



Independent Auditor's Report

To the Members of Container Gateway Ltd.

Report on the Audit of financial statements

Opinion

We have audited the accompanying financial statements of **Container Gateway Ltd. ("the Company")** which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information [hereinafter referred to as "the financial statements"].

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) 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 financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not determined any key audit matters as the company has not commenced business activities till now.

Information Other than the financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 financial controls 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 system 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 financial statements, including the disclosures, and whether the 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

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 'A'** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Change in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 15 and 16 to the 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 **Mehrotra & Mehrotra**
Chartered Accountants
(FRN: 00226C)



CA Rajesh Jhalani

Partner

M. No. 074809

Place: New Delhi

Date: 06.05.2019

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements of **Container Gateway Ltd.** for the year ended 31st March, 2019, we report that:

- (i) The Company does not own any fixed asset. Accordingly, para (i) of the Order is not applicable.
- (ii) The company has not commenced its operations and does not hold any inventory. According, para (ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not granted secured or unsecured loan to a company, firm, LLP or other entity covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of sub-para (a), (b) and (c) of Para (iii) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of Companies Act, 2013 with respect to the loans, investments, guarantees and security to the extent their applicability.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year.
- (vi) In our opinion and according to the information and explanations given to us, the para (vi) of the Order regarding maintenance of cost records is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including income-tax and any other material statutory dues to the appropriate authorities. As explained to us, the Company did not have dues on account of provident fund, employees' state insurance, sales-tax, service tax, duty of customs, duty of excise, value added tax and cess.

According to the information and explanations given to us, no undisputed dues were in arrears as at 31st March, 2019 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, there are no disputed statutory dues outstanding at the year end.
- (viii) The company has not borrowed funds from financial institution, bank, Government or a debenture holder. Accordingly, the para (viii) of the Order is not applicable.
- (ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, para (ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The company has not paid managerial remuneration hence; the provisions of section 197 read with Schedule V to the Act are not applicable to it.



- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, para (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statement as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, para (xv) of the Order is not applicable.
- (xvi) As per our information, the company is not required to be registered under Section 45-1A of the Reserve Bank of India Act, 1934.

For Mehrotra & Mehrotra

Chartered Accountants

(FRN: 00226C)



CA Rajesh Jhalani

Partner

M. No. 074809

Place: New Delhi

Date : 06.05.2019

Annexure - B to the Independent Auditors' Report

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 **Container Gateway Ltd.** ("the Company") as of 31 March 2019 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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 Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Mehrotra & Mehrotra

Chartered Accountants
(FRN: 00226C)



CA Rajesh Jhalani

Partner

M. No. 074809

Place: New Delhi

Date : 06.05.2019

CONTAINER GATEWAY LIMITED

VIA PATUDI ROAD, WAZIRPUR MORH, NEAR GARHI HARSARU RAILWAY STATION, GARHI HARSARU,
GURGAON - 122505
CIN: U63030HR2007PLC036995


BALANCE SHEET AS AT 31 MARCH, 2019


Particulars	Note No	As at	
		31-March 2019	31-March 2018
ASSETS			
Non-current assets			
Property, Plant and Equipment		-	-
Capital Work-in-Progress	3	-	-
Other Intangible Assets		-	-
Financial Assets			
(i) Investments		-	-
(ii) Loans		-	-
(iii) Other Financial Assets	4	28,904	117,530
Other Non-Current Assets		-	-
Total Non-current assets		28,904	117,530
Current assets			
Financial Assets			
(i) Investments		-	-
(ii) Cash and cash equivalents	5(a)	20,513	15,083
(iii) Bank Balances other than above	5(b)	679,733	545,807
(iv) Other Financial Assets		-	-
Current Tax Asset (Net)	6	5,033	5,198
Other current assets		-	-
Total Current assets		705,279	566,088
TOTAL ASSETS		734,183	683,618
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	7(a)	1,000,000	1,000,000
Other Equity	7(b)	(739,498)	(732,623)
Total Equity Attributable To Owners		260,502	267,377
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Other Financial Liabilities		-	-
Provisions		-	-
Total Non-Current Liabilities		-	-
Current Liabilities			
Financial Liabilities			
(i) Borrowings		-	-
(ii) Other Financial Liabilities	8	469,681	412,241
Provisions		-	-
Other current liabilities	9	4,000	4,000
Current Tax Liability (Net)	10	-	-
Total Current Liabilities		473,681	416,241
TOTAL EQUITY AND LIABILITIES		734,183	683,618


