allcargo
Ingenuity In Motion

September 04, 2023

| To,<br>**BSE Limited**<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Fort,<br>Mumbai – 400 001<br>**BSE Scrip Code: 543954** | To,<br>**National Stock Exchange of India Limited**<br>Exchange Plaza, C-1, Block G<br>Bandra Kurla Complex,<br>Bandra (East), Mumbai – 400 051<br>**NSE Symbol: ATL** |
|---|---|

Dear Sir/Madam,

**Sub: Annual Report for the FY2022-23 and Notice convening the 4th Annual General Meeting of the Company**

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith the Annual Report of the Company for the FY2022-23 along with the Notice of the 4th Annual General Meeting (the **"AGM"**) of the Company to be held on Tuesday, September 26, 2023, at 11:00 a.m. (IST) through Video Conferencing/Other Audio-Visual Means.

The requirements of sending physical copy of the Annual Report along with the Notice of the AGM to the Members have been dispensed with pursuant to the General Circular 10/2022 dated December 28, 2022 and other circulars issued by the Ministry of Corporate Affairs ("**MCA Circular**") from time to time and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, issued by Securities and Exchange Board of India ("**SEBI Circular**") (MCA Circular and SEBI Circular are collectively knowns as "**Circulars**"). In compliance with the abovementioned Circulars, the Company has commenced the dispatch of the Annual Report for the FY2022-23 along with the Notice of the AGM to its Members through electronic mode only, today i.e. Monday, September 04, 2023

The Annual Report for the FY2022-23 along with Notice of the AGM are being made available on the Company's website www.allcargoterminals.com

Thanking you,

Yours faithfully,
For **Allcargo Terminals Limited**
HARDIK JITENDRA DESAI
Digitally signed by HARDIK JITENDRA DESAI
Date: 2023.09.04 19:53:52 +05'30'
**Hardik Desai**
**Company Secretary and Compliance Officer**

Encl: a/a

www.allcargoterminals.com

allcargo TERMINALS

# NEW IDENTITY, TRUSTED PARTNER

ANNUAL REPORT 2022-23

# Contents

# Corporate Information

## BOARD OF DIRECTORS

**Kaiwan Kalyaniwalla**
Chairman and
Non-Executive Director

**Suresh Kumar Ramiah**
Managing Director

**Vaishnavkiran Shetty**
Non-Executive Director

**Mahendra Kumar Chouhan**
Independent Director

**Radha Ahluwalia**
Independent Director

**Prafulla Chhajed**
Independent Director

**Shashikiran Shetty**
Non-Executive Director
(Resigned w.e.f. April 21, 2023)

**Arathi Shetty**
Non-Executive Director
(Resigned w.e.f. April 21, 2023)

**Ravi Jakhar**
Non-Executive Director
(Resigned w.e.f. April 21, 2023)

**Chief Financial Officer**
Pritam Vartak

**Company Secretary & Compliance Officer**
Hardik Desai

**Internal Auditor**
Rani Shah

**Statutory Auditors**
M/s S. R. Batliboi & Associates LLP

**Secretarial Auditors**
M/s Dhrumil M. Shah and Co. LLP

**Bankers/Financial Institutions**

HDFC Bank Ltd.

**Registered Office**

Allcargo Terminals Limited
4th Floor, A Wing, Allcargo House,
CST Road, Kalina, Santacruz East,
Mumbai 400 098

T: 022-6679 8100
W: www.allcargoterminals.com

CIN: U60300MH2019PLC320697

**Registrar and Share Transfer Agent**

M/s Link Intime India Private Limited,
C 101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai 400 083.

T: 022-4918 6000
W: www.linkintime.co.in

E-mail: rnt.helpdesk@linkintime.co.in

4th Annual General Meeting
Tuesday, September 26, 2023
11:00 AM (IST) onwards

**Forward-looking Statement**

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

# New Identity, Trusted Partner

Logistics, as an industry, continues to evolve, adapt, and push the boundaries.

As a frontrunner, offering access to one of India's widest CFS-ICD networks, we have transformed too.

We draw from the strengths of Allcargo's long-standing legacy of three decades of logistics experience and expertise, and look ahead to unmatched growth, exploring new possibilities in CFS-ICD, as well as land, sea, and air terminals.

With reliable, digitally-enabled CFS-ICD services, backed by multimodal cargo movements and integrated logistics, we, at Allcargo Terminals Limited, enable businesses to maximize the potential of a New Identity, Trusted Partner.


## About Us

Allcargo Terminals Limited operates Container Freight Stations (CFS) and Inland Container Depots (ICD) across the country, offering one of India's widest CFS networks.

With exceptional services and world-class facilities for bonded and non-bonded warehousing, we facilitate import and export handling, for diverse types and sizes of cargo. Our CFS-ICD facilities strategically located close to the ports cover Mumbai, Mundra, Kolkata, Chennai, and Dadri, offering unmatched connectivity and seamless operations.

A constant focus on leveraging the best in new-age digital tools and technology to deliver customized solutions keeps us ahead and makes us the preferred partners for businesses in India and across the globe.

We comply with international standards, having acquired the GSV and OHSAS accreditations, along with Authorized Economic Operator (AEO) certification and Customs-Trade Partnership Against Terrorism (C-TPAT) compliance.

As part of Allcargo Group, we create synergies to provide access a global network operating in 180 countries and create opportunities for integrated solutions including complementary services like International Supply Chain, Express Distribution, Contract Logistics, Logistics Parks, and more.

Driven by our core purpose of helping global supply chains, while caring for sustainability, we look ahead to exploring numerous avenues and opportunities in terminals, including multimodal logistics parks and others.

# Key Highlights

One of **India's widest** CFS network

**World-class facilities** in Mumbai, Chennai, Kolkata, Mundra, Dadri, as well as Tatopani, Biratnagar, and Kakarbhitta in Nepal

Total capacity of more than **800,000 TEUs**

Contact-less, digitally-enabled CFS services through cutting-edge portal **myCFS**

Collaboration with **Speedy Multimodes** to cater to a broader range of industry sectors and customer requirements

# Our Milestones

**2003** Established CFS at JNPT port

**2007** Started CFS in Chennai and Mundra

**2011** ICD at Dadri (JV with Concor)

**2012** Second CFS near JNPT

**2017** Kolkata CFS commences operations

**2021** Partnership with Speedy Multimodes

**2022** Strategic demerger of Allcargo Logistics Limited to form Allcargo Terminals Limited which comprises of the CFS division and Transindia Real Estate Limited which includes the logistics and industrial parks business

# Our Nationwide Footprint

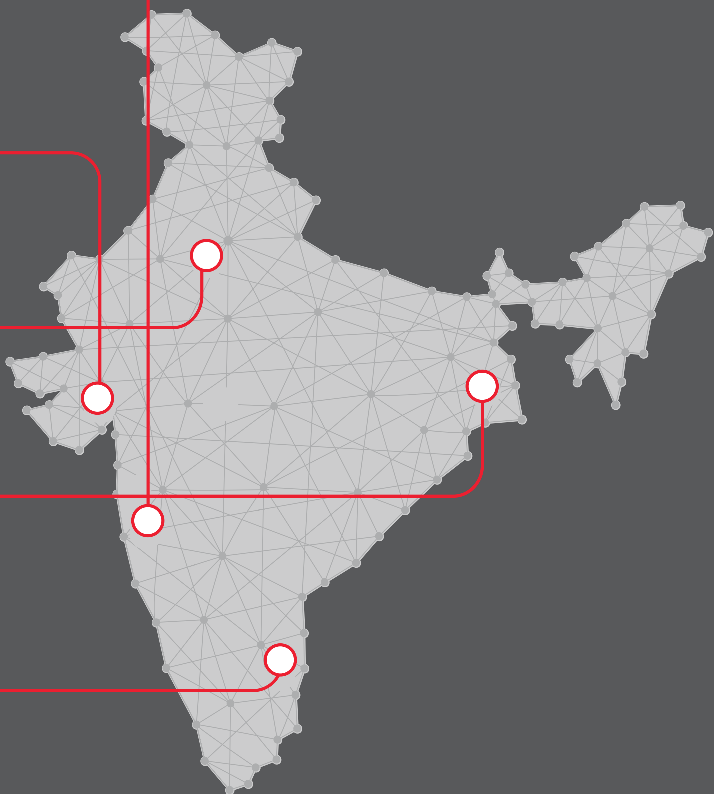
**Nhava Sheva, Mumbai**
Current Capacity: 3,75,338 TEU
Total Area: 106 Acres
Distance from Port: 18 KM

**Mundra**
Current Capacity: 2,10,640 TEU
Total Area: 56 Acres
Distance from Port: 8 KM

**Dadri**
Current Capacity: 54,031 TEU
Total Area: 11 Acres
Distance from Port: 1.5 KM

**Kolkata**
Capacity: 74,025 TEU
Total Area: 17 Acres
Distance from Port: 2 KM

**Chennai**
Current Capacity: 86,720 TEU
Total Area: 24 Acres
Distance from Port: 8 KM



# Chairman's Message

**Kaiwan Kalyaniwalla**
Chairman, Allcargo Terminals Limited

Dear Shareholders,

In an increasingly inter-connected world, business supply chains are dynamic and constantly evolving. As they continue to drive business, trade and commerce forward, the shipping and logistics sector continues to reinforce its strength – digitalizing and adopting technology to optimize seamless cargo movements. Playing a vital role in this ecosystem, facilitating the movement, storage, and distribution of goods to and from multiple destinations, through sea, road, and rail, are Container Freight Stations and Inland Container Depots.

With the world coming closer, supply chains diversifying, and e-commerce booming, the demand for end-to-end cargo handling services continues to rise.

I am proud to share that Allcargo Terminals Limited, formerly the CFS-ICD division of Allcargo Logistics and its newly demerged entity, is well-geared to achieve new benchmarks of success and build on its long-standing legacy and experience of three decades.

We look ahead to unlocking immense shareholder value and revolutionizing India's cargo terminals sector with just what it needs – ***New Identity, Trusted Partner.***

## Thriving amidst changes

India's merchandise exports grew to USD 447.46 billion and imports touched USD 714.24 billion in FY2022-23. With exports expected to continue their upward trajectory, bolstered further by government initiatives like Aatmanirbhar Bharat and Production-Linked Incentive scheme to boost manufacturing, cargo terminals have the potential to drive significant growth.

Additionally, implementation of the Gati Shakti National Master Plan and National Logistics Policy aiming to reduce the overall logistics cost will create strong potential demand for CFS-ICD sector. Infrastructure development, more efficient multimodal operations, streamlined processes and reduced bottlenecks, integration of technology, and favourable policies to attract investments from private players and public-private partnerships are few, of the many possibilities for the sector to explore.

The proposed Dedicated Freight Corridors, and policies to transform the logistics modal mix by reducing the over-dependence on road freight and developing railways and waterways, create opportunities for the rail-linked terminals to grow, expand, and also contribute to reducing the logistics sector's carbon emissions.

## Allcargo Terminals: A new identity, a new era of excellence

Having recently demerged from Allcargo Logistics Limited, Allcargo Terminals Limited comprises of its CFD-ICD business in India and the Indian subcontinent. As a business that has been core and integral to the Allcargo Group, we take pride in its legacy, and remain committed to strengthening it further.

Creating a significant advantage for us is the strength and capabilities of Allcargo Group, combined with the operational and financial flexibility we now have.

Along with astute organic and inorganic expansion, we now look ahead to enhancing efficiencies with a hub and spoke model, adoption of advanced digital tools, technology and software, as well as partnerships and collaboration that add to our capabilities and strengths.

With an asset-right business model, we are in an ideal position to not only grow in the seaport linked infrastructure space but also look at dry land terminals (Gati Shakti Multi-modal Cargo Terminals i.e., GCTs and multimodal logistics parks), and air terminals (own and operate airport freight stations).

We are not just celebrating a new identity, but also heralding a new epoch propelled by superior and diversified service. As we set our vision on a wider horizon, agility and flexibility will be the hallmark of our new dynamic approach.

We believe the world belongs to those who conquer time and who can innovate to transform the way things are done, and that is precisely the edge we are offering businesses – customised solutions that enhance the ease of doing business.

## Strengthening India's widest CFS network

With world-class facilities at JNPT (Mumbai), Mundra, Chennai, Kolkata, an ICD at Dadri, and presence in Nepal, we facilitate trade and provide access to one of India's widest CFS networks.

The past year has seen us enhance capabilities, streamline operations and reduce turnaround times, while offering the complete range of solutions right from bonded and non-bonded warehousing to Direct Port Delivery, hazardous and dangerous goods handling, reefer monitoring, and more.

In addition to the advantage of location and close proximity to ports for CFSs and key industrial and consumption centres for our ICD, what we have built a reputation for is exceptional service and solutions tailored to meet the needs of our customers.
As a result, we have been able to increase the depth of our scope of work with key accounts, tap into new customer bases, and emerge as a trusted partner of choice.


Our synergy with group companies of Allcargo Group and their complementary services, namely International Supply Chain under Allcargo Logistics and first and last mile deliveries with nationwide express distribution under Gati, help us create a unique competitive advantage. This ability to offer integrated logistics has proved to be a gamechanger, while reinforcing our market leadership.

## Speedy – An Allcargo partner

Owing to the collaboration between Allcargo and Speedy Multimodes, we are able to meet the CFS-ICD requirements of a more diverse spectrum of industry sectors and customers.

Speedy CFS facilities at JNPT and Mundra, work well to our advantage, as they enable us to provide cost-effective, swift services, at locations very close to the port.

## Digital-first with myCFS

Helping us achieve our ambition of enabling seamless services for businesses is our digital focus, and nothing is a better testament to our digital-first approach than the myCFS portal and app.

myCFS provides contact-less, end-to-end CFS-ICD services, helping our customers enhance efficiency and significantly reduce turnaround times.

Its multiple features that allow for document uploads, advance information sharing, and real-time updates on service requests have made transactions as simple and convenient as possible.

As technology evolves, and secure data and information flow become inevitable to smooth operations, our aim is to continually update and enhance the portal based on industry demands, customer feedback, and UI-UX best practices.

## A team driven to deliver excellence

At Allcargo Terminals, we have set targets, delivered, and restructured the organization to keep up the pace and momentum.

We have appointed new location heads from within the company, each of whom lead a lean, agile team of experts. Together, they can take quick decisions, provide customer-centric solutions, and enable us to move closer to our bold vision and ambitions.

This approach of grooming talent internally helps us to adhere strongly to our core values, nurture a motivated and inspired workforce, and build a strong employer brand.

## ESG Commitment as part of Allcargo Group

Being a part of Allcargo Group, we are aligned to its purpose of helping global supply chains, while caring for sustainability.

With a strategic approach to ESG and sustainability, we continue our efforts to reduce carbon emissions, conserve resources, and contribute to the welfare and well-being of society. We look ahead to contributing to Allcargo Group's overall objective of being carbon neutral by 2040.

I am proud that even our team members have imbibed our value of Care for Environment and Society, which is reflected in their support and participation in tree plantation, blood donation, clean-up drives, and many other activities.

## Onward and forward

At the Allcargo Group, we are not only passionate about our business and the value we bring to all our stakeholders but also our commitment to the society we live in and the values and principles we hold proud by the grace of our great land, India.

May I take this opportunity, as the first Chairman of your listed Company, to invite you to join in the journey ahead, and continue to build capabilities, invest in our people, foster collaborative partnerships, and conduct business in a free, fair, and ethical manner, to maximize value for all our shareholders and stakeholders.

Best regards,

**Kaiwan Kalyaniwalla**
Chairman and Non-Executive Director
- Allcargo Terminals Limited

# Industry Overview

The information contained in this section is derived from various industry reports. Neither we, nor any other person connected, has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information.

As of FY22, India's exports grew by 44.6% to USD 422 billion and imports grew by 55.4% to USD 613 billion. This growth has propelled the Indian transportation and logistics sector, which has grown between ~USD 160 and USD 200 billion (INR13- 16 Lakh cr.) in 2022.

### India's transportation and logistics landscape

**Modal split - freight movement in India in 2022**

| Road | Rail | Shipping | Air |
|---|---|---|---|
| 3.05 trillion ton-km | 0.82 trillion ton-km | 1,108 million metric ton | 2,068 million ton- km |
| **66%** | **31%** | **3%** | **1%** |

**Infrastructure present**

| Road | Rail | Water | Airport |
|---|---|---|---|
| 63.73 lac km | 1.08 lac km | 12 major, 200+ non-major ports | 131 airports |

**Support Infrastructure present**

| Inland Container Depot | Container Freight Station | Multi Modal Logistics Park | 300m sq. ft. warehouse space |
|---|---|---|---|
| 129 | 168 | 1* | |

*Under construction

Source - PBI, Ministry of shipping, Ministry of civil aviation, Niti Aayog

India's Transportation and Logistics sector acts as the backbone to support the fast-paced growth which it is poised to achieve in the next 25 years. India's freight movement is heavily skewed toward road transportation, which moves 66% of cargo (in ton-km).

This is followed by rail (31%), shipping (3%) and air (1%).

To aid this cargo movement, India has an extensive network of support infrastructure comprising more than 129 In-land container depots, over 168 container freight stations, and ~300 million sq. ft. of warehousing space.

The transportation and logistics sector, and in particular the ports and shipping sector is grappling with several structural challenges:

- The inter-state movement of goods takes a long time due to complex regulations, delayed clearances and involves a significant amount of paperwork.
- As the industry is fragmented, there are several intermediaries in the ecosystem leading to multiple cargo exchanges, thereby increasing costs and operational inefficiencies.
- Lack of end-to-end supply chain visibility and ability to track and trace the cargo remains a challenge for the service providers and customers.

## CFS-ICD market

CFS-ICD players derive majority of their revenues from container handling and transportation, and the remaining from ground rent and auctions. The CFS-ICD industry is valued at INR 54-57 billion as of fiscal 2022. The industry grew at 8% in fiscal 2022, in line with increase in container traffic. Realisation rose 1-2% year-on-year due to lower container throughput and higher realisations due to uptick in ground rent thanks to longer dwell time.

The CFS market was on a declining trend due to the government's focus on DPD. However, the share of DPD is expected to stabilise at 55-60% of imports vis-à-vis the government's set target of 70%, as more than half of the DPD containers are resent to CFS either because of non-clearance within 48 hours or voluntarily by importers for storage and onward transportation to the hinterland.

The ICD market has been relatively upbeat. Against a declining trend observed across the CFS market, the ICD market recorded average growth of 3-6% in the past few fiscals. Most ICDs are located in the hinterland and generally have a rail connectivity. Thus, improvements in rail infrastructure bode well for ICDs. Growth of the ICD market remained positive during the pandemic in fiscal 2021 also since the rail-based container movement remained buoyant during the year. ICD market in fiscal 2022 was estimated at Rs 14-16 billion, which grew at more than 15%, led by container traffic growth and partial commissioning of DFC.

The major revenue streams include container handling and transportation, ground rent, and storage and service charges.

https://www.jsw.in/sites/default/files/assets/industry/infrastructure/JSWIL%20Industry%20Report%20Ports-Update-Apr-Concise-vf.pdf


## Bolstering the CFS-ICD infrastructure with Multi-modal Logistics Parks (MMLPs)

MMLPs bring together road and rail: the two most important transport modes comprising ~90% of the country's cargo movement.

National Highways Logistics Management Limited under the Ministry of Road Transport and Highways (MoRTH) and the National Highways Authority of India (NHAI) are leading the development of Multi-Modal Logistics Parks (MMLP) in a hub-and-spoke concept to strengthen the nation's freight logistics sector.

MoRTH is currently implementing 37 MMLPs that will be developed through Public Private Partnership (PPP) in the Design, Build, Finance, Operate, and Transfer (DBFOT) mode with a capital allocation of US$6.25b (INR 50,000 cr.). MoRTH minister Nitin Gadkari laid the foundation stone of India's first multi-modal logistics park at Jogighopa, Assam in October 2020.


### Factors that will determine the success of MMLPs

1. Connectivity to adjacent nodes - Ability to cater to demands of adjacent nodes will improve business viability of logistics parks.
2. Non-competing infrastructure - Strong coordination is essential across multiple government entities developing similar infrastructure so that competition can be avoided.
3. Competent service providers - Ability to attract world-class 3PL service providers for developing and operating the logistics parks at a high service level will be critical to ensure the success of the logistics parks.
4. Complementary policies - A comprehensive policy governing multi-modal freight transportation for domestic freight movement needs to be developed.
5. Early involvement of all stakeholders - Early involvement and alignment of all relevant stakeholders will be critical to ensure faster development of logistics parks.
6. Adopting digital solutions - Use of technologies like demand forecasting, warehouse management systems, and other digital enablers is essential.

### Key benefits of MMLPs

- MMLPs improve the utilization and performance of inland container depots (ICDs) and container freight stations where they exist.
- Logistics parks would provide a 10% reduction in transportation costs for the top 15 nodes. It will improve the inter-fleet mix by enabling freight movement on higher sized trucks and rails.
- Increased freight movement by larger sized trucks and rail will enable ~12% reduction in $CO_2$ emissions for top 15 nodes. Freight movement by rail has 65% less $CO_2$ emission compared to road freight on a per ton per km basis.
- Increased freight movement on higher sized trucks and rails will result in ~20% reduction in freight vehicles catering to the demands of the top 15 nodes.

https://assets.ey.com/content/dam/ey-sites/ey-com/en_in/topics/esg/04/ey-envisioning-the-future-of-indian-logistics.pdf

# Business Overview

## A range of CFS services designed to deliver excellence

We facilitate global trade with end-to-end CFS-ICD solutions that help streamline domestic and international supply chains, ensure speed and efficiency, as well as enable digitally-driven convenience in just a few clicks.

