

Adani Harbour Services Limited
Financial Statements - FY - 2020-21

INDEPENDENT AUDITOR'S REPORT

To the Members of The Adani Harbour Services Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of The Adani Harbour Services Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the Information Other than the Financial Statements and Auditor's Report thereon. The Information Other than the Financial Statements and Auditor's Report thereon comprises the Directors Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the Information Other than the Financial Statements and Auditor's Report thereon and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the Information Other than the Financial Statements and Auditor's Report thereon and, in doing so, consider whether such Information Other than the Financial Statements and Auditor's Report thereon is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude

that there is a material misstatement of this Information Other than the Financial Statements and Auditor's Report thereon, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended including amendment Rules, 2020. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended including amendment Rules, 2020;

- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 28 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses:
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Santosh Agarwal
Partner
Membership Number: 93669
UDIN: 21093669AAAAEF6371
Place of Signature: Ahmedabad
Date: May 01, 2021

Annexure 1 referred to in paragraph on Report on Other Legal and Regulatory Requirements of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. However, the Company is still in the process to get registration of Property, Plant and Equipment in the nature of Tug of the value of Rs. 4,190.81 lacs acquired under the scheme of arrangement in FY 2017-18 in its name.
 - (b) All Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
 - (c) According to information and explanations given by the management, the Company does not have immovable properties included in the Property, Plant and Equipment and accordingly the reporting requirements under clause 3(i) (c) of the order are not applicable to the Company and hence not commented upon.
- (ii) The Management has conducted physical verification of stores and spares inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, given any guarantees or provided any securities to parties covered under section 185 of the Act. Accordingly, compliance under section 185 of the Act is not applicable to the Company. Accordingly, to the information and explanations given to us, being an infrastructure Company the provisions of section 186 (except sub-section (1) of Section 186) of the Act are not applicable to the Company. In our opinion, and accordingly to the information and explanations given to us, the Company has given loan referred in Section 186(1) of the Act to fellow subsidiary and have complied with the provisions of Section 186(1) of the Act.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services rendered by the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, services tax and other statutory dues, on account of dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	123.98	2010-11 to 2014-15	Commissioner of Central Excise and Service Tax (Appeals)
Income Tax Act, 1961	Income Tax Penalty	24.40*	AY 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	239.52	AY 2019-20	Commissioner of Income Tax (Appeals)

*Paid Rs 8.13 lacs while filling application under the Direct Tax Vivad Se Vishwas Act, 2020.

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to any banks. The Company does not have any outstanding dues to the government or debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Santosh Agarwal
Partner
Membership Number: 93669
UDIN: 21093669AAAAEF6371
Place of Signature: Ahmedabad
Date: May 01, 2021

Annexure 2 to the Independent Auditor's Report of Even Date on the Ind-AS Financial Statements of The Adani Harbour Services Private Limited

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

We have audited the internal financial controls over financial reporting of The Adani Harbour Services Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 With Reference to these Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as of March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Santosh Agarwal
Partner
Membership Number: 93669
UDIN: 21093669AAAAEF6371
Place of Signature: Ahmedabad
Date: May 01, 2021

The Adani Harbour Services Limited
(Formerly known as "The Adani Harbour Services Private Limited")



Balance Sheet as at March 31, 2021

₹ in Lacs

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Assets			
Non-Current Assets			
Property, Plant and Equipment	3(a)	69,371.23	68,589.48
Capital Work in Progress	3(c)	5,896.70	15.00
Other Intangible Assets	3(b)	13.09	-
Financial assets			
(i) Investment	4	259,013.00	-
(ii) Loans	6	9,376.52	-
Other Non-Current Assets	7	8,268.77	10,926.85
		351,939.31	79,531.33
Current Assets			
Inventories	8	1,711.39	1,576.73
Financial Assets			
(i) Trade Receivables	9	740.78	2,351.88
(ii) Cash and Cash Equivalents	10	34,415.17	176,551.31
(iii) Loans	6	90,590.87	72,500.00
(iv) Other Financial Assets	5	6,841.91	3,325.55
Other Current Assets	7	9,287.32	9,807.08
		143,587.44	266,112.55
Total Assets		495,526.75	345,643.88
Equity and Liabilities			
Equity			
Equity Share Capital	11	5,769.22	5,769.22
Other Equity	12	464,843.45	327,814.75
Total Equity		470,612.67	333,583.97
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	13	5,434.65	-
Other Non-Current Liabilities	14	2,362.48	1,846.00
		7,797.13	1,846.00
Current Liabilities			
Financial Liabilities			
(i) Trade Payables			
(a) Total outstanding dues of micro and small enterprises	15	30.26	-
(b) Total outstanding dues of creditors other than micro and small enterprises	15	635.28	724.10
(ii) Other Financial Liabilities	16	9,654.12	4,710.40
Other Current Liabilities	14	6,768.58	4,753.16
Provisions	17	28.71	26.25
		17,116.95	10,213.91
Total Liabilities		24,914.08	12,059.91
Total Equity and Liabilities		495,526.75	345,643.88

The accompanying notes form integral part of financials statements.

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No.: 324982E / E300003

Chartered Accountants

per Santosh Agarwal

Partner

Membership No. 93669

Place: Ahmedabad

Date: May 01, 2021

For and on behalf of Board of Directors of

The Adani Harbour Services Limited

Capt. Unmesh Abhyankar

Managing Director

DIN: 03040812

Place: Ahmedabad

Subrat Tripathy

Director

DIN: 06890393

Place: Ahmedabad

Sanjay Chauhan

Chief Financial Officer

Place: Ahmedabad

Date: May 01, 2021

The Adani Harbour Services Limited
(Formerly known as "The Adani Harbour Services Private Limited")



Statement of Profit and Loss for the year ended March 31, 2021

₹ in Lacs

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from Operations	18	140,767.27	144,162.69
Other Income	19	24,766.21	22,332.68
Total Income		165,533.48	166,495.37
Expenses			
Operating Expenses	20.1	9,916.89	10,943.89
Revenue Share Expenses	20.2	2,594.72	2,403.13
Employee Benefits Expense	21	251.93	217.13
Depreciation and Amortization Expense	3(a)	6,449.39	6,478.67
Foreign Exchange (Gain)(net)	24	(290.63)	(88.24)
Finance Costs	22	14.72	-
Other Expenses	23	3,371.94	2,217.56
Total Expenses		22,308.96	22,172.14
Profit Before Tax		143,224.52	144,323.23
Tax Expense:			
Current Tax (Incl. as per Tonnage Tax provision of Income Tax Act)	25	6,200.21	4,903.66
Total Tax Expense		6,200.21	4,903.66
Profit for the year		137,024.31	139,419.57
Other Comprehensive Income			
Items that will not to be reclassified to profit or loss			
Re-measurement gain/ (loss) net on defined benefit plans		4.40	(3.25)
Other Comprehensive Income for the Year		4.40	(3.25)
Total Comprehensive Income for the Year		137,028.71	139,416.32
Earnings per Share - (Face value of ₹ 10 each)			
Basic and Diluted (in ₹)	27	237.51	241.66

The accompanying notes form integral part of financials statements.

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No.: 324982E / E300003

Chartered Accountants

**For and on behalf of Board of Directors of
The Adani Harbour Services Limited**

per Santosh Agarwal

Partner

Membership No. 93669

Capt. Unmesh Abhyankar

Managing Director

DIN: 03040812

Place: Ahmedabad

Subrat Tripathy

Director

DIN: 06890393

Place: Ahmedabad

Sanjay Chauhan

Chief Financial Officer

Place: Ahmedabad

Place: Ahmedabad

Date: May 01, 2021

Date: May 01, 2021

The Adani Harbour Services Limited
(Formerly known as "The Adani Harbour Services Private Limited")