Significant Accounting Policies 1-2
Notes to Financial Statements 3-23
The accounting notes are an integral part of the financial statements.

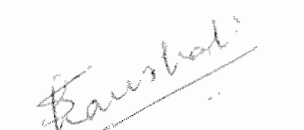
As per our report of even date
For Mehrotra & Mehrotra
Chartered Accountants
Firm Regn. No. 00226C

For and on behalf of board of directors of
Container Gateway Ltd.


CA. Rajesh Jhalani
Partner
M.No. 074809




Sanjay Swarup
Director
DIN:05159435


Sachin Surendra Bhanushali
Director
DIN:01479918

Date: 06.3.19
Place: New Delhi

Date: 06.3.19
Place: Delhi

CONTAINER GATEWAY LIMITED

VIA PATUDI ROAD, WAZIRPUR MORH, NEAR GARHI HARSARU RAILWAY STATION, GARHI HARSARU, GURGAON -122505

CIN: U63030HR2007PLC036995

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

	Particulars	Note No	31-March-2019	31-March-2018
I	Revenue From Operations		-	-
II	Other Income	11	50,565	52,627
III	Total Income (I+II)		50,565	52,627
IV	EXPENSES			
	Cost of Materials Consumed		-	-
	Purchase of Stock-in-Trade		-	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
	Employee Benefits Expense		-	-
	Finance Costs		-	-
	Depreciation and amortization expense		-	-
	Other Expenses	12	57,440	64,788
	Total Expenses (IV)		57,440	64,788
V	Profit/(loss) before exceptional items and tax (I- IV)		(6,875)	(12,161)
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		(6,875)	(12,161)
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
			(6,875)	(12,161)
IX	Profit (Loss) for the period (VII-VIII)		(6,875)	(12,161)
X	Profit/(loss) for the period		-	-
XI	Other Comprehensive Income		-	-
	A (i) Items that will not be reclassified to profit or loss		-	-
	A (ii) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XII	Total Comprehensive Income for the period (X+XI (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(6,875)	(12,161)
XIII	Earnings per equity share			
	(1) Basic		(0.07)	(0.12)
	(2) Diluted		-	-

Significant Accounting Policies
Notes to Financial Statements
As Per Our Report of Even Date

1-2
3-23

For MEHROTRA & MEHROTRA
Chartered Accountants
(FRN: 00226C)

C.A. Rajesh Jhalani
Partner
M No. 074809



Date: 6.5.19
Place: Delhi

For and on behalf of board of directors of
Container Gateway Ltd.