- **Imports handling**
- **Exports handling**
- **Bonded and non-bonded warehousing**
- **Direct Port Delivery (DPD)**
- **Hazardous cargo**
- **Specialized cargo handling**
- **Reefer Monitoring Service**
- **ISO tanks**
- **First and last mile delivery**

## One of India's widest CFS networks at your service

### NHAVA SHEVA

- CFS facility at Nhava Sheva handles maximum volumes and offers a great advantage in terms of connectivity to the port
- Ample space for bonded and non-bonded warehousing, along with the presence of customs officials for smooth operations
- Innovative processes and equipment including e-tariff, e-Proforma, e-Payment technology, online Export SB declaration and Import Receiving, etc. to reduce redundancies and significantly increase efficiency

### CHENNAI

- One of the earliest to come up in the region and situated just 8 km from the port, offering huge location benefit
- Reasonably shorter transit times, given that the road to the port experiences high traffic congestion
- Convenient international operations with an international transhipment hub catering to customers worldwide – a first-in-India service
- State-of-the-art technology platforms, experienced teams, world-class equipment and processes, and 24x7 safety and security

### KOLKATA

- Fastest turnarounds at Kolkata port and the convenience of last-mile delivery
- End-to-end services such as customs clearance, freight forwarding, LCL and FCL consolidation services along with over-dimensional cargo handling and single window freight handling
- Ideal gateway to India's north-eastern regions as well as neighbouring countries in the Indian subcontinent

### DADRI

- Strategically important owing to its connectivity to major ports in India and industrial areas in the north Indian hinterland
- Significant time and cost-saving LCL consolidation services for export and import cargo
- Well-equipped with modern equipment such as reach stackers, and forklifts that handle palletised cargo and open yard cargo, ensuring smooth and seamless transfer from rail to road and vice versa

### MUNDRA

- Situated close to the Mundra port, an effective gateway into India's hinterland
- With liners focusing on the Mundra port because of its faster service and quick turnaround time for vessels, it creates numerous opportunities for businesses in and around the vicinity
- A CFS facility of international standards in the vicinity of the port enhances business efficiencies

## Contactless, digitally-enabled CFS services in just a few clicks

Our cutting-edge digital portal and app, myCFS, helps businesses plan their cargo movements better, offering better control, real-time information, and quick, efficient transactions.

With our plethora of features, customers can experience the advantage of end-to-end solutions from the comfort of their home or office, without needing to physically visit the CFS facilities.

- Customized CFS services in just a few clicks
- Easy upload and retrieval of import and export documents
- Automated updates on all CFS service requests
- Access to current and archival reports and analytics

## The Allcargo Advantage for CFS-ICD requirements

- India's widest CFS network with pan-India presence and multi-city consolidation
- Amongst the top 3 CFS operators in Nhava Sheva, Kolkata and Chennai
- RFID-enabled container tracking
- Expertise in handling and monitoring Over-Dimensional Cargo (ODC), reefer containers and hazardous cargo movements
- Strong technological capabilities
- Real-time updates on cargo carting
- Green Facilities that promote sustainability
- OHSAS, ISO, GSV (C-TPAT - Compliant) and AEO certified facilities
- Equipment maintenance and back-up support
- 24 x 7 Customer Service Desk for assistance and resolving queries

## Partnerships to help serve customers better

Our collaboration with Speedy Multimodes allows us to tailor our CFS-ICD services to meet multiple customer requirements and offer solutions that take into account the nuances of diverse industry sectors and their supply chain requirements.

With facilities located close to the ports, at Mumbai and Mundra, we help boost businesses better.

- Strategic location near the ports ensures seamless connectivity and reduces transportation time, providing significant time and cost and effectiveness.
- Our facilities are quipped with advanced infrastructure and cutting-edge technology, to handle Over-Dimensional Cargo (ODC) with utmost safety and handle complex cargo with precision.
- Our reliable, secure, and well-maintained warehousing facilities are designed to accommodate various types of cargo.
- We provide cost-effective solutions without compromising on quality and service.
- Efficient operations ensure swift and in-time movement of cargo between our the terminal and CFS, minimizing delays and optimizing supply chain performance.
- With its user-friendly interface and plethora of features, our cutting-edge portal, myCFS Speedy, enables real-time tracking, instant updates, and seamless communication, giving businesses complete visibility and control over their cargo.
- We adhere to the strictest safety protocols and industry best practices to ensure that each consignment is handled with utmost care and delivered safely.

# Sustainability and community welfare to transform lives

At Allcargo Terminals, we believe in going beyond business and profitability, with a keen sense of responsibility to contribute towards the good of the environment and society.

We have also implemented sustainability measures in offices and facilities to maximise use of natural light, optimize power consumption, reduce diesel consumption and carbon emissions by using RTGs, as well as plant trees to green the earth's cover.

Our CFS team members organize and participate in a number of activities like blood donation camps, tree plantation, marathons to raise awareness about social causes, skill training and development programmes, etc. to help vulnerable populations in and around the vicinity.

As part of Allcargo Group, we are aligned with the strategic approach to ESG and committed to the overall objective of being carbon neutral by 2040.

# NOTICE

**NOTICE** is hereby given that the Fourth Annual General Meeting of the Members of **Allcargo Terminals Limited (Formerly known as Allcargo Terminals Private Limited)** will be held on **Tuesday, September 26, 2023 at 11:00 a.m.** (IST) through Video Conferencing ("**VC**") or Other Audio Visual Means ("**OAVM**"), to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt:

   a. the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Reports of the Board of Directors and Auditors thereon; and

   b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Report of Auditors thereon.

2. To declare a Final Dividend of ₹0.50 (i.e. 25%) per Equity Share of face value of ₹2/- each for the Financial Year ended March 31, 2023.

3. To appoint a Director in place of Mr Suresh Kumar Ramiah (DIN: 07019419), who retires by rotation and being eligible, offers himself for re-appointment.

4. To Appoint M/s S. R. Batliboi & Associates LLP, ("SRBA") Chartered Accountants (Firm Registration No. 101049W/E300004) as Statutory Auditors and fix their remuneration and if thought fit, to pass the following Resolution as an Ordinary Resolution.

   **"RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and based on the recommendation of the Audit Committee and approval of the Board of Directors of the Company, M/s. S. R. Batliboi & Associates LLP, ("SRBA") Chartered Accountants, (Firm Registration No. 101049W/E300004), be and are hereby appointed as the Statutory Auditors of the Company for a first term of four (4) consecutive years commencing from the conclusion of 4th Annual General Meeting ("AGM") till the conclusion of 8th AGM of the Company on such remuneration as set out in the Explanatory Statement annexed to this notice."

   **"RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, proper or expedient to give effect to this Resolution."

For and on behalf of the Board of Directors of
**Allcargo Terminals Limited**

**Hardik Desai**
Company Secretary and Compliance Officer

**Date:** August 21, 2023
**Place:** Mumbai

**Registered Office:**
4th Floor, A Wing, Allcargo House, CST Road,
Kalina, Santacruz (East), Mumbai - 400098
**Email Id:** investor.relations@allcargoterminals.com
**Website:** www.allcargoterminals.com
**Phone No:** 022-66798100
**CIN:** U60300MH2019PLC320697

**NOTES:**

1. Pursuant to the General Circular 10/2022 dated December 28, 2022 and other circulars issued by the Ministry of Corporate Affairs ("**MCA**") ("**MCA Circulars**") from time to time and Circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 issued by Securities and Exchange Board of India ("**SEBI**") (MCA Circulars and SEBI Circulars are collectively knowns as "**Circulars**"), the companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC. The deemed venue for the AGM shall be the Registered Office of the Company i.e. 4th Floor, A Wing, Allcargo House, CST Road, Kalina, Santacruz (East), Mumbai- 400098.

2. The Explanatory Statement pursuant to Section 102 of the Act, and the relevant details of the Directors seeking re-appointment above as required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and Secretarial Standard - 2 on General Meetings ("**SS-2**") issued by the Institute of Company Secretaries of India are annexed hereto.

3. **SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF THE AGM VENUE ARE NOT ANNEXED TO THIS NOTICE.**

   In compliance with the Circulars, the Notice of the AGM indicating the process and manner of electronic voting along with the Annual Report of the Company for the Financial Year ended March 31, 2023, is being sent to the Members only through electronic mode whose e-mail addresses are registered with the Company/Depositories.

   To support the 'Green Initiative' and obtaining Annual Report of the Company, Members are requested to register their e-mail addresses by sending an e-mail on rnt.helpdesk@linkintime.co.in by giving details like name, folio number, permanent account number and contact number. Members holding shares in demat form are requested to register their e-mail addresses with their Depository Participant(s) ("**DP's**") only.

   In compliance with the said MCA Circulars, the Company has published a public notice by way of advertisements on Saturday, September 02, 2023 in Free Press Journal and Navshakti, inter alia, advising the Members whose e-mail address are not registered/updated with the Company or the DP's, as the case may be, to register/update their e-mail address with them at the earliest.

   The copy of Notice and Annual Report of the Company for FY2022-23 is also available on the Company's website https://www.allcargoterminals.com/ and the website of the Stock Exchanges, i.e. BSE Limited https://www.bseindia.com/ and The National Stock Exchange of India Limited https://www.nseindia.com/. The Notice of AGM is also available on the website of National Securities Depository Limited ("NSDL") at www.evoting.nsdl.com.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for reckoning the quorum under Section 103 of the Act.

5. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are encouraged to attend the AGM through VC/OAVM mode and vote electronically. Pursuant to the provisions of the Act, Institutional Members/ Corporate Members intending to allow their authorized representative(s) to attend and vote at the AGM are requested to submit a certified true copy of the Board Resolution/letter of appointment authorizing their representative(s) together with the specimen signature(s) of those authorised representative(s) to the Scrutinizer at dhrumil@dmshah.in with a copy marked to evoting@nsdl.co.in.

6. Relevant documents referred to in the Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during business hours [11.00 a.m. (IST) to 02.00 p.m. (IST)] on all working days, except Saturday, Sunday and public holidays upto the date of the AGM. The aforesaid documents will also be available for inspection by Members during the AGM.

7. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

   a. For shares held in electronic form: to their DPs

   b. For shares held in physical form: to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 along with relevant proofs and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023.

      Members are further requested to note that non-availability of correct bank account details such as MICR ("Magnetic Ink Character Recognition"), IFSC ("Indian Financial System Code") etc., which are required for making electronic payment will lead to rejection/failure of electronic payment instructions by the bank in which case, the Company or RTA will use physical payment instruments for making payment(s) to the Members with available bank account details of the Members.

8. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.

   Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of the Company's RTA at https://web.linkintime.co.in/KYC-downloads.html . It may be noted that any service request can be processed only after the folio is KYC Compliant.

9. SEBI vide its Circular dated January 25, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

11. As per the provisions of Section 72 of the Act and aforesaid SEBI Circulars, the facility for making nomination is available for the Members in respect of the shares held by them in physical mode. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 with RTA.

    Further members holding physical shares are informed that they can opt out of nomination or cancel the existing nomination by filing following form with RTA:

    a. Form ISR – 3: For opting out of nomination by shareholder(s)

    b. Form SH -14: For cancellation or variation to the existing nomination of the shareholder(s)

**12. Unpaid/ Unclaimed Dividend and Shares**

Transfer of Unpaid /Unclaimed Dividend to Investor Education and Protection Fund Pursuant to the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (hereinafter referred to as "IEPF Rules"), the amount of dividend remaining unpaid/unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (the "IEPF").

The Company has not declared dividend since its incorporation i.e. February 05, 2019, hence no dividend remains unpaid/ unclaimed.

Pursuant to the Scheme of Arrangement and Demerger between Allcargo Logistics Limited ("Demerged Company"), Allcargo Terminals Limited ("Resulting Company 1"/ the "Company") and TransIndia Real Estate Limited (Formerly known as TransIndia Realty & Logistics Parks Limited) ("Resulting Company 2") and with their respective shareholders (the "**Scheme**"), the equity shareholders of the Demerged Company as on record date i.e. April 18, 2023 were allotted equity shares of the Company. 4643 equity shares of the Demerged Company were held in the name of the Investor Education and Protection Fund Authority ("**IEPF Authority**") on record date, accordingly 4643 equity shares of the Company were allotted to IEPF Authority.

The Members may note that the shares transferred to the IEPF Authority can be claimed back by making an application to the IEPF Authority in Form IEPF-5 along with the requisite documents available on www.iepf.gov.in and sending duly signed physical copy of the same to the Company and/ or RTA. The Members can submit only one consolidated claim in a financial year as per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("**IEPF Rules**"). In order to claim refund, the Members are advised to visit the weblink http://iepf.gov.in/IEPFA/refund.html or contact the RTA. No claims shall lie against the Company in respect of the shares so transferred.

**13. Dividend Related Information**

i. The Board of Directors of the Company at their meeting held on July 05, 2023 have, inter alia, recommended payment of final dividend of ₹0.50/- (i.e.25%) per Equity Share of face value of ₹2/- each for the Financial Year ended March 31, 2023, subject to approval of the members at the ensuing AGM.

ii. Final dividend for the financial year ended March 31, 2023, if approved by the Members at ensuing AGM, will be paid on or after Friday, September 29, 2023 to those members whose names appear on the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on the record date i.e. Saturday, September 09, 2023.

iii. Members holding shares in physical/demat form are hereby informed that the bank particulars registered with RTA or their respective DP, as the case may be, will be considered by the Company for payment of final dividend.

iv. Members holding shares in physical/demat form are required to submit their bank account details, if not already registered, as mandated by the SEBI.

v. In case the Company's dividend banker is unable to process the final dividend to any member by electronic mode, due to non-availability of the details of the bank account or for any other valid reason whatsoever, the Company shall dispatch the dividend warrants/ demand drafts to such Member by post.

**14. Tax Deducted at Source ("TDS") on Dividend:**

i. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source ("**TDS**") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (the "**IT Act**"). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their DP's or in case shares are held in physical form, with the Company by sending documents through e-mail.

ii. For resident shareholders, TDS is required to be deducted at the rate of 10% under Section 194 of the IT Act on the amount of dividend declared and paid by the Company provided valid PAN is registered by the Shareholder. If the valid PAN is not registered, the TDS is required to be deducted at the rate of 20% under Section 206AA of the IT Act.

iii. If any resident individual shareholder is in receipt of dividend not exceeding ₹5,000 in a financial year, then no TDS will be deducted from the dividend.

iv. If any resident individual shareholder is in receipt of Dividend exceeding ₹5,000 in a financial year, entire dividend will be subject to TDS @ 10%.

v. It may be further noted that w.e.f. April 01, 2021, the rate of TDS has changed to 10% (with valid PAN) from previous 7.5% for resident individual shareholders. In the cases where the shareholder provides valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income), no TDS shall be deducted.

vi. For Non-resident shareholders [Including Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs)], the TDS is required to be deducted at the rate of 20% (plus applicable surcharge and cess) under Section 195 or 196D of the IT Act, as the case may be.

Further, as per Section 90 of the IT Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty between India and the country of tax residence of the shareholder, if they are more beneficial to them.

vii. It may be further noted that in case TDS on dividend is deducted at a higher rate in absence of receipt of the aforementioned documents, there would still be an option available with the shareholder to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

15. Any information required in relation to the Accounts and Operations of the Company may be sent to the Company Secretary at investor.relations@allcargoterminals.com at least seven (7) days in advance of the date of AGM, so as enable the Management to keep the information ready at the AGM.

16. Non-Resident Indian Members are requested to inform RTA, immediately of:

a) Change in their residential status on return to India for permanent settlement.

b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

**17. Voting through electronic means:**

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-voting system as well as e-voting during AGM will be provided by NSDL.

I. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, September 19, 2023. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owner maintained by the Depositories as on the cut-off date shall only be entitled to avail facility of remote e-voting or e-voting during AGM. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

II. The Members who have exercised their votes through remote e-voting prior to the AGM may also participate in the AGM but they shall not be entitled to vote again.

III. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on the cut-off date may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

**IV. The remote e-voting period begins at 09:00 a.m. (IST) on Friday, September 22, 2023 and ends at 05:00 p.m. (IST) on Monday, September 25, 2023. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.**

**18. Instructions for participating in the AGM through VC/ OAVM and E-voting are as follows:**

**A. Instructions for E-voting are as follows:**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|---|
| **Individual Shareholders holding securities in demat mode with NSDL.** | **A. NSDL IDeAS Facility**<br>**If you are already registered, follow the below steps**<br>1. Visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a personal computer or on a mobile.<br>2. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section,<br>3. A new screen will open. You will have to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. |

| Type of shareholders | Login Method |
|---|---|
| | 4. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-voting page.<br>5. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<br>**If you are not registered, follow the below steps**<br>1. Option to register is available at https://eservices.nsdl.com.<br>2. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<br>3. Please follow steps given in points 1-5 above<br>**B. E-voting website of NSDL**<br>1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.<br>2. Once the home page of e-Voting system is launched, click on the icon "**Login**" which is available under '**Shareholder/Member**' section.<br>3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. |
| | 4. After successful authentication, you will be redirected to NSDL website wherein you can see e-Voting page. Click on the company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.<br>**C.** Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.<br>NSDL Mobile App is available on<br>App Store Google Play |
| **Individual Shareholders holding securities in demat mode with CDSL** | 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.<br>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.<br>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.<br>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |

| Type of shareholders | Login Method |
|---|---|
| **Individual Shareholders (holding securities in demat mode) login through their depository participants** | 1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.<br>2. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.<br>3. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

| Login type | Helpdesk details |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12************** then your user ID is 12************** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 126180 then user ID is 126180001*** |

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The

.pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat accoun t number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "**EVEN**" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "**EVEN**" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "**VC/OAVM**" link placed under "**Join General Meeting**".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "**Submit**" and also "**Confirm**" when prompted.

5. Upon confirmation, the message "**Vote cast successfully**" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**GENERAL GUIDELINES FOR SHAREHOLDERS**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail at dhrumil@dmshah.in with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

   In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call at 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr Tejas Chaturvedi at evoting@nsdl.co.in

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE**:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.relations@allcargoterminals.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, Client Master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.relations@allcargoterminals.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively, Shareholders/Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR E-VOTING ON THE DAY OF THE AGM FOR MEMBERS ARE AS UNDER:-**

a. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

b. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

c. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

d. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

**B. Instructions for participating in AGM through VC/OAVM:**

a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against the Company name.

b) You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed.

c) By clicking on this link, the Members will be able to attend and participate in the proceedings of the AGM.

d) Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

e) Members are encouraged to join the Meeting through Laptops for better experience.

f) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

g) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of glitches.

h) The Members can join the AGM through VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more share of the Company), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Nomination and Remuneration Committee, Audit Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

i) Members who would like to express their views/have questions during the AGM may register themselves as a speaker shareholder by sending a request along with their questions in advance mentioning their name, demat account number/folio number, email id and mobile number at investor.relations@allcargoterminals.com on or before Thursday, September 21, 2023. Those Members who have registered themselves as a speaker shareholder will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speaker shareholders depending on the availability of time for the AGM.

j) Speaker shareholders will join through the separate link as attendee. The shareholders will be on mute by default and can see the AGM proceedings. Speaker shareholders need to allow their audio and video to be kept open. Once moderator announces and allows shareholders to speak, then only such shareholders will speak.

19. Mr Dhrumil Shah (Membership No. FCS 8021 and CP No 8978) of Dhrumil M. Shah & Co. LLP, Practicing Company Secretaries, Mumbai, have been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.

20. The Chairman at the AGM, shall at the end of the discussion on the Resolutions, on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of electronic ballot voting system for all the Members who are present at the AGM but have not exercised their votes by availing the remote e-Voting facility.

21. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM, thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and not later than 2 working days from the conclusion of the AGM, submit a consolidated Scrutinizer's Report to the Chairman or any person duly authorised by him in writing who shall countersign the same and declare the results forthwith.

22. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on date of the AGM i.e. Tuesday, September 26, 2023

23. The results declared along with the Scrutinizer's Report shall be displayed on the notice board at the Registered Office of the Company, on the Company's website www.allcargoterminals.com and on the website of NDSL https://www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously intimate the result to the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited.

## EXPLANATORY STATEMENT IN RESPECT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS

Pursuant to the provisions of Section 102 of the Companies Act, 2013 (the "Act") and Secretarial Standard-2 on General Meetings ("SS-2"), the following Explanatory Statement sets out all material facts relating to the Ordinary Business as mentioned at Item No. 4 in the accompanying Notice.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 (the "Act") and the Rules framed thereunder, the Members of the Company at the Extra-ordinary General Meeting ("EGM") held on April 17, 2023 had appointed M/s S R Batliboi & Associates LLP, Chartered Accountants, (Firm Registration No. 101049W/E300004) ("SRB") as the Statutory Auditors of the Company till the conclusion of 4th Annual General Meeting ("AGM") to fill casual vacancy caused due to the resignation of M/s C.C. Dangi & Associates, Chartered Accountants.

The Members may note that the tenure of SRB as Statutory Auditors of the Company would be expiring at the ensuing AGM. Basis on the recommendation of Audit Committee, the Board of Directors at its Meeting held on July 05, 2023 had approved the appointment of SRB as Statutory Auditors of the Company, subject to the approval of the Members at the ensuing AGM. Hence, it is proposed to appoint SRB as the Statutory Auditors of the Company for a first term of four (4) consecutive years to hold office from the conclusion of this AGM till the conclusion of 8th AGM of the Company at a remuneration to be decided by the Board of Directors in consultation with the Statutory Auditors subject to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and the Act, as amended from time to time.

SRB have given their consent to act as the Statutory Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act and Listing Regulations.

SRB will hold office for a first term of four (4) years from the conclusion of 4th AGM till the conclusion of 8th AGM of the Company.

The proposed remuneration to be paid to SRB for FY 2023-24 is ₹25 Lakhs per annum (FY 2022-23: ₹31 Lakhs), exclusive of applicable taxes and other out of pocket expenses. The proposed fees are based on knowledge, expertise, industry experience, time and efforts required to be put in by SRB during their association with the Company.

The remuneration for the subsequent year(s) of their term shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit Committee. There is no material change in the remuneration proposed to be paid to Statutory Auditors for the FY 2023-24 as compared to FY 2022-23.

SRB started in 1914 and registered with the Institute of Chartered Accountants of India. All the constituent firms of SRB are member firms in India of Ernst & Young Global Limited ("EY"). The methodology, working environment, compensation strategy and technical resources of SRB are designed to attract and retain the best people. The firm has strong presence in major cities of the country and is engaged in the statutory audits of some of the large companies across various sectors.