Statement of Cash Flows for the year ended March 31, 2021

₹ in Lacs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from Operating Activities		
Profit Before Tax	143,224.52	144,323.23
Adjustments for:		
Depreciation and Amortisation	6,449.39	6,478.67
Provision for Non moving Inventory	227.02	-
Unrealised foreign exchange (gain)	(291.87)	-
Finance Income	(24,448.36)	(21,730.83)
Profit on Sale of Current Investments (net)	(74.37)	(433.72)
Government Grant	(154.28)	(150.21)
Finance Cost	14.72	-
Provision for Doubtful debts	5.48	22.18
Operating profit before working capital changes	124,952.25	128,509.32
Movements in working capital :		
Decrease/(Increase) in Trade Receivables	1,605.62	(651.32)
(Increase) in Inventories	(361.68)	(381.81)
(Increase)/Decrease in Financial Assets	(0.30)	0.85
Decrease in Other Assets	519.76	804.35
(Decrease) in Trade Payables	(71.23)	(45.63)
(Decrease) in Financial Liabilities	(315.28)	(368.31)
Increase/(Decrease) in Other Liabilities	1,978.25	(36.45)
Increase in Provisions	6.86	6.75
Cash generated from operations	128,314.25	127,837.75
Direct taxes paid (net)	(4,002.12)	(7,121.31)
Net Cash flow from operating activities (A)	124,312.13	120,716.44
Cash flows from investing activities		
Payment for purchase of Property, Plant and Equipments (Including Capital work in progress and Capital Advances)	(6,387.87)	(78.94)
Payment for Investment in Mutual Fund	(60,240.00)	(465,425.00)
Proceeds from sale of Mutual Fund	60,314.37	465,858.72
Investments made through Perpetual Loan	(259,013.00)	-
Interest received	20,620.69	20,074.09
Payment for loan given to third party	(697,716.00)	(364,800.00)
Proceeds from loan received back from third party	693,641.00	399,100.00
Payment for loan given to parent company	(755,465.82)	(329,573.20)
Proceeds from loan received back from parent company	732,073.43	267,373.20
Payment for Fixed deposits in with Bank	-	(70,168.00)
Proceeds from Fixed Deposits with Bank	-	140,168.00
Net Cash (Outflow)/Inflow from investing activities (B)	(272,173.20)	62,528.87
Cash flows from financing activities		
Proceeds from borrowing under Foreign Currency Letter of Credit	5,739.20	-
Dividend paid (Including DDT)	-	(80,679.10)
Interest and Finance charges paid	(14.27)	-
Net Cash Inflow/(Outflow) from financing activities (C)	5,724.93	(80,679.10)
Net (decrease)/increase in cash & cash equivalents (A + B + C)	(142,136.14)	102,566.21
Cash & cash equivalents at the beginning of the year	176,551.31	73,985.10
Cash & cash equivalents at the end of the year (Refer note - 10)	34,415.17	176,551.31
Component of Cash and Cash equivalents		
Balances with scheduled bank		
On current accounts	34,415.17	176,551.31
Total cash and cash equivalents (Refer note - 10)	34,415.17	176,551.31

Notes:

a) The Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 on Statement of Cash Flows notified under Section 133 of Companies (Indian Accounting Standard) Rules, 2015 (as amended) from time to time.

b) Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given in note - 16(a).

The accompanying notes form integral part of financials statements.

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No.: 324982E / E300003

Chartered Accountants

For and on behalf of Board of Directors of

The Adani Harbour Services Limited

per Santosh Agarwal

Partner

Membership No. 93669

Capt. Unmesh Abhyankar

Managing Director

DIN: 03040812

Place: Ahmedabad

Subrat Tripathy

Director

DIN: 06890393

Place: Ahmedabad

Place: Ahmedabad

Date: May 01, 2021

Sanjay Chauhan

Chief Financial Officer

Place: Ahmedabad

Date: May 01, 2021

The Adani Harbour Services Limited
(Formerly known as "The Adani Harbour Services Private Limited")
Statement of Changes in Equity for the year ended March 31, 2021



₹ in Lacs

Particulars	Equity Share Capital	Other Equity - Reserves				Total
		Retained Earning	Securities Premium	Tonnage Tax Reserve (Refer note - 12.3)	Capital Reserve	
Balance as at April 01, 2019	5,769.22	173,451.16	1,153.84	50,415.92	44,056.61	274,846.75
Profit for the year	-	139,419.57	-	-	-	139,419.57
Other Comprehensive Income for the year	-	(3.25)	-	-	-	(3.25)
Total Comprehensive Income for the year	-	139,416.32	-	-	-	139,416.32
Transfer to Tonnage Tax Reserve	-	(24,431.72)	-	24,431.72	-	-
Tonnage Tax utilisation (Refer Note - 2.4)	-	125.51	-	(125.51)	-	-
Cash Dividends	-	(66,922.90)	-	-	-	(66,922.90)
Dividend Distribution Tax (DDT)	-	(13,756.20)	-	-	-	(13,756.20)
Balance as at March 31, 2020	5,769.22	207,882.17	1,153.84	74,722.13	44,056.61	333,583.97
Profit for the year	-	137,024.31	-	-	-	137,024.31
Other Comprehensive Income for the year	-	4.40	-	-	-	4.40
Total Comprehensive Income for the year	-	137,028.71	-	-	-	137,028.71
Transfer to Tonnage Tax Reserve	-	(23,722.49)	-	23,722.49	-	-
Tonnage Tax utilisation (Refer Note - 2.4)	-	5,739.20	-	(5,739.20)	-	-
Balance as at March 31, 2021	5,769.22	326,927.59	1,153.84	92,705.42	44,056.61	470,612.68

The accompanying notes form integral part of financials statements.

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No.: 324982E / E300003

Chartered Accountants

For and on behalf of Board of Directors of

The Adani Harbour Services Private Limited

per Santosh Agarwal
Partner
Membership No. 93669

Capt. Unmesh Abhyankar
Managing Director
DIN: 03040812
Place: Ahmedabad

Subrat Tripathy
Director
DIN: 06890393
Place: Ahmedabad

Sanjay Chauhan
Chief Financial Officer
Place: Ahmedabad

Place: Ahmedabad
Date: May 01, 2021

Date: May 01, 2021

1 Corporate information

The Adani Harbour Services Limited (Formerly known as The Adani Harbour Services Private Limited) ('TAHSL', 'the Company'), is a wholly owned subsidiary of Adani Ports and Special Economic Zone Limited ("APSEZL" or "Parent Company ") w.e.f. November 8, 2016 domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The principal activity of the company is to provide Tonnage, Towage and Marine services at various ports operated by APSEZL and its Subsidiaries. The registered office of the company is located at 'Registered Office : Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421.

The Financial statement were authorised for issue in accordance with a resolution of directors on May 01, 2021.

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 of 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 following assets and liabilities which have been measured at fair value:

- Loan given classified as "Equity Instrument" in nature measured at Fair Value through Other Comprehensive Income (FVTOCI),
- Current Investments,
- Defined Benefit Plans - Plan Assets measured at fair value; and

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.

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 or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current

b) Foreign currency translations

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 Statement of Profit or Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the 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 Loan given classified as "Equity Instrument" in nature 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 Loan given classified as "Equity Instrument" in nature and 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 26)

-Financial instruments (including those carried at amortised cost) (refer note 26)

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.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.4

Income from Marine, Tonnage and Towage Services

Revenue from Marine operations including pilotage and towage services are recognized in the accounting period in which the services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those services.

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 standalone selling prices.

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 Marine, Tonnage and Towage 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 term 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 Marine, Tonnage and Towage 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. Discounts given are offset against amounts payable by the customer on one to one basis. To estimate the variable consideration for the expected future discounts, 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 discounts.

Contract balances

Contract assets:

A contract asset is initially recognised for revenue earned from port operation 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 section (o) 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 section (o) 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. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., delivery of services to the customer)

Assets and liabilities arising from rights of return

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

Income from SEIS

Income from Services Exports from India Scheme ("SEIS") incentives under the Government of India's Foreign Trade Policy 2015-20 on Marine, Tonnage and Towage services income are classified as "Other Operating Income" and this income is recognised based on the effective incentive rate under the scheme, provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to SEIS licenses are classified as "Other Non-Financial Assets".

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 "other Income" in the statement of Profit and Loss Account.

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.

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 (PPE) (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 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. 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 statement of profit or loss as incurred.

Refer to note 2.4 regarding significant accounting judgements, estimates and assumptions for further information about the recorded decommissioning provision.

Capital work in progress included in property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the specific the borrowing costs incurred for construction or procurement of Qualifying Assets if the recognition criteria are met.

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 lives 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 equipment based on assessment made by expert and management estimate.

Type of Assets	Estimated Life
Tug - Steel Hull and Machinery	20 Years
Tug- Out fitting Items	15 Years

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 statement of Profit and Loss 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) Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction 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.

j) 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.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (k) 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 Tug hire, 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.

k) 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.

l) Taxes:

Tax expense comprises of current income tax and deferred tax

i) Current income tax

Current tax is the amount of tax payable as per special provisions relating to income of shipping companies under the Income Tax Act, 1961 on the basis of deemed tonnage income of the Company under section 115V of the Income Tax Act, 1961, and tax payable on other taxable income for the year determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws. 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 recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, 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 is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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.