Saniyar Swarup
Director
DIN:05159435

Sachin Surendra Bhanushali
Director
DIN:01479918

Sachin Surendra Bhanushali

Saniyar Swarup

Statement of Cash Flows for the year ended 31 March 2019

	Notes	31 March 2019	31 March 2018
Operating activities			
Profit before tax from continuing operations		(6,875)	(12,161)
Profit before tax from discontinued operations		-	-
Profit before tax		(6,875)	(12,161)
Adjustments to reconcile profit before tax to net cash flows:			
Interest Income	Note 11	(50,333)	(51,983)
Working capital adjustments:			
Decrease / (increase) in trade receivables		-	-
Decrease / (increase) in long term and short term loans and advances		-	-
Decrease / (increase) in inventories		-	-
(Increase) in unbilled revenue		-	-
Decrease / (increase) in other current and non current assets		165	9,147
(Decrease)/ Increase in trade payables, other current and non current liabilities	Note 8,9 & 10	57,440	64,788
(Decrease)/ Increase in provisions		-	-
Cash generated from operating activities		397	9,792
Income tax paid (including TDS) (net)		-	-
Net cash flows from operating activities (A)		397	9,792
Investing activities			
Interest income received	Note 11	138,959	5,198
Proceeds from sale of property, plant and equipment		-	-
Purchase of property, plant and equipment (including CWIP)	Note 3	-	-
Net cash flows from / (used in) investing activities (B)		138,959	5,198
Financing activities			
Proceeds from long term borrowings		-	-
Repayment of long term borrowings		-	-
Proceeds from short term borrowings		-	-
Repayment of short term borrowings		-	-
Bank overdraft (repaid) / taken (net)		-	-
Finance costs		-	-
Net cash flows from / (used in) financing activities (C)		-	-
Net increase / (decrease) in cash and cash equivalents (A+B+C)		139,356	14,990
Opening balance of cash and cash equivalents	Note 4	560,890	545,900
Add/ (less): Exchange difference on translation of foreign currency cash and cash equivalents		-	-
Cash and cash equivalents at the end		700,246	560,890

As per our report of even date
 For Mehrotra & Mehrotra
 Chartered Accountants
 Firm Regn. No. 002260

CA. Rajesh Jhalani
 Partner
 M.No. 074809



Date: 06.5.19
 Place: New Delhi

For and on behalf of board of directors of
 Container Gateway Ltd.

Sanjay Swarup
 Director
 DIN:05159435

Sachin Surendra Bhanushali
 Director
 DIN:01479918

Date: 06.5.19
 Place: New Delhi

CONTAINER GATEWAY LIMITEDVIA PATUDI ROAD, WAZIRPUR MORH, NEAR GARHI HARSARU RAILWAY STATION, GARHI HARSARU,
GURGAON -122505

CIN: U63030HR2007PLC036995

Statement of changes in equity for the year ended 31 March 2019

Amount in Rs.

A. Equity Share Capital

Balance at the beginning of the reporting period as at 01.04.2018	Change in equity share capital during the year	Balance at the end of the reporting period as at 31.03.2019
1,000,000	-	1,000,000

b) Other Equity

Particulars	Retained Earnings	Other items of Other Comprehensive Income (specify nature)	Total
Balance at the beginning of the reporting period as at 01.04.2018	(732,623)	-	(732,623)
Profit /loss for the year	(6,875)	-	(6,875)
Total Comprehensive Income for the year	(6,875)	-	(6,875)
Balance at the closing of the reporting period as at 31.03.2019	(739,498)	-	(739,498)

As per our report of even date

For Mehrotra & Mehrotra


Chartered Accountants

Firm Regn. No. 00226C



CA. Rajesh Jhalani

Partner

M.No. 074809

For and on behalf of board of directors of
Container Gateway Ltd.

Sanjay Swarup
Director

DIN:05159435


Sachin Surendra Bhanushali
Director

DIN:01479918

Date: 06.5.19

Place: New Delhi

Date: 06.5.19

Place: Delhi

CONTAINER GATEWAY LTD.

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET FOR THE YEAR ENDED 31.03.2019.

NOTE 1: COMPANY OVERVIEW

1. The company has been formed as a joint venture company (JV Company) between Container Corporation of India Ltd. and Gateway Rail Freight Ltd. with the share capital ratio of 49% and 51% respectively. The main objects of the company are to set up, manage and operate Container Freight Stations and manage road/rail linked Container Terminal at Garhi Harsaru.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (the 'Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015.

Accounting policies are constantly applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires change in Accounting Policy hitherto in use.

Basis of Measurement

The financial statements are prepared and presented under the historical cost convention, except for certain items which are measured at fair value.

Operating Cycle

The operating cycle of the company has been ascertained as twelve months for the purpose of current and non-current classification of assets and liabilities.

2.2 Significant Accounting Judgments, Estimates and assumptions

The preparation of financial statements requires the use of judgments, best estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date.