For and on behalf of the Board of Directors of
**Allcargo Terminals Limited**

**Hardik Desai**
Company Secretary and Compliance Officer

**Date:** August 21, 2023
**Place:** Mumbai

**Registered Office:**
4th Floor, A Wing, Allcargo House, CST Road,
Kalina, Santacruz (East), Mumbai - 400098
**Email Id:** investor.relations@allcargoterminals.com
**Website:** www.allcargoterminals.com
**Phone No:** 022-66798100
**CIN:** U60300MH2019PLC320697

## ANNEXURE 1

**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 4TH ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD- 2 ON GENERAL MEETINGS ARE AS UNDER:**

| | | |
|---|---|---|
| I. | **Name of Director** | Mr Suresh Kumar Ramiah (DIN: 07019419) |
| II. | **Age** | 56 years |
| III. | **Qualification** | B. Tech in Mechanical Engineering and a Post-Graduate in Business Administration from IIM Bangalore |
| IV. | **Brief resume including profile, experience and expertise in specific functional areas** | He is a seasoned professional with over 30 years of experience in the Telecom, Logistics, Consumer and Media Industries. In a variety of leadership and operational role he has launched and nurtured businesses creating strong consumer and channel equity. Recognized for managing businesses of scale including in periods of transformation and turbulence across a variety of markets and delivering sustainable value |
| V. | **Shareholding in the Company as on date of Notice** | Nil<br><br>(As on March 31, 2023 he was holding 5 equity shares of face value of ₹2/- each of the Company as a Nominee of Allcargo Logistics Limited. He ceased to be a shareholder of the Company with effect from April 24, 2023, pursuant to allotment of shares as per the Scheme of Arrangement and Demerger between Allcargo Logistics Limited ("Demerged Company"), Allcargo Terminals Limited ("Resulting Company 1"/"ATL"/the "Company") and TransIndia Real Estate Limited (Formerly known as TransIndia Realty & Logistics Parks Limited) ("Resulting Company 2"/"TREL") and their respective shareholders (the "Scheme"). |
| VI. | **Date of first appointment on the Board of the Company** | April 01, 2023 |
| VII. | **Directorship held in other companies (including the Company and listed entities from which the person has resigned in the past three years)** | **Current Directorship**<br>- Haryana Orbital Rail Corporation Limited<br>- Speedy Multimodes Limited<br>- ECU Worldwide India Private Limited (formerly known as Panvel Industrial Parks Private Limited)<br>- Dankuni Industrial Parks Private Limited<br>- Bhiwandi Multimodal Private Limited<br>- Hoskote Warehousing Private Limited<br>- ALX Shipping Agencies India Private Limited<br>- Allcargo Logistics Park Private Limited<br>- Container Freight Station Association of India (Renewal Old AN 165281)<br>- Comptech Solutions Private Limited<br>- Trans Nepal Freight Services Private Limited<br>**Past Directorship:**<br>- Vodafone M-PESA Limited<br>- CCI Worldwide Logistics Private Limited (formerly known as Avvashya CCI Logistics Private Limited) |

| | | |
|---|---|---|
| **VIII.** | **No. of Committees in which Director is member** | **Allcargo Terminals Limited**<br>- Audit Committee<br>- Stakeholders Relationship Committee<br>- Corporate Social Responsibility Committee<br>- Executive Committee<br>- Finance Committee<br>**Speedy Multimodes Limited**<br>- Audit Committee<br>- Nomination and Remuneration Committee |
| **IX.** | **No. of Committees in which Director is Chairman** | Not Applicable |
| **X.** | **Terms and Conditions of re-appointment** | In terms of Section 152(6) of the Companies Act, 2013, Mr Suresh Kumar Ramiah who was appointed as Managing Director for a term of 5 years with effect from April 01, 2023 in the Extra Ordinary General Meeting held on April 17, 2023, is liable to retire by rotation. |
| **XI.** | **Remuneration last drawn (FY2022-23)** | Not Applicable |
| **XII.** | **Remuneration sought to be paid** | As per existing approved terms of appointment in the Extra Ordinary General Meeting held on April 17, 2023. |
| **XIII.** | **No. of Meetings of the Board attended during the year** | Not Applicable |
| **XIV.** | **In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements** | Not Applicable |
| **XV.** | **Relationship with other Directors, Manager and other Key Managerial Personnel of the Company** | Not Applicable |

# BOARD'S REPORT

To,
The Member of
**Allcargo Terminals Limited**
(Formerly known as Allcargo Terminals Private Limited)

The Directors present their Fourth Annual Report along with the Audited Financial Statements for the financial year ended March 31, 2023

## FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

| Particulars | Consolidated | | Standalone | |
|---|---|---|---|---|
| | **2022-23** | **2021-22** | **2022-23** | **2021-22** |
| **Total Income** | **71,718.60** | 12,948.29 | **49,118.60** | - |
| **Total Expenses** | **64,517.78** | 12,345.49 | **41,526.56** | 142.49 |
| **Profit before share of profit from associates, joint ventures, exceptional items and tax** | **7,200.82** | **602.80** | **7,592.05** | **(142.49)** |
| Share of profits from associates and joint ventures | **360.41** | - | **-** | **-** |
| **Profit before exceptional items and tax** | **7,561.43** | **602.80** | **7,592.04** | **(142.49)** |
| Exceptional items | **-** | - | **-** | **-** |
| **Profit before tax after exceptional items** | **7,561.43** | **602.80** | **7,592.04** | **(142.49)** |
| **Tax expense** | | | | |
| - Current tax | **2,760.49** | 333.32 | **2,182.13** | **-** |
| - Deferred tax | **(1,056.98)** | (116.27) | **(723.45)** | **-** |
| - Adjustment of Taxes relating to earlier years | **(21.63)** | - | **-** | **-** |
| **Profit for the Year** | **5,879.35** | **385.75** | **6,133.36** | **(142.49)** |

Pursuant to the provisions of the Companies Act, 2013 (the "**Act**"), the Financial Statements of the Company for the period ended March 31, 2023 have been prepared in accordance with the Indian Accounting Standards ("**Ind AS**") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

Pursuant to Scheme of Arrangement and Demerger between Allcargo Logistics Limited ("Demerged Company"), Allcargo Terminals Limited ("Resulting Company 1"/ "ATL"/ the "Company") and TransIndia Real Estate Limited (Formerly known as TransIndia Realty & Logistics Parks Limited) ("Resulting Company 2"/ "TREL") and their respective shareholders (the "**Scheme**"), Container Freight Station ("CFS")/ Inland Container Depots ("ICD") business of the demerged Company was transferred to the Company from the Appointed Date i.e. April 01, 2022.

## DIVIDEND

During the year under review, the Board of the Company in its meeting held on July 05, 2023, has recommended the Final Dividend of ₹0.50 (Fifty Paise Only) per equity share of face value of ₹2/- each (i.e. 25%) for the financial year ended March 31, 2023, subject to approval of the Shareholders of the Company in Annual General Meeting ("**AGM**").

The 'Dividend Distribution Policy' in accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**") has been hosted on the Company's website https://www.allcargoterminals.com/corporate-policies/.

## TRANSFER TO RESERVE

During the year under review, there was no amount transferred to any of the Reserves of the Company.

## PERFORMANCE REVIEW

Prior to the Scheme, the revenue from operation of the Company was nil for the financial year ended March 31, 2022. Pursuant to the Scheme becoming effective from April 01, 2023 the CFS/ ICD businesses of the demerged Company has been transferred to the Company from the Appointed Date i.e. April 01, 2022.

Pursuant to the transfer of aforesaid business, the Company is now engaging in the business of CFS / ICD and performance review for the financial year ended March 31, 2023 is given below.

**Consolidated:**

The revenue from operations was ₹70,570.87 Lakhs. The Business Earnings before Interest, Depreciation, Tax and Amortization ("EBIDTA") stood at ₹15,491.23 Lakhs. The Profit for the year was ₹5,879.35 Lakhs.

**Consolidated Cash Flow:**

The Cash flows from operations was ₹12,490.12 Lakhs. Spend on capex was ₹1,130.51 Lakhs. The borrowing was ₹3,204.92 Lakhs. Cash and bank balances including investment in mutual funds was ₹2,245.46 Lakhs. The Net Debt to Equity was 0.15 times.

**Standalone:**

The revenue from operations was ₹46,850.95 Lakhs. The Business Earnings before Interest, Depreciation, Tax and Amortization ("EBIDTA") was ₹14,521.43 Lakhs. The Profit for the year was ₹6,133.37 Lakhs.

**Standalone Cash Flow:**

The Cash flows from operations were ₹10,864.58 Lakhs. Spend on capex was ₹1,033.82 Lakhs. The borrowing was ₹3,194.54 Lakhs. Cash and bank balances including investment in mutual funds was ₹962.57 Lakhs. The Net Debt to Equity was 0.18 times.

## BUSINESS OVERVIEW

Allcargo Terminals is the leading CFS-ICD operator in the country and offers one of India's widest networks. The Company operates an asset light business model and its core business comprises of Container Freight Stations (CFS) and Inland Container Depots (ICD). We operate 7 CFS and ICD facilities in India, of which 4 are fully owned and 3 are through subsidiaries and Joint Ventures. The company has the privilege of being the market leader in JNPT and Mundra, and is among the top three CFSs in Kolkata and Chennai.

As an extension of the port infrastructure, CFSs and ICDs also offer services like Customs inspection/clearance, Stuffing/Destuffing, Weighment and storage, among others. CFS-ICD facilities are a vital cog in the EXIM supply chain of the country. The Company has strategically created its presence in CFS at key Container Terminals of the Country viz. JNPT- Mumbai, Chennai, Mundra and Kolkata, which drive around 80 percent of India's container traffic. We are also well placed to capture the ICD opportunity driven by the development and forward strides in Dedicated Freight Corridors (DFC).

At the core of the business lies our strong customer connect, reliable stakeholder management, robust systems and processes that are lean and agile making us a premier CFS service provider in the Country. The Company's business model has unique synergies with our Group companies - through ECU Worldwide globally and domestic presence through Contract Logistics (ASCPL) and Gati. For seamless services, Allcargo Terminals offers online submission of import & export documents, online invoice and online payment, new generation RFID system for track & trace of containers and E-Tariff module. In line with the India's digital thrust and Allcargo Group's Digital First strategy, our "myCFS" portal provides end-to-end CFS services in just a few clicks. With "myCFS" customers can enhance efficiencies with online facilitation of service requests, quick upload and retrieval of documents as well as access to current and archived reports. The portal also gives access to contact-less services from the comfort of your home or office.

In line with our values for protecting our environment and encouraging sustainable practices, we have installed Solar Power plant of 1000 KW at our facilities. In addition, we also undertake tree plantation drives, discourage use of single use plastic wares, and adopt usage of best in class energy efficient infrastructure. The CFS facilities adhere to highest levels of safety and quality and are fortified by well-trained and experienced professionals, as well as regular process audits. The pan-India CFS network is backed by safety and security standards that include GSV (C-TPAT – compliant), ISO and OHSAS accreditations.

## STATE OF COMPANY'S AFFAIRS

**The Scheme of Arrangement and Demerger between Allcargo Logistics Limited ("Demerged Company"), Allcargo Terminals Limited ("Resulting Company 1"/"ATL"/the "Company") and TransIndia Real Estate Limited (Formerly known as TransIndia Realty & Logistics Parks Limited) ("Resulting Company 2"/"TREL") and their respective shareholders (the "Scheme").**

The Board of Directors of the Company at its meeting held on December 23, 2021 had approved the Scheme under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the **"Act"**), pursuant to the Scheme;

- Container Freight Station ("CFS") / Inland Container Depots ("ICD") business divisions of the demerged Company were transferred to the Company and
- Engineering and Equipment Leasing and Hiring Solutions, Logistics Park, Warehousing, Real Estate Development and Leasing Activities of the demerged Company were transferred to TREL.

The Hon'ble National Company Law Tribunal, Mumbai Bench (**"NCLT"**) vide its order dated January 05, 2023 (the **"Order"**), had approved the Scheme which became effective from April 01, 2023. Pursuant to the said order all the Assets and Liabilities of CFS/ ICD business Divisions of the demerged Company becomes Assets and Liabilities of the Company with effect from the Appointed Date i.e. April 01, 2022.

**Listing of Shares**

The Company had received In-principle approval for listing of 24,56,95,524 equity shares of ₹2/- each from BSE Limited (**"BSE"**) on June 05, 2023 and National Stock Exchange of India Limited (**"NSE"**) on June 08, 2023. Further the equity shares of the Company were listed and admitted for trading on BSE and NSE with effect from August 10, 2023 (BSE and NSE are collectively known as **"Stock Exchanges"**).

## CHANGES IN THE NATURE OF BUSINESS

The Company continued to provide CFS/ ICD business services to its customers and hence there was no change in the nature of business or operations of the Company, which impacted the financial position of the Company during the year under review.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company, subsequent to close of FY 2022-23 till the date of this Report.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals which would adversely impact the going concern status and the Company's operations in future.

## CREDIT RATING

During the year under review, the Company has not taken any Ratings from Credit Rating Agencies including for its subsidiary and joint venture companies.

## PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public falling within the meaning of Section 73 and 76 of the Act and Rules framed thereunder.

## SHARE CAPITAL

During the year under review and subsequent to close of FY 2022-23 till the date of this Report the share capital of the Company underwent the changes as mentioned below;

i. **Subdivision of face value of equity shares**

On March 01, 2023, One (01) equity share of face value from ₹ 10/- (Rupees Ten) each was subdivided into five (05) equity shares of face value of ₹2/- (Rupees Two) each.

ii. **Increase of Authorised Share Capital**

On March 06, 2023, the Authorised Share Capital of the Company was increased from ₹10,00,000/- (Rupees Ten Lakhs) consisting of 5,00,000 (Five Lakhs) equity shares of ₹ 2/- (Rupees Two) each to ₹55,00,00,000/- (Rupees Fifty-Five Crores) consisting of 27,50,00,000 (Twenty-Seven Crores and Fifty Lakhs) equity shares of ₹2/- (Rupees Two) each.

Accordingly, as on March 31, 2023, the Issued, Subscribed and Paid-up Share Capital of the Company stood at ₹ 70/- (Rupees Seventy) consisting of 35 (Thirty-Five) Equity Shares of ₹2/- (Rupees Two) each

iii. **Allotment of Equity Shares**

On April 24, 2023, the Company has issued and allotted 24,56,95,524 (Twenty-Four Crores Fifty Six Lakhs Ninety Five Thousand Five Hundred and Twenty Four) equity shares of face value of ₹2/- (Rupees Two) each pursuant to the Scheme to the Shareholders of the Demerged Company in the ratio of one fully paid-up equity share of face value of ₹2/– (Rupees Two) each of the Company for every one fully paid-up equity share of face value of ₹2/- (Rupees Two) each held in the Demerged Company as on Record Date i.e. April 18, 2023.

Pursuant to aforesaid allotment, pre-scheme paid-up share capital of ₹70/- (Rupees Seventy) consisting of 35 (Thirty-Five) equity shares of ₹2/- (Rupees Two) were cancelled.

## CORPORATE GOVERNANCE REPORT

During the year under review the Company was not listed on the Stock Exchanges, hence the provisions of Listing Regulations were not applicable to the Company for the FY2022-23.

The Company is in compliance with the requirements of Corporate Governance norms as per the Listing Regulations, post listing of equity shares of the Company on Stock Exchanges.

## BOARD OF DIRECTORS

**Number of Meetings of the Board of Directors**

During the year under review, 8 (Eight) Board Meetings were convened and held on May 23, 2022; August 08, 2022; November 01, 2022; January 23, 2023; February 01, 2023; February 03, 2023; March 06, 2023 and March 31, 2023. Details of the Composition of the Board, the number of Board Meetings attended and attendance at the third AGM are as given below.

| Name of the Director and Director Identification Number (DIN) | Category of Director | No. of Board Meetings Attended | Attendance at the 3rd AGM held on September 20, 2022 |
|---|---|---|---|
| Kaiwan Kalyaniwalla*<br>(DIN:00060776) | Chairman,<br>Non-Executive Director | Not Applicable | Not Applicable |
| Suresh Kumar Ramiah#<br>(DIN:07019419) | Managing Director,<br>Executive Director | Not Applicable | Not Applicable |
| Vaishnavkiran Shetty*<br>(DIN:07077444) | Non-Executive Director | Not Applicable | Not Applicable |
| Mahendra Kumar Chouhan*<br>(DIN:00187253) | Independent Director | Not Applicable | Not Applicable |
| Radha Ahluwalia*<br>(DIN:00936412) | Independent Director | Not Applicable | Not Applicable |
| Prafulla Chhajed*<br>(DIN:03544734) | Independent Director | Not Applicable | Not Applicable |
| Shashi Kiran Shetty$<br>(DIN:00012754) | Non-Executive Director | 8 | Yes |
| Arathi Shetty$<br>(DIN:00088374) | Non-Executive Director | 8 | Yes |
| Ravi Jakhar$<br>(DIN:02188690) | Non-Executive Director | 6 | Yes |

# Appointed w.e.f. April 01, 2023
*Appointed w.e.f. April 15, 2023
$ Resigned w.e.f. April 21, 2023

During the year under review there were no changes in the Board of Directors of the Company and subsequent to close of financial year FY2022-23 till the date of the Report following were the changes in the Board of Directors as given below.

**Appointment of Managing Director**

Mr Suresh Kumar Ramiah (DIN:07019419) was appointed as Managing Director of the Company for a tenure of 5 (five) years with effect from April 01, 2023.

Further the Members of the Company vide Special Resolution passed in the Extra-ordinary General Meeting ("**EGM**") held on April 17, 2023 had approved the appointment of Mr Suresh Kumar Ramiah as Managing Director.

**Appointment of Independent Directors**

In accordance with the provisions of the Act, Mr Mahendra Kumar Chouhan (DIN:00187253), Mrs Radha Ahluwalia (DIN:00936412), and Mr Prafulla Chhajed (DIN:03544734) were appointed as an Additional Non-Executive Independent Directors of the Company for a tenure of 3 (three) years with effect from April 15, 2023.

Further the Members of the Company vide Ordinary Resolution passed in the EGM held on April 17, 2023 had approved the appointment of aforesaid Non-Executive Independent Directors.

In the opinion of the Board, the above Directors appointed have integrity, relevant expertise and experience (including proficiency) to act as an Independent Directors of the Company.

**Appointment of Non-Executive Non-Independent Directors**

Mr Kaiwan Kalyaniwalla (DIN:00060776) and Mr Vaishnavkiran Shashikiran Shetty (DIN:07077444) were appointed with effect from April 15, 2023 as an additional Non-Executive Non-Independent Directors of the Company, liable to retire by rotation.

Further the Members vide Ordinary Resolution passed in the EGM held on April 17, 2023, had approved the appointment of aforesaid Non-Executive Non-Independent Directors.

**Resignation of Directors**

Mr Shashi Kiran Shetty (DIN:00012754), Mrs Arathi Shetty (DIN:00088374) and Mr Ravi Jakhar (DIN:02188690) Non-Executive Non-Independent Directors of the Company, had resigned from the board with effect from April 21, 2023.

**Re-appointment of Director**

In accordance with the Section 152 of the Act and the Articles of Association of the Company Mr Suresh Kumar Ramiah (DIN:07019419), Managing Director of the Company, retires by rotation at the ensuing AGM and, being eligible, offers himself for re-appointment.

Attention of the Members is invited to the relevant item in the Notice of the 4th AGM and the explanatory Statement thereto.

**Declaration by Independent Directors**

The Company has received declarations from all Independent Directors appointed with effect from April 15, 2023, confirming that they meet the criteria of independence as prescribed under Section 149(6) and (7) of the Act and Regulations 16 and 25 of the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Company has received confirmation from the Independent Directors regarding their registration in the Independent Directors databank maintained by the Indian Institute of Corporate Affairs.

## KEY MANAGERIAL PERSONNEL (KMP)

During the year under review appointment of KMP was not applicable to the Company. Subsequent to close of financial year FY2022-23 till the date of the Report appointment and resignation of KMPs of the Company are given below.

**Appointment of KMP**

- Mr Hardik Desai was appointed as Company Secretary of the Company with effect from April 01, 2023;
- Mrs Poornima Sreedhar was appointed as Chief Financial Officer of the Company with effect from April 01, 2023 and
- Mr Pritam Vartak was appointed as Chief Financial Officer of the Company with effect from July 06, 2023.

**Resignation of KMP**

Mrs Poornima Sreedhar has resigned from the position of Chief Financial Officer of the Company with effect from close of business hours on July 05, 2023.

## COMMITTEES OF THE BOARD

During the year under review the Company was not required to constitute the Committees of the Board of Directors. Subsequent to close of financial year FY2022-23 till the date of the Report the following Statutory Committees were constituted with effect from April 15, 2023.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

**1. AUDIT COMMITTEE**

The Audit Committee is comprised of 3 (three) Directors of which 2 (two) are Independent Directors and 1 (one) Managing Director of the Company. All the members are well versed with finance, accounts, corporate laws and general business practices. Mr Prafulla Chhajed, an Independent Director is the Chairperson of the Committee. He is a qualified Chartered Accountant, possess expertise in finance, administration and management. The composition, terms of reference, role and power of the Audit Committee are in line with the Listing Regulations and the Act. The Committee acts as a link between the Statutory and Internal Auditors and the Board of the Company. The Company Secretary of the Company acts as Secretary to the Committee.

