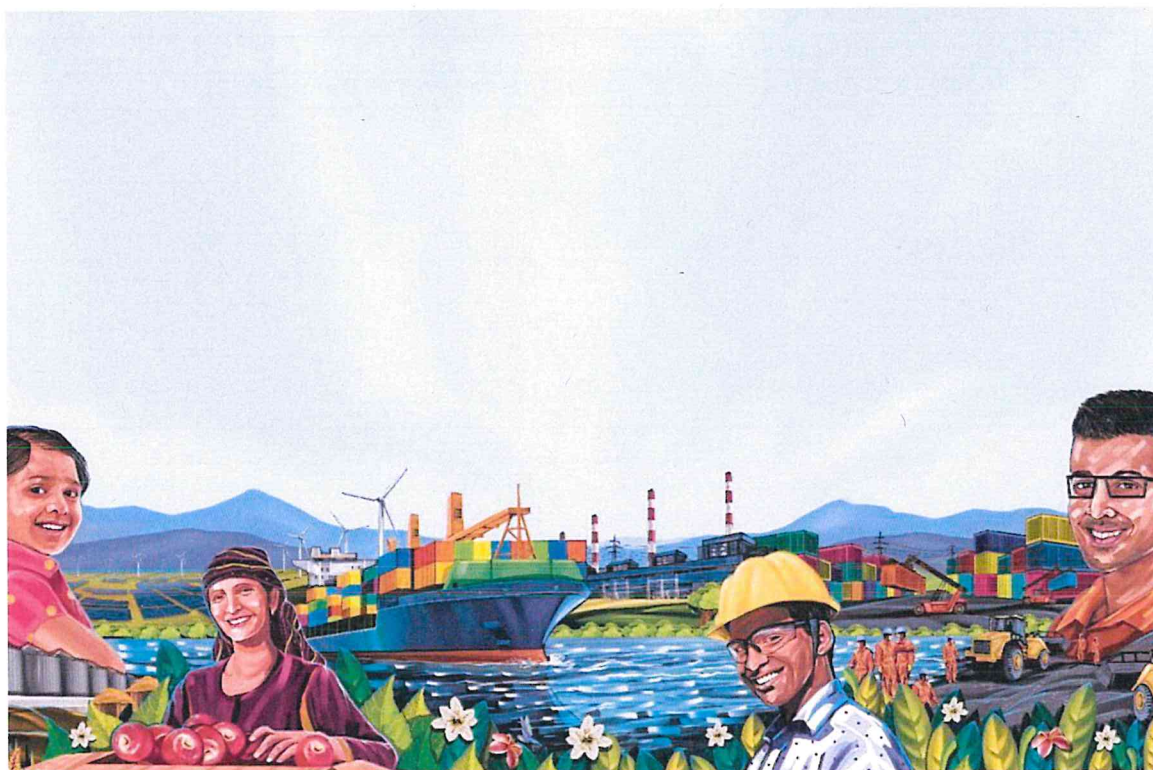


# COMPLIANCE CERTIFICATE

(March 31<sup>st</sup>, 2022)

## Adani International Container Terminal Private Limited



**adani**  
Ports and  
Logistics

**TiL**  
Terminal Investment Limited

## **Index**

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## **Introduction**

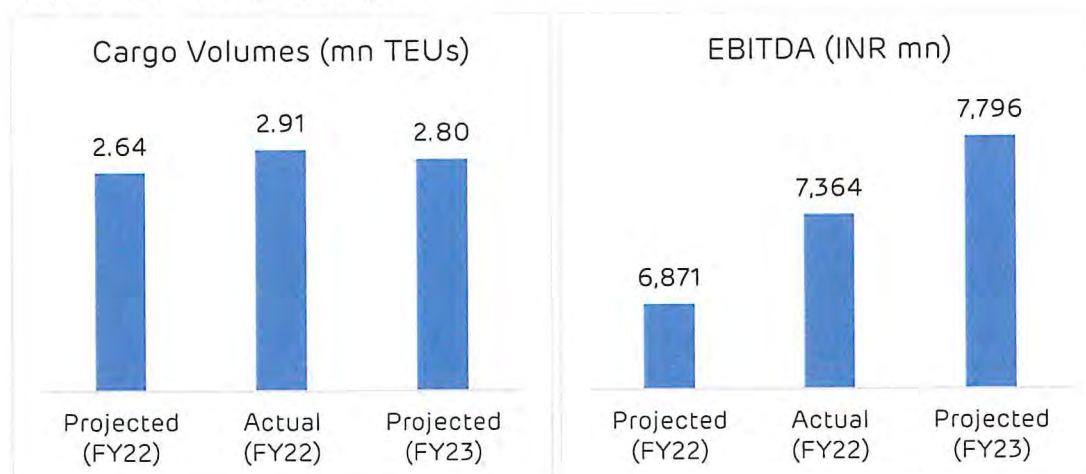
Adani International Container Terminal Private Limited ("AICTPL") operates two major container terminal facilities—CT-3 and CT-3 Extension (the "Terminals")—at Mundra Port in Gujarat, with the annual capacity of 3.1 MTEUs. It is a 50:50 joint venture between Adani Ports and Special Economic Zone Limited (APSEZ) and Mundi Limited (a subsidiary of Terminal Investment Limited Holding S.A.). AICTPL had been assigned rating of BBB- (stable outlook) by S&P, BBB- (stable outlook) by Fitch and Baa3 (stable outlook) by Moody's.

## **1. Performance Highlights**

AICTPL performance during the 12 months period ended March 2022 remained stellar. The key highlights are as follows.

- AICTPL has become the largest container terminal in India during FY22 backed by cargo volumes growth of 10.7% Y-o-Y to 2.91 mn TEUs. Out of total cargo volumes, share of Exim Cargo and Transshipment cargo was 50% each.
- AICTPL revenues increased by 12.9% Y-o-Y to INR 13.55 billion.
- Mediterranean Shipping Company (MSC) continues to be the biggest customer of AICTPL with 78% share in overall cargo volumes. The cargo volumes contribution by MSC increased from 1.9 mn TEUs in FY21 to 2.3 mn TEUs in FY22. During FY22, MSC added one more service to the US at AICTPL terminals, with a monthly cargo volumes potential of 24,000 TEUs.
- AICTPL's all-India market share increased from 10.1% in FY20 to 15% in FY21. The same was maintained in FY22.
- AICTPL handled 830 ships during FY22.

## **Projected v/s Actual Performance**



For the 12 months period ended March 31, 2022, Actual cargo volumes is 2.91 million TEUs as compared to 2.64 million TEUs (FY22 projected). Further, Actual EBITDA is INR 7,364 million as compared to INR 6,871 million (FY22 projected).



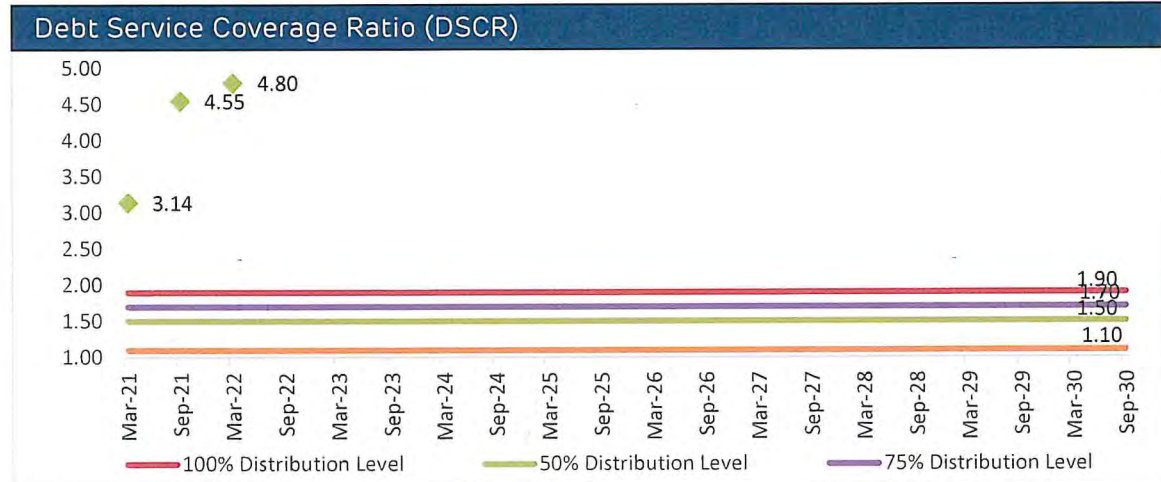
## 2. Summary of Covenants Compliance

AICTPL has achieved following ratios:

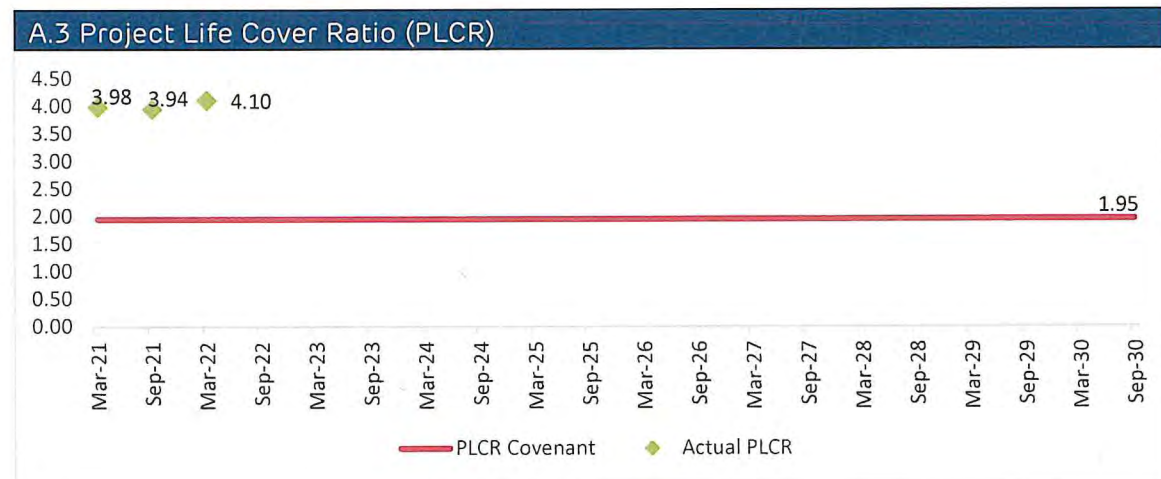
Summary of the Covenant		
Particulars	Stipulated	Mar-22
Debt Service Coverage Ratio (DSCR) (Refer Annexure: 1)	1.90*	4.80
Project Life Cover Ratio (PLCR) (Refer Annexure: 2)	1.95	4.10

\*for maximum distribution level

### Covenants Matrix



The Actual DSCR of 4.80x is for the 12 months period ended March 31<sup>st</sup>, 2022.



The Actual PLCR of 4.10x is the Debt Sizing Cover as on March 31, 2022 from NPV of a) the EBITDA Forecast until the termination date of the Concession Agreement; b) residual value of assets of the Company and c) cash or cash equivalents, other than cash standing to the credit of the Senior Debt Restricted Amortization Account, the Senior Debt Service Reserve Account, the Senior Debt Restricted Reserve Account and the Senior Debt Redemption Account.

### 3. Computation of Operating Account Waterfall and Distribution amount as per Note Trust Deed

Particulars	Apr21-Mar22 INR mn	Source
Opening Cash Balance (excluding reserves)	971.42	WN 1
(+) Operating Revenue	13,778.00	WN 2
(-) Operating Expenses	(6,185.27)	WN 3
(+/-) Working Capital Changes : (Increase) / Decrease	(453.63)	WN 4
(-) Taxes Paid	(416.96)	CF Statement
(-) Capital Expenditure	(158.43)	CF Statement
<b>I. Cash Flow Available for Debt Service</b>	<b>7,535.13</b>	
(-) Debt Service	(899.14)	WN 5
(-) Interest Service	(785.71)	WN 6
<b>II. Total Debt Service</b>	<b>(1,684.85)</b>	
<b>Reserve Funding</b>		
(-) Creation of Sr. Debt Service Reserve Account	-	
(-) Investment in Capital Expenditure Reserve Account	(1,094.57)	WN 9
<b>III. Total Reserve Funding</b>	<b>(1,094.57)</b>	
<b>Cash Flow Available post Debt Service and Reserve Creation (I-II-III)</b>	<b>4,755.72</b>	
<b>Other Cash Flows</b>		
(-) Funds earmarked for prudent liquidity (equivalent to 1 month opex)	(515.44)	
<b>Cash Available for Distribution</b>	<b>4,240.28</b>	
Amount transferred to Distribution Account	3,658.06	
<b>Net Cash Available for transfer to Distribution Account</b>	<b>582.22</b>	

<b>Cash Reconciliation</b>		
Cash & Cash Equivalents	132.63	BS Statement
Bank Balances	302.80	Note 11 of BS
Short Term Investments in Mutual Funds	662.23	BS Statement
<b>Total Cash Balance</b>	<b>1,097.66</b>	
<b>Out of this</b>		
Funds earmarked for prudent liquidity (1 months opex)	515.44	Refer above
Net Cash Available for transfer to Distribution Account	582.22	Refer above
<b>Total Cash Balance</b>	<b>1,097.66</b>	



#### 4. Form of Compliance Certificate

**Citicorp International Limited (the "Note Trustee")**

20/F Citi Tower  
One Bay East  
83 Hoi Bun Road  
Kwun Tong  
Kowloon  
Hong Kong  
Fax no.: +852 2323 0279  
Attention: Agency & Trust

June 30<sup>th</sup>, 2022

Dear Ladies and Gentlemen

**ADANI INTERNATIONAL CONTAINER TERMINAL PRIVATE LIMITED**  
**(Incorporated in the Republic of India with limited liability)**  
**US\$300,000,000 3.00 per cent. Senior Secured Notes due 2031**

In accordance with Clause 7.6 of the note trust deed dated 21 December 2020 (as amended and/or supplemented from time to time, the "**Note Trust Deed**") made between (1) Adani International Container Terminal Private Limited (the "**Issuer**") and (2) the Note Trustee, we hereby certify and, in the case of paragraph (h) below, confirm, on behalf of the Issuer, that:

- (a) as at the Calculation Date, the aggregate amount for transfer to the Distribution Account in accordance with the Operating Account Waterfall and the Distribution Conditions is **INR 582.22 million**
- (b) in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ending on the relevant Calculation Date was **4.80:1 times**
- (c) in accordance with the workings set out in the attached Annexure 2, the Project Life Cover Ratio for the Calculation Period ending on the relevant Calculation Date was **4.10:1 times**
- (d) as at the Calculation Date, the cash balance in each of the Project Accounts is as follows:

S. No.	Account Name	Bank Account Numbers	Amount (INR mn)
1	Operating Account	41233610601	96.23
2	Statutory Reserve Account	41233610602	Nil
3	Senior Debt Service Reserve Account	41233610603	Nil
4	Capital Expenditure Reserve Account	41233610604	Nil
5	Senior Debt Redemption Account	41233610605	Nil
6	Senior Debt Restricted Amortization Account	41233610606	Nil
7	Subordinated Debt Service Reserve Accounts	41233610607	Nil
8	Senior Debt Restricted Reserve Account	41233610608	Nil
9	Surplus Holdings Accounts	41233610609	Nil
10	Distributions Account	41233610610	Nil
11	Enforcement Proceeds Account	41233610611	Nil

- (e) the amount of Capital Expenditure undertaken or forecast to be undertaken by the Company in the six-month period commencing on the relevant Calculation Date is **INR 424 million** (please refer Note W/N 10 in Appendix)

- (f) Our EBITDA for the Calculation Period ending on the relevant Calculation Date is **INR 7,364 million**
- (g) No refinancing plan during the six-month period commencing from 31<sup>st</sup> March 2022
- (h) to the best of our knowledge having made due enquiry, no Default subsists.

Terms not defined herein shall have the same meanings as provided in the Note Trust Deed and the Conditions.