Pursuant to the introduction of Section 115VA under the Income-tax Act, 1961, the Company has opted for computation of its income from shipping activities under the Tonnage Tax Scheme. Thus, income from the business of operating ships is assessed on the basis of the Deemed Tonnage Income of the Company and no deferred tax is applicable to such income as there are no timing differences. The timing differences in respect of the non-tonnage activities of the Company are not material, in view of which provision for deferred taxation is not considered necessary.

m) Provisions and Contingent Liabilities

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.

n) 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:

- a) The date of the plan amendment or curtailment, and
- b) 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

- 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.

o) 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. Refer to the accounting policies in section 2.2(d) Revenue from contracts with customers.

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 other comprehensive income (Loan given classified as "Equity Instrument")
- ▶ 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 This category generally applies to trade and other receivables, loans, Refundable deposit against contract, pending adjustment and Security Deposits included under Other financial assets.

Financial assets at fair value through other comprehensive income (FVTOCI) - Perpetual debt

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

For Perpetual debt in the nature of Equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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 2.4
- ▶ Financial Assets at FVTPL – see Note 2.2(o)
- ▶ Financial assets at fair value through other comprehensive income (FVTOCI) - Perpetual debt - see Note 4
- ▶ Trade receivables and contract assets – see Note 7 and 9

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.

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)

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/ losses 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.

Financial Liabilities at amortised cost and other Financial Liabilities

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.

p) Segment Reporting

In accordance with the Ind-AS 108 - "Operating Segments", the Company has determined its business segment as providing marine services to ports. Since there are no other business segments in which the Company operates, there are no other primary reportable segments.

q) 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, as they are considered an integral part of the Company's cash management.

r) 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.

s) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions pay dividend to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.3 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, 2020, except for the adoption of new standards effective or amendments to the existing Indian Accounting Standards (Ind AS) as of April 01, 2020. 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 first time, following new interpretations and amendments w.e.f., April 01, 2020 and do not have material impact on the financial statements of the Company.

- a. Amendments to Ind AS 1 & Ind AS 8 : Definition of Material;
- b. Amendments to Ind AS 10: Disclosures for non – adjusting events;
- c. Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform;
- d. Amendments to Ind AS 103 Business Combinations: Clarification on Definition of Business;
- e. Amendments to Ind AS 116: Covid-19-Related Rent Concessions.
- f. Amendments to Ind AS 37 : Accounting of restructuring plan

2.4 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. Estimates and underlying assumptions are reviewed on ongoing basis.

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:

Revenue from contracts with customers

The Company applied the following judgement that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining method to estimate variable consideration and assessing the constraint

Certain contracts with customers include obligation of volume rebates that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which customers will be entitled.

The Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for revenue from Marine, Tonnage and Towage Services with volume rebates. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract with the customers.

Before adjusting any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions.

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

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 avail to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 w.e.f. April 01, 2019.

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 25.

Tonnage tax reserve

This reserve is a statutory reserve as per provision of section 115VT of the Income Tax Act, 1961 for the purpose of complying with the conditions for applicability of tonnage tax scheme. The Company has utilised reserve based on the section 115VT of the Income Tax Act, 1961 which require utilization of reserve for the purpose of acquiring ship including advance paid for the purpose of purchase of ship. The payment made as advance or through disbursement of loans from Banks for the purpose of purchase of Tugs are considered as utilization criteria prescribed u/s 115VT of the Act and accordingly. Acquisition of Tugs of ₹ 5,739.20 lacs under Letter of credit during the year, have been considered as utilization of Tonnage Tax Reserve as per the Provision of section 115 VT of the Income Tax Act 1961. (Refer Note 12.3 for movement in Tonnage Tax Reserve.)

Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in note 32.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect thereported fair value of financial instruments. Refer Note 26 for further disclosures.

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The Adani Harbour Services Limited
(Formerly known as "The Adani Harbour Services Private Limited")



Notes to Financial statements for the year ended March 31, 2021

Note 3 - Property, Plant and Equipment

₹ in Lacs

Particulars								Total
	Temporary Structure	Plant & Equipment	Furniture & fixtures	Office equipments	Computer equipment	Vehicles	Tugs (refer note (b) below)	
Cost								
As at April 1, 2019	4.54	14.09	0.61	7.67	5.03	0.21	100,234.81	100,266.96
Additions	-	36.14	-	49.37	0.45	4.64	119.55	210.15
Deductions/Adjustment	-	-	-	-	-	-	-	-
As at March 31, 2020	4.54	50.23	0.61	57.04	5.48	4.85	100,354.36	100,477.11
Additions	-	18.62	-	0.37	-	-	7,210.24	7,229.23
Deductions/Adjustment	-	-	-	-	-	-	-	-
As at March 31, 2021	4.54	68.85	0.61	57.41	5.48	4.85	107,564.60	107,706.34
Depreciation and Impairment								
As at April 1, 2019	0.33	3.64	0.44	3.36	0.59	0.12	25,400.48	25,408.96
Depreciation for the year	1.51	2.34	0.07	4.91	1.81	0.33	6,467.70	6,478.67
Deductions/(Adjustment)	-	-	-	-	-	-	-	-
As at March 31, 2020	1.84	5.98	0.51	8.27	2.40	0.45	31,868.18	31,887.63
Depreciation for the year	1.51	5.13	0.05	10.93	1.83	0.61	6,427.42	6,447.48
Deductions/(Adjustment)	-	-	-	-	-	-	-	-
As at March 31, 2021	3.35	11.11	0.56	19.20	4.23	1.06	38,295.60	38,335.11
Net Block								
As at March 31, 2020	2.70	44.25	0.10	48.77	3.08	4.40	68,486.18	68,589.48
As at March 31, 2021	1.19	57.74	0.05	38.21	1.25	3.79	69,269.00	69,371.23

Note:-

(a) 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.

(b) Out of total value of ₹ 87,611 lacs of property, plant and equipment acquired under the Scheme of Arrangement w.e.f. April 01, 2016, Tugs value of amounting ₹ 4,190.81 lacs (previous year ₹ 4,190.81 lacs) are in the process of getting registration in the Company's name with the regulatory authorities.

(c) Temporary structure represent pre-fabricated structure at port locations.

The Adani Harbour Services Limited
(Formerly known as "The Adani Harbour Services Private Limited")



Notes to Financial statements for the year ended March 31, 2021

Note 3(b) - Intangible Assets

₹ in Lacs

Particulars	Intangible assets	
	Software	Total
<u>Cost</u>		
As at April 1, 2019		-
Additions	-	-
Deductions/(Adjustment)	-	-
As at April 1, 2020	-	-
Additions	15.00	15.00
Deductions/(Adjustment)	-	-
As at March 31, 2021	15.00	15.00
<u>Depreciation/amortisation</u>		
As at April 1, 2019		-
Depreciation for the year		-
Deductions/(Adjustment)	-	-
As at April 1, 2020	-	-
Depreciation for the year	1.91	1.91
Deductions/(Adjustment)	-	-
As at March 31, 2021	1.91	1.91
<u>Net Block</u>		
As at March 31, 2020	-	-
As at March 31, 2021	13.09	13.09

Note 3(c) Capital Work in Progress

₹ in Lacs

As at March 31, 2020	15.00
As at March 31, 2021 (refer note below)	5,896.70

Note : Balance at the end of year March 31, 2021 include Tug in transit of ₹ 5824.73 Lacs

The Adani Harbour Services Limited
(Formerly known as "The Adani Harbour Services Private Limited")
Notes to Financial statements for the year ended March 31, 2021



4 Non-Current Investments

Perpetual Loan, classified as Equity in Nature (valued measured at Fair Value through Other Comprehensive Income (FVTOCI)) (refer note (a) below)

Adani Logistics Limited

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
259,013.00	-
259,013.00	-

a) Pursuant to Loan agreement dated March 30, 2021 executed between the Company and Adani Logistics Limited ("ALL"), a fellow subsidiary, the Company has given loan to ALL having coupon rate of 7.5% p.a. As per the terms of the loan agreement, loan given are perpetual in nature with no repayment obligation as well as interest on loan is cumulative in nature and shall be payable and accrued at the end each year at the sole discretion of the borrower. Considering requirement of Ind AS 32 – Financial Instruments – Classification', Loan given has been assessed and classified as 'Equity' in nature and disclosed as 'Perpetual Loan classified as Equity in nature'. With regards to measurement of the said perpetual loan, the Company has assessed and designated the perpetual loan given as equity in nature at 'Fair Value through Other Comprehensive Income (FVTOCI)'. As at year end March 31, 2021, based on review of financial statement for of ALL, management has assessed that fair value of the perpetual loan equity in nature is approximates to its carrying value and accordingly, no adjustment is required to be made with regards to change in fair value of the instrument in financial statement for year ended March 31, 2021.