**Composition of the Committee**

| Sr. No. | Name of the Committee Member | Category | Committee Position |
|---|---|---|---|
| 1. | Mr Prafulla Chhajed | Independent Director | Chairperson |
| 2. | Mr Mahendra Kumar Chouhan | Independent Director | Member |
| 3. | Mr Suresh Kumar Ramiah | Managing Director | Member |

**Terms of Reference:**

i. Recommend the appointment, remuneration and terms of appointment of auditors of the Company.

ii. Review and monitor the auditors' independence and performance and effectiveness of the audit process with the management.

iii. Examine the financial statement and the auditors' report thereon.

iv. Approve transactions of the Company with related parties (including omnibus approval) and any subsequent modification thereof.

v. Review and approve the related party transactions.

vi. Make recommendation to the Board, in case of transactions, other than transactions referred to in Section 188 of the Act entered with, other than Wholly Owned Subsidiary Company and where Committee does not approve the same.

vii. Ratify the transactions for an amount as specified in Section 177 of the Act, entered into by a Director or Officer of the Company, if not, approved by the Audit Committee within three months from the date of the transaction.

viii. Scrutinize inter-corporate loans and investments.

ix. Valuation of undertakings or assets of the Company, wherever it is necessary.

x. Evaluate internal financial controls and risk management systems.

xi. Review/monitor with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

xii. Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of the financial statements before their submission to the Board and discuss any related issues with internal and statutory auditors and management of the Company.

xiii. Act in accordance with the terms of reference specified in writing by the Board.

xiv. Review with the management, the quarterly, half yearly and annual financial statements/results and Limited review report/auditor's report thereon (both standalone and consolidated) before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Directors' Responsibility Statement under Section 134(3)(c) of the Act.
- Changes, if any, in accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustments made in the financial statements arising out of audit findings.
- Compliance with legal requirements relating to financial statements.
- Disclosure of any related party transactions and
- Modified Opinion/Qualifications in the draft audit report.

xv. Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

xvi. Discuss with internal auditors any significant findings and follow up there on.

xvii. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

xviii. Discuss with statutory auditors, before the audit commences about the nature and scope of audit and post-audit, to ascertain any area of concern.

xix. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

xx. Review the functioning of the Whistle Blower mechanism/Vigil Mechanism.

xxi. Approve the appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

xxii. Have oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

xxiii. Review of internal controls for financial reporting and review of significant changes in internal control over financial reporting.

xxiv. Approve payment to statutory auditors for any other services rendered by the statutory auditors.

xxv. Review utilization of loans and/or advances from/ investment by the Company in the Subsidiary Company exceeding ₹100 crore or 10% of the asset size of the Subsidiary, whichever is higher including existing loans/ advance/investments.

xxvi. Consider and comment on rationale, cost- benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders.

xxvii. Review and note the Compliance Certificate furnished by CEO and CFO on annual and quarterly financial statements and cash flow statements on standalone and consolidated basis.

xxviii. Carry out any other function as is mentioned in the terms of reference of the Audit Committee.

xxix. Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

xxx. Review, investigate and recommend to the Board the complaints received under the Policy and Procedure for inquiry in case of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information.

xxxi. Review with the management, performance of statutory and internal auditors and adequacy of the internal control systems.

xxxii. Review the Company's Financial Policies.

xxxiii. Consider requests from Treasury for deviations from Investment Policy and amendments thereto.

xxxiv. Select, engage and approve fees for professional advisors/consultants that the Committee may require to carry out their duties.

xxxv. The Audit Committee shall mandatorily review:

- Management discussion and analysis of financial condition and results of operations.
- Management letters/letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Statement of Deviations: Quarterly, annually including report of monitoring agency.

**2. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee ("NRC") is comprised of 3 (three) Non-executive Directors, of which 2 (two) are Independent Directors and 1 (one) is Non-executive Director of the Company. Mrs Radha Ahluwalia, an Independent Director, is the Chairperson of the Committee. The composition and role of the NRC are in line with the Listing Regulations and the Act. The Company Secretary of the Company acts as Secretary to the Committee.

**Composition of the Committee**

| Sr. No. | Name of the Committee Member | Category | Committee Position |
|---|---|---|---|
| 1. | Mrs Radha Ahluwalia | Independent Director | Chairperson |
| 2. | Mr Mahendra Kumar Chouhan | Independent Director | Member |
| 3. | Mr Vaishnavkiran Shetty | Non-Executive Non-Independent Director | Member |

**Terms of Reference:**

a) Identify persons who are qualified to become Directors of the Company and who may be appointed in senior management (one level below the Board), key managerial personnel in accordance with the criteria laid down, recommend to the Board their appointment and removal.

b) Formulate criteria for evaluation of Independent Directors in the Board, recommend to the Board the process of Board Evaluation either (a) through in-house anonymous peer-to-peer evaluation process by the Board members or (b) through an external expert. In addition thereto, the performance evaluation of Independent Directors will be required to be done by the entire Board excluding the Director being evaluated.

c) While appointing an Independent Director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The Person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

d) Recommend to the Board whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

e) Devise a policy on Board Diversity.

f) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

g) Assist the Board in formulating succession plan for the Board and Senior Management and provide an effective oversight in respect of succession planning.

h) Assist the Board in setting process for Board evaluation.

i) Recommending to the Board remuneration payable to senior management.

j) Select, engage and approve fees for professional advisors that the Committee may require to carry out their duties.

k) Review the functioning of Nomination and Remuneration Policy.

l) Oversee various aspects, compliances as mentioned in the term of references and carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

**3. Stakeholders Relationship Committee**

The Stakeholders Relationship Committee ("SRC") is comprised of 3 (three) Directors, of which 2 (two) are Independent Directors and 1 (one) is Managing Director of the Company. Mr Mahendra Kumar Chouhan, an Independent Director, is the Chairperson of the Committee. The composition and role of the SRC are in line with the Listing Regulations and the Act. The Company Secretary of the Company acts as Secretary to the Committee.

**Composition of the Committee**

| Sr. No. | Name of the Committee Member | Category | Committee Position |
|---|---|---|---|
| 1. | Mr Mahendra Kumar Chouhan | Independent Director | Chairperson |
| 2. | Mr Prafulla Chhajed | Independent Director | Member |
| 3. | Mr Suresh Kumar Ramiah | Managing Director | Member |

**Terms of Reference:**

a. Consider and approve request received for transfers/ transmissions of securities of the Company, issue of duplicate certificates, re-mat/demat of securities, issue of shares lying in the Unclaimed Suspense Account etc.

b. Consider and redress grievances of the shareholders/ investors relating to transfer/transmission/demat/ remat of securities, Notice of general meetings, non-receipt of Annual Report, security certificates, dividend, interest, refund orders and any other corporate benefits etc.

c. Review and monitor compliances under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and its amendment from time to time, pertaining to Investor grievance and transfer & transmission and shareholding pattern.

d. Select, engage and approve fees for professional advisors that the Committee may require to carry out their duties.

e. Review of measures taken for effective exercise of voting rights by shareholders.

f. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

g. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

h. Oversee various aspects of interest of shareholders, debenture holders and other security holders and carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

**4. Corporate Social Responsibility Committee**

The Corporate Social Responsibility ("CSR") Committee is comprised of 3 (three) Directors, of which 1 (one) is Independent Director, 1 (one) Non-executive Non-Independent Director and 1 (one) Managing Director of the Company. The composition and role of the CSR Committee are in line with the relevant provisions of the Act and Rules framed thereunder. The Company Secretary of the Company acts as Secretary to the Committee.

**Composition of the Committee**

| Sr. No. | Name of the Committee Member | Category | Committee Position |
|---|---|---|---|
| 1. | Mr Vaishnavkiran Shetty | Non-Executive Non-Independent Director | Chairperson |
| 2. | Mrs Radha Ahluwalia | Independent Director | Member |
| 3. | Mr Suresh Kumar Ramiah | Managing Director | Member |

**Terms of Reference**

a. Formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act.

b. Formulate and recommend to the Board, an annual action plan which shall include the list of CSR Projects or Programmes that are approved to be undertaken in the areas or subjects as specified in Schedule VII of the Act, the manner of execution of such projects or programmes, the modalities of utilisation of funds and implementation schedules for the projects or programmes, monitoring and reporting mechanism for the projects or programmes, details of need and impact assessment, if any, for the projects undertaken by the company and recommend any alteration in such annual action plan.

c. Recommend the amount of expenditure to be incurred on the CSR activities as per limits prescribed under the Act.

d. Review the CSR projects and program or activities undertaken by the Company and recommend suitable changes as deem fit or necessary.

e. Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

f. Carry out such other functions as may be entrusted by the Board or which may be required to be undertaken pursuant to any regulatory or statutory requirements/ stipulations prescribed from time to time.

g. Select, engage and approve fees for professional advisors/consultants that the Committee may require to carry out their duties.

h. Oversee various aspects, compliances in respect of CSR expenditure and carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

i. To review the impact of the assessment study of the CSR Projects every 2-3 years.

## BOARD EVALUATION

During the year under review, the Board carried out annual evaluation of its own performance and individual Director for FY2022-23.

The parameters for performance evaluation of the Board includes the roles and responsibilities of the Board, timeliness for circulating the board papers, content and the quality of information provided to the Board, attention to the Company's long term strategic issues, risk management, overseeing and guiding major plans of action, acquisitions, etc.

The performance of the Board and individual Director was evaluated by the Board seeking inputs from all the Directors.

The Board of Directors expressed their satisfaction towards the process followed by the Company for evaluating the performance of the Directors and the Board.

## NOMINATION AND REMUNERATION POLICY

During the year under review adoption of Nomination and Remuneration Policy was not required. Further, the Board of the Company had framed and adopted a policy on Directors, KMP and other Senior Management Personnel appointment and remuneration including criteria for determining qualifications, positive attributes, Independence of a Director and other related matters effective from April 01, 2023 in accordance with Section 178 of the Act and the Rules framed thereunder and Listing Regulations. The Nomination and Remuneration Policy of the Company is hosted on the Company's website https://www.allcargoterminals.com/corporate-policies/.

## WHISTLE BLOWER POLICY

During the year under review adoption of Whistle Blower Policy was not required. Further, the Board of the Company had adopted a Whistle Blower Policy effective from July 05, 2023, and established the necessary Vigil Mechanism, which is in line with the Listing Regulations and the Act. According to the Policy, the Whistle Blower can raise concerns relating to Reportable Matters such as unethical behaviour, breach of Code of Conduct, actual or suspected fraud, any other malpractice, impropriety or wrongdoings, illegality, non-compliance of legal and regulatory requirements, retaliation against the Directors & Employees and instances of leakage of/suspected leakage of Unpublished Price Sensitive Information of the Company, etc. Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances to the Audit Committee and provides for adequate safeguards against the victimization of Whistle Blower, who avail of such mechanism and provides for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases. The Audit Committee oversees the functioning of the same.

The Whistle Blower Policy is hosted on the Company's website https://www.allcargoterminals.com/corporate-policies/.

## RISK MANAGEMENT

There are systems in place which helps to identify, evaluate, monitor, control, manage, minimize and mitigate identifiable business risks.

The purpose of risk management is to achieve sustainable business growth, protect Company assets, safeguard shareholder investments, ensure compliance with applicable laws and regulations and avoid major surprises of risks.

## INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains appropriate systems of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. The Company's policies, guidelines and procedures provide for adequate checks and balances and are meant to ensure that all transactions are authorized, recorded and reported correctly.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report ("MDA") on the business outlook and performance review for the year ended March 31, 2023, is not applicable. Further, the Company has voluntarily adopted MDA Report for the year ended March 31, 2023, and the same is available as a separate section which forms part of the Annual Report.

## CORPORATE SOCIAL RESPONSIBILITY

During the year under review Section 135 of the Act, was not applicable to the Company. Further, the Company had adopted a Corporate Social Responsibility (**"CSR"**) Policy as per the provisions of the Act, effective from April 01, 2023.

The CSR Policy is hosted on the Company's Website https://www.allcargoterminals.com/corporate-policies/.

## CONSOLIDATED FINANCIAL STATEMENT

A statement containing the salient features of the Financial Statements of its Subsidiary and Joint Venture Companies as per the provisions of the Act, is provided in the prescribed **Form AOC-1** forms part of Consolidated Financial Statements, in compliance with Section 129(3) and other applicable provisions, if any, of the Act read with the Rules issued thereunder.

Pursuant to Section 129 of the Act the attached Consolidated Financial Statements of the Company and all its Subsidiary and Joint Venture Companies has been prepared in accordance with the applicable Ind AS provisions.

In accordance with the provisions of the Act and applicable Ind AS, the audited Consolidated Financial Statement of the Company for the financial year 2022-23, together with the Auditor's Report forms part of this Annual Report.

In accordance with Section 136 of the Act, the audited financial statements, including the Consolidated Financial Statement and related information of the Company and the separate financial statement of the subsidiary company, are available on the Company's website at https://www.allcargoterminals.com/investor-subsidiary-company/. Any member desirous of inspecting or obtaining copies of the audited financial statement, including the Consolidated Financial Statement may write to the Company Secretary at investor.relations@allcargoterminals.com.

## SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

During the year under review, pursuant to the Scheme, with effect from the Appointed Date i.e. April 01, 2022, the following Companies have become Joint Ventures of the Company.

| Sr. No. | Name of the Company | Relationship | Nature of Change* | Effective Date |
|---|---|---|---|---|
| 1 | TransNepal Freight Services Private Limited | Joint Venture | Transferred pursuant to the Scheme | April 01, 2022 |
| 2 | Allcargo Logistics Park Private Limited | Joint Venture | Transferred pursuant to the Scheme | April 01, 2022 |

**Transfer of equity shares of both the Joint Venture Companies from Allcargo Logistics Limited to the Company is in process.*

The Policy for determining "Material Subsidiary" as approved by the Board, from time to time, is hosted on the Company's website https://www.allcargoterminals.com/corporate-policies/.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions/contracts/arrangements that were entered into by the Company during the year under review were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Act. There are no material significant related party transactions entered into by the Company with its Promoters or Directors which may have a potential conflict with the interest of the Company at large.

The CFS/ICD business was transferred to the Company by Allcargo Logistics Limited from appointed date i.e. April 01, 2022, as per the Scheme which was effective from April 01, 2023. During the year under review all the related party transactions/ contracts/arrangements of the Company were entered by Allcargo Logistics Limited on trust basis.

The disclosure of related party transactions as required under Section 134(3)(c) of the Act in Form AOC-2 for financial year ended March 31, 2022 is annexed as **Annexure 1**.

The details of related party transactions that were entered during FY2022-23 are given in the notes to the Financial Statements as per Ind AS24, which forms part of the Annual Report.

The Policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions as approved by the Board, from time to time, is hosted on the on the Company's website https://www.allcargoterminals.com/corporate-policies/.

## PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

The Company is engaged in the business of providing CFS/ICD services and other related logistics services which falls under the infrastructural facilities as categorized under Schedule VI of the Act. Hence, the provisions of Section 186 of the Act are not applicable to the Company to the extent of loans given, guarantees or securities provided or any investment made. However, as a good governance practice of the Company, the details of loans given, guarantees and securities provided are annexed as **Annexure 2.** Details of investments made are provided in the Notes to the Financial Statements.

## AUDITORS

### Statutory Auditors and their Report

M/s C.C. Dangi & Associates, Chartered Accountants ("CCDA") (Firm Registration No. 102105W) was appointed as the Statutory Auditors of the Company for a term of 5 (five) years in its First Annual General Meeting (the **"AGM"**) held on November 30, 2020 to hold office until the conclusion of the Sixth AGM of the Company.

CCDA had resigned as Statutory Auditors of the Company with effect from April 07, 2023.

M/s. S. R. Batliboi & Associates LLP, Chartered Accountants ("SRBA") (Firm Registration No. 101049W/E300004) was appointed as Statutory Auditors of the Company by the Members at the EGM held on April 17, 2023 till the conclusion of $4^{th}$ AGM to fill casual vacancy caused due to the resignation of CCDA.

Further, the Audit Committee and Board has recommended for re-appointment of SRBA as the Statutory Auditors of the Company for a first term of four years from the conclusion of $4^{th}$ AGM till the conclusion of the $8^{th}$ AGM of the Company.

Further, the report of the Statutory Auditors along with the notes on the Financial Statements is enclosed to this Report. The Auditors' Reports do not contain any qualification, reservation, adverse remarks, observations or disclaimer on Standalone and Consolidated Audited Financial Statements for the year ended March 31, 2023.

The other observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

There was no instance of fraud during the year under review, which was required by the Statutory Auditors to report to the Board and/ or Central Government under Section 143(12) of the Act and Rules made thereunder.

### Secretarial Auditor

During the year under review, the appointment of Secretarial Auditor was not applicable to Company.

### Compliance of Secretarial Standards

The Company is in compliance with all mandatory applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## PARTICULARS OF EMPLOYEES:

During the year under review Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, was not applicable to the Company.

There were no employees drawing remuneration more than the limits prescribed in the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further, there were 239 permanent employees on the payroll of the Company as on March 31, 2023 and Median Remuneration of employees for FY 2022-23 was ₹5.26 Lakhs.

None of the employees who are posted and working in a country outside India, not being Directors or their relatives, draw remuneration more than the limits prescribed under Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## SAFETY, HEALTH AND ENVIRONMENT

The Company is committed towards bringing Safety, Health and Environment awareness among its employees. It also believes in safety and health enrichment of its employees and committed to provide a healthy and safe workplace for all its employees. Successfully managing Health and Safety risks is an essential component of our business strategy. The Company has identified Health and Safety risk arising from its activities and has put proper systems, processes and controls mechanism to mitigate them.

The Company has been taking various initiatives and participating in programs of safety and welfare measures to protect its employees, equipment and other assets from any possible loss and/or damages.

The following safety related measures are taken at various locations:

- Fire and Safety drills are conducted for all employees and security personnel and all Fire hydrants are monitored strictly as the preparedness for emergency.
- Safety Awareness Campaign like Road Safety Week, National Safety week, Fire Safety Week, Environment Day is held/ celebrated at major locations to improve the awareness of Health, Safety & Environment of employees.

- Each equipment is put through comprehensive Quality Audit and Testing to ensure strong compliance to Maintenance, Safety and Reliability aspects as per the specifications by various Original Equipment Manufacturer. All equipments are mandatorily ensured with PUC. Fitness certificates are issued based on the compliance of the safety norms.
- Regular training/skills to staff and contractors to inculcate importance of safety amongst them. Further, handling of Hazardous Material training and Terrorist Threat Awareness Training are provided to all employees.
- Created checks and awareness among drivers about negatives of alcohol and drug consumptions and impact on their families.
- Accident prone routes identified and supervisors allocated to have control over the vehicle movement.
- Occupational Health & Safety audits and Fire & Electrical Safety audits are conducted by competent agencies at regular intervals.
- Fortnightly visit by Doctors to office for medical counselling of employees. Further, Medical Health check-up of all employees are conducted at regular intervals.
- CCTV and Safety alarms are installed at major locations.
- Green initiatives are taken at various locations to protect the environment.
- Oxygen and temperature checks were mandatory for all staff members and visitors at all office locations.
- Operations have been modified and optimized to adhere to social distancing requirements and work with minimal staff on-site.
- All Locations undergo third party surveillance audit annually for Health, Safety and Environment and Biannual Fire & Electrical Safety audits are conducted. All observations, Suggestions for improvements during audit are implemented on priority with target dates.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Act and Rules framed thereunder, is annexed as **Annexure 3.**

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has approved and adopted Policy and Guidelines for Prevention and Prohibition of Sexual Harassment at Workplace in its Board meeting held on July 05, 2023 in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the **"POSH Act"**). All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

During the year under review, no complaints of sexual harassment were received.

## ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rules framed thereunder, an Annual Return is hosted on the website of the Company https://www.allcargoterminals.com/investor-allcargo-terminals/.

## MAINTENANCE OF COST RECORDS

Pursuant to Section 148(1) of the Act and Rules framed thereunder related to maintenance of cost records is not applicable to the Company.

## INSOLVENCY AND BANKRUPTCY

No application made or proceeding is pending against the Company under Insolvency and Bankruptcy Code, 2016 during the year under review.

## DISCLOSURE OF ONE TIME SETTLEMENT OR LOAN

There is no incidence of one-time settlement in respect of any loan taken from Banks or Financial Institutions during the year. Hence, disclosure pertaining to difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan is not applicable.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act, the Board to the best of their knowledge and ability confirm that–

a. that in the preparation of the Annual Accounts for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023, and of the profit of the Company for the year ended on that date;

c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts have been prepared on a going concern basis;

e. they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the continued co-operation and support extended to the Company by government authorities, customers, vendors, regulators, banks, financial institutions, auditors, legal advisors, consultants, business associates during the year. The Directors also convey their appreciation for the contribution, dedication and confidence in the management.