This certificate and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

Yours faithfully

Sandeep Mehta  
Digitally signed by Sandeep Mehta  
Date: 2022.07.02 13:39:05 +05'30'

By: \_\_\_\_\_  
[Sandeep Mehta]  
Director  
Adani International Container Terminal Private Limited

Pranav Choudhary  
Digitally signed by Pranav Choudhary  
Date: 2022.07.02 13:40:34 +05'30'

By: \_\_\_\_\_  
[Pranav Choudhary]  
Director  
Adani International Container Terminal Private Limited

## Annexure 1

### Workings for calculation of Debt Service Cover Ratio

	INR Mn	Source
	Apr 21- Mar 22	
<p><b>"Debt Service Cover Ratio"</b> or "DSCR" means, in relation to a Calculation Period ending on the relevant Calculation Date, the ratio of (i) Cash Flow Available for Debt Service plus any opening cash carried forward from the previous Calculation Date in the Operating Account to (ii) the sum of scheduled principal repayment (excluding any amounts refinanced, prepaid or voluntarily repaid and/or any amounts falling due under an overdraft or revolving facility which were available for simultaneous redrawing), interest payments to Senior Creditors and payments of any Costs (of recurring nature) to Senior Creditors in relation to Senior Debt due or accrued during that period.</p>	4.80	
<p><b>"Cash Flow Available for Debt Service"</b> or <b>"CFADS"</b> means, in</p> <p>(i) respect of any period, the aggregate amount of CFADS Operating Revenue for that period (which, for the avoidance of doubt, includes (i) any Terminal Value and (ii) interest revenue accrued on all Accounts (including the Distributions Account, to the extent any such interest is transferred to the Operating Account) to the extent not already included in CFADS Operating Revenue), less:</p>	8,147	
<p>(a) Operating Expenses paid in that period, other than any other operating expenses (including any Costs or fees payable in connection with the Existing Indebtedness, the Senior Secured Documents or any Additional Senior Debt and any Costs or break fees payable as a consequence of the repayment or prepayment of the Existing Indebtedness or any Hedge Termination Payments in respect of the Existing Indebtedness) funded by Permitted Finance Debt, equity contributions, any Sponsor Affiliate Debt or amounts withdrawn from an Account in accordance with the Primary Debt Documents or this Deed;</p>	(6,185)	WN 3
<p>(b) Taxes paid by the Company in that period; and</p>	(417)	CF Statement
<p>(c) Amounts paid to the Security Trustee, each Representative under the Senior Secured Documents and any third party paying, transfer, or listing agents or registrars in relation to the Senior Debt,</p>	-	
<p>in each case for paragraph (b) and (c) of this definition, without double counting.</p>		
<p><b>Opening cash carried forward</b> from the previous Calculation Date in the Operating Account</p>	971	WN 1



**"CFADS Operating Revenue"** means Operating Revenue excluding (without double counting):

**13,778**

Total Operating Revenue

13,778 WN 2

(a) non-recurring significant items (including but not limited to profits or losses on disposal of assets outside the ordinary course of business);

-

(b) extraordinary items (including but not limited to profits or losses on termination of any Secured Hedging Agreement);

-

(c) net payments received under any Secured Hedging Agreements;

-

(d) any other non-cash items (including but not limited to property revaluations);

-

(e) insurance proceeds, other than business interruption insurance proceeds or advance consequential loss of profit insurance proceeds or any proceeds applied towards reimbursement for repairs or reinstatement of an asset where the cost of the relevant repair or reinstatement is an Operating Expense; and

-

(f) proceeds of any Finance Debt or equity.

-

(ii) the sum of scheduled principal repayment (excluding any amounts refinanced, prepaid or voluntarily repaid and/or any amounts falling due under an overdraft or revolving facility which were available for simultaneous redrawing), interest payments to senior creditors and payments of any costs of recurring nature to senior creditors in relation to senior debt due or accrued during that period.

**1,698**

(a) Scheduled principal repayment

899 WN 5

(b) Interest payments to Senior Creditors (incl finance costs)

799 WN 6

## Annexure 2

### Workings for the Project Life Cover Ratio

As on  
Mar 31 2022

the net present value (discounted using the Discount Rate (as defined in the respective Primary Debt Documents)) of the sum of EBITDA Forecast until the termination of the Concession Agreement, plus any residual value of the assets of the Company (including (i) cash or cash equivalents, other than cash standing to the credit of the Senior Debt Restricted Amortization Account, the Senior Debt Service Reserve Account, the Senior Debt Restricted Reserve Account and the Senior Debt Redemption Account); (ii) the Terminal Value; and (iii) any other indemnity or other payment due under the Concession Agreement); to

4.10

the Senior Debt minus any cash or cash equivalents standing to the credit of the Senior Debt Restricted Amortization Account, the Senior Debt Service Reserve Account, the Senior Debt Restricted Reserve Account and the Senior Debt Redemption Account.

For the purposes of this definition, "Discount Rate" shall mean the weighted average cost of Senior Debt outstanding on the date on which the Project Life Cover Ratio is calculated.

"Calculation Date" means each 31 March and 30 September occurring on or after 31 March 2021.

#### INR mn

Year	Mar-22	Mar-23	Mar-24	Mar-25	Mar-26
EBIDTA		7,796	8,258	8,705	9,205
Residual Value of assets (RV)	-	-	-	-	-
(i) Cash or Cash equivalents	1,098	-	-	-	-
(ii) Terminal Value	-	-	-	-	-
<b>EBDITA + RV</b>	<b>1,098</b>	<b>7,796</b>	<b>8,258</b>	<b>8,705</b>	<b>9,205</b>
Discount Factor	1.00	0.97	0.94	0.92	0.89

#### INR mn

Year	Mar-27	Mar-28	Mar-29	Mar-30	16-Feb-31
EBIDTA	9,729	10,244	10,818	11,453	10,479
Residual Value of assets (RV)	-	-	-	-	-
(i) Cash or Cash equivalents	-	-	-	-	-
(ii) Terminal Value	-	-	-	-	12,789
<b>EBDITA + RV</b>	<b>9,729</b>	<b>10,244</b>	<b>10,818</b>	<b>11,453</b>	<b>23,268</b>
Discount Factor	0.86	0.84	0.81	0.79	0.77

<b>Discount Rate</b>	<b>3.00%</b>
<b>NPV of EBIDTA</b>	<b>85,300</b>
Senior Debt O/s (Gross)	21,651
(-) Sr DSRA (SDSRA)	855
<b>Senior Debt O/s (Net)</b>	<b>20,796</b>

## Appendix: Working Notes

Particulars	Apr21- Mar22 INR mn	Source / Remarks
<b>WN 1: Opening Cash Balance</b>		
Cash and Cash Equivalents	604.48	Balance Sheet
Bank balance other than cash and cash equivalents	68.30	Note 11 of FS
Short Term Investments in Mutual Funds	298.64	Balance Sheet
	<b>971.42</b>	
<b>WN 2: Operating Revenue</b>		
Revenue from Operations	13,548.10	P&L Statement
Other Income Received	156.13	Working below
(+/-) Realised Forward Gain / (Loss) on Forward Receivables & Payables	73.77	MIS
	<b>13,778.00</b>	
<b>Other Income Received</b>		
Other Income	162.21	P&L Statement
(+) Interest Accrued (Opening)	14.12	Note 6 of FS
(-) Interest Accrued (Closing)	-18.10	Note 6 of FS
(-) Excess provision written back	-2.10	Note 22 of FS
	<b>156.13</b>	
<b>WN 3: Operating Expenses</b>		
Operating Expenses	3,368.83	P&L Statement
Revenue Sharing Expense	2,378.20	P&L Statement
Employee Benefits Expense	136.00	P&L Statement
Other Expenses	301.32	P&L Statement
(-) Loss on discard of Property, Plant and Equipment	0.92	CF Statement
	<b>6,185.27</b>	
<b>WN 4: Movement in Working Capital: (Increase) / Decrease</b>		
(Increase) / Decrease in Trade Receivables	-303.91	CF Statement
(Increase) / Decrease in Inventories	-5.38	CF Statement
(Increase) / Decrease in Financial Assets	-15.38	CF Statement
Decrease / (Increase) in Other Assets	47.02	CF Statement
(Decrease) in Trade Payables	14.04	CF Statement
Increase in Other Liabilities	72.82	CF Statement
Increase in Provisions	0.76	CF Statement
Increase in Financial Liabilities	-335.59	CF Statement
Infrastructure Usage Rights Charges	-46.91	P&L Statement
Derecognition of SEIS receivable (exceptional one-time item)	153.51	WN4 (A) below
Payment For Principal Portion of Lease Obligation	-34.61	CF Statement
	<b>-453.63</b>	



<b>WN 4(A): Derecognition of SEIS receivable</b>		
Exceptional Item	-330.73	P&L Statement
Government Incentive Receivables	484.24	Note 8 of FS
	<b>153.51</b>	

<b>WN 5: Debt Service</b>		
Scheduled Repayment (Citi US\$ 180 facility in Sep 20)	0.00	MIS
Repayment of Senior Secured Notes	899.14	MIS
<b>Total Debt Service</b>	<b>899.14</b>	

<b>WN6 (A): Finance Cost (Accrued)</b>		
Total Finance Costs	1,157.28	Note 26 of FS
Interest on Inter Corporate Deposit (ICD)	(358.32)	Note 26 of FS
<b>Finance Cost on Sr. Borrowings (Accrued)</b>	<b>798.96</b>	

<b>Finance Cost on Sr. Borrowings (Payment)</b>	<b>785.71</b>	<b>MIS</b>
---	---------------	------------

<b>WN 7: Interest Payment on Inter Corporate Deposit (ICD)</b>		
Interest Accrued on ICD (Opening)	525.38	MIS
Interest on Inter Corporate Deposit (ICD)	358.32	Note 26 of FS
Interest Accrued on ICD (Closing)	92.72	MIS
(Inflow)/Outflow on settlement of Derivative Contracts (ICD)	203.30	MIS
<b>Interest payment on Inter Corporate Deposit</b>	<b>994.28</b>	

<b>WN 8: DSRA Calculation</b>		
<b>DSRA Required on Senior Secured Notes</b>		
Principal Due in next 6 months (Apr-Sep 22)	511.60	MIS
Interest Due in next 6 months (Apr-Sep 22)	327.42	MIS
<b>Total Required</b>	<b>839.02</b>	
<b>DSRA Created</b>	<b>854.60</b>	Note 6 of FS

<b>WN 9: DSRA &amp; Capex Reserve (Margin Money) of USD Notes</b>		
Opening (Non-Current)	930.59	MIS
Opening (Current)	0.00	MIS
<b>Opening (Total) (a)</b>	<b>930.59</b>	
Closing (Non-Current)	854.60	Note 6 of FS
Closing (Current)	1,170.55	Note 11 of FS
<b>Closing (Total) (b)</b>	<b>2,025.15</b>	
(Investment) / Release of Margin Money (a-b)	-1,094.57	c = (a-b) above
(Investment) / Release Sr. Debt Service Reserve A/c	0.00	d
<b>(Investment) / Release of Capex Reserve</b>	<b>-1,094.57</b>	<b>c-d above</b>

<b>WN10: Capex Reserve Breakup</b>		
<b>Particulars</b>	<b>Capex (INR mn)</b>	<b>Capex Reserve (INR mn)</b>
Capital Expenditure Forecast (Apr 22 to Sep 22 Period)	424.00	1,170.55

## 5. Form of Certificate of Directors

### **Citicorp International Limited (the "Note Trustee")**

20/F Citi Tower  
One Bay East  
83 Hoi Bun Road  
Kwun Tong  
Kowloon  
Hong Kong  
Fax no.: +852 2323 0279  
Attention: Agency & Trust

June 30<sup>th</sup>, 2022

Dear Ladies and Gentlemen

### **ADANI INTERNATIONAL CONTAINER TERMINAL PRIVATE LIMITED (incorporated in the Republic of India with limited liability) US\$300,000,000 3.00 per cent. Senior Secured Notes due 2031**

In accordance with Clause 7.5 of the note trust deed dated 21 December 2020 (as amended and/or supplemented from time to time, the "**Note Trust Deed**") made between (1) Adani International Container Terminal Private Limited (the "**Issuer**") and (2) the Note Trustee, we, as Directors of the Issuer, hereby confirm that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuer that as at date not more than five days before the date of this certificate (the "**Certification Date**"):

- (a) as at June 30<sup>th</sup> 2022, no Event of Default or Potential Event of Default had occurred since the last certificate dated December 23<sup>rd</sup>, 2021.
- (b) from and including 23<sup>rd</sup> December 2021 to and including June 30<sup>th</sup> 2022, the Issuer has complied in all respects with its obligations under the Note Trust Deed and the Notes.

This certificate and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

Terms not defined herein shall have the same meanings as provided in the Note Trust Deed.

Yours faithfully

By: Sandeep Mehta  
Digitally signed by Sandeep Mehta  
Date: 2022.07.02 13:39:35  
+05'30'

[Sandeep Mehta]

Director

Adani International Container Terminal Private Limited

By: Pranav Choudhary  
Digitally signed by Pranav Choudhary  
Date: 2022.07.02  
13:40:06 +05'30'

[Pranav Choudhary]

Director

Adani International Container Terminal Private Limited

**Annexure 3**

**Audited Financial Statements**

**as on 31<sup>st</sup> March 2022**



## **INDEPENDENT AUDITOR'S REPORT**

### **To The Members of Adani International Container Terminal Private Limited Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Adani International Container Terminal Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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 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, 2022, and its profit, total 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 financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report and Annexures thereof, 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.

### **Management's Responsibility 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Those 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 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 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 the 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 standalone 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.

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

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

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 Matters paragraph**

The comparative financial information of the Company for the year ended March 31, 2021 prepared in accordance with Ind AS included in the Financial Statements has been audited by the predecessor auditor. The report of the predecessor auditor on this comparative financial information dated April 27, 2021, expressed an unmodified opinion.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.





- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows 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 financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 A". 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 the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
- 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 financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



- (b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants  
Firm's Registration No. 117366W/W-100018



*Kartikeya Raval*

**Kartikeya Raval**  
(Partner)  
(Membership No. 106189)  
(UDIN: 22106189AIYIMM6470)

Place: Ahmedabad  
Date: May 06, 2022

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting 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 Adani International Container Terminal Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the 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 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 Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 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 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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls 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, to the best of our information and according to the explanations given to us 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 March 31, 2022, based on the criteria for internal financial control over financial reporting 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 **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018



*Kartikeya Raval*

**Kartikeya Raval**

(Partner)

(Membership No. 106189)

(UDIN: 22106189AIYIMM6470)

Place: Ahmedabad

Date: May 06, 2022

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i)

(a)

A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital Work-in-Progress and relevant details of Right of use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Some of the Property, Plant and Equipment, Capital Work-in-Progress and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, Capital Work-in-Progress and right-of-use assets at reasonable intervals having regard to size of the Company and the nature of its activities. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, and capital work-in-progress, according to the information and explanations given to us and based on the examination of the registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet, except for the following:

Description of Property	As at the Balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
	Gross carrying value (Rs. in lakhs)	Carrying value in the financial statements (Rs. in lakhs)				
Buildings	54,808.98	45,373.43	NA	NA	July, 2013	Pending conclusion of Sub-concession Agreement with Government Authorities
Marine Structures	97,377.14	83,266.64	NA	NA	July, 2013	Pending conclusion of Sub-concession Agreement with



Description of Property	As at the Balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company
	Gross carrying value (Rs. in lakhs)	Carrying value in the financial statements (Rs. in lakhs)				
						Government Authorities

- (c) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (d) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (As amended in 2016) and rules made thereunder.
- (ii)
- (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, at any point of time during the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has granted unsecured loans to other parties during the year:
- (a) The Company has provided loans during the year and details of which are given below:

	<b>Loans (Amount in Lacs)</b>
A. Aggregate amount granted / provided during the year:	
- Others	9.27
B. Balance outstanding as at balance sheet date in respect of above cases:*	
- Others	11.58





\*The amounts reported are at gross amounts, without considering provisions made.

- (b) The terms and conditions of all the above-mentioned loans provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - (c) In respect of loans granted by the company, the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation.
  - (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - (e) No loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
  - (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted Loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) In respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues of Provident Fund, Income-tax, Custom Duty, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company.



- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of the dues	Amount (Rs.in Lacs)	Period to which the amount relates	Forum where Dispute is pending	Remark if any
Income Tax Act, 1961	Income Tax (Including Interest)	553.00*	AY 2018-19	Commissioner of Income Tax (Appeals)	
	Interest on Tax Deducted at Source	75.27	2013-14	High Court of Gujarat since November 2017	

\* Adjusted against the refunds of AY 2019-20 and AY 2020-21.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix)

- (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, the company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, there are no funds raised on short-term basis and hence, reporting under clause (ix)(d) of the Order is not applicable.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x)

- a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.



- b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi)
- a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.
- (xiv)
- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports of the Company issued till date, for the period under audit.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)
- a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.



- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018



*Kartikaya Raval*

**Kartikaya Raval**

(Partner)

(Membership No. 106189)

(UDIN: 22106189AIYIMM6470)

Place: Ahmedabad

Date: May 06, 2022



**Adani International Container Terminal Private Limited**  
**Balance Sheet as at March 31, 2022**

**adani**  
Ports and Logistics

₹ in Lacs

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>Assets</b>			
<b>Non-Current assets</b>			
Property, Plant and Equipment	3(a)	2,54,922.28	2,69,960.02
Right-of-use assets	3(c)	24,046.36	26,760.87
Capital work-in-progress	3(b)	394.73	40.71
Intangible Assets	3(a)	51,760.39	57,601.29
<b>Financial Assets</b>			
(i) Other Financial Assets	6	8,669.99	9,430.52
Income Tax Assets	7	819.34	1,998.99
Other Non-Current Assets	8	4,182.97	4,187.09
		<b>3,44,796.06</b>	<b>3,69,979.49</b>
<b>Current assets</b>			
Inventories	9	574.21	520.43
<b>Financial Assets</b>			
(i) Investments	4	6,622.34	2,986.38
(ii) Trade Receivables	5	6,422.45	3,383.31
(iii) Cash and Cash Equivalents	10	1,326.27	6,044.82
(iv) Bank balance other than (iii) above	11	14,733.44	683.00
(v) Other Financial Assets	6	434.83	860.10
Other Current Assets	8	657.45	5,500.77
		<b>30,770.99</b>	<b>19,978.81</b>
<b>Total Assets</b>		<b>3,75,567.05</b>	<b>3,89,958.30</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	12	64,446.36	64,446.36
Other Equity	13	18,043.28	(7,725.08)
<b>Total Equity</b>		<b>82,489.64</b>	<b>56,721.28</b>
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	14	2,26,266.09	2,28,440.93
(ia) Lease Liabilities	15	5,735.58	6,160.99
(ii) Other Financial Liabilities	16	293.16	2,294.16
Provisions	17	83.20	74.26
Deferred Tax Liabilities (net)	18	22,436.15	25,486.76
		<b>2,54,814.18</b>	<b>2,62,457.10</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	14	22,503.06	47,254.51
(ia) Lease Liabilities	15	425.41	346.10
(ii) Trade and Other Payables	20		
(A) Total outstanding dues of micro enterprises and small enterprises		8.29	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		5,998.87	5,867.03
(iii) Other Financial Liabilities	16	4,286.99	12,447.54
Other Current Liabilities	19	4,911.70	4,204.46
Provisions	17	128.91	113.75
Current Tax Liabilities (net)		-	546.53
		<b>38,263.23</b>	<b>70,779.92</b>
<b>Total Liabilities</b>		<b>2,93,077.41</b>	<b>3,33,237.02</b>
<b>Total Equity And Liabilities</b>		<b>3,75,567.05</b>	<b>3,89,958.30</b>

The accompanying notes form an integral part of the financials statements  
As per our report of even date

For Deloitte Haskins and Sells LLP  
Chartered Accountants

*Kartik Raval*  
Kartik Raval  
Partner



For and on behalf of Board of Directors



*Sandeep Mehta*  
Capt. Sandeep Mehta  
Director  
DIN: 00897409

*Unmesh Abhyankar*  
Capt. Unmesh Abhyankar  
Director  
DIN: 03040812

*Mayur Shah*  
Mayur Shah  
Company Secretary

Place: Ahmedabad  
Date: May 06, 2022

Place: Ahmedabad  
Date: May 06, 2022

**Adani International Container Terminal Private Limited**  
**Statement of Profit and Loss for the year ended March 31, 2022**

**adani**  
 Ports and  
 Logistics

₹ in Lacs

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Income</b>			
Revenue from Operations	21	1,35,481.00	1,19,982.69
Other Income	22	1,622.13	1,505.77
<b>Total Income</b>		<b>1,37,103.13</b>	<b>1,21,488.46</b>
<b>Expenses</b>			
Operating Expenses	23.1	33,688.26	27,011.73
Revenue Sharing Expense	23.2	23,781.99	22,343.04
Employee Benefits Expense	24	1,360.02	1,388.11
Depreciation and Amortization Expense	3(a), (c)	24,367.44	24,370.32
Foreign Exchange / Derivatives Loss / (Gain) (net)	25	8,470.30	(14,736.44)
Finance Costs	26	11,108.54	13,796.66
Infrastructure Usage Rights Charges		469.05	469.05
Other Expenses	27	3,013.22	2,615.28
<b>Total Expense</b>		<b>1,06,258.82</b>	<b>77,257.75</b>
<b>Profit before exceptional items and tax</b>		<b>30,844.31</b>	<b>44,230.71</b>
Exceptional items	8(ii)	3,307.31	-
<b>Profit Before Tax</b>		<b>27,537.00</b>	<b>44,230.71</b>
<b>Tax Expense:</b>			
Current Tax	28	4,802.99	7,750.41
Tax charge relating to earlier years	28	0.26	-
Deferred Tax charge	28	1,751.86	3,091.61
Less: Tax (credit) under Minimum Alternate Tax (MAT)	28	(4,802.99)	(7,750.41)
<b>Total Tax Expenses</b>		<b>1,752.12</b>	<b>3,091.61</b>
<b>Profit for the year</b>	(A)	<b>25,784.88</b>	<b>41,139.10</b>
<b>Other Comprehensive (Loss) / Income</b>			
<b>Items that will not to be reclassified to profit or loss in subsequent periods</b>			
Re-measurement (losses) / gains on defined benefit plans		(16.52)	14.22
Income Tax impact		-	(4.97)
<b>Total Other Comprehensive (Loss) / Income for the year (net of tax)</b>	(B)	<b>(16.52)</b>	<b>9.25</b>
<b>Total Comprehensive Income for the year</b>	(A)+(B)	<b>25,768.36</b>	<b>41,148.35</b>
<b>Earnings per Share (EPS) - (Face value of ₹ 10 each)</b>			
Basic and Diluted (in ₹)	30	<b>4.00</b>	<b>6.38</b>

The accompanying notes form an integral part of financials statements  
 As per our report of even date

**For Deloitte Haskins and Sells LLP**  
**Chartered Accountants**

*Kartikeya Raval*  
 Kartikeya Raval  
 Partner



Place: Ahmedabad  
 Date: May 06, 2022

**For and on behalf of Board of Directors**



*Sandeep Mehta*  
 Capt. Sandeep Mehta  
 Director  
 DIN: 00897409

*Unmesh Abhyankar*  
 Capt. Unmesh Abhyankar  
 Director  
 DIN: 03040812

*Mayur Shah*  
 Mayur Shah  
 Company Secretary

Place: Ahmedabad  
 Date: May 06, 2022

**Adani International Container Terminal Private Limited**  
Statement of Changes in Equity for the year ended March 31, 2022

**adani**  
Logistics

₹ in Lacs

Particulars	Equity Share Capital	Other equity		Total
		Securities Premium	Retained Earnings	
<b>Balance as at April 01, 2020</b>	<b>64,446.36</b>	<b>4,647.93</b>	<b>(53,521.36)</b>	<b>15,572.93</b>
Profit for the year	-	-	41,139.10	41,139.10
Re-measurement gains on defined benefit plans (net of tax)	-	-	9.25	9.25
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>41,148.35</b>	<b>41,148.35</b>
<b>Balance as at March 31, 2021</b>	<b>64,446.36</b>	<b>4,647.93</b>	<b>(12,373.01)</b>	<b>56,721.28</b>
Profit for the year	-	-	25,784.88	25,784.88
Re-measurement (losses) on defined benefit plans (net of tax)	-	-	(16.52)	(16.52)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>25,768.36</b>	<b>25,768.36</b>
<b>Balance as at March 31, 2022</b>	<b>64,446.36</b>	<b>4,647.93</b>	<b>13,395.35</b>	<b>82,489.64</b>

The accompanying notes form an integral part of financials statements  
As per our report of even date

**For Deloitte Haskins and Sells LLP**  
Chartered Accountants

*Kartikeya Raval*  
Kartikeya Raval  
Partner



**For and on behalf of Board of Directors**

*Sandeep Mehta*  
Capt. Sandeep Mehta  
Director  
DIN: 00897409

*Unmesh Abhyankar*  
Capt. Unmesh Abhyankar  
Director  
DIN: 03040812

*Mayur Shah*  
Mayur Shah  
Company Secretary

**Place: Ahmedabad**  
**Date: May 06, 2022**

**Place: Ahmedabad**  
**Date: May 06, 2022**



**Adani International Container Terminal Private Limited**  
**Statement of Cash Flows for the year ended March 31, 2022**

adani

₹ in Lacs

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>A. Cash Flow From Operating Activities</b>		
Net profit Before Tax	27,537.00	44,230.71
Adjustments For:		
(Gain) / loss on sale/discard of Property, Plant and Equipment	(9.23)	37.07
Unclaimed Liabilities/Excess Provision Written Back	(21.00)	(32.55)
Depreciation and Amortisation expense	24,367.44	24,370.32
Finance Income (including change in fair valuation)	(1,070.43)	(1,304.21)
Net gain on Sale of Current Investments	(299.54)	(41.18)
Reversal of Allowance for Trade Receivables - Credit Impaired	(24.35)	-
Finance cost	11,572.80	14,930.08
Forex Loss / (Gain) on Borrowings and Derivative related to Borrowing (net)	8,124.35	(9,543.67)
Unrealised Loss / (Gain) Loss on Trade Payables and Other Derivatives	619.35	(4,184.72)
Derecognition of Services Exports from India Scheme receivable (refer note 8(ii))	4,842.40	-
<b>Operating Profit Before Working Capital Changes</b>	<b>75,638.79</b>	<b>68,461.85</b>
Movements in Working Capital :		
(Increase) in Trade Receivables	(3,014.79)	(1,048.32)
(Increase) in Inventories	(53.78)	(49.88)
(Increase) / Decrease in Financial Assets	(153.77)	92.56
Increase in Other Assets	470.21	5,247.58
Increase / (Decrease) in Trade Payables	140.36	(7,229.54)
Increase in Other Liabilities	728.24	1,621.40
Increase in Provisions	7.58	33.85
(Decrease) / Increase in Financial Liabilities	(3,355.90)	4,650.38
<b>Cash Generated from Operations</b>	<b>70,406.94</b>	<b>71,779.88</b>
Direct Taxes Paid (Net of Refunds)	(4,169.61)	(5,741.29)
<b>Net Cash Generated From Operating Activities</b>	<b>66,237.33</b>	<b>66,038.59</b>
<b>B. Cash Flows From Investing Activities</b>		
Purchase of Property, Plant and Equipments (Including capital work-in-progress, other Intangible assets and capital advances)	(1,741.91)	(914.34)
Proceeds from Sale of Property, Plant and Equipment	157.66	-
(Purchase) of Investment in Mutual Funds (net)	(3,336.41)	(2,945.20)
Interest Received	1,030.60	1,007.36
(Deposits in) Bank (net) (including margin money deposits)	(13,290.63)	(9,243.85)
<b>Net Cash used in Investing Activities</b>	<b>(17,180.69)</b>	<b>(12,096.03)</b>
<b>C. Cash Flows From Financing Activities</b>		
Proceeds from Non Current Borrowings	-	2,80,522.28
Repayment of Non Current Borrowings	(8,991.40)	(2,55,242.85)
Repayment of Inter Corporate Deposit and shareholders loan	(26,637.80)	(61,784.00)
Payments on settlement of Derivative Contracts on borrowings	(2,033.05)	(5,705.50)
Payment For Principal Portion of Lease Obligation	(346.10)	(301.33)
Interest and Finance Charges Paid (Including Interest Payment on Lease Obligation)	(15,766.84)	(14,594.85)
<b>Net Cash (used) in Financing Activities</b>	<b>(53,775.19)</b>	<b>(57,106.25)</b>
<b>D. Net (Decrease) in Cash &amp; Cash Equivalents (A + B + C)</b>	<b>(4,718.55)</b>	<b>(3,163.69)</b>
<b>E. Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>6,044.82</b>	<b>9,208.51</b>
<b>F. Cash &amp; Cash Equivalents at the end of the year</b>	<b>1,326.27</b>	<b>6,044.82</b>
<b>Component of Cash and Cash Equivalents (refer note 10)</b>		
Balances with Scheduled Bank		
- On Current Accounts	1,326.27	2,551.82
- Deposits with original maturity of less than three months	-	3,493.00
<b>Cash and Cash Equivalents at the end of the year</b>	<b>1,326.27</b>	<b>6,044.82</b>

**Notes:**

(1) The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

(2) Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 - Statement of Cash flows is presented under note 16(a)

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Deloitte Haskins and Sells LLP  
Chartered Accountants

Kartikeya Raval  
Partner



Place: Ahmedabad  
Date: May 06, 2022



For and on behalf of Board of Directors

Capt. Sandeep Mehta  
Director  
DIN: 00897409

Capt. Unmesh Abhyankar  
Director  
DIN: 03040812

Mayur Shah  
Company Secretary

Place: Ahmedabad  
Date: May 06, 2022

## **1 Corporate information**

Adani International Container Terminal Private Limited ('AICTPL' or Company) was incorporated on April 22, 2011 with an objective to develop and operate Container Cargo Terminal at Mundra Port. The Company is a joint venture between Adani Port and Special Economic Zone Limited (APSEZL) and Mundi Limited wholly owned subsidiary of Terminal Investment Limited Sàrl, in terms of agreement dated October 17, 2011 for development of Container Terminal infrastructure. In terms of the port development rights granted to Adani Ports and Special Economic Zone Limited (APSEZL), by Gujarat Maritime Board (GMB) & Government of Gujarat (GoG), under a 30 years Concession Agreement dated February 17, 2001, the Company received sub-concession rights for development and operation of first phase of Container Terminal Infrastructure of 810 Meter berth from GMB in August, 2012. The facilities were developed under SEZ Co-Developer arrangement in terms of approval from Ministry of Commerce & Industry, Government of India, April, 8, 2013. The first phase of Container Terminal's commercial operations commenced from July 1, 2013.

The extension of Container Terminal (CT-3 Extension) infrastructure of 650 meter berth was developed as per agreement dated December 23, 2015 between the joint venture partners, as stated above. The container terminal facilities were developed by APSEZL and based on arrangement entered by the Company with APSEZL, it commenced operations at 650 Meter Berth (CT-3 Extension) Container Terminal w.e.f. November 01, 2017. The CT-3 Extension is developed and operated as a SEZ unit in terms of approval dated October 27, 2016 from the Ministry of Commerce and Industry, Government of India.

The sub-concessionaire approval for CT-3 Extension Container Terminal berth of 650 Meter was received from the Gujarat Maritime Board (GMB) vide letter dated March 22, 2018, as an extension to its earlier approval to the Company as sub-concessionaire to own and operate 810 Meter Container Terminal berth. Sub-concession agreement between the Company, APSEZL and GMB for the entire facilities (i.e. Existing Container Terminal (CT-3) and Extension to existing container terminal infrastructure (CT-3 Extension) is under execution as on date.

The financial statement were authorised for issue in accordance with a resolution of the directors on May 06, 2022.

## **2 Basis of preparation**

**2.1** 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 to the Company.

The Financial Statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments;
- Defined Benefit Plans - Plan Assets measured at fair value; and
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

In addition, the financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements of the Company for the year ended March 31, 2021, were audited by S R B C & Co LLP, Chartered Accountants, the predecessor auditor.

## **2.2 Summary of significant accounting policies**

### **a) Current versus 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:

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

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.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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



**b) Foreign currency translation**

The Company's financial statements are presented in INR, which is functional currency of the Company. The Company determines the functional currency and items included in the financial statements are measured using that functional currency.

**Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of the following:

Exchange differences arising on long-term foreign currency monetary items related to acquisition of a property, plant and equipment (including funds used for projects work in progress) recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. March 31, 2016 are capitalized / decapitalised to cost of Property, Plant and Equipment and depreciated over the remaining useful life of the asset.

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

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

**c) Fair value measurement**

The Company measures financial instruments, such as, derivatives and current investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for recurring fair value measurement, such as derivative instruments, investment in mutual funds and unquoted financial assets measured at fair value.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

-Disclosures for valuation methods, significant estimates and assumptions (refer note 29)

-Quantitative disclosures of fair value measurement hierarchy (refer note 29)

-Financial instruments (including those carried at amortised cost) (refer note 29)



**d) Revenue Recognition**

**Revenue from contract with customer**

Revenue from contracts with customers is recognised when control of the goods or 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 goods or services.

**Port Operation Services**

Revenue from port operation services including cargo handling, storage and other ancillary port services are recognized in the accounting period in which the services are transferred to the customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

In cases, where the contracts include multiple contract obligations, the transaction price will be allocated to each performance obligation based on the standalone selling prices. Where these prices are not directly observable, they are estimated based on expected cost plus margin.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In determining the transaction price for the sale of port operation services, the Company considers the effects of variable consideration and consideration payable to the customer.

**Variable consideration in the form of Volume Discount**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the services to the customer. The variable consideration is estimated at contract inception in some of the contract terms 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. Some contracts for the Port Operation services provide customers with volume rebates. The Company provides retrospective volume rebates to certain customers once the quantitative factors / conditions exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer on one to one basis. 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. 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 assets:**

A contract asset is initially recognised for revenue earned from port operation services / other services as receipt of consideration is conditional on successful completion of services. Upon completion of services and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in note 2.2(i) Financial instruments – initial recognition and subsequent measurement.

**Trade receivables:**

A receivable is recognised if 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 notes 2.2(p) Financial instruments – initial recognition and subsequent measurement.

**Contract liabilities:**

A contract liability is recognised if a payment is received or payment is due (whichever is earlier) from a customer before the Company deliver port services and transaction price is allocated to unsatisfied performance obligation in respect of Storage and Dispatch services of Customers' Cargo lying at Port. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., delivery of services to the customer).

**Refund liabilities:**

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from the customer. The Company's refund liabilities arise from the customer when the Company ultimately expects it will have to return the amount to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

**e) Other Operating Income / Other Income**

**Interest Income**

For all debt instruments measured either at amortized 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 amortized cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

**Rental Income**

Rental Income arising from operating leases on Equipment is accounted for on straight-line basis over on lease term and included in 'other income' in the statement of Profit and loss.

**f) 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 recognized as income on a systematic basis over the period 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.

Waterfront royalty on cargo under the concession agreement executed by APSEZ with GMB is paid at concessional rate in terms of rate prescribed by Gujarat Maritime Board (GMB) and notified in official gazette of Government of Gujarat, wherever applicable.





**g) Inventories**

Inventories are valued at lower of cost and net realisable value.

Stores and Spares: Valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a moving weighted average basis.

Stores and Spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Net Realizable Value in respect of store and spares is the estimated current procurement price in the ordinary course of the business.

**h) Property, plant and equipment (PPE)**

Property, Plant and Equipment (including Capital Work-in-Progress) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of purchase, cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives or over the balance life of the parent asset, as applicable. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Capital Work in Progress comprises of construction and procurement cost of port terminal related infrastructure (project). Cost of Capital work in progress includes direct cost in the nature of Engineering, Procurement and Construction Charges (EPC Charges) paid / payable to Contractor and Other direct and indirect cost incurred during the construction phase which are attributable to procurement and development of the project.