5 Other Financial assets (Unsecured and considered good unless otherwise stated)

Current

Security and other deposits

Interest accrued on loans (Refer Note 6 (b) below)

Loans and advances to employees

Dues from Related Parties included in above (Refer Note :- 34)

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
0.60	0.60
6,837.35	3,321.29
3.96	3.66
6,841.91	3,325.55
6,775.81	2,530.13

6 Loans (refer note (a) & (b) below)

Non - Current

Loans Receivables considered good - secured

Loans Receivables considered good - unsecured (Refer Note (a) below)

Loans Receivables which have significant increase in Credit Risk

Loans Receivables - credit impaired

Current

Loans Receivables considered good - secured

Loans Receivables considered good - unsecured (Refer Note (a) below)

Loans Receivables which have significant increase in Credit Risk

Loans Receivables - credit impaired

Notes:

a. Break up of Loans given:

Loans Receivables from others (Refer Note (b) below)

Loans Receivable from Parent Company (Refer Note :- 34)

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
-	-
9,376.52	-
-	-
-	-
9,376.52	-
-	-
-	-
90,590.87	72,500.00
-	-
-	-
90,590.87	72,500.00
March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
5,775.00	1,700.00
94,192.39	70,800.00
99,967.39	72,500.00

b. The Company lent surplus funds through inter-corporate deposits, including to Holding Company. From time to time, these deposits were received back by the Company. As at reporting date, Inter-Corporate Deposits balance is ₹ 99,967.39 lacs (Previous Year – ₹ 72,500.00 lacs) and outstanding interest thereon amounting to ₹ 6,837.35 lacs (Previous Year – ₹ 3,321.29 lacs). Repayment of deposits given to third parties along with interest thereon have been guaranteed by way of undertaking obtained from the promoter group companies that in the event of default by the said borrowers to pay the dues.

7 Other Assets

Non Current

Capital Advances (Unsecured and considered good)

Advance Income Tax (Net of Provision for taxation)

Current

Advances recoverable in cash or in kind

Others

Prepaid Expenses

Contract Assets (Refer below note 3 below)

Goods and Service Tax Credit Receivable

Duty paid under protest

Government incentive receivables (refer note 2 below and 18 (b))

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
2,700.61	3,472.21
2,700.61	3,472.21
5,568.16	7,454.64
5,568.16	7,454.64
8,268.77	10,926.85
550.71	601.85
550.71	601.85
47.16	2.15
46.20	346.65
383.61	383.79
-	213.00
8,259.64	8,259.64
8,736.61	9,205.23
9,287.32	9,807.08

11 Equity Share capital

Authorised share capital:

8,00,00,000 Equity Shares of ₹ 10 each
(31.03.2020: 8,00,00,000 Equity Shares of ₹ 10 each)

Issued, subscribed and fully paid up shares:

5,76,92,155 Equity Shares of ₹ 10 each
(31.03.2020: 5,76,92,155 Equity Shares of ₹ 10 each)

Notes:

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

	March 31, 2021		March 31, 2020	
	No.	₹ in Lacs	No.	₹ in Lacs
At the beginning of the year	57,692,155	5,769.22	57,692,155	5,769.22
New Shares Issued during the year	-	-	-	-
At the end of the year	57,692,155	5,769.22	57,692,155	5,769.22

(b) Terms/rights attached to equity shares:

(i) 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. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

(ii) In the previous financial year 2019-20 the board of directors has proposed Interim and final dividend per share of ₹ 113.00 per share & ₹ 3.00 per share respectively to equity share holders.

(iii) 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) Shares held by parent company

Out of equity shares issued by the Company, shares held by its Parent Company is as below

Adani Ports and Special Economic Zone Limited, the Parent Company and its nominee

5,76,92,155 equity shares of ₹ 10 each

(d) Details of shareholder parent more than 5% shares in the Company

Equity shares of ₹ 10 each fully paid

Particulars	March 31, 2021		March 31, 2020	
	No.	% Holding	No.	% Holding
Adani Ports and Special Economic Zone Limited, the Parent Company and its nominee	57,692,155	100.00%	57,692,155	100.00%

12 Other Equity - Reserves

Capital Reserve (Refer Note - 12.1)

Security premium

Equity share premium

Tonnage Tax Reserve u/s 115 VT of The Income Tax Act, 1961

(Refer Note - 12.3)

(To be utilised only for the purpose specified therein)

Retained Earnings (Refer Note - 12.4)

Retained Earnings

12.1 Capital Reserve

Balance at the beginning of the year
Recognised on Account of scheme of arrangement
Balance at the end of the year

	March 31, 2021	March 31, 2020
	₹ in Lacs	₹ in Lacs
Capital Reserve	44,056.61	44,056.61
Security premium	1,153.84	1,153.84
Tonnage Tax Reserve	92,705.42	74,722.13
Retained Earnings	326,927.58	207,882.17
Total	464,843.45	327,814.75

During the financial year 2017-18, the Company has accounted for the merger in accordance with the provisions of the Schemes as approved by the National Company Law Tribunal, Ahmedabad (NCLT) whereby the assets and liabilities of the Marine Business Undertaking of the Transferor Companies i.e. Adani Ports and Special Economic Zone Limited, Adani Hazira Port Limited and Adani Petronet (Dahej) Port Private Limited have been recognised at their carrying value in the books of the Transferor Companies as at April 01, 2016. The excess of the carrying value of net assets over the total consideration payable by the company for the Marine Business Undertaking on the appointed date has been treated as Capital Reserve.

12.2 Security premium

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
1,153.84	1,153.84
1,153.84	1,153.84

Balance at the beginning of the year
Balance at the end of the year

Security 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.

12.3 Tonnage Tax Reserve u/s 115 VT of The Income Tax Act, 1961

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
74,722.13	50,415.92
23,722.49	24,431.72
(5,739.20)	(125.51)
92,705.42	74,722.13

Balance at the beginning of the year
Add: Transferred from Retained earnings (refer note - 12.4)
Less: Utilisation of Tonnage Tax Reserve (Refer note - 2.4 & 12.4)
Balance at the end of the year

The Company has opted for Tonnage Tax Scheme u/s 115V of the Income Tax Act, 1961. Accordingly Section 115 VT of The Income Tax Act, 1961 require the Company to create Tonnage Tax Reserve and transfer the amount equivalent to 20% of the book profits to such reserve. This reserve is utilized in accordance with the provisions of Section 115VT (3) of the Income Tax Act, 1961.

12.4 Retained Earnings

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
207,882.17	173,451.16
137,024.31	139,419.57
5,739.20	125.51
4.40	(3.25)
(23,722.49)	(24,431.72)
-	(66,922.90)
-	(13,756.20)
326,927.58	207,882.17

Balance at the beginning of the year
Add: Profit for the year
Add: Tonnage Tax Reserve Utilisation (Refer Note - 12.3)
Less: Re-measurement (losses) on defined benefit plans
Less: Transfer to Tonnage Tax Reserve for the year (Refer Note - 12.3)
Less: Dividend on Shares Paid
Less: Tax on Dividend paid
Balance at the end of the year

12.5 Distribution Made and Proposed

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
-	1,730.76
-	65,192.14
-	13,756.20
-	80,679.10

Cash Dividend on Equity Share paid

Final Dividend for the year ended March 31, 2020 (₹ Nil per Share)(for the year ended on March 31, 2019 ₹ 3.00 per Share) (refer note (a) below)
Interim Dividend for the year ended March 31, 2021 ₹ Nil) and March 31, 2020 (₹ 113.00 per share)
Dividend Distribution Tax on above

Proposed Dividend on Equity Share

Final Dividend for the year ended
(₹ Nil per Share) (Previous year ₹ 3.00 per Share)
Dividend Distribution Tax on above

13 Borrowings

Long term borrowings

Non-Current

Supplier's bills accepted under foreign currency letter of credit (Unsecured) (refer note a)

5,434.65	-
5,434.65	-

Total Borrowing includes

Secured borrowings
Unsecured borrowings

Total borrowings

-	-
5,434.65	-
5,434.65	-

Notes:

(a) Suppliers Bill Accepted under Foreign Letter of credit facilities of aggregating to ₹ 5,434.65 Lacs (March 31, 2020 - Nil) carries interest of 2 months LIBOR plus 0.30% .The Foreign letter of credit outstanding as at March 31, 2021 is repayable on May 21, 2021, and maturity is extendable as per RBI Guidelines for Capital Goods. The Company availed letter of Credit facilities out of the limits of APSEZL, Parent Company.