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

| | |
|---|---|
| **Sd/-** | **Sd/-** |
| **Suresh Kumar Ramiah** | **Vaishnavkiran Shetty** |
| Managing Director | Non-Executive Director |
| DIN:07019419 | DIN: 07077444 |

**Date:** August 21, 2023
**Place:** Mumbai

# Annexure - 1

## Form AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.**

**1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS**

| Sr. No. | Particulars | Related Party Transactions |
|---|---|---|
| (a) | Name(s) of the related party and nature of relationship | Not Applicable |
| (b) | Nature of contracts/arrangements/ transactions | Not Applicable |
| (c) | Duration of the contracts/ arrangements/transactions | Not applicable |
| (d) | Salient terms of the contracts or arrangements or transactions including the value, if any | Not Applicable |
| (e) | Justification for entering into such contracts or arrangements or transactions | Not Applicable |
| (f) | Date(s) of approval by the Board | Not Applicable |
| (g) | Amount paid as advances, if any: | Not Applicable |
| (h) | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | Not Applicable |

**2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS**

| Sr. No. | Particulars | Related Party Transactions |
|---|---|---|
| (a) | Name(s) of the related party and nature of relationship | TransIndia Real Estate Limited (formerly known as TransIndia Realty & Logistics Parks Limited) (Group Company) |
| (b) | Nature of contracts/arrangements/ transactions | Lease Agreement |
| (c) | Duration of the contracts/ arrangements/transactions | CFS Chennai – 15 Years<br>CFS JNPT – 11 Years |
| (d) | Salient terms of the contracts or arrangements or transactions including the value, if any | Pursuant to the Scheme of Arrangement and Demerger between Allcargo Logistics Limited ("Demerged Company"), Allcargo Terminals Limited ("Resulting Company 1"/"the "Company") and TransIndia Real Estate Limited (Formerly Known as TransIndia Realty & Logistics Parks Limited) ("Resulting Company 2") and their respective shareholders (the "Scheme"):<br>- Container Freight Station ("CFS")/ Inland Container Depots ("ICD") business divisions of the demerged Company were transferred to the Company; and<br>- Engineering and Equipment Leasing and Hiring Solutions, Logistics Park, Warehousing, Real Estate Development and Leasing Activities of the demerged Company were transferred to TREL.<br>Post Demerger the Company had entered into lease agreement with TREL for:<br>- CFS Chennai for a term of 15 years effective from appointed date i.e. April 01, 2022 at rent of ₹1,326 Lakhs per annum subject to escalation at the rate of 5% every year on last rent paid from April 01, 2024; and<br>- CFS JNPT for a term of 11 years effective from appointed date i.e. April 01, 2022 at rent of ₹1,751 Lakhs per annum subject to escalation at the rate of 5% every year on last rent paid from April 01, 2024. |
| (e) | Date(s) of approval by the Board, if any | April 15, 2023 |
| (g) | Amount paid as advances, if any: | NIL |

| Particulars | Nature of Related Party Transactions | Salient Features and Nature of Contracts / Agreements / Transactions / Arrangements | Value in Lakhs | Date(s) of approval by the Board, if any. |
|---|---|---|---|---|
| Allcargo Logistics Limited | Group Company | Sale of Services | 2,461.46 | March 31, 2023 |
| Allcargo Logistics Limited | Group Company | Purchase of Services | 4,154.07 | March 31, 2023 |
| TransIndia Real Estate Limited (Formerly Known as Transindia Reality & Logistics Park Limited) | Group Company | Purchase of Services | 1,891.61 | March 31, 2023 |
| Allcargo Logistics Limited | Group Company | Business management cost allocation for managing the CFS division on behalf of the Company (pursuant to demerger) | 2,197.23 | March 31, 2023 |
| Allcargo Logistics Limited | Group Company | Transactions pursuant to demerger | 14,478.71 | March 31, 2023 |

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

**Sd/-**
**Suresh Kumar Ramiah**
Managing Director
DIN:07019419

**Sd/-**
**Vaishnavkiran Shetty**
Non-Executive Director
DIN: 07077444

**Date:** August 21, 2023
**Place:** Mumbai

# Annexure - 2

## DETAILS OF LOANS, GUARANTEES AND SECURITIES

[Pursuant to Sections 134 and 186 of the Companies Act 2013 and Rules framed thereunder]

**Loans outstanding as at March 31, 2023**

(₹ in Lakhs)

| Particulars | In the beginning of the year | Additions | Converted to Debenture | Repayment | At end of the year |
|---|---|---|---|---|---|
| Not Applicable | | | | | |

**Debentures outstanding as at March 31, 2023**

(₹ in Lakhs)

| Particulars | In the beginning of the year | Additions | Redemption | At end of the year |
|---|---|---|---|---|
| Not Applicable | | | | |

**Corporate Guarantee(s) outstanding as at March 31, 2023**

(₹ in Lakhs)

| Name of the Company | Name of the Bank | Amount |
|---|---|---|
| Speedy Multimodes Limited | HDFC Bank | 4,510 |
| **TOTAL** | | **4,510** |

**Notes**:

Loan availed by Subisidiary from the Bank have been utilised for its business purpose

All figures rounded off to the nearest decimal

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

**Sd/-**
**Suresh Kumar Ramiah**
Managing Director
DIN: 07019419

**Sd/-**
**Vaishnavkiran Shetty**
Non-Executive Director
DIN: 07077444

**Date:** August 21, 2023
**Place:** Mumbai

# Annexure 3

## PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

## (A) CONSERVATION OF ENERGY

(i) **The steps taken or impact on conservation of energy**

The Company always strives to optimize energy conservation though it is engaged into providing the Logistics Services. The Company has installed solar panels at major locations for the energy conservations across the organization.

(ii) **The steps taken by the Company for utilizing alternate sources of energy**

Considering benefits of solar energy, the Company had installed the Grid connected Rooftop Solar Power Plants at its Container Freight Stations ("CFS") located at JNPT-I & JNPT Annex at Nhava Sheva, Chennai, Mundra and also its Head Office at Kalina, Mumbai.

(iii) **The capital investment on energy conservation equipment**

During the year under review, the Company has not incurred any capital investment on energy conservation equipment.

## INFORMATION TECHNOLOGY

In line with the Company vision, mission and principles outlined by the Chairman, the company has moved forward considerably in its technology and digital transformation.

## (B) TECHNOLOGY ABSORPTION

(i) **The efforts made towards technology absorption and the benefits derived like product improvement, cost reduction, product development or import substitution:**

As part of the digital transformation, "Project Unnati" was initiated which was started last year and has been successfully implemented. Under this project the focus was to develop and implement a centralized state of art application which is cloud enabled, micro-services based, highly scalable and redundant. All these requirements were met through the successful launch of CFSMAG 3.0 under Project Unnati. The implementation was extremely smooth covering all the seven Container Freight Stations (**"CFS"**) / Inland Container Depot (**"ICD"**) locations. This application has incorporated newer modules like domestic container, empty transportation and Bar/QRcode enabled prints in addition to enhancing many features, UI & UX, in line with the company's digital focus.

Project Unnati also included the launch of two new customer centric portals - mycfs.allcargologistics.com & mycfs.speedycfs.com along with mobile application to enable faceless interaction for Track & Trace, Online Service Requests (grounding, placement, priority movement, EIR requests) & Pro-forma Invoices saw significant success.

As part of this project the entire IT Network infrastructure has been revamped, thus bringing in complete redundancy. Additionally, a full-fledged alternate site as a disaster recovery solution has been implemented and regular DR drills have been conducted as scheduled very successfully.

Our company has strengthened the IT security posture in line with the NIST framework through additional security tools, new processes, continuous training, audit and tests.

(ii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

The Company has not imported any technology during the period of last three years.

(iii) **The expenditure incurred on Research and Development:**

The Company being a logistics service provider, there is no expenditure incurred on research and development during the year under review.

**Foreign Exchange Earnings and Outgo:**

(₹ in Lakhs)

| Sr. No. | Particulars | FY 2022-23 | FY 2021-22 |
|---|---|---|---|
| 1 | Foreign Exchange Earned | - | - |
| 2 | Foreign Exchange Outgo | **471.04** | - |

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

| | |
|---|---|
| **Sd/-** | **Sd/-** |
| **Suresh Kumar Ramiah** | **Vaishnavkiran Shetty** |
| Managing Director | Non-Executive Director |
| DIN:07019419 | DIN: 07077444 |

**Date:** August 21, 2023
**Place:** Mumbai

# MANAGEMENT DISCUSSION & ANALYSIS

## Indian Economy Overview

Amidst uncertain global economic outlook, Indian economy exhibited signs of resilience. Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from COVID-19 pandemic shock. Currently available forecasts of India's real GDP growth for 2023-24, including those of the RBI, broadly settle between 6.0 and 6.5 per cent, this contrasts with Global GDP growth projection of 3 percent. India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. In US dollar terms, India's per capita GDP has crossed USD 2,450 which represents a stride towards becoming a middle-income economy.

The Government announced Foreign Trade Policy (FTP) 2023 in March. It aims at reducing transaction costs and encourage ease of doing business through process re-engineering and automation. Overall aggregate demand conditions remain resilient for the country. Government's thrust on the infrastructure and revival of corporate investments in select sectors augur well for the economy. Investment activity in India is exhibiting buoyancy on the back of strong composite Purchasing Managers Indices (PMI) readings. Merchandise exports have risen by 6 percent in FY23 to all time high of USD 447 billion and services exports remain strong. Overall, merchandise imports also reached an all-time high of USD 714 billion in FY23, increasing by 16.5 per cent y-o-y. E-way bill volumes and toll collections remained strong, reaching new highs in March 2023. RBI's monetary policy measures have resulted in headline CPI inflation declining from 7.8 percent in April 2022 to 5.7 percent in March 2023 with further easing expected during the year.

*(Source: IMF WEO Mar 2023, IBEF economy review, RBI economy review)*

## Indian Logistics Sector

India, a favoured investment destination and among fastest growing economies, is poised to be one of the top three economies and a global manufacturing hub in this decade. Logistics play a pivotal role in powering the growth in EXIM and domestic trade. India improved its logistics ranking of the World Bank to Rank 38, moving up by six places. During financial year 2023, the Prime Minister launched the National Logistics Policy (NLP) which acts as a guiding document for States / UTs seeking to formulate logistics policy (19 States / UTs have notified their logistics policy).

The National Logistics Policy has outlined the ambition and roadmap for the Indian logistics sector. The policy is centred around upgradation and digitization of logistics infrastructure & services. Further, with focus on bringing efficiency in services (processes, digital systems, regulatory framework) and human resources, the policy puts marked emphasis on streamlining processes for seamless coordination, and reduction in overall logistics cost, besides incentivizing employment generation and skilling of the workforce. NLP also lays emphasis on the shift towards more energy-efficient modes of transportation and greener fuels to reduce the carbon footprint.

Government's thrust on achieving best-in-class logistics costs and improving trade flows is led by flagship programmes like Make in India, PM Gati Shakti, Dedicated Freight Corridors (DFC), and Production Linked Incentive (PLI) schemes. Additionally, emergence of e-commerce provides a strong growth outlook for the sector. Significant opportunities emerge in the logistics value chain – Container trade, Transportation, Express Delivery, Warehousing, Processing, and Distribution.

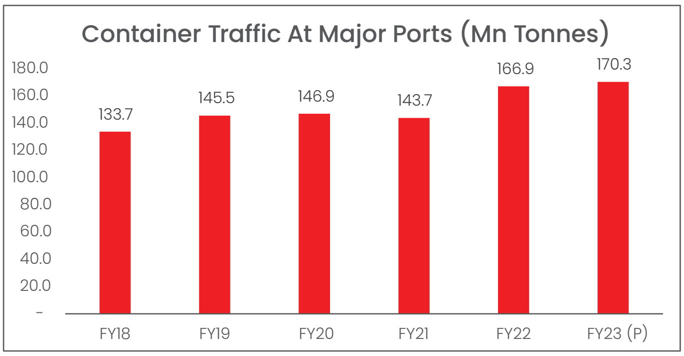
Recognising the logistics sector as one of the seven engines of growth in the Indian economy, latest Budget allocated ₹1.4 lakh crore for the development of the railway infrastructure, while ₹20,000 crore were granted to expand the national highway network by 25,000 km. This focus on implementation of infrastructure development initiatives will strengthen the multimodal supply chain network and enable the logistics industry to operate at its optimum efficiency.

Industry preferences are shifting towards integrated supply-chain services and other sophisticated solutions such as inventory optimization and data analytics from isolated offerings such as transportation or warehousing. The logistics outlook remains robust with government-led reforms, changing industry preferences and newer business segments (e-commerce, network services).

*(Source: pib.gov.in, Media reports)*

## Indian Container Industry

Enabling seamless movement of goods to cater to the demands of consumers across industries is essential in facilitating EXIM as well as domestic trade. Complementing the port infrastructure, the container freight stations (CFS), and inland container depots (ICD) play an important role in enabling seamless movement of goods and de-congesting ports. With government focus on logistics as a sector and it's impetus on lowering logistics costs along with improving infrastructure, the CFS and ICD sector is well poised to take advantage of the growing EXIM and domestic trade in India. The government in its foreign trade policy 2021-26 is focusing on establishment of a mechanism that will boost exports and increase import screening to protect manufacturers. The government is looking to set up district export promotion panels and identify new export potential by selecting products and services in each district. This in turn will lead to an increase in container traffic. Container traffic at major ports stood at 170.3 million tonnes during FY23 as compared to 166.9 million tonnes during FY22. It has grown at a CAGR of 5% over FY18 to FY23.



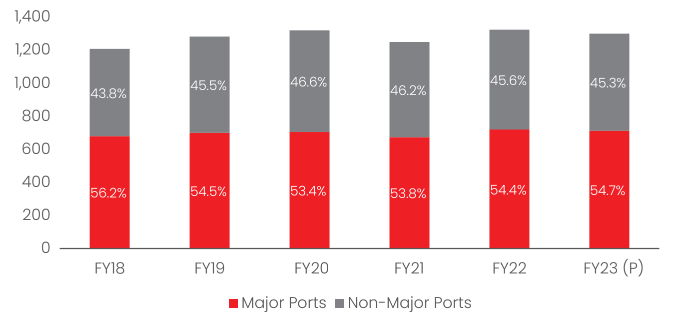

(P) – Provisional Data
(Source: shipmin.gov.in)

## Major Ports and Traffic Handled:

India has a coast-line of around 7,517 Kms with 12 major ports and 212 notified non-major ports along the coast-line and sea-islands. India has 12 major ports -- Deendayal (Kandla), Mumbai, Mormugao, New Mangalore, Cochin, Chennai, Ennore (Kamarajar), Tuticorin (V O Chidambaranar), Visakhapatnam, Paradip and Kolkata (including Haldia) and Jawaharlal Nehru Port.

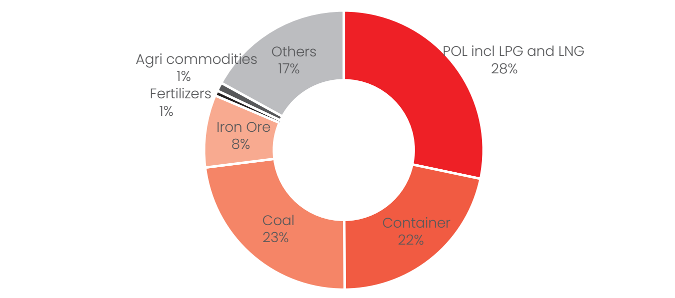
Major ports in India handle majority of the cargo traffic. Cargo traffic at 12 major ports in India increased by 10.4% in financial year 2023, reaching its highest ever level of 795 million tonnes. Industry reports suggest capacity growth of 4-6% CAGR at major Indian ports over next four years. West Indian ports accounts for two-thirds of Indian container traffic while other one-fourth is accounted by South Indian ports.

Traffic at Major and Non Major Ports




(P) – Provisional Data
(Source: shipmin.gov.in)

FY23(P) Commodity - wise traffic handled at Major Ports




(Source: shipmin.gov.in)

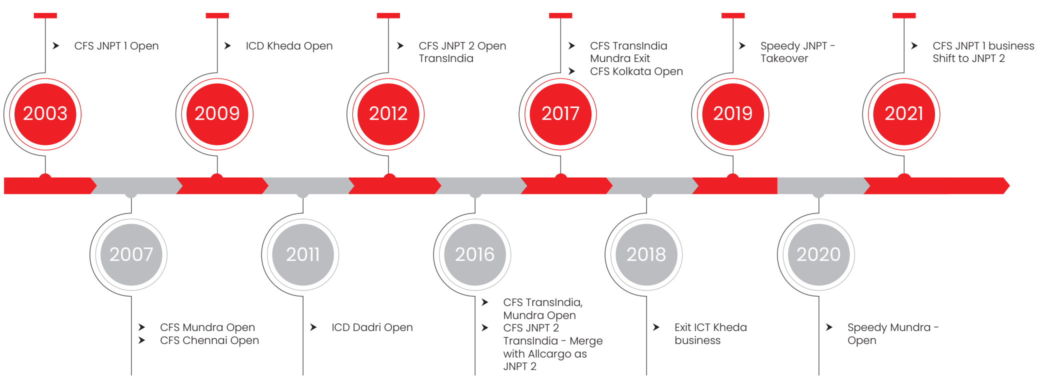
## CFS/ICD Overview

A Container Freight Station (CFS) is usually located near a port and offers bonded and non-bonded warehousing services that may be required while carrying out Exim trade and completing customs formalities. At a CFS, cargo to be exported can be stored and consolidated into containers. Similarly, cargo imported can be de-consolidated, stored and further transported to its required destination. A CFS facilitates EXIM trade and makes intermodal transportation more effective. It also optimizes the process of consolidating Less than Container Load (LCL) shipments and transporting them as well as handling and storing import and export cargo with appropriate safety measures, documentation formalities and tracking facilities. A Container Freight Station is important because it offers a centralised location, situated close to or in the vicinity of a port, where importers and exporters can send their LCL shipments with the assurance that their cargo will be securely handled, stored and transported to its destination. A CFS helps to decongest ports and terminals, frees them of several customs processes and formalities by getting them completed at the CFS itself and helps make operations quick, smooth and seamless.

An Inland Container Depot (ICD) is a warehousing and cargo transit facility just like a Container Freight Station (CFS) but is situated in the hinterlands and not near a port like the CFS. Additionally, a CFS comes under the purview of the customs while an ICD can operate as an independent entity. There are around 160 CFS operating in the country, as per Government's data.

## Allcargo Terminals Limited

Allcargo Terminals Limited was established with a vision to tap into the immense opportunities in the cargo terminals vertical owing to the increasing EXIM trade opportunity in India. The company operates on an asset light business model and its core business comprises of Container Freight Stations (CFS) and Inland Container Depots (ICD). As an extension of the port infrastructure, CFSs and ICDs also offer services like Customs inspection/clearance, Stuffing/Destuffing, Weighment and storage, among others. They are an important link in the movement of containerized cargo and complement the port infrastructure. Allcargo Terminals Limited is one of the largest CFS operators in India with a combined installed capacity of over one million square feet. Formerly a division of Allcargo Logistics Limited, it started CFS operations in 2003 with its first CFS at JNPT in Mumbai. Thereafter, the journey of growth continued with offering one of India's widest CFS-ICD networks. Some milestones in this trajectory include launching CFS Mundra and CFS Chennai in 2007, ICD Dadri in a Joint venture with CONCOR in 2011, another CFS in JNPT in 2012 and CFS Kolkata in 2017. Bettering the import and export mix, operations in two more facilities – one in JNPT and one in Mundra, through a subsidiary, Speedy Multimodes, in 2019.



## Operational capabilities

Warehousing facilities of Allcargo Terminals Limited are spread over an area of 81,800 sq. mt., including bonded warehouses of 14,900 sq. mt. The company offers customized services that include but are not limited to, palletization, packing, labelling, stuffing, de-stuffing, storage, and examination of import and export bound cargo. Bonded and unbonded warehousing, first and last mile delivery, specialized cargo handling, and direct port delivery, also form part of the service portfolio. There are 269 reefer points available across all locations, offering handling and monitoring of reefer containers. Allcargo Terminals Limited also has expertise and experience in handling Over-Dimensional Cargo (ODC) and Hazmat handling. It owns and operates state-of-the-art equipment at its CFS facilities to facilitate smooth operations. In addition to the distinction of being India's first CFS to install Rubber-tyred Gantry (RTG) cranes, equipment such as reach stackers, empty handler, RTGs, forklifts, trailers, etc. are available at all facilities. All CFSs have Customs officers posted, and this enables smooth cargo examination and clearance. Services for maintenance and storage of empty containers are also provided at the CFS facilities.

## Wide operational network

Allcargo Terminals Limited has a wide, pan-India presence, and when combined with a multi-city consolidation network, gives the business a strong competitive edge. The company operates 7 CFS and ICD facilities in India, of which 4 are fully owned and 3 are through subsidiaries and Joint Ventures. The company is well-positioned at key ports of JNPT, Mundra, Chennai and Kolkata that drive more than 80% of India's container traffic. It is also best placed to capture the ICD opportunity driven by the development and forward strides in Dedicated Freight Corridors (DFC). The company has the privilege of being the market leader in JNPT, and Mundra, and is among the top three CFSs in Kolkata and Chennai.

JNPT: The company operates two CFSs at JNPT, one of which is operated through a subsidiary, Speedy Multimodes. The CFSs at JNPT handle maximum volumes and offer great advantage in terms of port connectivity. They enable a smooth and seamless experience, with ample space for bonded and non-bonded warehouses, along with presence of custom officials. The company has implemented a number of innovative processes and equipment including e-OSR, e-Proforma and e-Payment technology, online Export SB declaration and Import Receiving, etc., to minimize redundancies and significantly increase efficiency. The two CFSs combined, have a static yard capacity of 9,000 TEUs. The total area covered by both the CFSs is 111 acres, and they are located at distances of 18 kms and 6 kms (Speedy) from the port.

Mundra: The company operates two CFSs at Mundra, one of which is operated through a subsidiary, Speedy Multimodes. The facilities have a state-of-the-art infrastructure and are among the finest in India. The two CFSs combined, have a static yard capacity of 9,500 TEUs. The total area covered by both the CFSs is 57 acres, and they are located at a distance of 8 kms from the port.

Kolkata and Chennai: Allcargo Terminals operates one CFS each at Kolkata and Chennai. The Kolkata CFS has a static yard capacity of 2,000 TEUs and is spread across 17 acres. It is located at a distance of 2.5 kms from the port. The Chennai CFS is spread across 24 acres and has a static yard capacity of 4,000 TEUs. It is in close proximity to the port, situated at a distance of 8 kms.

Dadri ICD: The ICD at Dadri, western Uttar Pradesh, is of great strategic importance, owing to its connectivity to major ports in India and industrial areas in the north Indian hinterland. The facility has a static yard capacity of 1,800 TEUs and is spread across 11 acres, situated 1.5 kms away from access to rail.

Having a wide reach and being amongst the top players at all ports, showcases the company's business strength and ability to grow. This is further enhanced by the synergy with Allcargo Group, which has global expertise built over 30 years of experience. Not only does it create opportunities for cross-sell, but also aligns with the Indian government's impetus on lowering the logistics costs through initiatives like the National Logistics Policy, Dedicated Freight Corridors, etc. Other initiatives like the PLI Scheme will help grow the EXIM trade which augurs well for the growth of containerized cargo, a mainstay for the CFS/ICD business.

## Our competitive strength

The main anchor and growth driver for Allcargo Terminals Limited lies in the way it operates its business and its relationships with major shipping lines and key customers. This has enabled the company to grow the volume handled at its CFS facilities.