Borrowing cost relating to acquisition / construction of Property, Plant and Equipment 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.

All other costs are recognised in the profit or loss as incurred.

The Company adjusts exchange differences arising on translation difference/settlement of long term foreign currency monetary items outstanding in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial statements i.e. March 31, 2016 and pertaining to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset. The depreciation on such foreign exchange difference is recognised from first day of the financial year.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act 2013, except for the assets mentioned below for which useful life estimated by the management. The Identified component of Property, Plant & Equipment are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The Company has estimated the following useful life to provide depreciation on its certain property, plant and equipments based on assessment made by expert and management estimate.

Assets	Estimated Useful Life
Marine Structure, building and back up yard	50 Years

At the end of the sub-concession agreement, all contracted immovable and movable assets shall be transferred to and shall vest in Grantor (government authorities) for consideration equivalent to the Depreciated Replacement Value (the 'DRV'). Currently DRV is not determinable, accordingly, residual value of contract asset is considered to be the carrying value, based on useful life as per schedule II of the Companies Act, 2013 estimated by the management at the end of Sub-concession period.

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

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

**i) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or losses when no future economic benefits are expected from its use or disposal. Any gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.



A summary of the policies of amortisation applied to the Company's intangible assets is, as follows:

Intangible assets	Method of Amortisation	Estimated Useful Life
Software applications	on straight line basis	5 Years or useful life whichever is less
Right-of-use of Infrastructure Usage Right	on straight line basis	Over the balance period of sub concession agreement i.e. up to 28th February, 2031 from the date of addition which is 12-18 years.

j) **Borrowing Costs**

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

k) **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.

**The Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

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 shorter of the lease term and the estimated useful lives of the assets, as follows:

Assets	Estimated Useful Life
Right-of-use of Land	Over the balance period of sub concession agreement i.e. up to 28th February, 2031

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 note 2.2(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.

**The Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. 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.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.



**i) Impairment of non-financial 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. The 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 of assets. When 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 no such transactions can be identified, an appropriate valuation model is used.

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. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. 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 entity operates, or for the market in which the asset is used.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

**m) Taxes**

Tax expense comprises of current income tax and deferred tax.

**i) 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. Current income tax (including Minimum Alternate Tax (MAT)) is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized 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.

**ii) Deferred Tax**

Deferred tax is provided using the liability approach 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 recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized, 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 affects neither the accounting profit nor taxable profit or loss.

The Company is eligible and claiming tax deductions available under section 80IA of the Income Tax Act, 1961 w.e.f FY 2013-14. In view of Company availing tax deduction under Section 80IA of the Income Tax Act, 1961, deferred tax has been recognized in respect of temporary difference, which reverse after the tax holiday period in the year in which the temporary difference originate and no deferred tax (assets or liabilities) is recognized in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. For recognition of deferred tax, the temporary difference which originate first are considered to reverse first.

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 future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized 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 relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax relate to the same tax authority.

The Company recognizes tax credit in the nature of Minimum Alternate Tax (MAT) credit as an asset only to the extent that there is sufficient taxable temporary difference / convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credit as an asset, the said asset is created by way of tax credit to the statement of profit and loss. The Company reviews the such tax credit asset at each reporting date and writes down the asset to the extent the Company does not have sufficient taxable temporary difference / convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax





n) Provisions

**General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

**Contingent Liabilities:**

Contingent liabilities may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome is uncertain or cannot be reliably quantified, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote such contingent liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position.

o) Retirement and other employee benefits

**Defined Contribution Plan**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

**Defined Benefits Plan**

The company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

**Compensated Absences**

Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short term employee benefits. The company measures the expected cost of such absence as the additional amount that is expected to pay as a result of the unused estimate that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months as long term compensated absences which are provided for based on actuarial valuation as at the end of the period. The actuarial valuation is done as per projected unit credit method. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve month after the reporting date.

p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

➤ Financial assets

**Initial recognition and measurement**

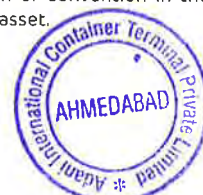
All financial assets are recognised initially at fair value plus in case of financial asset not recorded at fair value through profit and loss, transaction cost that are attributable to the acquisition of the financial assets.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.





#### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- > Financial assets instruments at amortised cost (debt instruments)
- > Financial assets at fair value through profit or loss (FVTPL) (Derivatives and Equity Instruments)

#### Financial assets at amortised cost (debt instruments)

A 'financial assets' is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) 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. The Company's financial assets at amortised cost includes trade and other receivables, loans, Security and Other deposits included under Other financial assets.

#### Financial Assets at FVTPL

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and investments in equity instruments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on such investments are recognised in the statement of profit and loss when the right of payment has been established.

Financial Assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- > The rights to receive cash flows from the asset have expired, or
- > The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- > Disclosures for significant assumptions – see Note 2.3
- > Financial Assets at FVTPL – see Note 2.2 (p)
- > Trade receivables and contract assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. 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.

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).

For trade receivables and contract assets, the Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Lifetime ECL are the expected credit losses resulting from all possible default over the expected life of a financial instrument.

The Company considers a financial asset in default when contractual payments are overdue. 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.



ECL impairment loss allowance ( or reversal) recognised during the period is recognised as income / (expense) in the statement of profit and loss (P&L). This amount is reflected under the head " Other Expense" in the P&L.

The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

➤ **Financial liabilities & Equity Instruments**

**Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**Perpetual debt**

The Company issued a subordinated perpetual debt, redeemable at the Company's option, with a fixed coupon that can be deferred indefinitely if the Company does not pay a dividend on its equity shares. The Company classifies these instruments as equity under Ind AS 32.

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

**Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, The Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

**Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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.

This category generally applies to borrowings.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**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. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**Offsetting of financial instruments**

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.



q) **Derivative financial instruments**

**Initial recognition and subsequent measurement**

The Company uses derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, such as forward currency contracts, interest rate swaps, principal only swaps and cross currency swaps to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument or on settlement of such derivative financial instruments are recognised in statement of profit and loss and are classified as Foreign Exchange (Gain) / Loss except those relating to borrowings, which are separately classified under Finance Cost.

r) **Segment Reporting**

In accordance with the Ind-AS 108 - "Operating Segments", the Company has determined its business segment as developing, operating and maintaining the port based terminal infrastructure facilities. Since there are no other business segments in which the Company operates, there are no other primary reportable segments.

s) **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

t) **Earnings per share**

Basic earning per share are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earning per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**2.3 Significant judgements, accounting estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, 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.

**Judgements**

In the process of applying the Company's accounting policies, management has made the following judgement, which have the most significant effect on the amounts recognised in the financial statements:

**Determining the lease term of contracts with renewal and termination options – Company as lessee**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

**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 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.



#### Taxes

Deferred Tax Assets includes minimum alternate tax (MAT) credit of ₹ 18,184.30 lacs recognised in accordance with the provision of the Indian Income Tax Act, 1961 (the act). The said tax gives rise to future economic benefits in the form of adjustment / set off against future income tax liability. Based on the assessment by the management, after considering the tax benefits that are available to the Company under section 80IA of the Act, it is probable that the Company will have sufficient taxable profit in future against which, the Company will be able to set off the MAT credit. Accordingly, the Company has recognised deferred tax assets arising from MAT credit entitlement.

Pursuant to the Taxation Laws (Amendment) Ordinance 2019 issued by Ministry of Law and Justice (Legislative Department) dated September 20, 2019 effective from April 01, 2019, the Company has option to avail lower tax rates of 22% (without any tax benefits) instead of existing tax rate of 30%. Also, the tax rate on book profit has reduced to 15% instead of 18.50% as per the existing rate of taxation. Based on assessment, the Company has Chosen to continue with the existing tax rate of 30% along with reduced tax rate on book profits of 15% until utilisation of MAT credit of ₹ 18,184.30 lacs after the post tax holiday period i.e., from FY 2028-29 onwards.

Further, CT-3 Extension Terminal of 650 meter at Mundra is annexed to the existing terminal of 810 meter. Based on the assessment made by the management with the help of experts, it is assessed that extension terminal is construed as an additional development to the existing container terminal facilities. Hence, the Company is eligible to claim tax benefit under section 80IA of the act on income derived from development and operation & maintenance of Container Terminal infrastructure (existing as well as extension developed terminal).

#### Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

## 2.4 New Standards, Interpretations and amendments adopted by the company

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31, 2021, except for amendments to the existing Indian Accounting Standards (Ind AS). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The Company applies, for the accounting periods beginning on or after 1 April 2021, that do not have material impact on the financial statements of the Company

#### Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest

Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued

Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

The Company intends to use the practical expedients in future periods if they become applicable.

#### Conceptual framework for financial reporting under Ind AS issued by ICAI

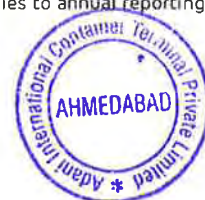
The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas those are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS .includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

#### Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021.





**Ind AS 103: Business combination**

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognizes those costs in its post-combination financial statements in accordance with other Ind AS.

**Amendment to Ind AS 105, Ind AS 16 and Ind AS 28**

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.



Particulars	Property, Plant and Equipment								Intangible assets			Total
	Buildings (refer note i and iii below)	Plant & machinery	Office equipments	Computer equipments	Vehicles	Marine structures (refer note iii below)	Leasehold Land Development	Furniture & Fixtures	Software	Infrastructure Usage rights		
<b>Cost</b>												
As at April 01, 2020	54,552.67	1,85,873.94	361.80	1,468.44	25.32	97,505.77	218.26	14.67	759.75	-	759.75	
Infrastructure usage right classified as Intangible asset										68,982.41	68,982.41	
Additions	289.97	175.02	91.50	401.73	-	-	-	-	35.66	-	35.66	
Deductions/Adjustment	(44.64)	(44.64)	(16.47)	(537.01)	-	-	-	-	(493.20)	-	(493.20)	
Exchange difference	(70.04)	(20.39)	-	-	-	(128.63)	-	-	(219.06)	-	-	
As at March 31, 2021	54,772.60	1,85,983.93	436.83	1,233.16	25.32	97,377.14	218.26	14.67	302.21	68,982.41	69,284.62	
Additions	36.38	788.11	32.79	64.95	-	-	-	-	922.23	-	0.49	
Deductions/Adjustment	-	(155.95)	-	-	-	-	-	-	(155.95)	-	-	
As at March 31, 2022	54,808.98	1,86,616.09	469.62	1,298.11	25.32	97,377.14	218.26	14.67	302.70	68,982.41	69,285.11	
<b>Depreciation and Amortisation</b>												
As at April 01, 2020	5,893.21	38,944.28	141.28	969.89	12.31	8,981.18	14.66	2.22	54,959.03	-	536.34	
Infrastructure usage right classified as Intangible asset										5,788.29	5,788.29	
Depreciation for the year	1,768.86	11,134.76	80.61	243.01	3.27	2,564.66	7.27	1.47	15,803.91	5,788.29	5,851.90	
Deductions/Adjustment	(29.36)	(29.36)	(16.47)	(615.22)	-	-	-	-	(661.05)	(493.20)	(493.20)	
As at March 31, 2021	7,662.07	50,049.68	205.42	597.68	15.58	11,545.84	21.93	3.69	70,101.89	11,576.58	11,683.33	
Depreciation for the year	1,773.48	11,157.49	77.80	226.11	3.27	2,564.66	7.27	1.47	15,811.55	5,788.29	5,841.39	
Deductions/Adjustment	(7.53)	(7.53)	-	-	-	-	-	-	(7.53)	-	-	
As at March 31, 2022	9,435.55	61,199.64	283.22	823.79	18.85	14,110.50	29.20	5.16	85,905.91	17,364.87	17,524.72	
<b>Net Block</b>												
As at March 31, 2022	45,373.43	1,25,416.45	186.40	474.32	6.47	83,266.64	189.06	9.51	254,922.28	51,617.54	51,760.39	
As at March 31, 2021	47,110.53	1,35,934.25	231.41	635.48	9.74	85,831.30	196.33	10.98	2,69,960.02	57,405.83	57,601.29	

Notes:  
i) Buildings includes backup yard and civil structures.  
ii) Property, Plant & Equipment has been hypothecated as security against borrowing of ₹ 2,28,863.67 Lacs availed by the Company. (Refer Note 14)  
iii) Port terminal immovable assets acquired / developed are pending for registration in the Company's name.

Relevant line items in the Balance sheet	Description of item of property	Gross Carrying Value	Net Carrying Value	Title deeds held in name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter or director	Property held since which date	Reason for not being held in the name of the Company
Property Plant and Equipment	Buildings	54,808.98	45,373.43	NA	NA	Jul-13	Pending conclusion of Sub-Concession Agreement with Government Authorities
Property Plant and Equipment	Marine Structures	97,377.14	83,266.64	NA	NA	Jul-13	Pending conclusion of Sub-Concession Agreement with Government Authorities

iv) The Company has elected to continue with the carrying value for all of its Property, plant and equipments as recognised in its previous GAAP financial, as deemed cost at the transition date i.e. April 1, 2015 as per option permitted under Ind AS 101 for the first time adoption of Ind AS.



Note 3(b) Capital Work in progress

Particulars	₹ In Lacs
Balance as at April 01, 2020	187.85
Addition during the year	846.75
Capitalised during the year	(955.89)
Balance as at March 31, 2021	40.71
Addition during the year	1,276.74
Capitalised during the year	(922.72)
Balance as at March 31, 2022	394.73

Capital Work in progress amounting of ₹ 394.73 lacs (Previous Year ₹ 40.71 lacs) includes cost of equipments and components which are in process of installation at port infrastructure facility at Mundra

Capital Work-in-Progress (CWIP) Ageing

As at March 31, 2022		₹ In Lacs		
CWIP		Amount in CWIP for a period of		
		Less than 1 year	1-2 Years	More than 3 Years
Projects in Progress		394.73	-	-
Total		394.73	-	394.73

As at March 31, 2021		₹ In Lacs		
CWIP		Amount in CWIP for a period of		
		Less than 1 year	1-2 Years	More than 3 Years
Projects in Progress		25.38	15.33	-
Total		25.38	15.33	40.71



Adani International Container Terminal Private Limited  
Notes to Financials statements for the year ended March 31, 2022  
Note 3(c) Right-of-use assets



₹ in Lacs

Particulars	Leasehold Land (refer note i)	Infrastructure Usage rights	Total
<b>Cost</b>			
As at April 01, 2020	32,189.88	68,982.41	1,01,172.29
Infrastructure usage right classified as Intangible asset	-	(68,982.41)	(68,982.41)
Additions	-	-	-
Deductions/Adjustment	-	-	-
<b>As at March 31, 2021</b>	<b>32,189.88</b>	<b>-</b>	<b>32,189.88</b>
Additions	-	-	-
Deductions/Adjustment	-	-	-
<b>As at March 31, 2022</b>	<b>32,189.88</b>	<b>-</b>	<b>32,189.88</b>
<b>Amortisation</b>			
As at April 01, 2020	2,714.51	5,788.29	8,502.80
Infrastructure usage right classified as Intangible asset	-	(5,788.29)	(5,788.29)
For the year	2,714.50	-	2,714.50
Deductions/Adjustment	-	-	-
<b>As at March 31, 2021</b>	<b>5,429.01</b>	<b>-</b>	<b>5,429.01</b>
For the year	2,714.51	-	2,714.51
Deductions/Adjustment	-	-	-
<b>As at March 31, 2022</b>	<b>8,143.52</b>	<b>-</b>	<b>8,143.52</b>
<b>Net Block</b>			
As at March 31, 2022	24,046.36	-	24,046.36
As at March 31, 2021	26,760.87	-	26,760.87

Notes:

i) Land area measuring 64.3 hectare (including land of 27.3 hectare leased for CT-3 extension) is taken on sub-lease basis over a period of 30 years and 12 years for CT-3 and CT-3 extension respectively. The land area is located at Mundra Port and is a reclaimed land, pending notification by the Government authorities. Pending such notification the land is still not registered.





**4 Investments**

**Current**

**Unquoted mutual funds (valued at fair value through profit and loss)**

8,07,143.14 units (previous year Nil) of 114.61 each in ICICI Prudential Overnight Fund Direct Plan  
90,505.06 units (previous year Nil) of 1133.80 each in Kotak Overnight Fund Direct-Growth  
9,755.67 units (previous year Nil) of 1080.47 each in JM Overnight Fund - Direct - Growth  
13,77,467.39 units (previous year Nil) of 114.12 each in Nippon India Overnight Fund -Direct Growth  
69,057.62 units (previous year Nil) of 1,149.69 each in Aditya Birla Overnight Fund Growth -DirectPlan  
53,144.367 units (previous year Nil) of 1,121.44 each in Tata Overnought Fund -Direct Plan-Growth  
91,891.46 units (previous year Nil) of 1,123.84 each in Axis Overnight Fund Direct Growth (On-DG)  
34,439.34 units (previous year Nil) of 1,658.38 each in LBT Overnight Fund Direct Plan-Growth  
Nil units (previous year 132,944.03) of ₹ 1,087.92 each in AXIS Overnight Fund  
Nil units (previous year 36,911.51) of ₹ 2,817.66 each in UTI Overnight Fund  
Nil units (previous year 48,058.17) of ₹ 1,040.45 each in Invesco India Overnight Fund

Aggregate carrying value of unquoted Mutual Funds  
Aggregate net assets value of unquoted Mutual Funds

As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
925.05	-
1,026.15	-
105.41	-
1,571.95	-
793.95	-
595.98	-
1,032.71	-
571.14	-
-	1,446.32
-	1,040.04
-	500.02
<b>6,622.34</b>	<b>2,986.38</b>
6,622.34	2,986.38
6,622.34	2,986.38

**5 Trade Receivables**

**Current**

**Trade Receivables (refer notes below)**

- Unsecured, considered good
- Credit impaired

Less: Allowances for expected credit loss ("ECL")

**Total Trade Receivables**

**Dues from Related Parties included in above (Refer Note 37)**

MSC Mediterranean Shipping Co. S.A  
Adani CMA Mundra Terminal Private Limited  
Adani Ports and Special Economic Zone Ltd  
Adani Wilmar Limited

As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
6,422.45	3,383.31
34.60	58.95
6,457.05	3,442.26
(34.60)	(58.95)
<b>6,422.45</b>	<b>3,383.31</b>
5,994.17	2,654.38
-	0.41
44.49	38.36
-	0.09
<b>6,038.66</b>	<b>2,693.24</b>

**Notes:-**

(i) 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.