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14 Other Liabilities

Non Current

Deferred Government Grant (Refer Note - a & b below)

Current

Statutory liability

Deferred Government Grant (Refer Note - a & b below)

Contract Liability (Refer note 2.2 (d) and below note (c))

Note:-

a) Export Promotion Capital Goods (EPCG):

EPCG scheme allows import of certain capital goods at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant. There are no unfulfilled conditions or other contingencies attaching to these grants.

b) Movement in Deferred Government Grant :-

Particulars

Opening Balance

Add: Addition during the year

Less: Amortization during the year

Closing Balance

	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Deferred Government Grant (Refer Note - a & b below)	2,362.48	1,846.00
	2,362.48	1,846.00
Statutory liability	1,722.93	1,680.78
Deferred Government Grant (Refer Note - a & b below)	186.97	149.80
Contract Liability (Refer note 2.2 (d) and below note (c))	4,858.68	2,922.58
	6,768.58	4,753.16

	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Opening Balance	1,995.80	2,146.01
Add: Addition during the year	707.93	-
Less: Amortization during the year	(154.28)	(150.21)
Closing Balance	2,549.45	1,995.80

c) Contract Liability

Contract liabilities include advances received from customer to deliver Marine, Tonnage and Towage Operation Services. The outstanding balances of these amounts increased in 2020-21 due to the continuous increase in the Company's customer base.

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year.

Particulars

Revenue recognised during the year that was included in the contract liability balance at the beginning of the period

	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Revenue recognised during the year that was included in the contract liability balance at the beginning of the period	2,922.58	3,350.89
	2,922.58	3,350.89

15 Trade payables

Total outstanding dues of micro and small enterprises (Refer Note - 31)

Total outstanding dues of creditors other than micro and small enterprises

Dues to Related Parties included in above (Refer Note :- 34)

	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Total outstanding dues of micro and small enterprises (Refer Note - 31)	30.26	-
Total outstanding dues of creditors other than micro and small enterprises	635.28	724.10
	665.54	724.10
Dues to Related Parties included in above (Refer Note :- 34)	58.80	115.82

16 Other Financial Liabilities (At amortised cost)

Current

Deposit from Customers

Interest accrued but not due on borrowings

Revenue Share Payable (Refer Note - 20.2)

Refund Liability (Refer Note - b below)

Retention money and Other Payables (Refer Note - c below)

	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Deposit from Customers	125.00	-
Interest accrued but not due on borrowings	0.45	-
Revenue Share Payable (Refer Note - 20.2)	441.54	894.33
Refund Liability (Refer Note - b below)	3,577.33	3,564.81
Retention money and Other Payables (Refer Note - c below)	5,509.80	251.26
	9,654.12	4,710.40
Dues to Related Parties included in above (Refer Note :- 34)	441.54	894.33

Notes:-

(a) Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended)

Changes in liabilities arising from financing activities

Particulars of Liabilities arising from Financing activity	April 01, 2019	Cash Flows	Non cash changes	Forex Fluctuation and accruals	₹ in Lacs
					March 31, 2021
Letter of credit	-	5,739.20	-	(304.55)	5,434.65
Interest Accrued but not due	-	(14.27)	-	14.72	0.45
Total Liabilities from financing activities	-	5,724.93	-	(289.83)	5,435.10

b) A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return 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. Refund liabilities refers to the volume discount which shall be payable to the customers after adjusting any outstanding receivable from them.

c) A Retention money and Other Payables includes ₹ 5,491.35 lacs for the procurement of Capital Goods which is secured by suppliers bill accepted under foreign letter of Credit facilities.

The Adani Harbour Services Limited
(Formerly known as "The Adani Harbour Services Private Limited")
Notes to Financial statements for the year ended March 31, 2021



17 Provisions

Current

Provision for gratuity (Refer note - 32)
 Provision for compensated absence

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
10.10	10.85
18.61	15.40
28.71	26.25

18 Revenue from Operations

Revenue from Contract with Customers

Income from Marine, Tonnage and Towage Services*

Other Operating Income

- Government Incentives on services (refer note 2.2(e) and note (b) below)

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
140,767.27	133,126.31
-	11,036.38
140,767.27	144,162.69

* Recognised revenue based on services transferred at a point in time

(a) Reconciliation of revenue recognised with contract price:

Particulars

Contract Price

Adjustment for:

Refund liabilities

Contract Assets (Refer Note 7 (3))

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
146,722.56	137,306.58
(5,654.84)	(4,192.64)
(300.45)	12.37
140,767.27	133,126.31

Revenue from Contract with Customers

(b) During the previous year, the Company has accounted additional SEIS Incentive received of ₹ 2,077.00 Lacs against port operation services w.e.f. April 01, 2018 on the basis of revised rates notified by the Department General of Foreign Trade.

(c) During the previous year, the Company has revisited terms for accrual of service discount payable on Marine Service Income - Pilotage Income offered to certain customers on the basis of written understanding agreed between the Company and APSEZL where such service discounts are now offered by APSEZL w.e.f. April 01, 2019.

Due to such change in terms, accrual of service discount payable to the customers has reduced by ₹ 1,446.47 lacs during the previous year.

19 Other Income

Interest Income from financial assets measured at amortise cost

Bank deposits

Loans

Income Tax Refund

Insurance claim received

Profit on sale of Investment in Mutual Fund

Amortization of Government Grant

Miscellaneous Income

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
1.04	3,494.48
24,135.71	18,236.35
311.61	-
51.24	-
74.37	433.72
154.28	150.21
37.96	17.92
24,766.21	22,332.68

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20.1 Operating Expenses

Tug and Pilotage Charges (including Tug Hire charges of ₹ 1,021.60 lacs (Previous Year ₹ 340.80 lac)) (Refer Note (A) below)
Repairs to Tugs
Store & Spares consumed
Consumption of Fuel
Other expenses

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
4,591.36	3,913.04
487.56	879.79
884.05	1,474.62
3,948.72	4,669.05
5.20	7.39
9,916.89	10,943.89

Note : (A)

Assets taken under Operating Leases –

Tug for business operation and residential houses for staff accommodation are generally obtained on operating leases. The lease rent terms are generally for an twelve months or less period and are renewable by mutual agreement. There are no sub-leases and leases are cancellable in nature. There are no restrictions imposed by the lease arrangements. There is no contingent rent in the lease agreements. Expenses of ₹ 1,040.59 lacs (previous year ₹ 362.70 lacs) incurred under such leases have been expensed in the statement of profit & loss considering the exemption granted under para 6 of Ind As 116 : Leases.

20.2 Revenue Sharing Expenses

Revenue Sharing Expenses (refer notes below)

₹ in Lacs	₹ in Lacs
2,594.72	2,403.13
2,594.72	2,403.13

Notes:

The Tug and Towage Agreement between the Company and The Dhamra Port Company Limited (DPCL), a fellow subsidiary for deployment of the Company's tugs for provision of marine services to the Port Service Users at Dhamra Port has been revisited and an Addendum to Tug and Towage Agreement has been entered w.e.f. April 01, 2017. As per the Addendum agreement, DPCL has allowed the Company to directly provide Pilotage Services to the Port Services users customers at Dhamra Port and has also allowed to use its infrastructure facilities for provision of Pilotage services and has collected service charge from end users as per the tariff notified by DPCL.

As per the Tug and Towage agreement between the Company and the Dhamra Port Company Limited (DPCL) dated on April 01, 2017, the Company has agreed to share a portion of income from Marine, Tonnage and Towage services. Such expenditure has been classified as part of revenue sharing expenses in the statement of profit and loss.