The CFS facilities adhere to highest levels of safety and quality and are fortified by well-trained and experienced professionals, as well as regular process audits. The pan-India CFS network is backed by safety and security standards that include GSV (C-TPAT – compliant) and OHSAS accreditations.

The company has its own online portal and app, myCFS, which is a one-stop solution for contact-less CFS. The portal facilitates faceless operations and helps customers access a number of online request facilities such as Priority Movement, Grounding for Examination, etc. The portal also allows customers to generate online Proforma Invoice and OSR documentation. Customers can track status and location of their containers via the myCFS portal, using RFID-enabled container tracking.

## Strategy and Outlook

Allcargo Terminals, having achieved scale and experience to sustain business, regards the current year as the year to think afresh and chart its future growth trajectory. The Management aims to focus on the following areas of growth:

1) Widen our network by adding new CFSs: The company is looking to add to its existing portfolio of CFSs by scouting for opportunities at strategic locations where there is existing and foreseeable demand. With policies around enhancing efficiencies /digitization, it will become increasingly difficult for small/local players who do not have the requisite scale and geographical advantages. With its push for manufacturing, the Government of India is poised to grow its pie of exports faster than global peers. CFSs will act as a key link in growing this export vertical.

2) Expand through ICDs and Multimodal Logistics Parks: The Indian government, in its drive to enhance domestic and global cargo movements, has introduced various policies such as National Rail Plan and National Logistics Policy. The National Rail Plan was drafted with the objective to create capacity ahead of demand by 2030, which would cater to growth in demand up to 2050. The aim is to increase the modal share of railways to 45% in freight, as compared to the current 27%, by 2030. It is important from a sustainability perspective and in line with the national commitment to reduce emission levels. The company intends to expand further in the ICD space and explore opportunities in Multimodal Logistics Parks.

3) Grow through hub and spoke model: The company plans to operate a hub and spoke model, with its existing hubs acting as custom clearing hubs, while adding spokes that can provide container storage and delivery near industrial belts.

4) Enhance digital capabilities: One of the major areas of focus for the company is enhancing its digital capabilities, to deliver better, augmented, customer experiences. The aim is to provide seamless service and optimized operations, using time-saving software and technology. The company endeavours to map and integrate digitalization at each step of the entire customer journey, to have more data available, in order to enable informed decision-making and efficient operations.

5) Explore inorganic opportunities including other adjacencies: The company intends to explore other opportunities in related and newer areas of operations. These include strategic inorganic growth opportunities with companies that have synergies with the business of Allcargo Terminals Limited and can help develop and enhance the company's presence in land, sea and air cargo terminals.

## Human resources

Allcargo Terminals Limited focuses on creating an enriching environment for its employees, where it lays the opportunities for growth and inclusive development. The company provides employees with a platform where they can continuously upgrade themselves and stay up to date with the recent happenings in the industry. There are various Learning and Development programs that are carried out throughout the year, where employees can up-skill themselves. Several initiatives are carried out for employees, including fitness programmes, health check-ups, financial advice, etc. There are other engagement programs through which the company supports physical and mental well-being of all its employees. Human Resource (HR) is a key enabler for the company's growth.

## Currently, the company has 362 employees:

| Department | Total |
|---|---|
| Corporate and Management | 23 |
| Operations | 150 |
| Accounts and Finance | 66 |
| Sales and Marketing | 65 |
| Other (HR, IT, Admin, etc) | 58 |
| **Total** | **362** |

## Financial Performance

For financial year 2022-23, Allcargo Terminals recorded a revenue of ₹706 crores, EBITDA of ₹143 crores, PBT of ₹76 crores and PAT of ₹59 crores. Reported results of financial year 2022-23 are not comparable with financial year 2021-22 as the former reflects the Company's performance post demerger from Allcargo Logistics.

CFS volume handled for the financial year 2022-23 stood at 567 thousand TEUs, excluding the Dadri ICD which is a Joint Venture. Total debt for the financial year 2022-23 stood at ₹32 crores while the cash and cash equivalents amounted to ₹13 crores.

## Financial Ratios

| Particulars | FY2022-23 |
|---|---|
| Debtors Turnover | 33.00 |
| Interest Coverage Ratio | 3.45 |
| Current Ratio | 0.74 |
| Debt Equity Ratio | 0.18 |
| Operating Profit Margin (%) | 23% |
| Net Profit Margin (%) | 13% |
| Return on Equity | 34% |

## Risks & Concerns

The financial and related risks have been comprehensively covered in the Annual Accounts of the company together with the mitigation strategy of the same. The present and anticipated future risks are reviewed by the management of the company at regular intervals. The management takes suitable preventive steps and measures to adequately safeguard the company's resources of tangible and intangible assets. For more detailed information regarding Financial Performance of the company you may refer Director's Report forming part of this Annual Report.

# INDEPENDENT AUDITOR'S REPORT

To the Members of Allcargo Terminals Limited

**Report on the Audit of the Standalone Financial Statements**

## Opinion

We have audited the accompanying standalone financial statements of Allcargo Terminals Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Basis for Opinion

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

## Emphasis of Matter

We draw attention to Note 42 of the standalone financial statements regarding accounting of demerger of 'Container Freight Stations and Inland Container Depot' of Allcargo Logistics Limited ('Demerged Undertaking') into the Company under the Scheme of Arrangement (the 'Scheme') approved by the National Company Law Tribunal ('NCLT'). In accordance with the provisions of Ind AS 103 notified under Companies (Indian Accounting Standards) Rules, 2015 as amended, the Demerger should have been accounted for from the date of transfer of control. However, the same has been accounted for with effect from appointed date i.e. April 1, 2022 in accordance with the Scheme and Circular No. 09/2019 dated August 21, 2019 issued by the Ministry of Corporate Affairs ('MCA'). Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibility of Management for the Standalone Financial Statements

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

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

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

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### Other Matter

The financial statements of the Company for the year ended March 31, 2022, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 23, 2022.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("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 Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) During the Financial year ended March 31, 2023, Company has not paid / provided for the Managerial Remuneration.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34 to the standalone 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.

      iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 43 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 43 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

**per Aniket Sohani**
Partner
Membership Number: 117142
UDIN: 23117142BGYJBJ3133

Place of Signature: Mumbai
Date: July 05, 2023

## Annexure 1 referred to in paragraph 1 under the heading Report on 'Other Legal and Regulatory Requirements' of our Report of even date on the Standalone Financial Statements.

**Re: Allcargo Terminals Limited ("the Company")**

(i) (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Investment Property and Right of use assets.

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

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms or any other parties as follows:

**(Amount in Lakhs)**

| Aggregate amount granted/ provided during the year | Guarantees |
|---|---|
| - Subsidiaries | 4,510 |
| Balance outstanding as at balance sheet date in respect of above cases | |
| - Subsidiaries | 4,510 |

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to Companies, Firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees and security in respect of which provisions of Sections 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company. Loans, investments, guarantees and security in respect of which provisions of Sections 185 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of custom, value added tax and cess on account of any dispute, are as follows:

**(Lakhs)**

| Name of the statute | Nature of the dues | Amount (₹) | Period to which the amount relates | Forum where the dispute is pending |
|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax | 2,898 | 2018-19 | CIT (appeal) |

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) The Company did not raise any short term funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-Section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year. In the immediately preceding financial year, the Company had incurred cash losses amounting to ₹ 5.76 lakhs.

(xviii) The previous statutory auditors of the Company have resigned during the year and there were no issues, objections or concerns raised by the outgoing auditors.

(xix) On the basis of the financial ratios disclosed in note 44 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.

(b) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

**per Aniket Sohani**
Partner
Membership Number: 117142
UDIN: 23117142BGYJBJ3133

Place of Signature: Mumbai
Date: July 05, 2023

## Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financial Statements of Allcargo Terminals 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 with reference to standalone financial statements of Allcargo Terminals Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone 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 Company's internal financial controls with reference to these standalone financial statements.

### Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A Company's internal financial controls with reference to standalone 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 controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with 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 With Reference to Standalone Financial Statements

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

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, 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 issued by the ICAI.

**For S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

**per Aniket Sohani**
Partner
Membership Number: 117142
UDIN: 23117142BGYJBJ3133

Place of Signature: Mumbai
Date: July 05, 2023

# Balance Sheet

## as at 31 March 2023

(₹ in Lakhs)

| Particulars | Notes | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| (a) Property, Plant and Equipment | 3 | **7,012.33** | - |
| (b) Right of use assets | 4 | **35,224.12** | - |
| (c) Other intangible assets | 5 | **23.51** | - |
| (d) Intangible under development | 6 | **52.00** | - |
| (e) Investments in joint ventures & Subsidiary | 7 | **10,637.44** | 10,201.03 |
| (f) Financial assets | | | |
| (i) Loans | 8 | **52.20** | - |
| (ii) Other financial assets | 9 | **288.89** | - |
| (g) Deferred tax assets (net) | 10 | **6,380.93** | - |
| (h) Non-current tax assets (net) | 11 | **42.47** | - |
| (i) Other non-current assets | 12 | **15.25** | 2.78 |
| **Current assets** | | | |
| (a) Contract Assets | 15 | **942.53** | - |
| (b) Financial Assets | | | |
| (i) Trade receivables | 13 | **2,808.12** | - |
| (ii) Cash and cash equivalents | 14 | **962.57** | 2.77 |
| (iii) Loans | 8 | **20.94** | - |
| (iv) Other financial assets | 9 | **2,751.65** | - |
| (c) Other current assets | 12 | **1,026.81** | - |
| **Total Assets** | | **68,241.76** | **10,206.58** |
| **EQUITY** | | | |
| (a) Equity Share Capital | 16 | **4,913.91** | - |
| (b) Other equity | 17 | **13,227.61** | (143.50) |
| **Total** | | **18,141.52** | **(143.50)** |
| **Non-current liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 18 | **2,717.41** | 10,216.91 |
| (ii) Lease liabilities | 32 | **35,843.40** | - |
| (b) Employee benefit liabilities | 19 | **45.20** | - |
| **Total** | | **38,606.01** | **10,216.91** |
| **Current liabilities** | | | |
| (a) Contract Liabilities | 21 | **303.00** | - |
| (b) Financial liabilities | | | |
| (i) Borrowings | 18 | **477.13** | - |
| (ii) Lease liabilities | 32 | **1,572.68** | - |
| (iii) Trade payables | | | |
| (1) Total outstanding dues to Micro and Small enterprises | 36 | **97.06** | - |
| (2) Total outstanding dues of creditors other than MSME | 20 | **7,711.31** | 4.46 |
| (iv) Other financial liabilities | 22 | **131.90** | 123.14 |
| (c) Employee benefit liabilities | 19 | **155.98** | - |
| (d) Other current liabilities | 23 | **1,045.17** | 5.59 |
| **Total** | | **11,494.23** | **133.18** |
| **TOTAL LIABILITIES** | | **68,241.76** | **10,206.58** |
| **Significant accounting policies** | 2 | | |

The accompanying notes form an integral part of the Financial Statements

**As per our report of even date attached**

**For S.R. Batliboi & Associates LLP**
ICAI firm registration No: 101049W/E300004
Chartered Accountants

**per Aniket Anil Sohani**
Partner
Membership No: 117142

Place: Mumbai
Date: July 05, 2023

**For and on behalf of Board of directors of**
CIN No: U60300MH2019PLC320697

**Suresh Kumar Ramiah**
Director
DIN: 07019419

**Vaishnavkiran Shashikiran Shetty**
Director
DIN: 07077444

**Poornima Sreedhar**
Chief Financial Officer
M.N : 100545

**Hardik Desai**
Company Secretary & Compliance Officer
M.N.: A35491

Place: Mumbai
Date: July 05, 2023

# Statement of Profit and Loss

## for the year ended 31 March 2023

(₹ in Lakhs)

| Particulars | Notes | 31 March 2023 | 31 March 2022 |
|---|---|---|---|
| **Income** | | | |
| Revenue From Operations | 24 | **46,850.95** | - |
| Other income | 25 | **2,267.65** | - |
| **Total income** | | **49,118.60** | **-** |
| **Expenses** | | | |
| Cost of services rendered | 26 | **26,885.23** | - |
| Employee benefits expense | 27 | **3,569.36** | - |
| Depreciation and amortisation expenses | 28 | **3,824.51** | - |
| Finance costs | 29 | **3,104.88** | 136.73 |
| Other expenses | 30 | **4,142.58** | 5.76 |
| **Total expenses** | | **41,526.56** | **142.49** |
| **Profit Before Tax** | | **7,592.04** | **(142.49)** |
| **Tax expense:** | | | |
| Current tax | 10 | **2,182.13** | - |
| Deferred tax credit | 10 | **(723.45)** | - |
| Adjustment of Taxes relating to earlier years | | **-** | - |
| **Total tax expense** | | **1,458.68** | **-** |
| **Profit for the year (A)** | | **6,133.36** | **(142.49)** |
| **Other Comprehensive Income:** | | | |
| **Items that will not be reclassified subsequently to profit or loss:** | | | |
| Re-measurement gains/(losses) on defined benefit plans (net of tax) | 33 | **(32.10)** | - |
| | | **(32.10)** | - |
| **Other Comprehensive Income for the year, net of tax (B)** | | **(32.10)** | - |
| **Total Comprehensive income for the year, net of tax (A) + (B)** | | **6,101.26** | (142.49) |
| **Earnings per equity share** | | | |
| Basic (in full ₹) | 31 | **17,523,886** | **(407,114)** |
| Diluted (in full ₹) | 31 | **2.50** | **(407,114)** |
| Significant accounting policies | 2 | | |

The accompanying notes form an integral part of the Financial Statements

**As per our report of even date attached**

**For S.R. Batliboi & Associates LLP**
ICAI firm registration No: 101049W/E300004
Chartered Accountants

**per Aniket Anil Sohani**
Partner
Membership No: 117142

Place: Mumbai
Date: July 05, 2023

**For and on behalf of Board of directors of**
CIN No: U60300MH2019PLC320697

**Suresh Kumar Ramiah**
Director
DIN: 07019419

**Vaishnavkiran Shashikiran Shetty**
Director
DIN: 07077444

**Poornima Sreedhar**
Chief Financial Officer
M.N : 100545

**Hardik Desai**
Company Secretary & Compliance Officer
M.N.: A35491

Place: Mumbai
Date: July 05, 2023

# Statement of Standalone Cash Flows

**for the year ended 31 March 2023**

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Profit before tax** | **7,592.04** | (142.49) |
| **Adjustments to reconcile profit before tax to net cash flow:** | | |
| Depreciation and amortisation | **3,824.51** | **-** |
| Impairment loss recognized under expected credit loss model | **27.70** | - |
| Liability no longer required written back | **(778.56)** | - |
| Finance costs | **3,104.88** | 136.73 |
| Dividend income | **(1,435.50)** | - |
| Loss on disposal of property, plant and equipment (net) | **10.53** | - |
| | **12,345.60** | **(5.76)** |
| **Working capital adjustments:** | | |
| (Increase) in trade receivables | **(804.78)** | - |
| Decrease / (increase) in loans and advances other financial assets | **(597.10)** | - |
| (Increase) in other current, non current assets (non financial assets) | **(170.13)** | - |
| Increase in trade payables, other current and non current liabilities | **1,226.00** | (6.79) |
| Decrease /(Increase) in contract assets | **114.13** | - |
| (Decrease) / Increase in Contract Liabilities | **26.10** | - |
| **Cash generated from operating activities** | **12,139.82** | (12.55) |
| Income tax paid (net of refunds) (net) | **(1,275.24)** | - |
| **Net cash flows from operating activities (A)** | **10,864.58** | **(12.55)** |
| | | |
| **Investing activities** | | |
| Proceeds from sale of property, plant and equipment | **4.23** | - |
| Purchase of property, plant and equipment (including capital work in progress and capital advances) | **(996.34)** | - |
| Purchase of Intangible Assets | **(37.49)** | - |
| Acquisition of subsidiary | **-** | (10,201.00) |
| Dividend received from Subsidiary and Joint Ventures | **1,435.50** | - |
| **Net cash flows from / (used in) investing activities (B)** | **405.90** | **(10,201.00)** |
| | | |
| **Financing activities** | | |
| Repayment of long term borrowings | **(10,061.00)** | - |
| Proceeds from long term borrowings | **1,242.66** | 10,216.05 |
| Lease Payments (including Interest of ₹ 441 Lakhs) | **(768.83)** | - |
| Finance costs | **(727.30)** | - |
| **Net cash flows from (used in) / from financing activities (C)** | **(10,314.47)** | **10,216.05** |
| | | |
| **Net decrease in cash and cash equivalents (A+B+C)** | **956.01** | **2.50** |
| **Cash and cash equivalents at the beginning of the year** | **2.77** | 0.27 |
| **Transfer purshant to demerger (Refer Note 42)** | **3.79** | - |
| **Cash and cash equivalents at the end of the year (Refer Note 14)** | **962.57** | **2.77** |

The accompanying notes form an integral part of the Financial Statements

**As per our report of even date attached**

**For S.R. Batliboi & Associates LLP**
ICAI firm registration No: 101049W/E300004
Chartered Accountants

**per Aniket Anil Sohani**
Partner
Membership No: 117142

Place: Mumbai
Date: July 05, 2023

**For and on behalf of Board of directors of**
CIN No: U60300MH2019PLC320697

**Suresh Kumar Ramiah**
Director
DIN: 07019419

**Vaishnavkiran Shashikiran Shetty**
Director
DIN: 07077444

**Poornima Sreedhar**
Chief Financial Officer
M.N : 100545

**Hardik Desai**
Company Secretary & Compliance Officer
M.N.: A35491

Place: Mumbai
Date: July 05, 2023

# Statement of Changes in Equity

## for the year ended 31 March 2023

### (A) Equity Share Capital:

**Equity shares of INR 10 each issued, subscribed and fully paid**

(₹ in Lakhs, unless otherwise stated)

| Particulars | No. | Amount |
|---|---|---|
| **At 1 April 2021** | - | - |
| Issue of share capital (₹ 70 only) | 7 | - |
| **At 31 March, 2022** | **7** | **-** |
| Issue of share capital (₹ 70 only) | - | - |
| **At 31 March 2023*** | **35** | **-** |
| *The equity shares have been sub-divided to ₹ 2/- face value per share (35 equity shares of ₹ 2/- each). | | |
| Equity share issuable pursuant to demerger | **245,695,524** | 4,913.91 |
| | **245,695,524** | 4,913.91 |

### (B) Other Equity

(₹ in Lakhs)

| Particulars | Reserves & Surplus | | Items of OCI | Total other equity attributable to equity holders |
|---|---|---|---|---|
| | Retained earnings | Capital Reserve (Pursuant to Demerger) (Refer Note 42) | Remeasurements of Gains / (Loss) on defined benefits plans | |
| **Balance as at 1 April 2021** | **(1.00)** | **-** | **-** | **(1.00)** |
| Net Profit / (Loss) for the year | (142.50) | - | - | (142.50) |
| Other comprehensive income | - | - | - | - |
| **As at 31 March 2022** | **(143.50)** | **-** | **-** | **(143.50)** |
| Pursuant to demerger | **-** | **7,269.85** | **-** | **7,269.85** |
| Net Profit for the year | **6,133.36** | **-** | **-** | **6,133.36** |
| Other comprehensive income | **-** | **-** | **(32.10)** | **(32.10)** |
| Dividend Paid | **-** | **-** | **-** | **-** |
| **As at 31 March 2023** | **5,989.86** | **7,269.85** | **(32.10)** | **13,227.61** |

The accompanying notes form an integral part of the Financial Statements

**As per our report of even date attached**

**For S.R. Batliboi & Associates LLP**
ICAI firm registration No: 101049W/E300004
Chartered Accountants

**per Aniket Anil Sohani**
Partner
Membership No: 117142

Place: Mumbai
Date: July 05, 2023

**For and on behalf of Board of directors of**
CIN No: U60300MH2019PLC320697

**Suresh Kumar Ramiah**
Director
DIN: 07019419

**Vaishnavkiran Shashikiran Shetty**
Director
DIN: 07077444

**Poornima Sreedhar**
Chief Financial Officer
M.N : 100545

**Hardik Desai**
Company Secretary & Compliance Officer
M.N.: A35491

Place: Mumbai
Date: July 05, 2023

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 1. Company Overview

Allcargo Terminals Limited (hereinafter referred to as the 'Company'), is engaged in the business of operating Container Freight Stations.

Allcargo Terminals Limited was formed with a vision to tap the opportunities that lie in the terminals space owing to the increasing EXIM trade opportunity in India. It operates on an asset light business model and the core business comprises of Container Freight Stations (CFS) and Inland Container Depots (ICD). CFS and ICDs are an extension of port infrastructure and offer activities like Customs inspection/clearance, Stuffing/Destuffing, Weighment and storage, among others. The Company is one of the largest CFS operator in India with combined installed capacity of over one million square feet.

Our Company was incorporated on February 05, 2019 as a Private Limited Company under the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra and was converted into public limited w.e.f. January 10, 2022. The Corporate Identification Number of our Company is U60300MH2019PLC320697

**Demerger**

**Acquisition of Container Freight Stations/Inland Container Depots and other related logistics businesses of Allcargo Logistics Limited through (Scheme) of Demerger**

In accordance with the Scheme of Arrangement (Scheme) between the Company and Allcargo Logistics Limited as approved by Hon'ble National Company Law Tribunal on 5th January, 2023, Container Freight Stations/Inland Container Depots (logistics businesses), were demerged and transferred to the Company with effect from the Appointed date of April 1, 2022 (appointed date), in consideration of 24,56,95,524 equity shares of the Company of ₹ 2 each fully paid up for every equity shares held in All Cargo Logistics Limited (ACL) of ₹ 2 each fully paid up. The effective date of the Scheme was 01st April 2022.

The Scheme will enable the Company to explore the potential business opportunities more effectively and efficiently.