**(ii) Trade receivables ageing schedule**

As at March 31, 2022		Outstanding for following periods from due date of receipt						₹ in Lacs
Sr No	Particulars	Not Due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	Total
1	Undisputed Trade receivables - Considered good	2,630.37	3,784.13	7.52	0.43	-	-	6,422.45
2	Undisputed Trade receivables - credit impaired	-	0.02	0.28	7.96	3.15	23.19	34.60
	Less : Allowance for doubtful debts							(34.60)
	<b>Total</b>	<b>2,630.37</b>	<b>3,784.15</b>	<b>7.80</b>	<b>8.39</b>	<b>3.15</b>	<b>23.19</b>	<b>6,422.45</b>

As at March 31, 2021		Outstanding for following periods from due date of receipt						₹ in Lacs
Sr No	Particulars	No Due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	Total
1	Undisputed Trade receivables - Considered good	2,093.04	1,200.27	40.75	49.25	-	-	3,383.31
2	Undisputed Trade receivables - credit impaired	-	2.80	10.93	11.32	14.91	18.99	58.95
	Less : Allowance for doubtful debts							(58.95)
	<b>Total</b>	<b>2,093.04</b>	<b>1,203.07</b>	<b>51.68</b>	<b>60.57</b>	<b>14.91</b>	<b>18.99</b>	<b>3,383.31</b>

**(iii) For Assets given as securities refer note 14**



**6 Other Financial assets (unsecured and considered Good)**

Security and other deposits  
Margin money with banks  
Loans and advances to employees  
Interest accrued on deposits  
Non Trade receivables  
Receivables from Derivative Contracts

Non-Current Portion		Current Portion	
As at March 31, 2022 ₹ In Lacs	As at March 31, 2021 ₹ In Lacs	As at March 31, 2022 ₹ In Lacs	As at March 31, 2021 ₹ In Lacs
108.60	99.32	-	-
8,546.04	9,305.85	-	-
15.35	25.35	19.73	18.11
-	-	180.99	141.16
-	-	184.73	31.87
-	-	49.38	668.96
<b>8,669.99</b>	<b>9,430.52</b>	<b>434.83</b>	<b>860.10</b>

**Dues from Related Parties included in above (Refer Note 37)**

Adani Ports and Special Economic Zone Ltd.  
Terminal Investment Limited Sàrl  
Adani Marmugao Port Terminal Private Limited  
MPSEZ Utilities Private Limited  
Adani CMA Mundra Terminal Private Limited  
Marine Infrastructure Developer Private Limited

177.54	46.13
-	1.44
4.66	-
90.93	83.02
3.80	3.80
16.30	0.39
<b>293.23</b>	<b>134.78</b>

**Note:-**

**(i) Loan Receivables**

- Loans Receivables considered good - Unsecured

**Total Loan Receivables**

As at March 31, 2022 ₹ In Lacs	As at March 31, 2021 ₹ In Lacs
35.08	43.46
<b>35.08</b>	<b>43.46</b>

(ii) The Carrying amount of Other Financial Assets as at reporting date approximate to fair value (refer Note 29).

(ii) Margin Money Deposits pertains to Senior Debt Service Reserve Account and Capital Reserve Account, as required by the terms and conditions of Senior Secured USD Notes issued by the Company.

**7 Income Tax Assets**

Advance income tax ( Net of Provision for taxation)

As at March 31, 2022 ₹ In Lacs	As at March 31, 2021 ₹ In Lacs
819.34	1,998.99
<b>819.34</b>	<b>1,998.99</b>

**8 Other assets (unsecured and considered Good)**

Capital Advances  
Prepaid Expenses  
Deferred Port Services Fees (Refer note (i) below)  
VAT claim recoverable  
Government Incentive Receivables (Refer note (ii) below)  
Advances recoverable in cash or in kind  
Goods and Service Tax credit Receivable

Non-Current Portion		Current Portion	
As at March 31, 2022 ₹ In Lacs	As at March 31, 2021 ₹ In Lacs	As at March 31, 2022 ₹ In Lacs	As at March 31, 2021 ₹ In Lacs
468.97	3.80	-	-
-	-	166.96	150.65
3,713.83	4,182.88	469.05	469.05
0.17	0.41	-	-
-	-	-	4,842.40
-	-	21.44	24.37
-	-	-	14.30
<b>4,182.97</b>	<b>4,187.09</b>	<b>657.45</b>	<b>5,500.77</b>

**Notes:**

(i) Deferred Port Service Fees represents unamortised balance of advance consideration paid by the Company to Adani Ports and Special Economic Zone Limited (APSEZL) for providing infrastructure services over remaining period of the Sub-Concession Agreement as per the Infrastructure Use and Port Service Agreement executed between APSEZL and the Company dated November 01, 2017 and subsequent amendments thereto. Consideration paid by the Company is amortised over the period of the Sub-Concession Agreement i.e., till February 16, 2031 and classified as 'Infrastructure Usage Right Charges'.

(ii) "On September 23, 2021 DGFT issued a notification, which restricts the Company's eligibility for SEIS benefits and also caps the benefits up to ₹ 500 Lacs per entity for FY 2019-20, pursuant to which the SEIS receivable amounting to ₹ 4,842.40 lacs and corresponding Revenue Share / Rail Head Reimbursement expenses related to SEIS amounting to ₹ 1,535.09 lacs pertaining to FY 2019-20 has been written off / reversed respectively during the year ended March 31, 2022 and is shown as exceptional item. However the Company has contested the legality and retrospective application of the said notification."

**9 Inventories**

(Valued at lower of cost and net realisable value)

Stores and spares

(For Assets given as securities refer note 14)

As at March 31, 2022 ₹ In Lacs	As at March 31, 2021 ₹ In Lacs
574.21	520.43
<b>574.21</b>	<b>520.43</b>



**Adani International Container Terminal Private Limited**  
Notes to Financial statements for the year ended March 31, 2022

adani  
ports and  
special economic zone

**10 Cash and cash equivalents**

**Balances with banks:**

Balance in current accounts  
Deposits with original maturity of less than three months  
(For Assets given as securities refer note 14)

As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
1,326.27	2,551.82
-	3,493.00
<b>1,326.27</b>	<b>6,044.82</b>

**11 Bank balances other than cash and cash equivalents**

Margin money with financial institutions (refer note (i) below)  
Deposits with original maturity over 3 months but less than 12 months  
(For Assets given as securities refer note 14)

As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
11,705.49	-
3,027.95	683.00
<b>14,733.44</b>	<b>683.00</b>

**Notes:**

(i) Margin Money Deposits pledged / lien against Foreign Currency Term Loan from Financial Institutions

**12 Share capital**

**Authorised**

1,50,00,00,000 Equity Shares of ₹ 10 each ( 1,50,00,00,000 Equity Shares of ₹ 10 each as at March 31, 2021)

As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
1,50,000.00	1,50,000.00
<b>1,50,000.00</b>	<b>1,50,000.00</b>

**Issued, subscribed and fully paid up shares**

64,44,63,634 Equity Shares of ₹ 10 each ( 64,44,63,634 Equity Shares of ₹ 10 each as at March 31, 2021)

64,446.36	64,446.36
<b>64,446.36</b>	<b>64,446.36</b>

**Notes:**

(a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the year:

	As at March 31, 2022		As at March 31, 2021	
	No	₹ in Lacs	No	₹ in Lacs
At the beginning of the year	64,44,63,634	64,446.36	64,44,63,634	64,446.36
Add : New shares issued during the year	-	-	-	-
At the end of the year	<b>64,44,63,634</b>	<b>64,446.36</b>	<b>64,44,63,634</b>	<b>64,446.36</b>

**(b) Terms/rights attached to equity shares:**

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Details of shareholders holding more than 5% shares in the Company**

	Particulars	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
<b>Equity shares of ₹ 10 each fully paid</b>			
Adani Ports and Special Economic Zone Limited	No	32,22,31,817	32,22,31,817
	% Holding	50.00%	50.00%
Mundi Limited	No	32,22,31,817	32,22,31,817
	% Holding	50.00%	50.00%

**(d) Details of Shareholding of Promoters**

**As at March 31, 2022**

S. No	Promoter name	No. of Shares (₹ in Lacs)	% of total shares	% Change during the year
1	Adani Ports and Special Economic Zone Limited	3,222.32	50%	-
2	Mundi Limited	3,222.32	50%	-
<b>Total</b>		<b>6,444.64</b>	<b>100%</b>	<b>-</b>

**As at March 31, 2021**

S. No	Promoter name	No. of Shares (₹ in Lacs)	% of total shares	% Change during the year
1	Adani Ports and Special Economic Zone Limited	3,222.32	50%	-
2	Mundi Limited	3,222.32	50%	-
<b>Total</b>		<b>6,444.64</b>	<b>100%</b>	<b>-</b>



**13 Other Equity**

**Securities Premium**

Opening Balance	4,647.93	4,647.93
Add : Securities Premium on issue of shares	-	-
Closing Balance	<b>4,647.93</b>	<b>4,647.93</b>

Securities Premium Reserve is used to record the premium on issue of equity shares. This reserve is utilised in accordance with the provisions of Section 52(2)(c) of the Companies Act, 2013.

**Surplus in the statement of profit and loss**

Opening Balance	(12,373.01)	(53,521.36)
Add : Profit for the period	25,784.88	41,139.10
Add : Re-measurement (losses) / gain on defined benefit plans (net of tax)	(16.52)	9.25
Closing Balance	<b>13,395.35</b>	<b>(12,373.01)</b>

**Total Other Equity**

<b>18,043.28</b>	<b>(7,725.08)</b>
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**14 Borrowings (Valued at amortised cost)**

**Term loans**

3.00% Senior Secured USD Notes ("Notes") (secured) (refer note (a) below)

**Inter-Corporate Deposits (Shareholders Loans)**

Foreign currency loan from JV Partner (secured) (refer note (b) below)

Loan from JV Partner (secured) (refer note (b) below)

Loan from JV Partner (Unsecured) (refer note (c) below)

	Non-Current Portion		Current Portion	
	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
3.00% Senior Secured USD Notes ("Notes") (secured) (refer note (a) below)	2,06,360.61	2,08,745.09	10,148.88	8,697.71
Inter-Corporate Deposits (Shareholders Loans)				
Foreign currency loan from JV Partner (secured) (refer note (b) below)	-	9,847.92	6,177.09	-
Loan from JV Partner (secured) (refer note (b) below)	-	9,847.92	6,177.09	-
Loan from JV Partner (Unsecured) (refer note (c) below)	19,905.48	-	-	38,556.80
<b>Total</b>	<b>2,26,266.09</b>	<b>2,28,440.93</b>	<b>22,503.06</b>	<b>47,254.51</b>
<b>The above amount includes</b>				
Secured borrowings	2,06,360.61	2,28,440.93	22,503.06	8,697.71
Unsecured borrowings	19,905.48	-	-	38,556.80
<b>Total borrowings</b>	<b>2,26,266.09</b>	<b>2,28,440.93</b>	<b>22,503.06</b>	<b>47,254.51</b>

**Notes:**

(a) Senior Secured USD Notes ("Notes") aggregating to ₹2,16,509.49 lakhs (Previous Year ₹ 2,17,442.80 lakhs) carries an interest rate 3.00% per annum. The Notes are repayable in 19 structured half yearly installments starting from September 2021 to September 2030 and thereafter repayable on 16th February 2031 (i.e. final maturity date), due-dates as per the Offering Circular of the Notes. The Notes are secured by first ranking pari passu charge over all present and future immovable property, core assets, tangible and intangible movable assets including book debts, current & non-current assets, cash flows, receivables, revenues, project accounts, rights, interests, benefits as per specified undertakings and agreements, etc.

Further, the Company has given a Non-Disposal Undertaking in favour of Security Trustee of the noteholders in respect of all the immovable fixed assets and core assets until creation and perfection of security on such assets. Also, the shareholders of the Company has given a Non-Disposal Undertaking in favour of Security Trustee of the noteholders in respect of 100% issued and paid up share capital of the Company till final maturity of the Notes.

(b) i) USD loan from Mundi Limited (50% shareholder) aggregating to ₹ 6,177.09 Lacs (Equivalent to USD 8.15 Million) (Previous Year ₹ 9,847.92 Lacs) and ii) USD linked INR loan from Adani Ports & Special Economic Zone Limited (50% shareholder) aggregating to ₹ 6,177.09 Lacs (Equivalent to USD 8.15 Million) (Previous Year ₹ 9,847.92 Lacs).

Both these loans carries an interest rate at 4% p.a., are repayable in single instalment on March 08, 2023 and are to be secured by the subservient charge over the terminal assets. However, as per the terms of the Senior Secured USD Notes ("Notes"), these loans are subordinated to the Notes and shareholders are not entitled to exercise any enforcement or acceleration actions till Notes are outstanding, hence as at reporting date, the creation of security in favour of the shareholders is pending. Both shareholders have confirmed to the Company that they have no objection with the pending security creation status and shall not levy any penalty due to the same, against the Company.

(C) The Inter Corporate Deposits aggregating to ₹ 19,905.48 Lacs (Previous Year ₹ 38,556.80 Lacs) carries interest of 9.1% per annum. The amounts are repayable in single installment on September 30, 2023.

As per the terms of the Notes (approved by the Company's Board, represented equally by both the shareholders), the shareholders loans are subordinated to the Notes. Further interest and principal repayment in respect of shareholder's loans can be made only from the surplus funds (i.e. funds available in accordance with the operating account waterfall mechanism stipulated under the terms of the Notes transferred to the distribution account. As of 31st Mar 2022, accrued interest payable on this loan is ₹ 634.08 Lacs, the same can be paid only from the surplus funds transferred to the said distribution account and hence non-payment of interest during the year has not been considered as default, as accepted by the lender.





15 Lease Liabilities

Obligations under lease payable against right to use land

Non-Current Portion		Current Portion	
As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
5,735.58	6,160.99	425.41	346.10
<b>5,735.58</b>	<b>6,160.99</b>	<b>425.41</b>	<b>346.10</b>

Dues to Related Parties Included in above (Refer Note 37)

Adani Ports and Special Economic Zone Ltd

6,160.99 6,507.09

Note:

a) Assets under Right of Use Leases comprises of land for purpose of developing, operating and maintaining container terminal and related infrastructure facilities in accordance with the terms of Memorandum of Understanding with Adani Ports & Special Economic Zone Limited. The lease rent is subject to revision after every 3 years by 10% of previous amount. The lease agreement entered is non-cancellable over a lease period of 30 years and 12 years for CT-3 and CT-3 extension respectively. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. Expenditure in the nature of finance cost of ₹ 536.83 lacs (previous year ₹ 561.69 lacs) incurred under such lease have been expensed in the statement of profit and loss.

Future minimum lease payments under leases together with the present value of the net minimum lease payments are as follows :

Particulars	(₹ in Lacs)					
	Within One Year	After One Year but not later than five years	More than five years	Total Minimum Lease Payments	Less: Amounts representing finance charges	Present value of minimum lease payments
<b>As at March 31, 2022</b>						
Minimum Lease Payments	933.69	3,991.88	4,060.48	8,986.05	(2,825.06)	6,160.99
Finance charge allocated to future periods	508.28	1,633.64	683.14	2,825.06	-	-
Present Value of MLP	425.41	2,358.24	3,377.35	6,160.99	-	6,160.99
<b>As at March 31, 2021</b>						
Minimum Lease Payments	882.93	3,881.31	5,104.75	9,868.99	(3,361.90)	6,507.09
Finance charge allocated to future periods	536.83	1,804.94	1,020.12	3,361.90	-	-
Present Value of MLP	346.10	2,076.36	4,084.63	6,507.09	-	6,507.09

16 Other financial liabilities

Interest accrued but not due on borrowings (Refer note 14(c))  
Payable against Derivative Contracts  
Deposit from customers  
Capital creditors, retention money and other payable  
Other payables (including discounts)

Non-Current Portion		Current Portion	
As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
293.16	2,294.16	652.27	2,959.61
-	-	-	2,497.31
-	-	188.21	152.21
-	-	86.01	536.59
-	-	3,360.50	6,301.82
<b>293.16</b>	<b>2,294.16</b>	<b>4,286.99</b>	<b>12,447.54</b>

Dues to Related Parties included in above (Refer Note 37)

Adani Ports and Special Economic Zone Ltd

Mundi Limited

779.70 2,673.02  
147.54 2,580.75

Note:

a) Ind AS 7 Statement of Cash Flows: Disclosure Initiatives

Ind AS 7 require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company has provided the information for current period.