21 Employee benefit expense

Salaries, Wages and Bonus
Contribution to Provident and Other Funds (Refer Note - 32 (A))
Gratuity expense (Refer Note - 32 (B))
Staff Welfare Expenses

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
179.54	189.05
9.11	8.85
4.55	3.68
58.73	15.55
251.93	217.13

22 Finance Costs

Interest on
Letters Credit
Bank and other finance charges

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
2.68	-
12.04	-
14.72	-

23 Other Expenses

Rent (Refer Note 20.1 (A))
Rates and Taxes (Refer Note 29 (3))
Insurance
Advertisement and Publicity
Repairs and Maintenance - Others
Legal and Professional Expenses
Management Support Fees (Refer Note - 34)
Payment to Auditors (Refer Note 1 below)
Communication Expenses
Electric Power Expenses
Office Expenses
Travelling and Conveyance
Provision for Doubtful debts
Corporate Social Responsibility Expenses (CSR) (Refer Note - 2 below)
Miscellaneous Expenses

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
18.99	21.90
1.35	63.70
264.34	191.23
4.35	1.35
3.89	10.55
77.21	101.25
134.44	137.70
16.44	13.75
0.35	0.36
1.70	1.78
226.34	228.73
46.04	45.32
5.48	22.18
2,326.00	1,374.00
245.02	3.76
3,371.94	2,217.56

Note: 1

Payment to Auditor

As Auditor:

Statutory Audit Fee
Limited Review

In other Capacity

Certification Fees
Other Services

Reimbursement of expenses

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
7.00	7.00
3.00	3.00
0.25	0.25
6.00	3.00
0.19	0.50
16.44	13.75

Note: 2

Corporate Social Responsibility

As per Section 135 (as amended Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021) by 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	March 31, 2021	March 31, 2020
	₹ in Lacs	₹ in Lacs
(i) Gross Amount required to be spent during the year	2,325.25	1,374.00
(ii) Amount spent during the year ended		

Particulars	In Cash	Yet to be paid in Cash	TOTAL
March 31, 2021			
i) Contribution made to PM Care Fund	2,000.00	-	2,000.00
ii) Contribution made to Adani Foundation	326.00	-	326.00
Total	2,326.00	-	2,326.00
March 31, 2020			
i) Contribution made to Adani Foundation	1,374.00	-	1,374.00
Total	1,374.00	-	1,374.00

iii) Amount paid during the year ended

Particulars	In Cash	Yet to be paid in Cash	TOTAL
March 31, 2021			
i) Construction/ acquisition of any asset	-	-	-
ii) On Purpose other than (i) above	2,326.00	-	2,326.00
Total	2,326.00	-	2,326.00
March 31, 2020			
i) Construction/ acquisition of any asset	-	-	-
ii) On Purpose other than (i) above	1,374.00	-	1,374.00
Total	1,374.00	-	1,374.00

24 Foreign Exchange (Gain)(net)

Foreign Exchange (Gain)(net)(Refer Note Below)

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
(290.63)	(88.24)
(290.63)	(88.24)

Note:- Includes foreign exchange (gain) (net) on reinstatement of borrowings ,trade payables, other payables.

25 Income Tax

(a) The major components of income tax expenses for the years ended March 31, 2021 and March 31, 2020

Statement of profit and loss

Current tax:

In respect of current year

Adjustment in respect of tax charge of previous years

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
6,187.49	4,903.66
12.72	-
6,200.21	4,903.66

Income tax expenses reported in statement of profit and loss

(b) The Income tax expenses for the year can be reconciled to the accounting profit as follows:

	March 31, 2021		March 31, 2020	
	%	₹ in Lacs	%	₹ in Lacs
Profit before tax from continuing operations		143,224.52		144,323.23
Income tax expenses calculated at 25.168%	25.17%	36,046.75	25.17%	36,323.27
Tax Credit due to Special Tax Rates under section 115V		(29,833.81)		(31,419.61)
Adjustment of tax related to earlier period		(12.72)		-
Income Tax expenses recognised on profit and loss (relating to continuing operations)	4.33%	6,200.21	3.40%	4,903.66

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 w.e.f April 01, 2019. Accordingly, Provision for Income Tax has been recognised based on section 115BAA after considering deduction under section 115V.

The tax rate used for 2020-21 and 2019-20 reconciliations above is the corporate tax rate of 25.17% payable by corporate entities in India on taxable profit under Indian Tax Law.

26 Financial Instruments, Financial Risk and Capital Management

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

₹ in Lacs

Particulars	Fair Value through other Other Comprehensive Income	Amortised Cost	Carrying Value
Financial Asset			
Perpetual Loan classified as Equity in Nature (Refer Note -4)	259,013.00	-	259,013.00
Trade receivables (Refer Note - 9)	-	740.78	740.78
Cash and Cash Equivalents (Refer Note - 10)	-	34,415.17	34,415.17
Loans (Refer Note - 6)	-	99,967.39	99,967.39
Other financial assets (Refer Note - 5)	-	6,841.91	6,841.91
	259,013.00	141,965.25	400,978.25
Financial Liabilities			
Borrowings (Refer Note - 13)	-	5,434.65	5,434.65
Trade payables (Refer Note - 15)	-	665.54	665.54
Other financial liabilities (Refer Note - 16)	-	9,654.12	9,654.12
	-	15,754.31	15,754.31

b) The carrying value of financial instruments by categories as of March 31, 2020 is as follows :

₹ in Lacs

Particulars	Fair Value through other Other Comprehensive Income	Amortised Cost	Carrying Value
Financial Asset			
Trade receivables (Refer Note - 9)	-	2,351.88	2,351.88
Cash and Cash Equivalents (Refer Note - 10)	-	176,551.31	176,551.31
Loans (Refer Note - 6)	-	72,500.00	72,500.00
Other financial assets (Refer Note - 5)	-	3,325.55	3,325.55
	-	254,728.74	254,728.74
Financial Liabilities			
Trade payables (Refer Note - 15)	-	724.10	724.10
Other financial liabilities (Refer Note - 16)	-	4,710.40	4,710.40
	-	5,434.50	5,434.50

The management assessed that financial assets and liabilities, measured at amortised cost is approximately their carrying amount largely due to the maturity period of respective assets and liabilities.

c) Financial Risk objective and policies

The Company's principal financial liabilities, comprise Borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects and to provide guarantees to support its operations. The company's principle financial assets includes Perpetual Loan classified as Equity in Nature, trade and other receivables, loans, cash and cash equivalent that derive directly from its operations and its surplus fund.

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), and Interest rate movements collectively referred as Market Risk, Credit Risk and Liquidity Risk. The Company's senior management oversees the management of these risks.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of APSEZL, parent company, under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board of Directors of the Company. The 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 APSEZL's policies, risk objectives and support. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

1. 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 two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans and deposits. In ordinary course of business, the company is exposed to currency risk only.

The sensitivity analyses in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

The sensitivity analyses have been prepared on the basis that the amount of net debt, and the proportion of financial instruments in foreign currencies are all constant as at March 31, 2021. 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, 2021 and March 31, 2020.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities.

The Company is mainly exposed to changes in USD and JPY. The below table demonstrates the sensitivity to a 1% change in the respective Foreign currency rates to INR with all other variables are constant. The Sensitivity analysis is prepared on the net unhedged exposure of the company as at reporting date. 1% represents management's assessment of reasonably possible change in foreign currency.

i) Sensitivity

The sensitivity of profit or loss due to changes in the exchange rates arises mainly from non-derivative foreign currency denominated financial instruments (mainly financial instruments denominated in JPY currencies). The same is summarized as below:

Sr. No.	Particulars	Impact on profit for the year ended	
		impact on pre-tax equity	
		March 31, 2021	March 31, 2020
1	JPY Sensitivity		
	RUPEES / JPY – Appreciation by 1%	(54.35)	-
	RUPEES / JPY – Depreciation by 1%	54.35	-

₹ in Lacs

(ii) Interest Rate Risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. Currently the Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Impact on Pre-tax Profit For the year ended March 31, 2021	Impact on Pre-tax Profit For the year ended March 31, 2020
Buyer's Credit	+ 50	(27.17)	-
	- 50	27.17	-

The same has been calculated based on risk exposure outstanding as on balance sheet date. The year end balances are not necessarily representative of average debt outstanding during the year.

(iii) Equity Price Risk:

The Company's Investments in Equity Instruments includes Perpetual Loan classified as Equity In nature and are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to investments in equity instruments is ₹ 2,59,013 lacs which is approximates to its carrying value / transection value on the basis of the assessment made by the management of the Company.

2. 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) from its financing activities and investing activities, including deposits with banks, Loan (Debt Instruments) 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 and financial institutions is managed by the Company'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 Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Also, the Company has obtained adequate undertaking from the parent company against loan given to others to mitigate credit risk.

Concentrations of Credit Risk form part of Credit Risk

Considering that the Company marine services, the Company is significantly dependent on vessels movement from or to such large port based on cargo of customers. Out of total revenue, the Company earns ₹ 23,823.26 lacs (Previous year ₹ 43,914.58 lacs) of revenue during the year ended March 31, 2021 from such port users which constitute 17% (Previous year 33%). Accounts receivable from such customer approximated ₹ 678.61 lacs (Previous year ₹ 2,078.48 lacs lacs) as at March 31, 2021.

