

**INDIA PORTS GLOBAL LIMITED**  
**4<sup>TH</sup> Floor, Nirman Bhavan, Mujawar Pakhadi Road,**  
**Mazgaon, Mumbai – 400010, Maharashtra, India**

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<b>Quotation</b>	Quotation to be filled in and submitted only by party to whom quotation enquiry has been sent
<b>Quotation Title</b>	<p>A. APPOINTMENT OF FIRM OF CHARTERED ACCOUNTANTS FOR PREPARING FINANCIAL STATEMENTS FOR YEAR ENDED 31.03.2024.</p> <p style="text-align: center;">AND</p> <p>B. CONSULTANT TO PROVIDE A COMPREHENSIVE ANALYSIS AND GUIDANCE ON THE TRANSFER OF AN ASSET BETWEEN INDIA PORTS GLOBAL LTD (IPGL) AS THE HOLDING COMPANY IN INDIA AND INDIA PORTS GLOBAL CHABAHAR FREE ZONE COMPANY (IPGCFZ), ITS SUBSIDIARY COMPANY IN IRAN</p>
<b>QUOTATION SUBMISSION DUE DATE</b>	24 <sup>th</sup> April, 2024 at 15:00 HRS.

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## **GENERAL INFORMATION**

India Ports Global Limited (IPGL) was incorporated on 22nd January, 2015 as an SPV Company for the development of Chabahar Port and Jawaharlal Nehru Port Trust and Deendayal Port Trust was the shareholders. Currently Company is a wholly owned subsidiary of Sagarmala Development Company Limited having an authorized & paid up capital of Rs. 10 crores.

A MoU between the Government of the Republic of India and Government of the Islamic Republic of Iran over the Partnership of India in development Plan of Chabahar has been entered into on 6th May 2015. Thereafter Company has signed the Contract of equipping and operating Container / Multi-purpose Terminals at Chabahar Port in Iran with Aria Banader Iranian Port and Marine Services Company on 23rd May, 2016. Company has to operate the Port for ten years as per the Agreement. In this context Company had incorporated its wholly owned subsidiary, "India Ports Global Chabahar Free Zone" (IPGCFZ) in Iran which was registered on 03rd June, 2018 to operate the port.

Company has executed Short Lease Contract on 06th May, 2018 and the operation was commenced on 25th December, 2018

## **SCOPE OF WORK**

### **A. Job Scope for Preparation of Statement of Accounts for INDIA PORTS GLOBAL LTD (IPGL)- Standalone and Consolidated for the Year Ended 31.03.2024 (FY 2023-24):**

#### **1. Review and Correction of Tally Entries:**

- Verification of Previous Year CAG comments and its rectifications (if any)
- Conduct detailed scrutiny of tally accounting entries, including provision entries for IPGL.
- Rectify any discrepancies or errors identified in the above entries.

#### **2. Preparation of Standalone Financial Statements (SFS):**

- Compile and organize financial data to prepare standalone financial statements for IPGL.
- Prepare Financial Statement which include Balance Sheet, Profit and Loss Account, Cash Flow Statement, Statement of Changes in Equity, Notes to Account, etc. in accordance with applicable Ind AS.

#### **3. Statement of Accounting Policies and Notes to Accounts:**

- Document and articulate the accounting policies including new policies (if any) followed by IPGL.
- Prepare comprehensive notes to the accounts detailing significant accounting treatments and disclosures as per Ind AS requirements.

#### **4. Conversion and Preparation of Consolidated Financial Statements (CFS) for IPGCFZ, Iran:**

- Convert financial statements of INDIA PORTS GLOBAL CHABAHAR FREE ZONE COMPANY (IPGCFZ), Iran to comply with Ind AS.
- Prepare consolidation procedures including eliminating intercompany transactions and converting foreign currency amounts to INR as per applicable laws & Accounting Standard.
- Prepare Consolidated financial statement which include Balance Sheet, Profit and Loss Account, Cash Flow Statement, Statement of Changes in Equity, Notes to Account, etc. in accordance with applicable Ind AS.

