The Principle Commissioner of Income Tax-1, Visakhapatnam	The Case is Pending in High Court, Amaravati, Andhra Pradesh	**270.76**
4	The income Tax Act, 1961-2016-17	The Principle Commissioner of Income Tax-1, Visakhapatnam	The Case is Pending in Income Tax Appellate Tribunal, Visakhapatnam. Andhra Pradesh	**435.63**

C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the promoters in last 5 financial years including outstanding action, if any: No

D. Brief details of outstanding criminal proceedings against Promoters:

Sr. No.	First Party	Respondent	Court	Current Status
1	Labour Enforcement Officer (Central) -II, Mumbai	Gateway Distriparks Ltd.	Court of Judicial Magistrate, First Class, Uran	Initial Stage
2	Labour Enforcement Officer (Central) -II, Mumbai	Gateway Distriparks Ltd.	Court of Judicial Magistrate, First Class, Uran	Initial Stage
3	SP Infrastructure Pvt Ltd	Gateway Distriparks Ltd.	Addl. Chief Judicial Magistrate (.B.) Sr.-21, Jaipur City, Jaipur	Matter is Pending for final Arguments

RATIONALE OF THE SCHEME

This Scheme provides for: (i) amalgamation (merger by absorption) of the Transferor Company 1 / Gateway East India Private Limited (GEIPL) with the Transferee Company 1 / Gateway Distriparks Ltd (GDL); and (ii) amalgamation (merger by absorption) of GDL / the Transferor Company 2 (post amalgamation of the Transferor Company 1 / GEIPL with the Transferee Company 1 / GDL) with the Transferee Company 2 / (Gateway Rail Freight Limited (GRFL), to enable better realization of potential of the businesses of the Companies in the form of amalgamated Transferee Company 2 which will yield beneficial results and enhanced value creation for their respective shareholders and better security and protection for their lenders and employees. This Scheme shall have the following benefits:

1. Consolidation of businesses presently being carried on by the Transferor Companies and the Transferee Company 2, which shall create greater operational synergies and efficiencies at multiple levels of business operations and shall provide significant impetus to their growth;
2. Improved earnings, cash flow, debt servicing abilities of the amalgamated Transferee Company 2;
3. The amalgamation would result in financial resources of the Companies being efficiently pooled, leading to centralized and more efficient management of funds, greater economies of scale and a bigger and stronger resource base for future growth, which are presently divided amongst multiple corporate entities within the group;
4. Creation of value for shareholders of the Companies and other stakeholders, by way of creation of a large asset base, facilitating access to better financial resources, stronger consolidated revenue and profitability, diversification in product portfolio and thereby reducing business risks;
5. Pooling of assets, proprietary information, personnel, financial, managerial and technical resources of the Companies, thereby contributing to the future growth of the merged entity;
6. Consolidating and improving the internal systems, procedures and controls will also bring greater management and operational efficiency due to integration of various similar functions presently being carried out in each individual entity within the group such as information technology, human resources, finance, legal and general management, and this will lead to the organization becoming more efficient and capable of responding swiftly to volatile and rapidly changing market scenarios;
7. Simplicity in working, reducing various statutory and regulatory compliances and related costs, which presently have to be duplicated in the Companies, reduction in operational and administrative expenses and overheads, better cost and operational efficiencies and it would also result in coordinated optimum utilization of resources;

8. The Transferor Companies and the Transferee Company 2 operate businesses that complement each other and therefore, can be conveniently combined for mutual benefit of the shareholders of the Companies; and
9. This Scheme shall be in the beneficial interest of all the stakeholders and the shareholders of the Companies.

ANY OTHER IMPORTANT INFORMATION

Not Applicable

DECLARATION

We hereby declare that all the relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued thereunder, as the case may be. We further certify that all statements in this document are true and correct.