Pursuant to the scheme of demerger approved by NCLT, 24,56,95,524 equity shares of ₹ 2 each face value are issuable to the shareholders of Allcargo Limited as per 1:1 share exchange ratio as consideration for the transfer of assets and liabilities to the Company. The Company in its Board Meeting held on April 24, 2023 has allotted 24,56,95,524 equity shares to the shareholders of Allcargo Logistics Limited holding as on record date April 18, 2023.

Along with issuance and allotment of equity shares by the ATL in accordance with the scheme of demerger as above, the initial issued and paid-up equity capital of ATL comprising of 7 equity share of ₹ 10 each, aggregating to ₹ 70 shall stand cancelled.. The equity shares have been sub-divided to ₹ 2/- face value per share (35 equity shares of ₹ 2/- each). During the year ended 31st March 2023, the authorized share capital of the Company has been increased to ₹ 55,00,00,000 (Rupees fifty five crores only)

As per the provisions of the Scheme, transfer of the above business into the Company have been accounted in the Financial Statements at book values as appearing in the books of the Demerged Company as on the close of business on the day immediately prior to the appointed date.

## 2. Significant accounting policies

### 2.1 Basis of preparation

The Standalone Financial Statements (SFS) have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) (Amendment) Rules, 2015 (as amended from time to time) under the provisions of the Companies Act, 2013 (the 'Act') and Presentation requirements of the Division II of the schedule III to Companies Act 2013(Ind AS Compliant Schedule III). These SFS are prepared under the historical cost convention on the accrual basis acquired under business combinations, derivative financial instruments and certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments). The SFS have been prepared on a going concern basis.

The financial statements are presented in INR and all values are rounded to the nearest rupees in Lakhs except when otherwise indicated.

**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 realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is:

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

All other liabilities as 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.

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

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

**2.2 Summary of significant accounting policies**

**a. Investment in Subsidiary and joint ventures :** are accounted at cost of acquisition, any impairment is recognised through the Profit and Loss Account.

**b. Foreign currencies**

Exchange differences arising on translation / settlement of foreign currency monetary items are recognised as income or expenses in the period in which they arise.

**c. Revenue recognition**

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.

**Container freight station income**

Income from Container Handling is recognised on completion of its performance obligation.

Income from Ground Rent is recognised for the period the container is lying in the Container Freight Station as per the terms of arrangement with the customers.

**Others**

Reimbursement of cost is netted off with the relevant expenses incurred, since the same are incurred on behalf of the customers.

Interest income is recognised on time proportion basis. Interest income is included in finance income in the Statement of Profit and Loss.

Dividend income is recognised when the Company's right to receive the payment is established i.e. the date on which shareholders approve the dividend.

Business support charges are recognized as and when the related services are rendered.

**d. Contract Balances**

Contract balances include trade receivables, contract assets and contract liabilities.

**Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are separately disclosed in the financial statements.

**Contract assets**

Contract asset includes the costs deferred for Container freight stations operations relating to import handling and transport activities where the Company's performance obligation is yet to be completed.

Additionally, a contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

**Contract liabilities**

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

**e. Taxes**

**Current Income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

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

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

a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI (Other Comprehensive Income) or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**Minimum Alternate Tax:**

According to section 115JAA of the Income Tax Act, 1961, Minimum Alternative Tax ('MAT') paid over and above the normal income tax in a subject year is eligible for carry forward for fifteen succeeding assessment years for set-off against normal income tax liability. The MAT credit asset is assessed against the normal income tax during the specified period.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**f. Property, plant and equipment**

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

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 recognised 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 recognised in Statement of Profit and Loss as incurred.

**Depreciation**

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follow :

| Category | Useful lives (in years) |
|---|---|
| Building | 20 to 30 |
| Plant and machinery | 10 to 15 |
| Heavy equipments | 12 |
| Furniture and fixtures | 10 |
| Vehicles | 8 to 10 |
| Computers | 3 to 6 |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

| Category | Useful lives (in years) |
| --- | --- |
| Office equipments | 5 |
| Trucks and Trailors | 8 |
| Other tangible assets | 3 to 7 |
| Leasehold Land & Building | 3 to 30 |
| Leasehold improvements shorter of the estimated useful life of the asset or the lease term not exceeding 10 years | |

Assets individually costing less than ₹ 5000 are fully depreciated in the year of acquisition.

The Company, based on internal assessment and management estimate, depreciates certain items of Heavy Equipments and Office Equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. 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.

An item of property, plant and equipment and any significant part initially recognised is derecognised 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 derecognised. 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.

**g. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

**Amortisation**

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

| Category | Useful lives (in years) |
| --- | --- |
| Computer softwares | 3 to 6 |

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon 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 derecognised.

**h. 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. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company 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 the value in use, the estimated future cash flows are discounted to their present value using a post-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.

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

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount.

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset exceeds neither its recoverable amount nor the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

**i. Borrowing costs**

Borrowing costs includes interest and amortisation of ancillary cost over the period of loans which are incurred in connection with arrangements of borrowings.

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

**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.

**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. Company does not have any Right-of-use assets which are depreciated on a straight-line basis for the period shorter of the lease term. The right-of- use assets are also subject to impairment. Refer to the accounting policies in section for Impairment of non-financial assets.

**ii) Lease Liabilities**

The Company recognises lease liabilities measured at the present value of lease payments to be made over the balance lease term. 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 transition 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).

**iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the date of transition. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense over the lease term.

**k. Provisions**

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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**l. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extreme rare cases where there is a liability that cannot be recognised because it cannot

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

**m. Retirement and other employee benefits**

**Current employee benefits**

Employee benefits payable wholly within twelve months of availing employee services are classified as current employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of current employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognized in the period in which the employee renders the related service.

**Post-employment benefits**

**Defined contribution plans:**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Indian subsidiaries makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution of these Indian subsidiaries is recognized as an expense in the Statement of Profit and Loss during the period in which employee renders the related service. There are no other obligations other than the contribution payable to the Provident Fund and Employee State Insurance Scheme.

**Defined benefit plan:**

Gratuity liability, wherever applicable, is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year. The Companys'gratuity benefit scheme is a defined benefit plan.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. The Company presents the leave as a short-term provision in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as long-term provision.

Remeasurements, 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. Remeasurements are not reclassified to Statement of Profit and Loss in subsequent periods.

**n. 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 the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. 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 four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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

**i. Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met –

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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.

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

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 Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

**ii. Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned whilst FVTOCI debt instrument is reported as interest income using the EIR method.

**iii. Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**iv. Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other 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 at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized 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.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments made by the Company in joint ventures are carried at cost.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from a Companys'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 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.

**Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not fair valued through Statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, 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 Companys's financial liabilities include trade and other payables, loans and borrowings.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and 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 and Loss.

**o. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are 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.

**p. Segment Reporting**

The Company operates in a single business i.e Container Freight Stations hence there are no other reportable segment.

**q. Cash dividend and non-cash distribution to equity holders of the parent**

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent 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.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the Statement of Profit and Loss.

**r. Earnings per equity share**

Basic earnings per share (EPS) amounts is calculated by dividing the profit for the period attributable to equity holders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit of 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.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 3 Property, Plant and Equipments

(₹ in Lakhs)

| Particulars | Building | Computers | Heavy Equipment | Furniture & Fixtures | Leasehold Improvements | Office Equipment | Plant & Machinery | Vehicles | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | | |
| Balance as at 1 April 2021 | - | - | - | - | - | - | - | - | - |
| Additions | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - | - |
| **Balance as at 31 March 2022** | - | - | - | - | - | - | - | - | - |
| Transferred pursuant to demerger scheme | 6,083.18 | 316.94 | 2,061.34 | 857.00 | 337.80 | 451.42 | 4,074.33 | 6.42 | 14,188.43 |
| Additions | - | 64.77 | - | 23.44 | - | 29.35 | 896.77 | - | 1,014.33 |
| Disposals | - | (40.12) | - | (15.65) | - | (71.78) | (58.24) | - | (185.79) |
| **Balance as at 31 March 2023** | 6,083.18 | 341.59 | 2,061.34 | 864.79 | 337.80 | 408.99 | 4,912.86 | 6.42 | 15,016.97 |
| **Accumulated Depreciation** | | | | | | | | | |
| Balance as at 1 April 2021 | - | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - | - |
| **Balance as at 31 March 2022** | - | - | - | - | - | - | - | - | - |
| Transferred pursuant to demerger scheme | 1,401.26 | 273.03 | 1,676.19 | 692.06 | 148.50 | 402.51 | 2,621.93 | 6.08 | 7,221.57 |
| Depreciation | 263.46 | 39.56 | 209.12 | 65.38 | 22.27 | 29.95 | 324.47 | 0.34 | 954.56 |
| Disposals | - | (40.12) | - | (14.69) | - | (71.74) | (44.94) | - | (171.49) |
| **Balance as on 31 March 2023** | 1,664.72 | 272.47 | 1,885.31 | 742.75 | 170.77 | 360.72 | 2,901.46 | 6.42 | 8,004.64 |
| **Net Block** | | | | | | | | | |
| **As at 31 March 2023** | 4,418.46 | 69.12 | 176.03 | 122.04 | 167.03 | 48.27 | 2,011.40 | - | 7,012.33 |
| **As at 31 March 2022** | - | - | - | - | - | - | - | - | - |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 4 Right of use Assets

(₹ in Lakhs)

| Particulars | Land | Building | Total |
|---|---|---|---|
| **Gross Block** | | | |
| Balance as at 1 April 2021 | - | - | - |
| Additions | - | - | - |
| **Balance as at 31 March 2022** | **-** | **-** | **-** |
| Transferred pursuant to demerger scheme | 5,193.80 | 52.71 | 5,246.51 |
| Additions | 15,153.49 | 18,361.16 | 33,514.65 |
| Disposals | - | | - |
| **Balance as at 31 March 2023** | **20,347.29** | **18,413.87** | **38,761.16** |
| **Accumulated Depreciation** | | | |
| Balance as at 1 April 2021 | - | - | - |
| Depreciation | - | - | - |
| **Balance as at 31 March 2022** | **-** | **-** | **-** |
| Transferred pursuant to demerger scheme | 631.59 | 52.71 | 684.30 |
| Depreciation | 1,378.97 | 1,473.77 | 2,852.74 |
| **Balance as on 31 March 2023** | **2,010.56** | **1,526.48** | **3,537.04** |
| **Net Block** | | | |
| **As at 31 March 2023** | **18,336.73** | **16,887.39** | **35,224.12** |
| **As at 31 March 2022** | **-** | **-** | **-** |

## 5 Other Intangible assets

(₹ in Lakhs)

| Particulars | Software |
|---|---|
| **Gross Block** | |
| Balance as at 1 April 2021 | - |
| Additions | - |
| **Balance as at 31 March 2022** | **-** |
| Transferred pursuant to demerger scheme | 183.60 |
| Additions | 0.35 |
| Disposals | (9.72) |
| **Balance as at 31 March 2023** | **174.23** |
| **Accumulated Amortization** | |
| Balance as at 1 April 2021 | - |
| Amortisation | - |
| **Balance as at 31 March 2022** | **-** |
| Transferred pursuant to demerger scheme | 143.23 |
| Amortisation | 17.21 |
| Disposals | (9.72) |
| **Balance as at 31 March 2023** | **150.72** |
| **Net Block** | |
| **As at 31 March 2023** | **23.51** |
| **As at 31 March 2022** | **-** |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 6 Intangible assets under development

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Intangible Assets under development | 52.00 | - |

***Ageing of Intangible Assets under Development is as below :**

(₹ in Lakhs)

| Particulars | Less than 1 year | 1-2 Year | 2-3 Years | More than 3 Years | Total |
|---|---|---|---|---|---|
| As at 31 March 2023 | 52.00 | - | - | - | 52.00 |
| As at 31 March 2022 | - | - | - | - | - |

*Intangible Asset under development completion is not overdue

## 7 Investments in joint ventures & Subsidiaries

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Unquoted Equity Instrument (fully paid-up)** | | |
| **Investment in Subsidiary** | | |
| Investment in Speedy Multimodes Limited 2,31,20,000 (31 March 2022: 2,31,20,000) equity shares of ₹ 10 each | 10,201.03 | 10,201.03 |
| **Investment in Joint Ventures** | | |
| Investment in Allcargo Logistics Park Private Limited 38,67,840 (31 March 2022: NIL) equity shares of ₹ 10 each* | 422.78 | - |
| Investment in Transnepal Freight Services Private Limited 43,600 (31 March 2022: NIL) equity shares of Nepalese Rupee 100 each* | 13.63 | - |
| **Total** | 10,637.44 | 10,201.03 |

* Transferred pursuant to demerger scheme

## 8 Loans

(₹ in Lakhs)

| Particulars | Non-Current | | Current | |
|---|---|---|---|---|
| | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 |
| **Unsecured, considered good** | | | | |
| Loans to employees | 52.20 | - | 20.94 | - |
| **Total** | 52.20 | - | 20.94 | - |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 9 Other Financial Assets

(₹ in Lakhs)

| Particulars | Non-Current | | Current | |
|---|---|---|---|---|
| | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 |
| **Security deposits** | | | | |
| Unsecured, considered good | 288.89 | - | 0.30 | - |
| (A) | **288.89** | **-** | **0.30** | **-** |
| Recoverable from Allcargo Logistics Limited pursuant to demerger scheme | - | - | 2,740.00 | - |
| Others | - | - | 11.35 | - |
| (B) | **-** | **-** | **2,751.35** | **-** |
| **Total Other financial assets (A+B)** | **288.89** | **-** | **2,751.65** | **-** |

## 10 Income Tax & Deferred tax Liabilities (net)

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| **Deferred Tax Assets / (Liabilities)** | | |
| Deferred tax relates to the following: | | |
| PPE and ROU Asset | **67.35** | - |
| Provision for doubtful trade receivables | **37.68** | - |
| Provision for compensated absences | **54.51** | - |
| Fair Valuation of Security Deposit | **323.20** | - |
| MAT Credit Entitlement | **5,911.38** | - |
| Others | **(13.19)** | - |
| **Deferred Tax Assets / (Liabilities)** | **6,380.93** | **-** |
| **Deferred Tax Assets** | **6,380.93** | **-** |
| **Reconciliation of Deferred tax Assets / Liabilities** | | |
| As of 31 March, 2022 (net) | **-** | - |
| Transferred pursuant to demerger | **7,399.47** | - |
| Deferred tax credit | **723.45** | - |
| MAT credit utilisation | **(1,741.99)** | - |
| **As of 31 March, 2023 (net)** | **6,380.93** | **-** |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

**The major components of income tax expense for the year ended 31 March, 2023 :**

**Statement of profit and loss:**

(₹ in Lakhs)

| Profit or loss section | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| **Current income tax:** | | |
| Current income tax charge | 2,182.13 | - |
| **Deferred tax:** | | |
| Relating to origination and reversal of temporary differences | (723.45) | - |
| **Income tax expense reported in the statement of profit or loss** | 1,458.68 | - |
| | | |
| **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2023:** | | |
| **Accounting profit before tax** | 7,592.04 | (142.49) |
| At India's statutory income tax rate of 34.944% | 2,652.97 | (49.79) |
| **Computed tax expenses** | | |
| 80 IA deduction for certain CFS facilities | (1,249.28) | - |
| Expenses not allowed for tax purpose | 95.63 | - |
| Setoff of brought forward losses | (50.40) | - |
| Others | 9.76 | 49.79 |
| **At the effective income tax rate** | 1,458.68 | - |
| Income tax expense reported in the statement of profit and loss | 1,458.68 | - |

## 11 Non-Current Tax Assets (net)

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Advance tax recoverable (net of provision for tax) | 42.47 | - |
| **Total Non current tax Assets** | 42.47 | - |

## 12 Other Assets

**Unsecured considered good, unless stated otherwise**

(₹ in Lakhs)

| Particulars | Non-Current | | Current | |
|---|---|---|---|---|
| | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 |
| Prepaid expenses | 12.40 | 2.78 | 728.44 | - |
| Advances for supply of services | 2.85 | - | 279.75 | - |
| Other advances | - | - | 18.62 | - |
| **Total Other Assets** | 15.25 | 2.78 | 1,026.81 | - |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 13 Trade receivables

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| (a) Unsecured, Considered good | 2,234.23 | - |
| (b) Unsecured, which have significant increase in Credit Risk | 107.83 | - |
| | 2,342.06 | - |
| Less: Provisions | | |
| Allowance for doubtful trade receivables | (107.83) | - |
| | (107.83) | - |
| **Receivables from related Parties (Refer Note.37 C)** | 573.89 | - |
| | 2,808.12 | - |

**Ageing of Trade Receivables and credit risk arising there from is as below:**

**As at 31 March 2023**

(₹ in Lakhs)

| Particulars | Current but not due | Outstanding for | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed– Trade Receivable considered good | 1,073.69 | 1,022.83 | 429.26 | 282.34 | - | - | 2,808.12 |
| Undisputed – Trade Receivable significant increase in credit risk | - | - | 34.32 | 28.91 | 1.34 | 9.34 | 73.91 |
| Disputed– Trade Receivable considered good | - | - | - | - | - | - | - |
| Disputed –Trade Receivable significant increase in credit risk | - | - | - | - | - | 33.92 | 33.92 |
| | 1,073.69 | 1,022.83 | 463.58 | 311.25 | 1.34 | 43.26 | 2,915.95 |
| Less: Allowance for doubtful trade receivables | | | | | | | (107.83) |
| **Total Trade Receivables** | | | | | | | 2,808.12 |

**As at 31 March 2022**

| Particulars | Current but not due | Outstanding for | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed– Trade Receivable considered good | - | - | - | - | - | - | - |
| Undisputed – Trade Receivable significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed– Trade Receivable considered good | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 14 Cash and cash equivalents*

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Balances with banks** | | |
| - On current accounts | **952.64** | 2.77 |
| Cash on hand | **9.93** | - |
| **Total** | **962.57** | **2.77** |

***Refer note 42. The management is in process of transferring bank accounts name from Allcargo Logistics Limited to Company.**

## 15 Contract Assets

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Contract Assets (ageing less than 1 year) | **942.53** | - |
| **Total** | **942.53** | **-** |

## 16 Equity Share capital

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Authorised capital:** | | |
| 2750,00,000 (31 March 2022: 1,00,000 equity shares of ₹ 10 each) equity shares of ₹ 2 each * | **5,500.00** | 10.00 |
| | **5,500.00** | **10.00** |
| **Issued equity capital:** | | |
| **Issued, subscribed and fully paid-up:** | | |
| 35 (31 March 2022: 7 equity shares of ₹ 10 each) equity shares of ₹ 2 each (*Less than ₹ 1 Lakh) | **-** | - |
| **The equity shares have been sub-divided to ₹ 2/- face value per share (35 equity shares of ₹ 2/- each). | | |
| **Total issued, subscribed and fully paid up share capital** | **-** | - |
| **Equity share issuable pursuant to demerger (Refer note 42)** | **4,913.91** | **-** |

**Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The equity shares are entitled to receive dividend as declared from time to time. Voting rights cannot be exercised in respect of shares on which any call or other sums payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

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.

**(i) Reconciliation of number of the equity shares outstanding at the beginning and at the end of year:**

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|---|---|---|---|---|
| | No. of shares | Amount | No. of shares | Amount |
| **Equity Shares** | | | | |
| At the beginning of the year (*Less than ₹ 1 Lakh) | **35** | **-** | 7 | - |
| **Outstanding for the year ended** | **35** | **-** | **7** | **-** |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

**(ii) Details of shareholders holding more than 5% shares of a class of shares**

| Name of shareholders | No | % holding in the class |
|---|---|---|
| Allcargo Logistics Limited** | 35 | 100% |

**(iii) Details of Promoter shareholding**

| Name of shareholders | At the beginning of the year | Changes during the year | At the end of the year | % of Total Shares | % Change during the year |
|---|---|---|---|---|---|
| Allcargo Logistics Limited ** | 7 | - | 35 | 100% | - |

* During the year 31st March, 2023, the authorised share capital of the Company has been increased to ₹ 5,500 lakhs.

**The equity shares have been sub-divided to ₹ 2/- face value per share (35 equity shares of ₹ 2/- each).

## 17 Other Equity

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Retained earnings | **5,989.86** | (143.50) |
| Capital Reserve (Refer Note 42) | **7,269.85** | - |
| Remeasurements of (Loss) on defined benefits plans | **(32.10)** | - |
| **Total** | **13,227.61** | **(143.50)** |

**Nature and Purpose of Reserves**

**Retained earnings**

Retained earnings represents all accumulated net income as reduced by all dividends paid to shareholders.

**Remeasurements of gains / (losses) on defined benefit plans (OCI)**

It comprises of actuarial gains and losses, differences between the return on plan assets and interest income on plan assets and changes in the asset ceiling (outside of any changes recorded as net interest).

**Capital Reserve**

This reserve represents the difference between net assets taken over and shares issuable to the shareholders of Allcargo Logistics Limited pursuant to demerger (Refer note 42)

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 18 Borrowings

(₹ in Lakhs)

| Particulars | Non-Current 31 March 2023 | Non-Current 31 March 2022 | Current 31 March 2023 | Current 31 March 2022 |
|---|---|---|---|---|
| **Non-current borrowings** | | | | |
| **Borrowings (secured)** | | | | |
| Term Loan from Banks | **1,785.53** | - | **477.13** | - |
| **Other borrowings (unsecured)** | | | | |
| Loan from Related party (Refer note 37C) | **931.88** | 10,216.91 | **-** | - |
| **Total borrowings** | **2,717.41** | **10,216.91** | **477.13** | **-** |

**** Disclosed under the head short-term borrowings**

(₹ in Lakhs)

| Name of the Bank | Rate of Interest | 31 March 2023 | 31 March 2022 | Terms of Repayment |
|---|---|---|---|---|
| HSBC Bank (secured against the fixed assets) | 8.96% | **891.75** | - | Repayable in 18 quarterly instalments |
| Axis Bank* | 6.80% | **1,370.91** | - | Repayable yearly in four years |
| | | **2,262.66** | **-** | |

* Consequent to the scheme of demerger the Axis Bank term loan has been allocated between the Company, TransIndia Reality and Logistics Parks Limited and Allcargo Logistics limited.