#### **5. Consolidated Financial Statements Policies and Notes:**

- Prepare consolidated accounting policies aligning with Ind AS.
- Comprehensive notes to the consolidated accounts reflecting significant information and disclosures.

**6. Specialized Accounting Entries and Statements:**

- Prepare depreciation statement adhering to both Companies Act and Income Tax Act requirements.
- Calculate and record entries for Gratuity and leave encashment. Actuarial valuations to be done as per Ind-A.S. 19 (if applicable).
- Address deferred tax entries (DTA/DTL) as per applicable Ind AS and regulations.
- Ensure inclusion of figures from the previous year wherever necessary.

**7. Resolution of Government Audit Queries:**

- Address any queries raised by government auditors pertaining to earlier periods.
- Incorporate corrections advised by statutory auditors & CAG as required.

**8. Finalization and Compliance:**

- Undertake any additional tasks necessary for finalization of accounts as per statutory auditor's requirements.
- Ensure compliance with all regulatory standards and accounting principles.

**9. Documentation and Submission:**

- After freezing the data and making corrections, submit the financial statements with working in hard form as well as soft form with link for future reference.

**10. Continuous Communication and Coordination:**

- Maintain open communication with stakeholders throughout the process, including management, auditors, and regulatory authorities.
- Coordinate with relevant parties to address any queries or concerns promptly.

This comprehensive job scope encompasses the meticulous preparation, consolidation, and presentation of financial statements for IPGL, ensuring accuracy, transparency, and compliance with relevant standards and regulations.

**B. *The consultant to provide a comprehensive analysis and guidance on the transfer of an asset between INDIA PORTS GLOBAL LTD (IPGL) as the holding company in India and INDIA PORTS GLOBAL CHABAHAR FREE ZONE COMPANY (IPGCFZ), its subsidiary company in Iran. Below are the details of the transaction:***

Transfer of Asset: Mobile Harbour Crane

Holding Company: INDIA PORTS GLOBAL LTD (IPGL)

Subsidiary Company: INDIA PORTS GLOBAL CHABAHAR FREE ZONE COMPANY (IPGCFZ)

Transaction Value: ₹180 Crores (Approximately)

Consideration: None (Fair Value equals Cost)

**The scope of work for appointing the consultant includes:**

**1. Tax Implications Analysis:**

- Assess the capital gains tax implications in India and the jurisdiction of the subsidiary company.
- Review transfer pricing regulations under the Income Tax Act to determine applicability and ensure compliance.

**2. Accounting Treatment:**

- Prepare necessary accounting entries in accordance with Ind AS, specifically Ind AS 103 and Ind AS 113, considering the fair value equal to cost.
- Ensure accurate recording of the asset transfer on both the holding company's books and the subsidiary company's books.

**3. Transfer Pricing Considerations:**

- Evaluate transfer pricing implications, if applicable, under the Income Tax Act for transactions without consideration.
- Ensure compliance with arm's length pricing principles and documentation requirements.

**4. Compliance with Ind AS and Companies Act:**

- Review and ensure compliance with relevant provisions of Ind AS, particularly Ind AS 103 - Business Combinations and Ind AS 113 - Fair Value Measurement.
- Ensure adherence to regulatory requirements under the Companies Act related to related party transactions and financial reporting.

**➤ The consultant's responsibilities include:**

- Conducting a detailed analysis of the above aspects.
- Preparing necessary reports and accounting entries for both standalone financial statements (SFS) and consolidated financial statements (CFS).
- Assessing transfer pricing implications and providing guidance.

- Ensuring comprehensive compliance with Ind AS and the Companies Act.
- **The proposal should include:**
  - Methodology for conducting the analysis and providing guidance.
  - Fee structure for the consultancy services.
  - Relevant experience or case studies demonstrating expertise in handling similar transactions.

➤ **BACKGROUND**

Global tender no. IPGL/MHC/2018 was floated by IPGL on 09.02.2018 for "Design, Manufacture, Supply, Installation, Testing, Commissioning and guaranteeing the performance of 4 Nos.of 100 T and 2 Nos. of 140 T capacity Mobile Harbour Cranes (MHC) at Shahid Beheshti Port of Chabahar." In response bids from the M/s. Italgru SRL, Italy was lowest. And tender was awarded to the above vendor only.