Changes in liabilities arising from financing activities

(₹ in Lacs)							
Particulars	As at April 01, 2021	Cash Flows	Foreign Exchange Fluctuations	Changes in Fair Value	Other changes*	Accruals	As at March 31, 2022
Borrowings	2,75,695.43	(35,629.18)	8,538.60	-	114.30	-	2,48,769.15
Derivatives	1,828.35	-	-	(1,877.73)	-	-	(49.38)
Interest Accrued but not due	5,253.77	(14,971.85)	-	-	-	10,663.51	945.43
Lease Liabilities	6,507.09	(346.10)	-	-	-	-	6,160.99
<b>TOTAL</b>	<b>2,89,284.64</b>	<b>(50,947.13)</b>	<b>8,588.60</b>	<b>(1,877.73)</b>	<b>114.30</b>	<b>10,663.51</b>	<b>2,55,826.19</b>

\* Other changes relates to Effective interest rate adjustment on bonds.

(₹ in Lacs)							
Particulars	As at April 01, 2020	Cash Flows	Foreign Exchange Fluctuations	Changes in Fair Value	Other changes*	Accruals	As at March 31, 2021
Long-term Borrowings	3,21,514.92	(36,354.58)	(8,629.33)	-	(835.58)	-	2,75,695.43
Short-term Borrowings	150.00	(150.00)	-	-	-	-	-
Derivatives	12,848.73	(5,705.50)	-	(5,314.88)	-	-	1,828.35
Interest Accrued but not due	5,210.24	(12,819.24)	-	-	-	12,862.78	5,253.77
Lease Liabilities	6,808.42	(301.33)	-	-	-	-	6,507.09
<b>TOTAL</b>	<b>3,46,532.31</b>	<b>(55,330.65)</b>	<b>(8,629.33)</b>	<b>(5,314.88)</b>	<b>(835.58)</b>	<b>12,862.78</b>	<b>2,89,284.64</b>

\* Other changes relates to Effective interest rate adjustment on bonds.



**Adani International Container Terminal Private Limited**  
Notes to Financial statements for the year ended March 31, 2022

**adani**  
INTERNATIONAL CONTAINER TERMINAL PRIVATE LIMITED  
AHMEDABAD

**17 Provisions**

**Non-current**

Provision for gratuity (refer note 34)

**Current**

Provision for compensated absences (refer note 34)

As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
83.20	74.26
<b>83.20</b>	<b>74.26</b>
128.91	113.75
<b>128.91</b>	<b>113.75</b>

**18 Deferred tax liabilities (net)**

Deferred tax liability (refer note 28)

As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
22,436.15	25,486.76
<b>22,436.15</b>	<b>25,486.76</b>

**19 Other Liabilities**

**Current**

Statutory liabilities (net)

Contract Liabilities

As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
2,937.28	2,501.51
1,974.42	1,702.95
<b>4,911.70</b>	<b>4,204.46</b>

**Note:-** Contract liabilities include advances received from the Customers to deliver Port Operation Services

**20 Trade and Other Payables**

Total outstanding dues of micro enterprises and small enterprises (refer Note 35)

Total outstanding dues of creditors other than micro enterprises and small enterprises

As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
8.29	-
5,998.87	5,867.03
<b>6,007.16</b>	<b>5,867.03</b>

Dues to Related Parties included in above (Refer Note 37)

4,960.96 4,764.59

Trade and other payable ageing as on March 31, 2022 is as below

**As at March 31, 2022**

Sr No	Particulars	Outstanding for following periods from due date of Payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	8.29	-	-	-	-	8.29
2	Others	870.69	5,103.10	6.67	14.07	4.34	5,998.87
	<b>Total</b>	<b>878.98</b>	<b>5,103.10</b>	<b>6.67</b>	<b>14.07</b>	<b>4.34</b>	<b>6,007.16</b>

**As at March 31, 2021**

Sr No	Particulars	Outstanding for following periods from due date of Payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	775.42	5,072.35	14.75	4.51	-	5,867.03
	<b>Total</b>	<b>775.42</b>	<b>5,072.35</b>	<b>14.75</b>	<b>4.51</b>	<b>-</b>	<b>5,867.03</b>



**Adani International Container Terminal Private Limited**  
Notes to Financials statements for the year ended March 31, 2022

**adani**  
Ports and  
Special Economic Zones

**21 Revenue from Operations**

**Revenue from Contract with Customers**

- Income from Port Terminal Operations

**Other Operating Income**

- Government Incentives on services

**Notes:**

1. Reconciliation of revenue recognised with contract price:

**Contract Price**

Adjustment for:

Refund liabilities

Change in Contract Assets

**Revenue from Contract with Customers**

For the year ended March 31, 2022	For the year ended March 31, 2021
₹ in Lacs	₹ in Lacs
1,35,481.00	1,19,765.92
	216.77
<b>1,35,481.00</b>	<b>1,19,982.69</b>
For the year ended March 31, 2022	For the year ended March 31, 2021
₹ in Lacs	₹ in Lacs
1,46,162.77	1,32,209.23
(10,681.77)	(12,288.99)
	(154.32)
<b>1,35,481.00</b>	<b>1,19,765.92</b>

**22 Other Income**

**Interest Income**

On Bank deposits

On Income Tax Refund

On Other deposits

Profit on Sale / Disposal of Assets (net)

Profit on sale of current investments (net)

Rent income (refer note below)

Miscellaneous Sales

Unclaimed liabilities / excess provision written back

**Total Other income**

For the year ended March 31, 2022	For the year ended March 31, 2021
₹ in Lacs	₹ in Lacs
1,069.67	1,095.21
89.08	204.90
0.76	4.10
9.23	-
299.54	41.18
128.25	120.03
4.60	7.80
21.00	32.55
<b>1,622.13</b>	<b>1,505.77</b>

Note: Assets given under operating leases- Certain equipment are given on operating lease basis for a duration of one year and is renewable by mutual agreement. There are no sub-leases and leases are cancellable in nature. There is no contingent rent in the lease agreement.

**23.1 Operating Expenses**

Cargo handling / Other charges to sub-contractors

Equipment hire charges

Waterfront charges

Power and fuel Cost

Spare parts and consumables

Contractual Manpower Charges

For the year ended March 31, 2022	For the year ended March 31, 2021
₹ in Lacs	₹ in Lacs
18,819.79	14,745.26
1,833.15	1,526.09
5,878.18	4,765.64
4,003.18	3,217.66
1,476.56	1,034.83
1,677.40	1,722.25
<b>33,688.26</b>	<b>27,011.73</b>

**23.2 Revenue Sharing Expenses**

Revenue Sharing Expenses (refer note below)

For the year ended March 31, 2022	For the year ended March 31, 2021
₹ in Lacs	₹ in Lacs
23,781.99	22,343.04
<b>23,781.99</b>	<b>22,343.04</b>

**Notes:**

As per Clause 9.4.1 of the Sub-Concession Agreement (Agreement) between the Company, Adani Ports and Special Economic Zone Limited (APSEZL) and the Gujarat Maritime Board (GMB), the Company is, in consideration of the rights granted to it by the APSEZL pursuant to the agreement to develop, operate and maintain Container Terminal (CT-3 and CT-3 Extension) at Mundra Port and right to carry out revenue generating activities, required to share Income earned from port terminal operations at rate stipulated under the agreement with APSEZL and disclosed as 'Revenue Sharing Expenses' in statement of profit and loss.

**24 Employee benefit expense**

Salaries and Wages

Contribution to Provident and Other Funds

Gratuity Expenses

Staff Welfare Expenses

For the year ended March 31, 2022	For the year ended March 31, 2021
₹ in Lacs	₹ in Lacs
1,182.48	1,206.89
58.66	62.27
25.84	30.03
93.04	88.92
<b>1,360.02</b>	<b>1,388.11</b>

**25 Foreign Exchange / Derivatives Loss / (Gain) (net)**

Foreign Exchange Loss / (Gain) (net)

Change in Fair Valuation (Gain) of Derivatives not designated as hedge (net)

For the year ended March 31, 2022	For the year ended March 31, 2021
₹ in Lacs	₹ in Lacs
8,703.51	(8,412.50)
(233.21)	(6,323.94)
<b>8,470.30</b>	<b>(14,736.44)</b>



**26 Finance Costs**

**Interest on**

3.00% Senior Secured USD Notes
Fixed Loans, Buyer's Credit, Short Term Loan etc. (net)
Inter Corporate Deposit
Finance charges payable on lease obligations
Income tax
Bank and Other Finance Charges

(Gain) on Derivatives / Swap Contracts on borrowings / interests not designated as hedges (net)

For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
7,354.65	1,962.68
-	3,117.00
3,583.24	7,851.37
536.83	561.69
-	111.11
98.08	1,326.23
<b>11,572.80</b>	<b>14,930.08</b>
(464.26)	(1,133.42)
<b>11,108.54</b>	<b>13,796.66</b>

**27 Other Expenses**

Rent (refer note (a) below)
Rates and Taxes
Communication Expenses
Security manpower charges
Travelling and Conveyance
Other Repairs and Maintenance (net of reimbursement)
Insurance (net of reimbursement)
Legal and Professional Expenses
Management support charges
IT Support Services
Payment to Auditors (refer note (b) below)
Corporate Social Responsibility Expense (refer note (c) below)
Loss on sale / discard of Property, Plant and Equipments (net)
Miscellaneous Expenses

**Notes:**

- a) Assets taken under operating leases – office facilities, amenities and utilities are obtained on operating leases. During the year, the Company has incurred ₹ 293.03 lacs (Previous year ₹ 259.52 lacs) towards lease rentals which has been charged to statement of profit & loss. There is no sub-lease and the leases are cancellable in nature. There are no restrictions imposed under the lease arrangements. There is no contingent rent clause in the lease agreements.

**b) Payment to Auditor**

**As Auditor:**

Audit fee (Including reporting to investor entity)
Limited review

**In other Capacity**

Certification Fees
Other Services*

**Reimbursement of expenses\***

For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
23.50	25.00
10.00	4.50
-	0.50
-	51.00
0.15	1.24
<b>33.65</b>	<b>82.24</b>

\* Note- Professional fee of ₹ 32.39 lacs paid for the services rendered in respect of the Bond issued by the Company has been accounted as transaction cost in accordance with Ind AS 109 for the year ended March 31, 2021.

**c) Details of Expenditure on Corporate Social Responsibilities**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
(i) Gross Amount required to be spent during the year	74.20	-
(ii) Amount spent during the year ended	-	-

Particulars	In cash	Yet to be paid in cash	Total
<b>March 31, 2022</b>			
i) Construction/Acquisition of any asset	-	-	-
ii) On Purpose other than (i) above	74.20	-	74.20
<b>Total</b>	74.20	-	74.20
<b>March 31, 2021</b>			
i) Construction/Acquisition of any asset	-	-	-
ii) On Purpose other than (i) above	-	-	-
<b>Total</b>	-	-	-

(iii) Nature of CSR activities

Promoting Health Care, Rural Infrastructure and Social development.

(iv) Details of related party transaction in relation to CSR expenditure as per relevant Accounting standard

Adani Foundation



74.20



28 Income Tax

(a) The major components of income tax expenses for the period ended March 31, 2022 and March 31, 2021

Statement of profit and loss

Current Income tax:

Current income tax charge  
Adjustment in respect of income tax charge of previous years

Deferred tax :

Charges relating to origination and reversal of temporary differences (post tax holiday period)  
Tax (Credit) under Minimum Alternate Tax ("MAT")

Income tax expenses reported in statement of profit and loss

For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
4,802.99	7,750.41
0.26	-
1,751.86	3,091.61
(4,802.99)	(7,750.41)
<b>1,752.12</b>	<b>3,091.61</b>

(b) Other Comprehensive Income (OCI) section

Deferred tax related to items recognised in OCI during the year

Net (gain) on remeasurements of defined benefit plans

Income tax credit / (charged) to OCI

For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
-	(4.97)
-	<b>(4.97)</b>

(c) Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate for March 31, 2022 and March 31, 2021

	March 31, 2022		March 31, 2021	
	%	₹ in Lacs	%	₹ in Lacs
Profit Before tax		<b>27,537.00</b>		<b>44,230.71</b>
Tax using the Company's domestic rate	34.94%	9,622.53	34.94%	15,455.98
Tax Effect of:				
Non Deductible Expenses		119.07		987.34
Effect of previously unrecognised tax losses used to reduce tax expense		(8,872.71)		(8,464.87)
Tax offsets not recognised as Deferred Tax assets		983.66		-
Recognition of deferred tax for cumulative impact on PPE		(757.83)		-
Impact of Tax credit during Tax Holiday Period		657.13		(4,884.51)
Adjustment in respect of previous years		-		-
Others		0.26		(2.33)
Effective tax rate	<b>6.36%</b>	<b>1,752.12</b>	<b>6.99%</b>	<b>3,091.61</b>
Tax expenses as per Books		<b>1,752.12</b>		<b>3,091.61</b>

Note:- The tax rate used for FY2021-22 and FY 2020-21 reconciliation above is the corporate tax rate of 34.944%, payable by corporate entities in India on taxable profits under the Indian tax law. Also refer note 2.3 with regards to Significant estimates and judgement used by the management in estimating Tax Expenses

(d) Deferred tax relates to following

Particulars

Accelerated depreciation for tax purpose  
Tax (Credit) Entitlement under MAT  
(Assets) on remeasurement (loss) on defined benefit plans

Deferred tax liabilities

	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2022 ₹ in Lacs	March 31, 2021 ₹ in Lacs	March 31, 2022 ₹ in Lacs	March 31, 2021 ₹ in Lacs
Accelerated depreciation for tax purpose	40,620.45	38,880.80	1,739.65	3,086.64
Tax (Credit) Entitlement under MAT	(18,184.30)	(13,381.31)	(4,803.00)	(7,750.41)
(Assets) on remeasurement (loss) on defined benefit plans	-	(12.21)	12.21	4.97
Deferred tax liabilities	<b>22,436.15</b>	<b>25,487.28</b>	<b>(3,051.14)</b>	<b>(4,658.80)</b>

(e) Reconciliation of deferred tax liabilities

Tax expense during the period recognised in profit and loss  
Tax expense during the period recognised in OCI  
Total Charge to P & L

As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
1,751.86	3,086.64
-	4.97
<b>1,751.86</b>	<b>3,091.61</b>

(f) The Company is eligible to avail benefits under section 80IA of the Income Tax Act, 1961 on the taxable income w.e.f. financial year 2013-14. Subject to Company is liable to pay Minimum Alternate Tax (MAT) on book profit, in the year company having profit, in terms of provisions for tax under Section 115JB. During the current year, the Company has recognised deferred tax charge of ₹ 1,751.86 lacs (Previous Year ₹ 3,091.61 lacs) and balance of Deferred Tax Liabilities as at March 31, 2022 is ₹ 40,620.45 lacs (March 31, 2021 ₹ 38,880.59 lacs) in respect of timing difference which will reverse after the tax holiday period. As at March 31, 2022 unutilised balance of MAT Credit Entitlement of ₹ 18,184.30 lacs (March 31, 2021 ₹ 13,381.83 lacs). The management believes, in view of strategic volumes of cargo available with the Company and higher depreciation charge for accounting purpose than the depreciation for income tax purpose in the future period, it is possible that the MAT credit will be utilised post tax holiday period w.e.f financial year 2028-29. As per regulation under section 115JAA of Income Tax Act, 1961, MAT credit can be utilised up to 15 assessment years immediately succeeding the assessment year in which tax credit becomes allowable.



(g) The Company has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recognised in the balance sheet:

Financial Year	Amount (₹ in Lacs)	Expiry Date
2015-16	607.97	2030-2031
2016-17	2,940.48	2031-2032
2017-18	2,082.97	2032-2033
2020-21	7,749.89	2035-2036
2021-22	4,802.99	2036-2037
<b>TOTAL</b>	<b>18,184.30</b>	

(h) The Company has carried forward unabsorbed depreciation aggregating to ₹ 68,441.77 lacs (Previous year ₹ 93,610.15 lacs) under the Income Tax Act, 1961 for which there is no expiry date of its tax credit utilisation by the respective entities. Deferred Tax Assets has not been recognised in respect of these unabsorbed depreciation as it is assessed by the management that unabsorbed losses expected to be utilised during tax holiday period i.e., up to financial year 2027-28. If the Company will not able to reverse / utilised all unabsorbed depreciation within tax holiday period, then the Company shall be required to recognise deferred tax assets on aforesaid unabsorbed depreciation.