Although these financial statements reflect management's best estimates based on information available at the time of the preparation of these financial statements, the outcome of transactions and actual situations could differ from those estimates due to changes in assumptions or economic conditions.



The main sensitive accounting methods involving use of estimates and judgments are described below.

- a) Determination of useful life of Property plant and Equipment and Intangibles.
- b) Recognition of deferred tax assets.

The Management of the Company evaluates whether it is probable that in the foreseeable future there will be taxable profits against which losses can be utilized and accordingly it recognizes (or does not recognize) deferred tax assets.

2.3 Revenue Recognition

The company has not commenced its operations till the year end as at 31st March, 2019 hence, no operational revenue generated during the year.

2.4 Current Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or 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.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will 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.

2.5 Current versus non-current classification

The Company presents assets and liabilities in the consolidated balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period; or
- 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:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.



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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.6 Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the consolidated balance sheet date. These are reviewed at each consolidated balance sheet date and adjusted to reflect the current best estimates.

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 consolidated financial statements.

2.7 Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition of tangible assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

The Company adjusts entire exchange differences arising on translation / settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. The Company identifies and determines cost of each component / part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation

The Company provides depreciation on property, plant and equipment using the Straight Line Method, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The management has



estimated the useful lives of all its tangible assets as per the useful life specified in Part 'C' of Schedule II to the Act.

2.8. Financial Instruments

a) Non Derivative Financial Assets

i) Financial assets at fair value through statement of profit & Loss

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. A financial asset is classified in this category if acquired principally to sell in the short term.

Assets in this category are classified as current assets. This category also includes investments in shares, debt instruments, time deposits, derivatives not designated as hedges and other financial investments.

ii) Trade and other receivables: Financial assets representing a contractual right to receive cash in the future.

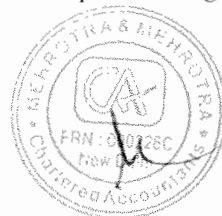
Trade receivables are initially recognized at fair value and subsequently at amortized cost.

iii) Held to Maturity financial assets: A held-to-maturity investment is a non derivative financial asset that has either fixed or determinable payments and a fixed maturity, and for which an entity has both the ability and the intention to hold to maturity. They are measured at their fair value.

iv) Cash and cash Equivalents: Cash is a financial asset because it represents the medium of exchange and is therefore the basis on which all transactions are measured and recognized in financial statements. A deposit of cash with a bank or similar financial institution is a financial asset because it represents the contractual right of the depositor to obtain cash from the institution or to draw a cheque or similar instrument against the balance in favour of a creditor in payment of a financial liability. They are measured at their fair value.

b) Non Derivative Financial Liabilities

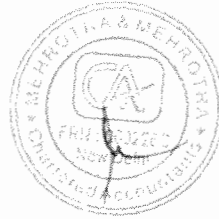
i) Trade and other payables – Accounts payable to suppliers are initially recognized at fair value and subsequently at amortized cost using effective interest method. Common examples of financial assets representing a contractual right to receive cash in the future and corresponding financial liabilities representing a contractual obligation to deliver cash in the future.



ii) Interest bearing loans and other financial liabilities

Loans and other financial liabilities of a similar nature are initially recognized at fair value, net of the costs incurred in the transaction. Subsequently, they are valued at amortized cost and any difference between the funds obtained (net of costs to obtain them) and repayment value are recognized in the income statement over the life of the debt using the effective interest rate method.

b) Issued Capital – Ordinary shares are classified as net equity.