For GATEWAY EAST INDIA PRIVATE LIMITED

Ishaan Gupta

GATEWAY EAST INDIA PRIVATE LIMITED

Mr. Ishaan Gupta
Director
DIN: 05298583

Place: Delhi
Date: 19.08.2021

Corporate Professionals

Date: August 21, 2021

Ref. No.: CPC/MB/62/2021-22

The Board of Directors
Gateway East India Private Limited
Sector 6, Dronagiri, Taluka Uran, District Raigad, Navi Mumbai – 400707

Dear Sir(s),

Subject: Proposed Composite Scheme of Amalgamation for Amalgamation of Gateway East India Private Limited with Gateway Distriparks Limited and Gateway Distriparks Limited with Gateway Rail Freight Limited ("Scheme") and their respective shareholders and creditors

Re: Due Diligence Certificate in adherence to para 3 of Part I of the SEBI's Master Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020

PURPOSE:

This has reference to our engagement for providing Due Diligence Certificate ("Certificate") on the accuracy and adequacy of the disclosures made in the Abridged Prospectus by **Gateway East India Private Limited** ("the Company") as per the format provided in Part E of Schedule VI of SEBI (ICDR) Regulations, 2018 as amended from time to time, read with the SEBI's Master Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020. The Scheme, under Section 230 to Section 232 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) thereof), has been approved by the Board of Directors of the Company on September 28, 2020 and shall be effective from the Appointed Date i.e. April 01, 2020 or such other date as may be fixed or approved by the Hon'ble National Company Law Tribunal or any other Appropriate Authority.

The information contained herein and our Certificate is intended only for the sole use of captioned purpose of obtaining requisite approvals as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and compliance of the SEBI's Master Circular SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020.

SCOPE AND LIMITATIONS:

- This Certificate is for a specific purpose and is issued in terms of and in compliance with the SEBI's Master Circular dated December 22, 2020 and hence should not be used for any other purpose or transaction.

Corporate Professionals Capital Pvt. Ltd. D-28 South Extn. Part-I New Delhi 110049

- Our due diligence and result are specific to the date of this Certificate and based on information as at August 19, 2021. Further, we have no responsibility to update this Certificate on the circumstances or events after the date hereof.
- We have relied upon the financials and the information and representations furnished to us by the management of the Company and the information available in public domain and have not carried out any audit of such information. Our work does not constitute audit of financials including working results of the Company and accordingly, we are unable to and do not express an opinion on the fairness of any financial information referred to in the Abridged Prospectus.
- This Certificate is issued on the undertaking that the Company have drawn our attention to all the matters, which they are aware of concerning inter-alia the financial position of the Company, its business, and any other matter, which may have an impact on our Certificate, including any material risk concerning the Company or are likely to take place in the financial position of the Company or its business.
- We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of reliance on the information set out here in this Certificate.
- Our opinion is not, nor should it be construed as our opining or certifying the compliance with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

CONCLUSION:

In the circumstances, having regard to all relevant factors, on the basis of information and explanations given to us and on the basis of due diligence conducted by us, we certify as on the date hereof, that the disclosures made in the Abridged Prospectus dated August 19, 2021 is in conformity with the relevant documents, materials and other papers related to the Company and are fair, accurate and adequate.

Yours Faithfully,

For **Corporate Professionals Capital Private Limited**



(Manoj Kumar)
Partner and Head – M&A and Transactions

GATEWAY DISTRIPARKS LIMITED

CIN: L74899MH1994PLC164024
Registered Office: Sector 6, Dronagiri, Taluka Uran, District: Raigad Navi Mumbai – 400707, Maharashtra, India
Phone: +91 22 2724 6500 **Fax**: +91 22 2724 6538 **Email**: investor@gateway-distriparks.com
Website: https://www.gateway-distriparks.com

POSTAL BALLOT FORM

1. Name and address of the Sole/First named Equity Shareholder registered with Gateway Distriparks Limited

2. Name(s) and address(es) of the Joint Equity Shareholders, if any, registered with Gateway Distriparks Limited

3. Registered Folio No. /DP-ID-Client ID No.*
*(*Applicable to equity shareholders holding equity shares in dematerialized form)*

4. No. of Shares held

5. I / we hereby exercise my / our vote in respect of the resolution to be passed through postal ballot for the business stated in the notice dated 25 August 2021 of the meeting of the equity shareholders of Gateway Distriparks Limited convened pursuant to the directions of the Hon'ble National Company Law Tribunal at Mumbai ("**Notice**"), by recording my / our assent or dissent to the said resolution by placing a tick (✓) mark at the appropriate box below:

SL. NO.	DESCRIPTION OF RESOLUTION(S)	NO. OF SHARES FOR WHICH VOTES CAST	I / WE ASSENT TO THE RESOLUTION (FOR)	I / WE DISSENT TO THE RESOLUTION (AGAINST)
1.	Approval of the composite scheme of amalgamation for: (i) amalgamation (merger by absorption) of Gateway East India Private Limited ("**GEIPL**") with Gateway Distriparks Limited ("**GDL**"); and (ii) amalgamation (merger by absorption) of GDL (post amalgamation of GEIPL with GDL) with Gateway Rail Freight Limited ("**GRFL**") and their respective shareholders under Sections 230 to 232 and other			

SL. NO.	DESCRIPTION OF RESOLUTION(S)	NO. OF SHARES FOR WHICH VOTES CAST	I / WE ASSENT TO THE RESOLUTION (FOR)	I / WE DISSENT TO THE RESOLUTION (AGAINST)
	applicable provisions of the Companies Act, 2013 and other matters incidental thereto.			

Place: ..... (Signature of the Equity Shareholder(s))
Date: ..... (Must be as per the specimen signature registered with GDL)

IMPORTANT NOTES

(1) The voting period for postal ballot commences on Sunday, 29 August 2021 at 9:00 A.M. (IST) and ends on Monday, 27 September 2021 at 5:00 P.M. (IST). The equity shareholders desiring to exercise their votes by postal ballot are requested to carefully read the instructions printed in this postal ballot form and in the notice, and return scan (pdf file) of the duly completed postal ballot form, signed and authenticated by the person entitled to vote, alongwith the relevant documents, by e-mail to the Scrutinizer at scrutinizer@snaco.net from their registered email address with a copy marked to GDL by e-mail at investor@gateway-distriparks.com, no later than 5:00 P.M. on 27 September 2021. If any e-mail containing the postal ballot and the requisite documents are received after 5:00 P.M. on 27 September 2021, it will be considered that no reply from the equity shareholder has been received.

(2) The equity shareholder may, if feasible/ permissible under the present circumstances on account of COVID-19 pandemic, send by registered post, the duly completed postal ballot form, signed and authenticated by the person entitled to vote, along with documents referred herein, to the registered office of GDL at: Gateway Distriparks Limited, kind. attn. Ms. Veena Nair, Sector 6, Dronagiri, Taluka Uran, District: Raigad Navi Mumbai – 400707, Maharashtra, India. However, GDL encourages its equity shareholders to send copy of the duly completed postal ballot form along with requisite documents via e-mail or avail the e-voting facility made available prior to or at the meeting instead of sending physical copies under the present circumstances. For the same reason, the postal ballot form along with pre-paid printed business reply envelope is not being sent by e-mail.

NOTES / INSTRUCTIONS

1. Pursuant to an order dated 28 July 2021 under Section 230(1) of the Companies Act, 2013 ("**Act**") in Company Application No. CA (CAA) No. 54/MB/2021 ("**Order**"), passed by the Hon'ble National Company Law Tribunal at Mumbai ("**Tribunal**"), a meeting of the equity shareholders of Gateway Distriparks Limited ("**GDL**") is being held on Tuesday, 28 September 2021 between 11.30 A.M. and 12.30 P.M. ("**Meeting**") through video conferencing ("**VC**") or other audio visual means ("**OAVM**"), following the operating procedures (with requisite modifications as may be required) referred to in Circular No.14/2020 dated 8 April 2020, Circular No. 17/2020 dated 13 April 2020, Circular No. 22/2020 dated 15 June 2020, Circular No. 33/2020 dated 28 September 2020, Circular No. 39/2020 dated 31 December 2020 and Circular No. 10/2021 dated 23 June 2021 issued by the Ministry of Corporate Affairs, Government of India, for the purpose of considering and, if thought fit, approving with or without modification(s), the composite scheme of amalgamation for: (i) amalgamation (merger by absorption) of Gateway East India Private Limited ("**GEIPL**") with Gateway Distriparks Limited ("**GDL**); and (ii) amalgamation (merger by absorption) of GDL (post amalgamation of GEIPL with GDL) with Gateway Rail Freight Limited ("**GRFL**") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Act ("**Scheme**"). Further, there shall be no meeting requiring physical presence at a common venue in view of the present circumstances on account of the COVID-19 pandemic.