3. Liquidity Risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of loans from banks and financial institutions, debentures, preference shares and equity shares.

i) Maturities of financial liabilities

The table below analyses 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.

Contractual maturities of financial liabilities as at March 31, 2021	Total Carrying Value	Total Contractual Cashflow	₹ in Lacs	
			On demand or within 1 year	Over 1 year Within 5 years
Borrowings (Refer Note - 13)	5,434.65	5,434.65	-	5,434.65
Trade payables (Refer Note - 15)	665.54	665.54	665.54	-
Other financial liabilities (Refer Note - 16)	9,653.67	9,653.67	9,653.67	-
Interest Accrued but not due	0.45	2.72	2.72	-
Total	15,754.31	15,756.58	10,321.93	5,434.65

Contractual maturities of financial liabilities as at March 31, 2020	Total Carrying Value	Total Contractual Cashflow	₹ in Lacs	
			On demand or within 1 year	Over 1 year Within 5 years
Trade payables (Refer Note - 15)	724.10	724.10	724.10	-
Other financial liabilities (Refer Note - 16)	4,710.40	4,710.40	4,710.40	-
Total	5,434.50	5,434.50	5,434.50	-

d) Capital Management:

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

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

Particulars	₹ in Lacs	
	March 31, 2021	March 31, 2020
Total Borrowings (Refer Note - 13)	5,434.65	-
Net Debt (A)	5,434.65	-
Equity Share Capital (Refer Note - 11)	5,769.22	5,769.22
Other Equity (Refer Note - 12)	464,843.45	327,814.75
Total Equity (B)	470,612.67	333,583.97
Total Equity and Net Debt (C = A + B)	476,047.32	333,583.97
Gearing ratio	1.15%	0.00%

27 Earnings per share

	March 31, 2021	March 31, 2020
	₹ in Lacs	₹ in Lacs
Profit attributable to equity shareholders of the Company	137,024.31	139,419.57
Weighted average number of equity shares	57,692,155.00	57,692,155.00
Face Value per Share (in ₹)	10.00	10.00
Basic and Diluted earning per share (in ₹)	237.51	241.66

28 Capital Commitments

Particulars	₹ in Lacs	
	March 31, 2021	March 31, 2020
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	60,225.46	71,017.79

Other commitments

The Company have imported capital goods Tug at Dhamra under the EPCG Scheme at concessional rate of custom duty by undertaking obligation to export. Future outstanding export obligation under the scheme is ₹ 4,247.57 lacs (previous year Nil) which is equivalent to 6 times of duty saved ₹ 707.93 lacs (previous year Nil). The export obligation has to be completed within 6 years from the EPCG License date i.e. by FY 2026-27.

29 (i) Contingent liabilities not provided for:

Sr No.	Particulars	March 31, 2021	March 31, 2020
		₹ in Lacs	₹ in Lacs
1	Show Cause Notice received from the Commissioner of Service Tax, Kolkata for Valuation matters of services provided during to FY 2010-11 to 2014-15. The Company has filed an appeal before commissioner (Appeals) which is not adjudicated as on date. Based on opinion of legal counsel, the management doesn't expect any demand.	123.98	124.34
2	Penalty Order received from Income Tax Assessing Officer on the disallowances made during the assessment of AY 2011-12, Appeal has been preferred before CIT (A) against Penalty order. Management is in process of settling penalty Order under Vivad se Vishwas Scheme Rules, 2019 of the Income Tax scheme. Order from the Authority is still awaited.	-	32.54
3	The Company had received refund of ₹ 28.40 lacs as per 143(1) of the Income tax Act. The Company had received demand of ₹ 3.49 lacs as the excess refund amount during the assessment under section 143(3), it was reduced to ₹ 24.91 lacs. Appeal had been preferred before CIT (A) against the order. However, during the current year, the Company has received favourable order from Department & the said demand has with drawn.	-	3.49

Note: Future cash flows in respect of above matters are determinable only on receipt of decisions pending at various forums/authorities.

30 Segment Information:

The Company is primarily engaged in one business segment, providing marine services to port, 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.

There is no single external customer which accounts for to 10% or more of the Company's total revenue from operations.

31 Details as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). 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	Year ended March 31, 2021	Year ended March 31, 2020
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year. Principal Interest	30.26 Nil	- Nil
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	Nil	Nil
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.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
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.	Nil	Nil

32 Disclosures as required by Ind AS - 19 Employee Benefits

(A) Define Contribution Plan

The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of ₹ 9.11 Lacs (previous year ₹ 8.85 Lacs) as expenses under the following defined contribution plan.

₹ in Lacs

Contribution to	2020-21	2019-20
Provident Fund	9.11	8.85
Total	9.11	8.85

(B) Define Benefit Plan - Gratuity

The Company has a defined gratuity plan and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year 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 unfunded till previous year. From the current year, the scheme is funded with Life Insurance Company of India (LIC) in form of 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.

Gratuity

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

₹ in Lacs

Particulars	March 31, 2021	March 31, 2020
Present value of the defined benefit obligation at the beginning of the year	42.05	31.48
Current service cost	3.82	3.49
Interest cost	2.82	2.40
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	(0.63)	0.26
- change in financial assumptions	-	2.74
- experience variance	(3.77)	0.25
Liability Transfer In	-	1.43
Present value of the defined benefit obligation at the end of the year	44.29	42.05

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

₹ in Lacs

Particulars	March 31, 2021	March 31, 2020
Fair value of plan assets at the beginning of the year	31.20	28.99
Investment income	2.09	2.21
Contributions by employer	0.90	-
Benefits paid	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Fair value of plan assets at the end of the year	34.19	31.20

iii) Net asset/(liability) recognised in the balance sheet

₹ in Lacs

Contribution to	March 31, 2021	March 31, 2020
Present value of the defined benefit obligation at the end of the year	44.29	42.05
Fair value of plan assets at the end of the year	34.19	31.20
Amount recognised in the balance sheet	10.10	10.85
Net (liability)/asset - Current (Refer Note - 17)	(10.10)	(10.85)

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

₹ in Lacs

Particulars	March 31, 2021	March 31, 2020
Current service cost	3.82	3.49
Interest cost on benefit obligation	0.73	0.19
Total Expenses included in employee benefits expense (Refer Note - 21)	4.55	3.68

v) Recognised in the other comprehensive income for the year

₹ in Lacs

Particulars	March 31, 2021	March 31, 2020
Actuarial (gain)/losses arising from		
- change in demographic assumptions	(0.63)	0.26
- change in financial assumptions	-	2.74
- experience variance	(3.77)	0.25
Return on plan assets, excluding amount recognised in net interest expense	-	-
Recognised in comprehensive income	(4.40)	3.25

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

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.70%	6.70%
Rate of escalation in salary (per annum)	8.00%	8.00%
Mortality Rate	India Assured Lives Mortality (2012-14)	India Assured Lives Mortality (2012-14)
Attrition rate:-	9.50%	6.71%

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. There has been significant change in expected rate of return on assets due to change in the market scenario.

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

Particulars	March 31, 2021	March 31, 2020
Investments with insurer (Refer Note below)	100%	100%

Note - As the gratuity fund is managed by Life Insurance Company, details of funds invested by insurer are not available with the Company.

viii) Quantitative sensitivity analysis for significant assumption is as below

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.

Increase/(decrease) on present value of defined benefits obligation at the end of the year

Particulars	March 31, 2021		March 31, 2020	
	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	(2.78)	3.12	3.69	(3.24)

Particulars	March 31, 2021		March 31, 2020	
	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	3.05	(2.77)	(3.23)	3.60

Particulars	March 31, 2021		March 31, 2020	
	Attrition rate			
Sensitivity level	50% Increase	50% Decrease	50% Increase	50% Decrease
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	(0.78)	1.19	1.04	(0.74)

Particulars	March 31, 2021		March 31, 2020	
	Mortality rate			
Sensitivity level	10% Increase	10% Decrease	10% Increase	10% Decrease
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	(0.01)	0.01	0.01	(0.01)

ix) 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).

x) Effect of Plan on Entity's Future Cash Flows

(i) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(ii) Expected contribution during the next annual reporting period, as per the best estimate of the Company is ₹ 13.75 Lacs.