## 29 Financial Instruments, Financial Risk and Capital Management :

### 29.1 Category-wise Classification of Financial Instruments:

a) The carrying value of financial instruments by categories as of March 31, 2022 is as follows :

₹ in Lacs			
Particulars	Fair Value through Profit & Loss	Amortised Cost	Carrying value
<b>Financial Asset</b>			
Investments in unquoted mutual funds (Note 4)	6,622.34	-	6,622.34
Trade receivables (Note 5)	-	6,422.45	6,422.45
Cash and Cash Equivalents (Note 10)	-	1,326.27	1,326.27
Bank balance other than cash and cash equivalents (Note 11)	-	14,733.44	14,733.44
Derivatives Instruments not designated as hedge (Note 6)	49.38	-	49.38
Others financial assets (Note 6)	-	9,055.44	9,055.44
<b>Total</b>	<b>6,671.72</b>	<b>31,537.60</b>	<b>38,209.32</b>
<b>Financial Liabilities</b>			
Borrowings (including Current Maturities) (Note 14)	-	2,48,769.15	2,48,769.15
Trade payables (Note 20)	-	6,007.16	6,007.16
Lease Liabilities (Note 15)	-	6,160.99	6,160.99
Other financial liabilities (Note 16)	-	4,580.15	4,580.15
<b>Total</b>	<b>-</b>	<b>2,65,517.45</b>	<b>2,65,517.45</b>

b) The carrying value of financial instruments by categories as of March 31, 2021 is as follows :

₹ in Lacs			
Particulars	Fair Value through Profit & Loss	Amortised Cost	Carrying value
<b>Financial Asset</b>			
Investments in unquoted mutual funds (Note 4)	2,986.38	-	2,986.38
Trade receivables (Note 5)	-	3,383.31	3,383.31
Cash and Cash Equivalents (Note 10)	-	6,044.82	6,044.82
Bank balance other than cash and cash equivalents (Note 11)	-	683.00	683.00
Derivatives Instruments not designated as hedge (Note 6)	668.96	-	668.96
Others financial assets (Note 6)	-	9,621.66	9,621.66
<b>Total</b>	<b>3,655.34</b>	<b>19,732.79</b>	<b>23,388.13</b>
<b>Financial Liabilities</b>			
Borrowings (Note 14)	-	2,75,695.44	2,75,695.44
Trade payables (Note 20)	-	5,867.03	5,867.03
Derivatives Instruments not designated as hedge (Note 16)	2,497.31	-	2,497.31
Lease Liabilities (Note 15)	-	6,507.09	6,507.09
Other financial liabilities (Note 16)	-	12,244.39	12,244.39
<b>Total</b>	<b>2,497.31</b>	<b>3,00,313.95</b>	<b>3,02,811.26</b>

The management assessed that Financial Assets and Liabilities, measured at amortised cost, is approximates their carrying amount.



**29.2 Fair Value Measurements:**

**Quantitative disclosures fair value measurement hierarchy for financial assets and financial liabilities**

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

Particulars	As at March 31, 2022	As at March 31, 2021
	Significant observable Inputs (Level 2)	Significant observable Inputs (Level 2)
<b>Financial Assets</b>		
Investments in unquoted Mutual Funds measured at FVTPL (note 4)	6,622.34	2,986.38
Derivative instrument not designated as hedge (note 6)	49.38	668.96
<b>Total</b>	<b>6,671.72</b>	<b>3,655.34</b>
<b>Liabilities</b>		
<b>Financial Liabilities</b>		
Derivative instruments not designated as hedge (note 16)	-	2,497.31
<b>Total</b>	<b>-</b>	<b>2,497.31</b>

Investments in Unquoted Mutual Funds are valued based on declared NAV.

Derivative instruments are valued based on observable inputs i.e yield curves, FX rates and volatilities etc.

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than the quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly

**Valuation Methodology**

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

- The fair value of investment in quoted Equity Shares, and Mutual Funds is measured at quoted price or NAV.
- The fair value of Interest Rate Swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of Forward Foreign Exchange contracts and Currency Swaps is determined using forward exchange rates and yield curves at the balance sheet date.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

**29.3 Financial Risk objective and policies**

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables (including lease payable & capital creditors). The main purpose of these financial liabilities is to finance the Company's project cost / operations. The Company's principal financial assets, other than derivatives, include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also enters into derivative transactions in the nature of Foreign Currency Forward Contracts, interest rate swaps, cross currency swaps INR-Foreign Currency Swap Contract.

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk) referred as Market Risk, Credit Risk and Liquidity Risk. The Company's senior management oversees the management of these risk. It manages its exposure to these risks through derivative financial instruments by hedging transactions after evaluation of risks. It uses derivative instruments such as Cross Currency Swaps, Interest rate swaps and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of APSEZL under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. APSEZL's central treasury team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored. The Company is exposed to losses in the event of non-performance by the counterparties to the derivative contracts. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

Further, all currency and interest risk as identified above is measured on a daily basis by monitoring the mark to market (MTM) of open and hedged position. The MTM is derived basis underlying market curves on closing basis of relevant instrument quoted on Bloomberg/Reuters. For quarter and year ends, the MTM for each derivative instrument outstanding is obtained from respective banks. All gain / loss arising from MTM for open derivative contracts and gain / loss on settlement / cancellation / roll over of derivative contracts is recorded in statement of profit and loss.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and currency risk. Financial instruments affected by market risk include Mutual Fund Investments, borrowings and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2022 and March 31, 2021.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at March 31, 2022. The analyses exclude the impact of movements in market variables.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2022 and March 31, 2021.

**Interest rate risk**

The Company is exposed to changes in market interest rates due to financing (including through capital creditors), investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates against some of the borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The company does not have any long term debt obligation having floating interest rates as at year ended March 31, 2022 and March 31, 2021.



#### Foreign currency risk

Exchange rate movements, particularly the United States Dollar (USD) and EURO (EUR) against Indian Rupee (INR), have an impact on the Company's operating results and financial position. The Company also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings and against trade payables. Further, to hedge foreign currency future revenue transactions in respect of which firm commitment are made or which are highly probable forecast transactions (for instance, foreign exchange denominated income) the Company has entered into foreign currency forward contracts as per the policy of the Company.

The Company is mainly exposed to changes in USD. The below table demonstrates the sensitivity to a 1% increase or decrease in the respective foreign currency rates against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

Sr. No.	Particulars	Impact on profit after tax		Impact on Pre-tax Equity	
		For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2022	For the year ended March 31, 2021
1	<b>USD Sensitivity</b>				
	INR / USD – Increase by 1%	2,310.22	2,447.82	2,310.22	2,447.82
	INR / USD – Decrease by 1%	2,310.22	2,447.82	2,310.22	2,447.82
2	<b>SGD Sensitivity</b>				
	INR / SGD – Increase by 1%	0.58	-	0.58	-
	INR / SGD – Decrease by 1%	0.58	-	0.58	-

#### Credit risk

Credit risk is the risk that counterparty will not meet its obligations 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 other financial assets) and from its financing activities, including deposits with banks and investment, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data.

Credit risk from balances with banks is managed by the APSEZ's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Board of Director. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

#### Concentrations of Credit Risk form part of Credit Risk

Considering that the Company operates the port services at Mundra, the Company is significantly dependent on cargo from a large customer like Mediterranean Shipping Company (MSC Group). Out of total revenue, revenue of ₹ 1,00,903.84 lacs during the year ended March 31, 2022 (previous year ₹ 82,112.41 lacs) is from such port user which constitute 74.48 % (previous year 68.44%). Accounts receivable from such customer approximate ₹ 5,994.17 lacs as at March 31, 2022 and ₹ 2,654.38 lacs as at March 31, 2021. A loss of this customer could adversely affect the operating result or cash flow of the Company.

#### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks and APSEZ to ensure that there is sufficient cash to meet all its normal operating and projects commitments in a timely and cost-effective manner.

In respect of loan repayable within next 1-2 years, the management of the Company has planned funding by way of refinancing arrangement or through cash flow generation from operation.

The table below analysis derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments as updated during the year, ignoring the refinancing options available with the Company. The amounts included below for variable interest rate instruments for non derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

₹ in Lacs					
Contractual maturities of financial liabilities as at March 31, 2022	Total Carrying Value	Total Contractual Cashflow	On demand or within 1 year	Over 1 year Within 5 years	Over 5 years
Borrowings (note 14)	2,48,769.15	2,48,769.15	22,503.06	79,671.12	1,46,594.97
Trade Payables (note 20)	6,007.16	5,980.31	5,980.31	-	-
Capital Creditors (note 16)	86.01	85.73	85.73	-	-
Lease Liabilities (note 15)	6,160.99	8,986.05	933.69	3,991.88	4,060.48
Interest and Other Financial Liabilities (note 16)	4,494.14	48,280.40	13,245.36	22,995.78	12,039.26
<b>Total</b>	<b>2,65,517.45</b>	<b>3,12,101.64</b>	<b>42,748.15</b>	<b>1,06,658.78</b>	<b>1,62,694.71</b>
₹ in Lacs					
Contractual maturities of financial liabilities as at March 31, 2021	Total Carrying Value	Total Contractual Cashflow	On demand or within 1 year	Over 1 year Within 5 years	Over 5 years
Borrowings (note 14)	2,75,695.44	2,75,695.44	47,254.51	69,707.67	1,58,733.26
Trade Payables (note 20)	5,867.03	5,867.03	5,867.03	-	-
Capital Creditors (note 16)	536.59	536.59	536.59	-	-
Lease Liabilities (note 15)	6,507.09	9,868.99	882.93	3,881.31	5,104.75
Interest and Other Financial Liabilities (note 16)	11,707.80	61,734.07	19,550.63	25,911.90	16,271.54
Derivative Instruments (note 16)	2,497.31	2,497.31	2,497.31	-	-
<b>Total</b>	<b>3,02,811.26</b>	<b>3,56,199.43</b>	<b>76,589.00</b>	<b>99,500.88</b>	<b>1,80,109.55</b>

The Company's current liabilities exceed its current assets by ₹ 7,492.24 Lacs (previous year - ₹ 50,801.11 Lacs). The Company anticipates to generate sufficient cash flow from its operations in the next financial year to meet the remaining obligations as and when the fall due for settlement. Accordingly the financial statements have been prepared on Going concern basis.





#### 29.4 Capital management

For the purposes of the company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the company's capital management is to maximize shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using gearing ratio, which is net debt (total debt less cash and cash equivalents) divided by total capital plus net debt.

	₹ in Lacs	
Particulars	March 31, 2022	March 31, 2021
Total Borrowings (note 14)	2,48,769.15	2,75,695.44
Add: Capital Creditors (note 16)	86.01	536.59
Less: Cash and bank balance (note 10)	1,326.27	6,044.82
Net Debt (A)	<b>2,47,528.89</b>	<b>2,70,187.21</b>
Total Equity (B)	<b>82,489.64</b>	<b>56,721.28</b>
Total Equity and Net Debt (C = A + B)	<b>3,30,018.53</b>	<b>3,26,908.49</b>
Gearing ratio	75.00%	82.65%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Non Adherence of Financial Covenants can lead to Event of Default whereby Lender may right to recall the call after expiry cure period permitted in respective period. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

As per the terms, the shareholders' loan shall be repayable after the repayment of the loan from banks and financial institution. Further, on maturity of loan the shareholders' may, with prior approval of Company, can convert the outstanding loan into equity shares based on fair market value of the Company as per applicable laws in India. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

#### 30 Earnings per share

Profit attributable to equity shareholders of the company  
Weighted average number of equity shares  
Basic and Diluted earning per share (in ₹)

	March 31, 2022	March 31, 2021
₹ in Lacs	₹ in Lacs	₹ in Lacs
Profit attributable to equity shareholders of the company	25,784.88	41,139.10
Weighted average number of equity shares	6,444.64	6,444.64
Basic and Diluted earning per share (in ₹)	4.00	6.38

#### 31 Capital commitments and Other commitments

##### a) Capital commitments

Particulars	₹ in Lacs	
	March 31, 2022	March 31, 2021
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	26,113.34	739.63

#### 32 Contingent liabilities not provided for

Sr.No	Particulars
a	The Company's income tax assessment is completed for assessment year 2014-15, except disputed income tax on late deposit of TDS, in respect of which the Income Tax Department is in appeal before the Gujarat High Court for ₹ 75.27 Lacs since November 2017. The management is reasonably confident that its position is likely to be based on favourable order received from Income Tax (Appeals) and Income Tax Appellate Tribunal (ITAT) in earlier years.
b	The Company has received assessment order for Assessment Year 2013-14 from Income Tax Department for demand of disputed tax of ₹ 668.89 lacs and interest thereon of ₹ 304.77 lacs on December 30, 2016. The demand pertains to multiple issues like capital gains tax on high sea sales of plant and equipment, derivative swap losses and interest income etc., Further to this, refund adjustment intimation has been received where further interest of ₹ 202.02 has been adjusted. In the matter, the Company is in appeal before the Commissioner of Income Tax (Appeals), Ahmedabad, since January, 2017. The management has declared tax arrears of AY 2013-14 under section 3 of the Direct Tax Vivad Se Vishwas Act, 2020 (the VSV Act, 2020), with full waiver of interest.
c	In February 2020, the company has received intimation order u/s 143(1) for AY 2018-19 with increase in Book Profit by ₹ 2,116.50 lacs and related tax Liability by ₹ 553.00 lacs. The Company has filed online rectification application u/s 154 of the Income tax Act, 1961. On March 03, 2020 online rectification application filed u/s 154 of the Act was rejected and the Company has filed an appeal before Commissioner of Income Tax (Appeals) against the Order u/s 154 of the Act. The management is reasonably confident that its position shall be upheld in the appellate process.

Note : During the current year, on reassessment of facts and status on the above matters, the company has assessed that possibility of any outflow in settlement is remote. Accordingly the same has not been considered as contingent liability.

#### 33 Segment information

The Company is primarily engaged in one business segment, namely developing, operating and maintaining the port services at Mundra, as determined by chief operational decision maker, in accordance with Ind AS - 108 "Operating Segment".

Considering the inter relationship of various activities of the business, the chief operational decision maker monitors the operating results of its business segment on overall basis. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

Further, all the revenue from Customers and assets of the Company derived from the services rendered in India and situated in India respectively.



**34 Disclosures as required by Ind AS - 19 Employee Benefits**

- a) The company has recognised, in the Statement of Profit and Loss for the current year, an amount of ₹ 58.66 lacs (previous year ₹ 62.27 lacs) as expenses under the following defined contribution plan.

	₹ in Lacs	
	2021-22	2020-21
Contribution to Provident Fund	58.66	62.27
<b>Total</b>	<b>58.66</b>	<b>62.27</b>

- b) The company has a defined gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five years of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Company of India (LIC) in form of a qualifying insurance policy for future payment of gratuity to the employees. Each year, the management reviews the level of funding in the gratuity fund. Such review includes the assets-liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The following tables summarise the component of the net benefits expense recognised in the statement of profit and loss account and the funded status and amounts recognized in the balance sheet for the respective plan

**c) Gratuity**

**i) Changes in present value of the defined benefit obligation are as follows:**

	₹ in Lacs	
Particulars	March 31, 2022	March 31, 2021
<b>Present value of the defined benefit obligation at the beginning of the year</b>	<b>192.21</b>	<b>169.46</b>
Current service cost	20.87	24.37
Interest cost	12.87	12.07
Re-measurement (or Actuarial) loss / (gain) arising from:		
- change in demographic assumptions	1.37	(5.34)
- change in financial assumptions	27.95	-
- experience variance	(12.80)	(11.72)
Benefits paid	(9.50)	(7.45)
Liability Transfer In	19.04	19.32
Liability Transfer Out	(42.96)	(8.50)
<b>Present value of the defined benefit obligation at the end of the year</b>	<b>209.05</b>	<b>192.21</b>

**ii) Changes in fair value of plan assets are as follows:**

	₹ in Lacs	
Particulars	March 31, 2022	March 31, 2021
<b>Fair value of plan assets at the beginning of the year</b>	<b>117.95</b>	<b>95.71</b>
Investment income	7.90	6.41
Contributions by employer	-	18.67
Return on plan assets, excluding amount recognised in net interest expense	-	(2.84)
<b>Fair value of plan assets at the end of the year</b>	<b>125.85</b>	<b>117.95</b>

**iii) Net (liability) recognised in the balance sheet**

	₹ in Lacs	
Particulars	March 31, 2022	March 31, 2021
Present value of the defined benefit obligation at the end of the year	209.05	192.21
Fair value of plan assets at the end of the year	125.85	117.95
Amount recognised in the balance sheet	(83.20)	(74.26)
<b>Net (liability) - Non-current (refer note 17)</b>	<b>(83.20)</b>	<b>(74.26)</b>

**iv) Expense recognised in the statement of profit and loss for the year**

	₹ in Lacs	
Particulars	March 31, 2022	March 31, 2021
Current service cost	20.87	24.37
Interest cost on benefit obligation	4.97	5.66
<b>Total Expenses included in employee benefits expense (refer note 17)</b>	<b>25.84</b>	<b>30.03</b>

**v) Recognised in the other comprehensive income for the year**

	₹ in Lacs	
Particulars	March 31, 2022	March 31, 2021
<b>Actuarial (gain)/losses arising from</b>		
- change in demographic assumptions	1.37	(5.34)
- change in financial assumptions	27.95	-
- experience variance	(12.80)	(11.72)
Return on plan assets, excluding amount recognised in net interest expense	-	2.84
<b>Recognised in comprehensive income</b>	<b>16.52</b>	<b>(14.22)</b>

**vi) The principle assumptions used in determining gratuity obligations are as follows:**

	March 31, 2022	March 31, 2021
Particulars		
Discount rate	6.90%	6.70%
Rate of escalation in salary (per annum)	10.00%	8.00%
Mortality	India Assured Live Mortality (2012-14)	India Assured Live Mortality (2012-14)
Attrition rate	9.11%	9.50%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

**vii) Sensitivity Analysis Method**

The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.



viii) Quantitative sensitivity analysis for significant assumption is as below  
Increase/(decrease) on present value of defined benefits obligation at the end of the year

Particulars	March 31, 2022		March 31, 2021	
Assumptions	Discount rate			
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	(17.04)	19.56	(14.89)	17.02

Particulars	March 31, 2022		March 31, 2021	
Assumptions	Salary Growth rate			
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	18.79	(16.73)	16.63	(14.86)

Particulars	March 31, 2022		March 31, 2021	
Assumptions	Attrition rate			
Sensitivity level	50% Increase in Attrition rate	50% Decrease in Attrition rate	50% Increase in Attrition rate	50% Decrease in Attrition rate
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	(13.05)	21.26	(6.63)	10.05

Particulars	March 31, 2022		March 31, 2021	
Assumptions	Mortality rate			
Sensitivity level	10% Increase in mortality rate	10% Decrease in mortality rate	10% Increase in mortality rate	10% Decrease in mortality rate
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	(0.09)	0.09	(0.03)	0.03

ix) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2022	March 31, 2021
Weighted average duration (based on discounted cash flows)	9 Years	8 Years

x) The expected cash flows of defined benefit obligation over the future periods (valued on undiscounted bases)

Particulars	₹ in Lacs	
	March 31, 2022	March 31, 2021
1 year	15.52	16.46
2 to 5 year	74.95	71.68
6 to 10 year	101.24	89.98
More than 10 years	241.27	194.68

xi) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2022	March 31, 2021
Investments with insurer	100%	100%

\* As the gratuity fund is managed by life insurance company, details of fund invested by insurer are not available with company.

xii) Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity payable to the employees left during the year other than the payments made by the company directly (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

The company expects to contribute ₹ 111.05 lacs to gratuity fund in the next year. (Previous year ₹ 97.76 lacs)

xiii) The code of Social Security, 2020 ('Code') relating to employee benefits during the employment and post-employment received Presidential assent in September 2020 and its effective date is yet to be notified. 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 financial impact once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective.