2. In terms of the Order, the Tribunal has appointed Mr. Prem Kishan Dass Gupta, Chairman & Managing Director of GDL, as the Chairperson of the Meeting and failing him, Mr Ishaan Gupta, Joint Managing Director of GDL, as the Alternate Chairperson of the Meeting, including for any adjournment(s) thereof. The Tribunal has also appointed Ms. Malati Kumar (Membership No.: 15508) and failing her, Ms. Aparna Gadgil (Membership No.: 14713) of M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries, as the Scrutinizer for the Meeting, including for any adjournment(s) thereof.

3. Pursuant to the provisions of: (a) Section 230(4) read with Sections 108 and 110 of the Act; (b) Rule 6 (3)(xi) of the Rules; (c) Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof); (d) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"); and (e) Master Circular on Scheme of Arrangement by Listed Entities dated 22 December 2020 issued by the Securities and Exchange Board of India ("**SEBI**"), as amended from time to time ("**SEBI Circular**") and other relevant laws and regulations, as may be applicable, GDL has provided the facility of voting by postal ballot and remote e-voting (prior to the Meeting) so as to enable the equity shareholders (which includes the public shareholders) to consider and approve the Scheme by way of the aforesaid resolution. In addition, e-voting facility shall also be made available during the Meeting. Accordingly, voting by equity shareholders on the proposed resolution shall be carried out through postal ballot or through e-voting facility made available both prior to as well as during the Meeting.

   Note*: In case any equity shareholder intends to cast the vote by using the e-voting facility, the e-voting instructions given in the Notice are to be followed.*

4. In terms of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the equity shareholders of GDL if the resolution mentioned in the Notice has been approved at the Meeting by a majority of persons representing three-fourths in value of the equity

shareholders of GDL, voting through postal ballot, or through remote e-voting facility made available both prior to as well as during the Meeting through VC / OAVM.

5. The Notice, together with the documents accompanying the same, including the Explanatory Statement, the Scheme and this Postal Ballot Form is being sent vide email to all the equity shareholders of GDL whose names appear in the register of members / list of beneficial owners as received from Link Intime India Private Limited ("**Link Intime**") as on Monday, 23 August 2021 by e-mail in view of the ongoing COVID-19 pandemic. The voting rights for the purposes of postal ballot or e-voting facility made available both prior to as well as during the Meeting, shall be reckoned on the basis of the paid up value of the equity shares registered in the name of the equity shareholder as on Monday, 23 August 2021.

***Note**: In case the e-mail address of a shareholder is not registered with GDL/ depository, the instructions given in the Notice are to be followed for registering the same*.

6. The Notice will be displayed on the website of GDL at https://www.gateway-distriparks.com/SchemeOfArrangement.php, from where the postal ballot form can also be downloaded.

7. The SEBI Circular, *inter alia*, provides that approval of public shareholders of GDL to the Scheme shall be obtained by way of voting through remote e-voting. Since, GDL is seeking the approval of its equity shareholders (which includes public shareholders) to the Scheme by way of voting through postal ballot and remote e-voting, no separate procedure for voting through e-voting would be required to be carried out by GDL for seeking the approval to the Scheme by its public shareholders in terms of SEBI Circular. The aforesaid notice sent to the equity shareholders (which includes public shareholders) of GDL would be deemed to be the notice sent to the Public Shareholders of GDL. For this purpose, the term "Public" shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term "Public Shareholders" shall be construed accordingly.

8. The postal ballot form should be completed and signed by the equity shareholder (as per specimen signature registered with the GDL and/ or furnished by the depositories). In case, shares are jointly held, this form should be completed and signed by the first named member and, in his/ her absence, by the next named member. Further, there will be only one postal ballot form for every Registered Folio/ Client ID irrespective of the number of joint shareholders.

9. The vote on postal ballot cannot be exercised through proxy.

10. A body corporate which is an equity shareholder of GDL is entitled to appoint an authorized representative for the purpose of participating and / or voting during the Meeting held through VC/ OAVM. Further, such body corporate (i.e., other than Individuals, HUF, NRI, etc.) is required to send scanned certified copy (PDF file) of the relevant resolution/ authority letter together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer at scrutinizer@snaco.net from their registered email address with a copy marked to investor@gateway-distriparks.com, no later than 48 hours before the scheduled time of the Meeting.