(iii) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2021	March 31, 2020
Weighted average duration (based on discounted cash flows)	7 Years	8 Years

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

₹ in Lacs

Particulars	March 31, 2021	March 31, 2020
1 year	4.29	2.88
2 to 5 year	29.83	11.80
6 to 10 year	11.22	25.05
More than 10 years	29.74	41.15

- (C) 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.

33 Unhedged foreign currency exposure

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

Nature	As at March 31, 2021		As at March 31, 2020	
	Amount	Foreign Currency	Amount	Foreign Currency
	₹ in Lacs	(in millions)	₹ in Lacs	(in millions)
Trade payables (USD)	0.01	-*	-	-
Buyer's Credit (JPY)	5,434.65	822.00	-	-
Other Financial Liabilities (JPY)	5,434.65	822.00	-	-
Interest accrued but not due (JPY)	0.45	0.07	-	-

* Figures being nullified on conversion

Closing rates as at March 31, 2021:

USD / INR = ₹ 73.110
100 JPY / INR = ₹ 66.1150

Closing rates as at March 31, 2020:

USD / INR = ₹ 75.665
100 JPY / INR = ₹ 69.63

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The Adani Harbour Services Limited
(Formerly known as "The Adani Harbour Services Private Limited")



Notes to Financial statements for the year ended March 31, 2021

34 Related Party Disclosures

Sl. No	Name of the related party	Nature of relationship	
(a)	Adani Ports and Special Economic Zone Limited	Parent Company	
(b)	The Dhamra Port Company Limited	Fellow Subsidiary	
(c)	Adani Petronet (Dahej) Port Private Limited	Fellow Subsidiary	
(d)	Adani Hazira Port Limited (Formerly known as "Adani Hazira Port Private Limited")	Fellow Subsidiary	
(e)	Marine Infrastructure Developer Private Limited	Fellow Subsidiary	
(f)	Adani Kattupali Port Limited (Formerly known as "Adani Kattupali Port Private Limited ")	Fellow Subsidiary	
	Adani Logistics Limited	Fellow Subsidiary	
(g)	Dighi Port Limited [acquired on 15, February 2021]	Fellow Subsidiary	
(h)	Adani CMA Terminal Private Limited	Jointly controlled entity, by parent company	
(i)	Adani Bunkering Private Limited	Entities over which major shareholders of the holding company are able to exercise significant influence through voting powers	
(j)	Adani Power (Mundra) Limited		
(k)	Adani Enterprise Limited		
(l)	Adani Foundation		
(m)	Adani Institute for Education and Research		
(n)	Adani Wilmar Limited		
(o)	Adani Properties Private Limited		
(p)	Key Managerial Persons :-		
	Mr. Unmesh Abhyankar		Managing Director
	Mr. Ennarasu Karunesan (upto August 07, 2019)		Director
	Mr. Jai Singh Khurana (w.e.f. August 06, 2019)	Director	
	Mr. Subrat Tripathy	Director	
	Mr. Shivna Majmudar (w.e.f. March 23,2021)	Director	
	Mr. Azad Somani (upto August 07, 2020)	Chief Financial Officer	
	Mr. Sanjay Chauhan (w.e.f. August 08, 2020)	Chief Financial Officer	
	Mr. Abhishek Bansal (upto May 31, 2019)	Company Secretary	
	Mr. Dhruvil Shah (w.e.f. March 16, 2020 upto April 24, 2021)	Company Secretary	

Terms and conditions of transactions with related parties

Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2021, 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.

₹ in Lacs				
Sl. No	Nature of transaction	Name of the related party	Transaction for year ended March 31, 2021	Transaction for year ended March 31, 2020
(a)	Income from Port operations	Adani Enterprise Limited	0.59	50.55
		Adani Bunkering Private Limited	38.48	61.38
		Adani CMA Terminal Private Limited	17.95	-
		Adani Ports and Special Economic Zone Limited	399.22	-
(b)	Interest On Inter Corporate Deposit	Adani Ports and Special Economic Zone Limited	7,244.13	2,811.25
(c)	Loan given	Adani Ports and Special Economic Zone Limited	755,465.82	329,573.20
(d)	Loan received back	Adani Ports and Special Economic Zone Limited	732,073.43	267,373.20
(e)	Management Support fees	Adani Ports and Special Economic Zone Limited	57.70	58.56
		The Dhamra Port Company Limited	22.29	21.64
		Adani Petronet (Dahej) Port Private Limited	12.46	17.19
		Adani Hazira Port Limited	17.05	16.55
		Marine Infrastructure Developer Private Limited	24.95	23.76
(f)	Purchase of Fuel	Adani Bunkering Private Limited	1,138.79	2,242.98
(g)	Reimbursement of Expenses	Adani Ports and Special Economic Zone Limited	6.36	-
		Dighi Port Limited	32.42	-
(h)	Rent Expenses	Adani Ports and Special Economic Zone Limited	18.99	21.91
(i)	Revenue Share (refer note 1 below)	The Dhamra Port Company Limited	2,594.74	2,403.13
(j)	Sale of SEIS license	Adani Wilmar Limited	-	12,033.06
(k)	Donation	Adani Foundation	326.00	1,374.00

**The Adani Harbour Services Limited
(Formerly known as "The Adani Harbour Services Private Limited")**



Notes to Financial statements for the year ended March 31, 2021

Sl. No.	Nature of transaction	Name of the related party	Transaction for year ended March 31, 2021	Transaction for year ended March 31, 2020
(l)	Tug rental charges	Adani Vizhinjam Port Private Limited	1,021.60	340.80
(m)	Training Expenses	Adani Institute for Education and Research	2.10	-
(n)	Perpetual Loan given classified as Equity in nature	Adani Logistics Limited	259,013.00	-
(o)	Miscellaneous Expenses	Adani Wilmar Limited	1.52	-

Sl. No.	Nature of outstanding balance	Name of the related party	As at March, 2021	As at March, 2020
(a)	Loan - ICD	Adani Ports and Special Economic Zone Limited	94,192.39	70,800.00
(b)	Perpetual Loan given classified as Equity in Nature	Adani Logistics Limited	259,013.00	-
(c)	Other Financial Assets	Adani Ports and Special Economic Zone Limited	6,775.81	2,530.13
(d)	Other Receivables	Adani Ports and Special Economic Zone Limited	146.79	3.12
(e)	Revenue share payable	The Dhamra Port Company Limited	441.54	894.33
(f)	Trade Payables (incl provisions)	Adani Ports and Special Economic Zone Limited	4.36	6.61
		The Dhamra Port Company Limited	2.05	-
		Adani Petronet (Dahej) Port Private Limited	1.15	3.09
		Dighi Port Limited	31.89	-
		Marine Infrastructure Developer Private Limited	3.71	-
		Adani Hazira Port Limited	1.57	1.38
		Adani Enterprise Limited	-	0.26
		Adani Bunkering Private Limited	14.07	-
(g)	Trade receivables	Adani Vizhinjam Port Private Limited	-	104.48
		Adani Bunkering Private Limited	1.62	18.88

Notes :

- Revenue share payable to The Dhamra Port Company Limited ("DPCL") is a pass through transaction which DPCL has to pay to the Government of Odisha as per the Concession Agreement.
- All key managerial personnel, other than Independent Directors of the Company is in employment with the parent company, Adani Ports and Special Economic Zone Limited and Other Group Companies and are paid remuneration by the parent company and respective group companies.
- Undertaking received from promoter Group Company against loan given and outstanding with third party as at March, 2021 amounting to ₹ 5,775.00 lacs and interest thereon.
- The Company has availed non-fund based buyer's credit / Letter of credit facilities sanctioned to the parent company. The aggregate of such transaction amount ₹ 5,434.65 lacs (Previous year ₹ Nil).

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35 Standard issued but not effective:

As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the Company. Hence, the disclosure is not applicable.

36 Event Occurred After 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 subsequent events and transactions in the financial statements. As of May 01, 2021, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

37 Approval of Financial Statements:

The financial statements were approved for issue by the board of directors on May 01, 2021.

The accompanying notes form integral part of financials statements.

As per our report of even date

For S R B C & CO LLP

ICAI Firm Registration No.: 324982E / E300003

Chartered Accountants

For and on behalf of Board of Directors of

The Adani Harbour Services Limited

per Santosh Agarwal
Partner
Membership No. 93669

Capt. Unmesh Abhyankar
Managing Director
DIN: 03040812
Place: Ahmedabad

Subrat Tripathy
Director
DIN: 06890393
Place: Ahmedabad

Place: Ahmedabad
Date: May 01, 2021

Date: May 01, 2021

Sanjay Chauhan
Chief Financial Office
Place: Ahmedabad