CONTAINER GATEWAY LIMITED

VIA PATUDI ROAD, WAZIRPUR MORH, NEAR GARHI HARSARU RAILWAY STATION, GARHI HARSARU, GURGAON -122505
CIN: U63030HR2007PLC036995

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET As at 31 MARCH, 2019

Particulars	As at	As at
	31-March 2019	31-March 2018
Note 3		
Capital Work in Progress		
Preliminary expenses	-	-
Pre-operative expenses	-	-
Total	-	-
Note 4		
Other Financial Assets		
Interest Accrued on Fixed Deposits with Banks	28,904	117,530
Total	28,904	117,530
Note 5		
FINANCIAL ASSETS		
5(a) Cash and Cash Equivalents		
Balance in Current Account with Scheduled Bank	20,513	15,083
Total	20,513	15,083
5(b) Bank Balances other than above		
Fixed Deposit with Scheduled Bank (Maturity more than 12 months)	679,733	545,807
Total	679,733	545,807
Note 6		
CURRENT TAX ASSET (NET)		
Prepaid Taxes - Tax Deducted at Source by HDFC Bank Advance Tax paid	5,033	5,198
Less: Provision for Tax	-	-
Total	5,033	5,198

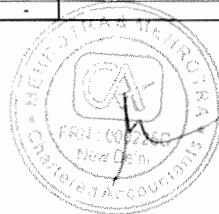


CONTAINER GATEWAY LIMITED

VIA PATUDI ROAD, WAZIRPUR MORH, NEAR GARHI HARSARU RAILWAY STATION, GARHI HARSARU, GURGAON -122505
CIN: U63030HR2007PLC036995

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET As at 31 MARCH, 2019

Particulars	As at		As at	
	31-March 2019		31-March 2018	
Note 7				
a) EQUITY:				
AUTHORISED SHARES				
100000 Equity Shares of Rs.10/- each	1,000,000		1,000,000	
ISSUED, SUBSCRIBED & PAID UP SHARES				
100000 equity shares of Rs.10/- each fully paid up in cash	1,000,000		1,000,000	
Total issued, subscribed and paid-up share capital	1,000,000		1,000,000	
a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period				
	31-Mar-19		31-Mar-18	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
At the beginning of the period	100,000	1,000,000	100,000	1,000,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	100,000	1,000,000	100,000	1,000,000
b. Terms/rights attached to equity shares				
The company has only class of equity shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share				
c. Shares held by the holding company				
Out of equity shares issued by the company, shares held by its holding company are as follows:				
	31-Mar-19		31-Mar-18	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Equity share of Rs.10/- each fully paid Gateway Rail Freight Ltd.	51,000	510,000	51,000	510,000
d. Details of shareholders holding more than 5% share in the Company				
	31-Mar-19		31-Mar-18	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity share of Rs.10/- each fully paid Container Corporation of India Ltd.	49,000	49	49,000	49
Gateway Rail Freight Ltd.	51,000	51	51,000	51
b) Other Equity				
Opening Surplus in Statement of Profit & Loss		(732,623)		(720,462)
ADD: Profit/(Loss) during the year		(6,875)		(12,161)
ADD: Other Comprehensive Income		-		-
Less: Appropriation		-		-
Net Surplus in Statement of Profit & Loss		(739,498)		(732,623)
		(739,498)		(732,623)
Note 8				
OTHER FINANCIAL LIABILITIES				
Gateway Rail Freight Ltd.		436,756		377,316
Mehrotra & Mehrotra		-		-
SGS Associates		13,325		13,325
Provision For Audit Fee		19,600		21,600
Total		469,681		412,241
Note 9				
OTHER CURRENT LIABILITIES				
Statutory Liabilities (TDS Payable)		4,000		4,000
		4,000		4,000
Note 10				
Current Liability (Net)				
Provision for Income Tax		-		-
Less: (Prepaid Taxes - Tax Deducted at Source by HDFC Bank Advance Tax paid)		-		-
Total		-		-



CONTAINER GATEWAY LIMITED

VIA PATUDI ROAD, WAZIRPUR MORH, NEAR GARHI HARSARU RAILWAY STATION, GARHI HARSARU, GURGAON -122505

CIN : U63030HR2007PLC036995

Notes annexed to and forming part of the Financial Statements for the year ended 31 March 2019

	31-March 2019	31-March 2018
Note 11		
Other Income		
Interest Earned on Deposit With Bank	50,333	51,983
Interest on Income Tax Refund	232	644
Total	50,565	52,627
Note 12		
Other Expenses		
Professional Fees	23,600	23,600
Meeting Expenses	9,440	12,363
Rates & Taxes	800	5,225
Statutory Audit Fee	23,600	23,600
Total	57,440	64,788



13. Since the company has not commenced its operation during the year, certain information as required to be disclosed as per Companies Act, 2013 are not applicable.