11. Equity shareholder (in case such equity shareholder is an individual) or the authorized representative of the equity shareholder (in case such equity shareholder is a corporate member) should additionally e-mail copy of their valid and legible identity proof (PDF file)

issued by a statutory authority (i.e. PAN card/ Aadhaar card/ Passport/ Driving License/ Voter ID Card) to the Scrutinizer at scrutinizer@snaco.net from their registered email address with a copy marked to investor@gateway-distriparks.com, no later than 48 hours before the scheduled time of the Meeting.

12. Holder(s) of power of attorney ("**PoA**") on behalf of an equity shareholder may vote on the postal ballot mentioning the registration number of the PoA with GDL and sending a scan (PDF file) of the PoA authenticated by a notary (if permissible under the present circumstances on account of COVID-19 pandemic) or alternatively self-attesting it, to the Scrutinizer at scrutinizer@snaco.net from their registered email address with a copy marked to investor@gateway-distriparks.com, no later than 48 hours before the scheduled time of the Meeting.

13. Please note that each equity shareholder (including public shareholders) can opt for only one mode for voting i.e., through postal ballot or through e-voting prior to or at the Meeting (through VC / OAVM). In case equity shareholders cast their vote via both the modes i.e., postal ballot as well as e-voting either prior to or at the Meeting, then voting done through e-voting mode shall prevail and voting by equity shareholder through other means shall be treated as invalid.

14. Please convey you assent/ dissent in the postal ballot form. The assent or dissent received in any other form shall not be considered valid.

15. The votes should be casted either in favour or against the resolution by placing a tick (✓) mark in the column provided for assent or dissent, respectively. Postal ballot form bearing tick (✓) mark in both columns will render the postal ballot form invalid.

16. Votes by remote e-voting (prior to the Meeting) or postal ballot does not disentitle an equity shareholder from attending the Meeting. However, any equity shareholder who has voted through remote e-voting prior to the Meeting or postal ballot cannot vote through remote e-voting during the Meeting. The equity shareholders of GDL attending the Meeting through VC / OAVM who have not cast their vote either through postal ballot or remote e-voting prior to the Meeting shall be entitled to exercise their vote using the e-voting facility made available during the Meeting through VC / OAVM. The Scrutinizer's decision on the validity of the votes shall be final.

17. The Scrutinizer will submit his combined report to the chairperson and/ or the alternate chairperson (as the case may be) after completion of the scrutiny of the votes cast by the equity shareholders (including public shareholders) of GDL through postal ballot and remote e-voting (both prior to and during the Meeting). The results shall be announced on or before Thursday, 30 September 2021. The results along with the report of the Scrutinizer shall be displayed at the registered office of GDL situated at Sector 6, Dronagiri, Taluka Uran, District: Raigad Navi Mumbai – 400707, Maharashtra, India and its website https://www.gateway-distriparks.com and Link Intime's website https://instavote.linkintime.co.in, besides being communicated to the stock exchanges namely, the National Stock Exchange of India Limited and BSE Limited, where the equity shares of GDL are listed.

18. The resolution shall be deemed to be passed at the registered office of GDL on the date of the Meeting, subject to receipt of the requisite number of votes in favour of the resolution.

19. Equity shareholders who are sending the form by registered post are requested to fill the form

in indelible ink and not in erasable writing mode.

20. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected by the Scrutinizer. There will be only one postal ballot form for every Registered Folio/ Client ID irrespective of the number of joint equity shareholders and only the primary holder will be considered for voting. Further, if any extraneous papers are found (in registered post), the same will be destroyed by the Scrutinizer.

21. All documents referred to in the Notice and the accompanying Explanatory Statement will be available for inspection by the equity shareholders at the registered office of GDL, situated at Sector 6, Dronagiri, Taluka Uran, District: Raigad Navi Mumbai – 400707, Maharashtra, India, on all days, except Saturday, Sunday and public holidays during business hours between 10:00 A.M. and 5:00 P.M. upto the date of the Meeting.

In case of any queries, please visit Help & FAQs section and e-voting User Manual available at the download section of Link Intime's website https://instavote.linkintime.co.in, or contact at enotices@linkintime.co.in / insta.vote@linkintime.co.in or on Phone No.: 022 – 4918 6000 or Toll Free No.: 1800 1020 878 for any further clarifications.