35 Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2022. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

₹ in Lacs			
Sr No	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	8.29	NII
	Interest	NII	NII
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	NII	NII
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NII	NII
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NII	NII
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	NII	NII

**36 Derivative instruments and unhedged foreign currency exposure**

The Company takes various types of derivative instruments. The category-wise outstanding position of derivative instruments is as under:

Nature	Particulars of derivatives		Purpose
	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs	
Forward Contract (Sell)	USD 63.50 million (equivalent to ₹ 48,128.24 lacs)	USD 37.00 million (equivalent to ₹ 27,050.70 lacs)	Hedging of expected future billing based on Port tariff denominated in foreign currency USD 63.50 Million (previous year USD 37 Million).
Principal only swap (INR-foreign currency)		₹ 37,223.89 lacs (equivalent to USD 54.67 million)	Mitigate higher interest rate of INR loan of ₹ 19905.48 lacs (previous year ₹ 37,223.89 lacs) against INR currency loan with possible forex risk of principle currency losses.

The details of foreign currency exposures those are not hedged by a derivative instrument or otherwise are as under:

Nature	As at March 31, 2022		As at March 31, 2021	
	Amount ₹ in Lacs	Foreign Currency In Million	Amount ₹ in Lacs	Foreign Currency In Million
Foreign currency loan (Including loan from JV Partners)	2,30,636.58	USD 304.30	2,39,025.83	USD 326.94
Interest accrued but not due	301.71	USD 0.40	4,975.53	USD 6.81
Capital Creditors / Other Payables			435.57	USD 0.60
			1.96	EURO 0.0023
Trade payables	83.37 57.56	USD 0.11 SGD 0.10	345.05	USD 0.47

**Closing rates as at March 31, 2022**

INR / USD = 75.79  
INR / SGD = 55.97

**Closing rates as at March 31, 2021:**

INR / USD = 73.11  
INR / EURO = 85.75





**37 Related Party Disclosures**

Particulars	Name of Company
Entities having joint control (Joint Venturers)	Adani Ports and Special Economic Zone Limited, (APSEZL) Mundi Limited
Parent Company of Joint Venturer, Mundi Ltd.	Terminal Investment Limited Sàrl
Ultimate Parent Company of Joint Venturer, Mundi Ltd.	MSC Mediterranean Shipping Co. S.A.
Entities over which venturer's or their substantial controlling shareholders are able to exercise Significant Influence/ Control/ Joint control	Adani CMA Mundra Terminal Private Limited
	Adani Logistics Limited
	MPSEZ Utilities Limited
	Adani Hazira Port Limited
	Adani Kandla Bulk Terminal Private Limited
	The Adani Harbour Services Limited
	Adani (Petronet) Dahej Port Private Limited
	Dighi Port Limited
	Adani Foundation
	Mundra LPG Terminal Private Limited
	Belvedere Golf And Country Club Private Limited
	Marine Infrastructure Developer Private Limited
	SBSR Power Cleantech Eleven Private Limited
	Adani Green Energy Limited
	Adani Wilmar Limited
Key Management Personnel	Adani Institute for Education & Research
	The Dhamra Port Company Limited
	Adani Murmugao Port Terminal Private Limited
	Capt. Sandeep Mehta - Director
	Capt. Unmesh Abhyankar - Director
	Mr. Craig Kelly - Director
	Mr. Chris Schaffers - Director
	Mr. Mayur Shah - Company Secretary

**Terms and conditions of transactions with related parties**

Outstanding balances of related parties at the year-end are unsecured. For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

**Notes:**

(i) The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

(ii) Aggregate of transactions for the year ended with these parties have been given below.

Transactions	Name of Related Party	Relationship	₹ in Lacs	
			For the year ended March 31, 2022	For the year March 31, 2021
Equipment Hire Income	Adani Ports and Special Economic Zone Limited	Co-venturer	128.25	120.03
Purchase of Property, Plant & Equipments and Intangible Assets	Adani Ports and Special Economic Zone Limited	Co-venturer	-	158.38
	Adani Hazira Port Limited	Other entity*	-	0.05
Sale of Property, Plant & Equipments and Intangible Assets	Adani Ports and Special Economic Zone Limited	Co-venturer	157.65	-
Purchase of Materials, Stores and Spares, Fuel and Electricity	Adani Ports and Special Economic Zone Limited	Co-venturer	3,148.80	1,086.37
	Adani Hazira Port Limited	Other entity*	0.36	0.75
	Adani CMA Mundra Terminal Private Limited	Other entity*	2.76	1.02
	Mundra LPG Terminal Private Limited	Other entity*	1.87	6.59
	The Dhamra Port Company Limited	Other entity*	0.40	-
	Adani Kandla Bulk Terminal Private Limited	Other entity*	-	0.04
	MPSEZ Utilities Limited	Other entity*	959.69	829.17
Sale of Materials (Stores and Spares and SEIS License)	Adani CMA Mundra Terminal Private Limited	Other entity*	0.59	2.45
	Adani Hazira Port Limited	Other entity*	-	1.04
	The Adani Harbour Services Limited	Other entity*	0.45	-
	Adani Wilmar Limited	Other entity*	-	4,859.05
	Adani Ports and Special Economic Zone Limited	Co-venturer	3.55	4.31
Port Services Availed (Including reimbursement of Expenses)	Adani Ports and Special Economic Zone Limited	Co-venturer	592.01	1,727.34
	MPSEZ Utilities Limited	Other entity*	0.02	-
Reimbursement of Guest House Expenses	Belvedere Golf And Country Club Private Limited	Other entity*	-	0.10
Management support charges	Adani Ports and Special Economic Zone Ltd.	Co-venturer	1,296.57	1,178.70
Revenue Share Expenses (refer note 23.2)	Adani Ports and Special Economic Zone Ltd.	Co-venturer	23,114.33	22,343.04
Donation	Adani Foundation	Other entity*	74.20	-
Training Expenses	Adani Institute for Education & Research	Other entity*	-	2.10
Water front Royalty Reimbursement	Adani Ports and Special Economic Zone Ltd.	Co-venturer	5,878.18	4,765.64
Expenses Recovered	Terminal Investment Limited Sàrl	Parent Company of Joint Venturer, Mundi Ltd	45.38	46.82
Reimbursement of Expenses	Terminal Investment Limited Sàrl	Parent Company of Joint Venturer, Mundi Ltd	2.60	2.70
	Adani Ports and Special Economic Zone Ltd.	Co-venturer	3.63	-
	Mundi Limited	Co-venturer	2.07	7.55



**Adani International Container Terminal Private Limited**  
Notes to Financial statements for the year ended March 31, 2022

**adani**  
Infrastructure

Transactions	Name of Related Party	Relationship	For the year ended March 31, 2022	For the year March 31, 2021
Container Handling Charges	Adani Ports and Special Economic Zone Ltd.	Co-venturer	15,747.17	12,622.37
Port Terminal Services (Income)	MSC Mediterranean Shipping Co. S.A.	Ultimate Parent Company of Joint Venturer, Mundi Ltd	1,00,903.84	82,112.41
	Adani Ports and Special Economic Zone Ltd.	Co-venturer	100.99	135.38
	Adani Wilmar Limited	Other entity*	0.38	1.33
	SBSR Power Cleantech Eleven Pvt Ltd	Other entity*	1.25	-
	Adani Green Energy Limited	Other entity*	2.96	10.16
Long term borrowing (ICD) Repaid	Adani Ports and Special Economic Zone Ltd.	Co-venturer	18,651.32	49,518.53
	Mundi Limited	Co-venturer	3,993.24	12,115.98
Short term borrowing (ICD) Repaid	Adani Ports and Special Economic Zone Ltd.	Co-venturer	3,993.24	150.00
Finance charges on lease obligations	Adani Ports and Special Economic Zone Ltd.	Co-venturer	536.83	561.69
Interest Income on Security Deposits	MPSEZ Utilities Limited	Other entity*	-	4.10
Interest on borrowings	Adani Ports and Special Economic Zone Ltd.	Co-venturer	3,212.56	7,003.01
	Mundi Limited	Co-venturer	370.78	848.36

\* Entities over which (i) Key Management Personnel and their relatives & (ii) entities having significant influence over the Company have control or are under significant influence through voting powers.

Closing Balance	Name of Related Party	Relationship	₹ in Lacs	
			As at March 31, 2022	As at March 31, 2021
Trade Receivable	MSC Mediterranean Shipping Co. S.A.	Ultimate Parent Company of Joint Venturer, Mundi Ltd	5,994.17	2,654.38
	Adani Ports and Special Economic Zone Ltd	Co-venturer	44.49	38.36
	Adani Wilmar Limited	Other entity*	-	0.09
	Adani CMA Mundra Terminal Private Limited	Other entity*	-	0.41
Other Receivable	Adani Ports and Special Economic Zone Ltd	Co-venturer	157.65	26.24
	Adani CMA Mundra Terminal Private Limited	Other entity*	3.80	3.80
	Adani Murmugao Port Terminal Private Limited	Other entity*	4.66	-
	MPSEZ Utilities Limited	Other entity*	2.32	-
	Marine Infrastructure Developer Private Limited	Other entity*	16.30	0.39
	Terminal Investment Limited Sàrl	Parent Company of Joint Venturer, Mundi Ltd	-	1.44
Other Assets (including Deferred Port Service Fees)	Adani Ports and Special Economic Zone Ltd	Co-venturer	4,182.88	4,651.93
Security Deposit	Adani Ports and Special Economic Zone Ltd	Co-venturer	19.89	19.89
	MPSEZ Utilities Limited	Other entity*	88.61	79.33
Trade Payable (including provisions)	Adani Ports and Special Economic Zone Ltd	Co-venturer	4,815.41	4,673.36
	Adani Kandla Bulk Terminal Private Limited	Other entity*	-	2.38
	Adani Hazira Port Limited	Other entity*	3.69	0.71
	Adani Logistics Limited	Other entity*	-	3.54
	The Dhamra Port Company Limited	Other entity*	-	6.50
	Dighi Port Limited	Other entity*	1.51	-
	Adani CMA Mundra Terminal Private Limited	Other entity*	0.06	-
	Adani Petronet (Dahej) Port Private Limited	Other entity*	30.20	-
	MPSEZ Utilities Limited	Other entity*	110.10	78.10
Capital Creditors and other payable	Mundi Limited	Co-venturer	-	7.55
Refund Liabilities	MSC Mediterranean Shipping Co. S.A.	Ultimate Parent Company of Joint Venturer, Mundi Ltd	-	2,089.51
Long term borrowings	Adani Ports and Special Economic Zone Ltd	Co-venturer	19,905.48	48,404.71
	Mundi Limited	Co-venturer	-	9,847.92
Short term borrowings	Adani Ports and Special Economic Zone Ltd	Co-venturer	6,177.09	-
	Mundi Limited	Co-venturer	6,177.09	-
Interest accrued on deposits	MPSEZ Utilities Limited	Other entity*	-	3.69
Interest payable on borrowings and other payables	Adani Ports and Special Economic Zone Ltd	Co-venturer	779.70	2,673.02
	Mundi Limited	Co-venturer	147.54	2,580.75

\* Entities over which (i) Key Management Personnel and their relatives & (ii) entities having significant influence over the Company have control or are under significant influence through voting powers.

**Note:**

(1) All the Key Management Personnel's of the Company except Company Secretary are in employment with the joint venturer and they are paid remuneration by the respective joint venturer. And the Company Secretary of the Company is in employment with affiliate entity of APSEZL and his remuneration is also paid by the affiliate of APSEZL.

(2) The shareholders of the Company has given a Non-Disposal Undertaking in favour of Security Trustee of the noteholders in respect of 100% issued and paid up share capital of the Company till final maturity of the Notes.



38 Ratio Analysis

Sr No	Ratio Name	Formula	% Variance	Ratio		Reason for Changes (More than 25%)
				As at March 31, 2022	As at March 31, 2021	
1	Current	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	184.91%	0.80	0.28	Refer note (a) below
2	Debt-Equity	$\frac{\text{Total Debts}}{\text{Shareholder's Equity}}$	-37.95%	3.02	4.86	Refer note (b) below
3	Debt Service Coverage	$\frac{\text{Earnings before Finance Cost, Depreciation \& Amortisation, Tax and Foreign Exchange Loss or (Gain) (net) / (Interest + Finance charges + repayment of long-term debt made during the period net of refinance)}}{1}$	15.68%	1.48	1.28	
4	Return on Equity	$\frac{\text{Net Profit after Taxes}}{\text{Avg Equity Shareholder's Fund}}$	-67.45%	37.04%	113.81%	Refer note (c) below
5	Inventory turnover ratio	$\frac{\text{Cost of goods sold}}{\text{Average inventory}}$	Not Applicable*			
6	Trade Receivables Turnover	$\frac{\text{Revenue from operation}}{\text{Average Accounts Receivable}}$	-34.15%	27.63	41.96	Refer note (d) below
7	Trade Payable Turnover	$\frac{\text{Operating exp \& Other expense}}{\text{Average Trade Payable}}$	80.17%	10.27	5.70	Refer note (e) below
8	Net Capital Turnover	$\frac{\text{Revenue from Operation}}{\text{Avg Net Assets}}$	141.66%	(4.65)	(1.92)	Refer note (f) below
9	Net Profit	$\frac{\text{Profit after Tax}}{\text{Revenue from operation}}$	-44.49%	19.03%	34.29%	Refer note (g) below
10	Return on Capital Employed	$\frac{\text{Earnings before Finance Cost, Taxes and Forex/ Avg Capital Employed (Shareholders Fund+Long Term Borrowing+Lease Liab +Current maturities+Deferred Tax Liability)}}{1}$	13.60%	20.75%	18.27%	
11	Return on Investment	$\frac{\text{Return or Profit or Earnings from Mutual Funds}}{\text{Average Investment in Mutual Funds}}$	126.07%	6.23%	2.76%	Refer note (h) below

\* Since company is not involved in any kind of manufacturing activity, hence Inventory turnover ratio is not applicable to the company.

Reasons for variances in ratio :

- Combined impact of increase in investment in Mutual fund, decrease in derivative contract liabilities and Current borrowings.
- Combined impact of reduction of total debt due to repayment and increase in other equity due to profit of FY 21-22.
- Net profit reduced due to increase in Foreign Exchange Loss
- Average account receivable increase due to increase in revenue.
- Due to Decrease in average trade payables.
- Working capital improved due to increase in trade receivables, Investments and Bank balances other than cash and cash equivalents.
- Reduction in Net profit due to increase in Foreign Exchange Loss
- Combined impact of increase in investment in mutual fund and return on investment.

39 Relationship with Struck off Companies

₹ in Lacs

Name of struck off company	Nature of transaction	Balance outstanding at the end of the year as at March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Ocean Shell Projects Pvt Ltd	Deposit from Customers	0.59	Customer

40 Standard issued but not effective:

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2022 on 23rd March, 2022. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

- Ind AS 101 - First-time adoption of Ind AS
- Ind AS 103 - Business Combinations
- Ind AS 109 - Financial Instruments
- Ind AS 16 - Property, Plant and Equipment
- Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets
- Ind AS 41 - Agriculture

These amendments shall come into force with effect from April 01, 2022.

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.



41 In compliance with Ministry of Corporate Affairs notification w.r.t. to amendment in Schedule III to the Companies Act, 2013 effective from April 01, 2021, figures for comparative previous periods have been regrouped/ reclassified, wherever necessary.

**42 Events occurring after the Balance sheet Date**

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of subsequent events and transactions in the financial statements. As of May 06, 2022, there were no subsequent events to be recognized or reported.

For and on behalf of Board of Directors



**Capt. Sandeep Mehta**  
Director  
DIN: 00897409

**Capt. Unmesh Abhyankar**  
Director  
DIN: 03040812

**Mayur Shah**  
Company Secretary

Place: Ahmedabad  
Date: May 06, 2022