14. As per Indian Accounting Standard 24 (Ind AS-24) 'Related Party Disclosures', the disclosures of transactions with the related parties as under:

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sl. No.	Name of the Related Party	Relationship
1	Gateway Rail Freight Ltd.	Holding Company
2	Container Corporation of India Limited	Joint Venture Partner

(ii) Transactions during the period with Related Parties:

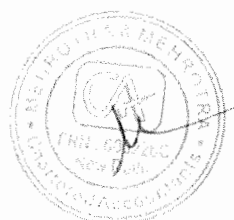
(In Rupees)

S. No.	Name of the Company/Nature of	For the year 2018-2019	For the year 2017-2018
1	Gateway Rail Freight Limited		
a)	Transactions	Nil	Nil
b)	Closing Balance		
	Equity subscribed	5,10,000	5,10,000
	Amount due to them	436,756	3,77,316
2	Container Corporation Limited		
a)	Transactions	Nil	Nil
b)	Closing Balance		
	Equity subscribed	4,90,000	4,90,000

15. The company has entered into a lease deed on 07.12.2007 with Gateway Distriparks Ltd. to take on lease some land and buildings at village Wazirpur at monthly rental of Rs.38,61,000/- but no action thereafter has been taken in this regard and this lease deed remained unregistered even till date. Therefore, no liability on this account has been considered in the accounts.

16. Arbitration proceedings are going on between both the joint venture parties i.e. Container Corporation of India Ltd. and Gateway Rail Freight Ltd. in respect of agreement entered into by the parties for operation of Container trains from Inland Container Depot and Rail Sidings of Gateway Rail Freight Ltd. at Garhi, Harsaru, Gurgaon.

17. In the opinion of the management, the current assets are of the value stated, if realized in the ordinary course of business and further provisions have been made for all known and determined liabilities.



18. The company has been formed as a joint venture company (JV Company) between Container Corporation of India Ltd. and Gateway Rail Freight Ltd. with share capital ratio of 49% and 51% respectively. The holding of both joint venture companies in the company is as under:

- a) Container Corporation of India Ltd. - 49,000 equity shares of Rs.10/- each fully paid up.
- b) Gateway Rail Freight Ltd. - 51,000 equity shares of Rs. 10/- each fully paid up.

19. Capital Commitments: NIL

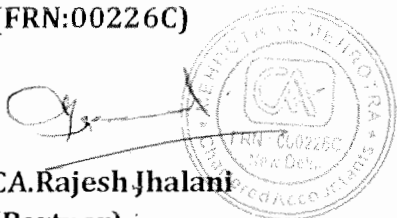
20. Contingent liabilities: Nil (Previous Year Rs. Nil)

21. Payment to Auditors (including Service Tax / GST)
Audit Fee: Rs. 23,600/- (Previous Year Rs.23,600/-)
For Other Matters: Rs.24,400/- (Previous Year Rs.23,600/-)

22. Previous period figures have been re-classified/regrouped, wherever considered necessary in compliance of Ind AS.

As per our report of even dated annexed

**For Mehrotra & Mehrotra
Chartered Accountants
(FRN:00226C)**



**CA. Rajesh Jhalani
(Partner)
M. No. 074809**

**For & on behalf of board of directors of
Container Gateway Ltd.**

Sanjay Swarup
**Sanjay Swarup
Director
DIN:05159435**

Sachin Surendra Bhanushali
**Sachin Surendra Bhanushali
Director
DIN:01479918**

Date: 6.5.19

Place: New Delhi