**The below mentioned are the details of contract.**

<b>Description</b>	<b>140 T MHC</b>	<b>100 T MHC</b>
Date of Signing the Contract	22.07.2019	18.06.2020
Date of Issuance of L/C by UCO Bank	22.08.2019	15.07.2020
Value of Contract in Million Euro	7.63	12.38
Capacity of MHC in MT	140	100
Quantity (Nos)	2	4
Date of Delivery at Chabahar**	20.01.2021	23.03.2021/30.06.2021
Date of Commissioning	23.03.2021	20.04.2021/09.07.2021
Date of Capitalization of WIP to fixed asset in Book of account	13.07.2022	13.07.2022

<b>Asset Description</b>	<b>Amount in INR - in Book of A/C</b>
MHC 2*100 Ton (first)	55,10,59,684.72
MHC 2*100 Ton (second)	55,66,52,660.88
MHC 2*140 Ton	68,93,48,404.11
<b>TOTAL</b>	<b>1,79,70,60,749.71</b>

## **GENERAL TERMS AND CONDITIONS**

### **1. BILLING:**

- a) Fee is to be quoted excluding GST. TDS will be deducted as applicable. GST will be paid extra as applicable.
- b) The Quoted Firm shall note that no out-of-pocket expenses, travelling, conveyance expenses would be reimbursed for the visits to the offices of IPGL.
- c) The Quoted Firm shall submit their original invoice, complete in all respect, to the HO.
- d) Bills will be settled only when all services in job scope are satisfactorily completed.
- e) Payments of bills will be made within 60 days from date of submission of bills, complete in all respects.

### **2. Penalty Clause:**

If the work is not completed within the agreed-upon timeframe or is found unsatisfactory, a penalty of 10% of the quoted amount will be charged.

### **3. Timely Completion of Preparing Financial Statements:**

It must be completed within 20 days from the handover of data's necessary for finalizing the Statement of Financial Position (SFS) and Comprehensive Financial Statements (CFS).

### **4. Risk Purchase Clause:**

- a) If the quoted firm fails to arrange services from the commencement of work
- b) If the services are not arranged promptly or if the assigned job is not completed on time.
- c) If the services rendered by the quoted firm are deemed unsatisfactory,  
The Company reserves the right to obtain services from alternative source. The quoted firm would then bear the risk and cost associated with the company acquiring those services elsewhere.

### **5. Termination Clause:**

The Company retains the right to terminate the work at its absolute discretion for any reason.

### **6. Exit Clause:**

The Company may terminate the contract without providing reasons by giving thirty (30) days' notice to the quoted firm, at its sole discretion.

## FINANCIAL BID

**SUB: A) QUOTATION FOR APPOINTMENT OF FIRM CHARTERED ACCOUNTANT FOR PREPARING FINANCIAL STATEMENTS FOR YEAR ENDED 31.03.2024**

**AND**

**B) CONSULTANT TO PROVIDE A COMPREHENSIVE ANALYSIS AND GUIDANCE ON THE TRANSFER OF AN ASSET BETWEEN INDIA PORTS GLOBAL LTD (IPGL) AS THE HOLDING COMPANY IN INDIA AND INDIA PORTS GLOBAL CHABAHAR FREE ZONE COMPANY (IPGCFZ), ITS SUBSIDIARY COMPANY IN IRAN**

<b>Name of CA firm</b>	
<b>Address</b>	
<b>Rs. (Number)</b>	
<b>(Rupees in words) Exclusive of GST*</b>	

\*(GST will be paid extra as applicable)

**Note:-**

- No other amount will be paid by the company other than fee quoted by the firm.
- The financial bid should include a single amount covering the costs for both services outlined in the aforementioned quotation.

Signature of the bidder with Seal

Place: \_\_\_\_\_

Full Name: \_\_\_\_\_

Date: \_\_\_\_\_

Designation: \_\_\_\_\_