As per the terms of borrowing it is secured against land and buildings of Allcargo Logistics Limited, pursuant to demerger scheme, these assets have been transferred to TransIndia Reality and Logistics Parks Limited. Accordingly this borrowing is not secured by the Company Assets and secured by land and building of Transindia Reality Limited pursuant to demerger. The Borrowing is disclosed as secured. The Company is in the process of transfer of borrowing in Company's name.

## 19 Employee benefit liabilities

(₹ in Lakhs)

| Particulars | Non-current 31 March 2023 | Non-current 31 March 2022 | Current 31 March 2023 | Current 31 March 2022 |
|---|---|---|---|---|
| Provision for gratuity (Refer Note 33) | **45.20** | - | **-** | - |
| Provision for Compensated abscenses | **-** | - | **155.98** | - |
| **Total Employee benefit liabilities** | **45.20** | **-** | **155.98** | **-** |

## 20 Trade payables

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Trade payables | | |
| a) Total outstanding dues of micro enterprises and small enterprises; (Refer Note 36) | **97.06** | - |
| b) Total outstanding dues of creditors other than micro enterprises and small enterprises | **3,831.78** | 4.46 |
| c) Trade payables to related parties (Refer Note.37 C) | **3,879.53** | - |
| **Total** | **7,808.37** | **4.46** |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

**Ageing schedule of Trade Payables is as below:**

**As at 31 March 2023**

(₹ in Lakhs)

| Particulars | Unbilled | Current but not due | Outstanding for | | | | Total |
|---|---|---|---|---|---|---|---|
| | | | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Undisputed Dues - Others | 2,428.99 | - | 4,586.94 | 694.93 | - | 0.45 | 7,711.31 |
| Undisputed Dues - MSME | - | - | 97.06 | - | - | - | 97.06 |
| Disputed Dues - Others | - | - | - | - | - | - | - |
| Disputed Dues - MSME | - | - | - | - | - | - | - |
| **Total Trade Payables** | **2,428.99** | **-** | **4,684.00** | **694.93** | **-** | **0.45** | **7,808.37** |

**As at 31 March 2022**

| Particulars | Unbilled | Current but not due | Outstanding for | | | | Total |
|---|---|---|---|---|---|---|---|
| | | | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Undisputed Dues - Others | 4.46 | - | - | - | - | - | 4.46 |
| Undisputed Dues - MSME | - | - | - | - | - | - | - |
| Disputed Dues - Others | - | - | - | - | - | - | - |
| Disputed Dues - MSME | - | - | - | - | - | - | - |
| **Total Trade Payables** | **4.46** | **-** | **-** | **-** | **-** | **-** | **4.46** |

## 21 Contract Liabilities

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Contract Liabilities (ageing less than 1 year) | 303.00 | - |
| | **303.00** | **-** |

## 22 Other financial liabilities

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Other financial liabilities at amortised cost** | | |
| Security Deposits received | 43.45 | - |
| Capital Creditors | 18.47 | - |
| Employee Related Liabilities | 59.82 | - |
| Interest Accrued but not due on Borrowings | 10.16 | 123.14 |
| **Total other financial liabilities at amortised cost** | **131.90** | **123.14** |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 23 Other current liabilities

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Statutory dues payable | 309.12 | 5.59 |
| Advances received from customers | 736.05 | - |
| **Total Other Current Liabilities** | **1,045.17** | **5.59** |

## 24 Revenue from operations

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Sale of services** | | |
| Services relating to Container freight stations | 46,666.07 | - |
| (A) | 46,666.07 | - |
| **Other operating revenue** | | |
| Business support charges | 68.47 | - |
| Other ancillary services | 116.41 | - |
| (B) | 184.88 | - |
| (A) + (B) | 46,850.95 | - |

## 25 Other income

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Other non-operating income** | | |
| Liability no longer required written back (net) | 778.56 | - |
| Rental income | 39.06 | - |
| Others | 7.90 | - |
| (A) | 825.52 | - |
| **Finance Income** | | |
| Dividend income from Investment in joint venture | 510.70 | |
| Dividend income from Investment in Subsidiary | 924.80 | |
| Interest income on | | |
| - Others Interest Income | 4.26 | |
| - Loan given to other parties | 1.00 | - |
| Miscellaneous income | 1.37 | - |
| (B) | 1,442.13 | - |
| (A) + (B) | 2,267.65 | - |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 26 Cost of services rendered

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Container freight stations expenses** | | |
| Handling and Transportation charges | 24,341.35 | - |
| Power and fuel costs | 2,353.81 | - |
| Repairs and maintenance-Others | 190.07 | - |
| | **26,885.23** | **-** |

## 27 Employee benefits expense

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Salaries, wages and bonus | 3,289.68 | - |
| Contributions to provident and other funds (Refer Note 33) | 113.73 | - |
| Gratuity expenses (Refer Note 33) | 34.48 | - |
| Compensated absences | 36.38 | - |
| Staff welfare expenses | 95.09 | - |
| | **3,569.36** | **-** |

## 28 Depreciation and amortisation

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Depreciation of property, plant and equipment | 954.56 | - |
| Amortisation of intangible assets | 17.21 | - |
| Depreciation on Right of Use Assets | 2,852.74 | - |
| | **3,824.51** | **-** |

## 29 Finance costs

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Interest expense** | | |
| Bank term loan | 145.78 | - |
| Lease obligations | 2,490.56 | - |
| Loan from related party (Refer note 37B) | 468.54 | 136.73 |
| | **3,104.88** | **136.73** |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 30 Other expenses

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Rent | 103.40 | - |
| Travelling expenses | 311.01 | - |
| Legal and professional fees | 968.40 | - |
| Repairs to Building | 30.97 | - |
| Repairs to Others | 359.12 | - |
| Security expenses | 544.78 | - |
| Electricity charges | 338.12 | - |
| Insurance | 220.38 | - |
| Business promotion | 75.47 | - |
| Business Support Charges | 408.14 | - |
| Office expenses | 253.31 | - |
| Rates and taxes | 142.21 | 0.03 |
| Communication charges | 57.67 | 2.01 |
| Donations | 1.54 | - |
| Loss on sale of Property, Plant and Equipment (net) | 10.53 | - |
| Payment to auditors (Refer note below) | 40.00 | 3.72 |
| Provision for doubtful debts /(reversal) under Expected credit loss (ECL) | 27.70 | - |
| Miscellaneous expenses | 249.83 | - |
| | **4,142.58** | **5.76** |
| **Payment to auditors : -** | | |
| As auditor : | | |
| Audit fee | 31.00 | 3.12 |
| Tax audit fee | 7.50 | - |
| Other Capacity : | | - |
| Other Services | 1.50 | 0.60 |
| | **40. 00** | **3.72** |

## 31 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Profit attributable to equity holders: | 6,133.36 | (142.49) |
| Weighted average number of Equity shares for basic EPS | 35 | 35 |
| Nominal Value of Shares, Fully Paid up | 2 | 2 |
| Basic EPS (In Full Rupees) | 17,523,886 | (407,114) |

*The equity shares have been sub-divided to ₹ 2/- face value per share (35 equity shares of ₹ 2/- each).

Pursuant to the scheme of demerger approved by NCLT, 24,56,95,524 equity shares of ₹ 2 each face value are issuable to the shareholders of Allcargo Limited as per 1:1 share exchange ratio as consideration for the transfer of assets and liabilities to the

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

Company. The Company in its Board Meeting held on April 24, 2023 has allotted 24,56,95,524 equity shares to the shareholders of Allcargo Logistics Limited holding as on record date April 18, 2023.

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Profit attributable to equity holders: | 6,133.36 | (142.49) |
| No. of equity shares for diluted EPS calculation | 245,695,524 | 35 |
| Diluted EPS (considering the shares issuable to shareholders of Allcargo Limited pursuant to demerger) (In Full Rupees) | 2.50 | (407,114) |

## 32 Leases:

**(a) The following is the break up of lease liabilities:**

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Current lease liabilities | 1,572.68 | - |
| Non-Current lease liabilities | 35,843.40 | - |
| **Closing Balances** | 37,416.08 | - |

**(b) The following is the movement in lease liabilities:-**

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Opening Balance | - | - |
| Transferred pursuant to demerger scheme | 4,844.71 | - |
| Additions | 33,514.64 | - |
| Finance cost accrued during the year (Refer Note No.29) | 2,490.56 | - |
| Payable to TransIndia Reality and Logistics Parks Limited (for Lease rentals (net)) | (2,665.00) | - |
| Lease payments made during the year | (768.83) | - |
| **Closing Balances** | 37,416.08 | - |

On 28th April 23, the Company has entered into long term lease contract with Transindia Reality and Logistics Parks Limited wherein the rent is payable with effect from 1st April 22, for lease of Land and buildings at certain locations.

**(c) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis for the entire lease period :**

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Within 1 year | 3,787.28 | - |
| Between 1 to 5 years | 25,357.36 | - |
| More than 5 years | 30,999.86 | - |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

# Notes to the Standalone financial statements

## as at and for the year ended 31 March 2023

**(d) Total Expense on Leases for the year ended**

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Lease expense on short term leases (rent) | 103.40 | - |
| Interest expense on lease liabilities | 2,490.56 | - |
| Depreciation on ROU Assets | 2,852.74 | - |
| **Total** | **5,446.70** | - |

## 33 EMPLOYEE BENEFITS:

**The Company has classified the various benefits provided to employees as under:**

**I. Defined Contribution Plans**

a. Employers' Contribution to Provident Fund and Employee's Pension Scheme

b. Employers' Contribution to Employee's State Insurance

During the year, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss for the year ended:

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Employers' Contribution to Provident Fund and Employee's Pension Scheme | 113.48 | - |
| Employers' Contribution to Employee's State Insurance | 0.25 | - |
| **Total Expenses recognised in the Statement of Profit and Loss** | **113.73** | - |

**II. Defined Benefit Plan***

As per the Payment of Gratuity Act, 1972, the Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on resignation or retirement at 15 days salary (last drawn salary) for each completed year of service.

| Contribution to Gratuity Fund | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| **a. Major Assumptions** | (% p.a.) | (% p.a.) |
| Discount Rate | 7.44% | - |
| Salary Escalation Rate @ | 5.00% | - |
| Expected Rate of Return on Asset | 7.65% | - |
| Employee Turnover | Service Based: Service <= 4 years: 16% p.a. Service > 4 years: 8% p.a. | - |
| Retirement Age (Years) | 58.00 | - |

(₹ in Lakhs)

| | | |
|---|---|---|
| **b. Change in Present Value of Obligation** | | |
| Present Value of Obligation as at the beginning of the year | - | - |
| Transfer pursuant to demerger | 278.83 | - |
| Current Service Cost | 35.86 | - |
| Interest Cost | 18.39 | - |
| Benefit paid | (14.79) | - |
| Actuarial (Gain)/ Loss on Obligations | 25.61 | - |
| **Present Value of Obligation as at the end of the year** | **343.90** | **-** |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **c.** | **Reconciliation of Present Value of Plan Assets** | | |
| | Fair Value of Plan Assets as at the beginning of the year | - | |
| | Transfer pursuant to demerger | 285.41 | - |
| | Expected Return of Plan Assets | 19.78 | - |
| | Actuarial Gain/ (Loss) | (6.49) | - |
| | Employer's Contribution | - | - |
| | Benefits Paid | - | - |
| | **Fair Value of Plan Assets as at year end** | **298.70** | **-** |

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **d.** | **Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets** | | |
| | Present Value of Funded Obligation | 343.90 | - |
| | Fair Value of Plan Assets | 298.70 | - |
| | **Funded Status** | **45.20** | **-** |

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **e.** | **Actuarial Gain/ (Loss) recognized during the year** | | |
| | Actuarial Gain/ (Loss) on Plan Assets | (6.49) | - |
| | Actuarial Gain/ (Loss) on Obligation | 19.78 | - |
| | **Net Total** | **13.29** | **-** |

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **f.** | **Total Cost recognised in Total Comprehensive Income** | | |
| | Cost recognised in P&L | 34.46 | - |
| | Remeasurements effects recognised in OCI (gain) / Loss | 32.10 | - |

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **g.** | **Investment details of Plan Assets** | | |
| | Insurer Managed Funds | 298.70 | - |

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **h.** | **Maturity profile of Defined Benefit Obligation** | | |
| | Year 1 | 49.13 | - |
| | Year 2 | 44.96 | - |
| | Year 3 | 30.40 | - |
| | Year 4 | 31.20 | - |
| | Year 5 | 30.51 | - |
| | Year 6-10 | 150.83 | - |

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **i.** | **Sensitivity Analysis for the significant assumptions are as follows** | | |
| | Delta effect of +1% change in the rate of discounting | 322.34 | - |
| | Delta effect of -1% change in the rate of discounting | 368.30 | - |
| | Delta effect of +1% change in the rate of salary increase | 368.71 | - |
| | Delta effect of -1% change in the rate of salary increase | 321.29 | - |
| | Delta effect of +1% change in the employee turnover rate | 342.77 | - |
| | Delta effect of -1% change in the employee turnover rate | 354.09 | - |

*Refer note 42 The management in process of transferring plan assets from Allcargo Logistics Limited to Company.

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 34 Contingent liabilities

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| There are certain litigations / civil cases against the Company. Based on the assessment, Management is confident that these would not result in any material financial obligations against the Company. | 555.75 | - |
| Bank Guarantee Remaining in Force executed in favour of The Regional Officer Maharashtra Pollution Control Board towards Compliance for Pollution Control Board Regarding Pollution Equipment | 5.50 | 5.50 |
| Bank Guarantee Remaining in Force executed in favour of Custom Bond, Export MCC Movement, Project Cargo & Transportation | 5.00 | - |
| Guarantee given to HDFC Bank for providing bank guarantee to subsidiary company | 4,510.00 | - |
| **Total** | **5,076.25** | **5.50** |

## 35 Commitments

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital accounts (net of advances) | 61.79 | - |
| **Total** | **61.79** | **-** |

**36** Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 02 October 2006, certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small Enterprises. The information given is based on the information available with the Company and has been relied upon by the auditors.

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Principal amount remaining unpaid to any supplier as at the year end | 97.06 | - |
| Interest due thereon 31 March 2023: Nil (31 March 2022: ₹ Nil) | - | - |
| Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period. | - | - |
| 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 period) but without adding the interest specified under the MSMED. | - | - |
| Amount of interest accrued and remaining unpaid at the end of the financial year 31 March 2023 : ₹ Nil (31 March 2022: ₹ Nil) | - | - |
| 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 disallowances as a deductible expenditure under the MSMED Act, 2006 | - | - |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 37 (A) Related Party Disclosure:

**(i) Related parties where control exists - Subsidiaries (direct and indirect)**

**Direct Subsidaries :**

Speedy Multimodes Limited (Subsidiary)

**(ii) Other related parties**

**Joint ventures (direct and indirect)**

**Direct joint venture :**

Transnepal Freight Services Private Limited (Joint Venture)

Allcargo Logistics Park Private Limited (Joint Venture)

**(iii) Entities over which key managerial personnel or their relative's exercises significant influence:**

| | | | |
|---|---|---|---|
| 1. | Shashi Kiran Shetty HUF | 102. | Ecu Worldwide Italy S.r.l. (formerly known as Ecu-Line Italia srl.) |
| 2. | Shloka Shetty Trust | 103. | Eurocentre Milan srl. |
| 3. | ACGL Benefit Trust | 104. | Ecu Worldwide (Cote d'Ivoire) sarl (formerly known as Ecu-Line Côte d'Ivoire Sarl) |
| 4. | Avvashya Foundation | 105. | Ecu Worldwide (Japan) Ltd.(formerly known as Ecu-Line Japan Ltd.) |
| 5. | Allcargo Logistics Limited | 106. | Jordan Gulf for Freight Services and Agencies Co. LLC |
| 6. | AGL Warehousing Private Limited | 107. | Ecu Worldwide (Kenya) Ltd. (formerly known as Ecu-Line Kenya Ltd.) |
| 7. | Contech Logistics Solution Private Limited | 108. | Ecu Shipping Logistics (K) Ltd. |
| 8. | ECU International (Asia) Private Limited | 109. | Ecu Worldwide (Malaysia) SDN. BHD. (formerly known as Ecu-Line Malaysia SDN. BHD) |
| 9. | Avvashya Supply Chain Private Limited | 110. | Ecu Worldwide (Mauritius) Ltd.(formerly known as Ecu-Line Mauritius Ltd.) |
| 10. | TransIndia Logistic Park Private Limited | 111. | CELM Logistics SA de CV |
| 11. | Avvashya CCI Logistics Private Limited | 112. | Ecu Worldwide Mexico SA de CV (formerly known as Ecu Logistics de Mexico SA de CV) |
| 12. | Altcargo Oil & Gas Private Limited (under the process of strike-off) | 113. | Ecu Worldwide Morocco S.A. (formerly known as Ecu-Line Maroc S.A.) |
| 13. | ALX Shipping Agencies India Private Limited | 114. | Ecu Worldwide (Netherlands) B.V.(Ecu-Line Rotterdam BV) |
| 14. | Comptech Solutions Private Limited | 115. | Rotterdam Freight Station BV |
| 15. | Gati Limited | 116. | FCL Marine Agencies B.V. |
| 16. | Gati Kintetsu Express Private Limited | 117. | Ecu Worldwide New Zealand Ltd. (formerly known as Ecu-Line NZ Ltd.) |
| 17. | Gati Import Export Trading Private Limited | 118. | Ecu Worldwide (Panama) S.A. (formerly known as Ecu-Line de Panama SA) |
| 18. | Zen Cargo Movers Private Limited | 119. | Ecu-Line Paraguay SA |
| 19. | Gati Logistics Parks Private | 120. | Flamingo Line del Peru SA |
| 20. | Gati Projects Private Limited | 121. | Ecu-Line Peru SA |
| 21. | TransIndia Realty & Logistics Parks Limited | 122. | Ecu Worldwide (Philippines) Inc.(formerly known as Ecu-Line Philippines Inc.) |
| 22. | Allcargo Inland Park Private Limited | 123. | Ecu Worldwide (Poland) Sp zoo (formerly known as Ecu-Line Polska SP. Z.o.o.) |
| 23. | Allcargo Multimodal Private Limited | 124. | Ecu-Line Doha W.L.L. |
| 24. | Jhajjar Warehousing Private Limited | 125. | Ecu-Line Saudi Arabia LLC |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

| | |
|---|---|
| 25. Bhiwandi Multimodal Private Limited | 126. Ecu - Worldwide (Singapore) Pte. Ltd. (formerly known as Ecu-Line Singapore Pte. Ltd.) |
| 26. Allcargo Warehousing Management Private Limited | 127. Ecu Worldwide (South Africa) Pty Ltd. (formerly known as Ecu-Line South Africa (Pty.) Ltd.) |
| 27. Madanahatti Logistics and Industrial Parks Private Limited | 128. Ecu-Line Spain S.L. |
| 28. Marasandra Logistics and Industrial Parks Private Limited | 129. ECU Worldwide Lanka (Private) Ltd. (formerly known as Ecu Line Lanka (Pvt) Ltd.) |
| 29. Avvashya Projects Private Limited | 130. Ecu Worldwide (Thailand) Co. Ltd.(formerly known as Ecu-Line (Thailand) Co. Ltd.) |
| 30. Avvashya Inland Park Private Limited | 131. Société Ecu-Line Tunisie Sarl |
| 31. Dankuni Industrial Parks Private Limited | 132. Ecu Worldwide Turkey Taşımacılık Limited Şirketi (formerly known as Ecu Uluslarasi Tas. Ve Ticaret Ltd. Sti.) |
| 32. Hoskote Warehousing Private Limited | 133. Ecu-Line Middle East LLC |
| 33. Koproli Warehousing Private Limited | 134. Ecu-Line Abu Dhabi LLC |
| 34. Allcargo Shipping Services Private Limited | 135. Eurocentre FZCO |
| 35. Alltrans Logistics Private Limited | 136. Star Express Company Ltd. |
| 36. Allnet Financial Services Private Limited | 137. Ecu Worldwide (UK) Ltd. (formerly known as Ecu-Line UK Ltd) |
| 37. Avash Builders and Infrastructure Private Limited | 138. Ecu Worldwide (Uruguay) S.A. (formerly known as DEOLIX S.A.) |
| 38. Avashya Corporation Private Limited | 139. CLD Compania Logistica de Distribution SA |
| 39. Avashya Holdings Private Limited | 140. Guldary S.A. |
| 40. Indport Maritime Agencies Private Limited | 141. PRISM GLOBAL, LLC |
| 41. Jupiter Precious Gems and Jewellery Private Limited | 142. Ecu worldwide (USA) Inc. [formerly Econocaribe Consolidators, Inc.] |
| 42. Meridien Tradeplace Private Limited | 143. Econoline Storage Corp. |
| 43. N. R. Holdings Private Limited | 144. ECI Customs Brokerage, Inc. |
| 44. Prominent Estate Holdings Private Limited | 145. OTI Cargo, Inc. |
| 45. Sealand Crane Private Limited | 146. Ports International, Inc. |
| 46. Talentos (India) Private Limited | 147. Administradora House Line C.A. |
| 47. Talentos Entertainment Private Limited | 148. Ecu Worldwide Vietnam Joint Stock Company (Formerly known as Ecu Worldwide Vietnam Co. Ltd and Ecu-Line Vietnam Co.Ltd) |
| 48. TransIndia Freight Services Private Limited | 149. Ecu-Line Zimbabwe (Pvt) Ltd. |
| 49. Pirkon Properties Private Limited | 150. Asia Line Ltd |
| 50. Hoskote Warehousing & Industrial Parks Private Limited | 151. Contech Transport Services (Pvt) Ltd |
| 51. Talentos Warehousing & Industrial Parks Private Limited | 152. Prism Global Ltd. |
| 52. SKS Netgate LLP | 153. Eculine Worldwide Logistics Co. Ltd. |
| 53. Panna Estates LLP | 154. FMA-LINE Nigeria Ltd. |
| 54. SKS Realty LLP | 155. Ecu Worldwide (Uganda) Limited |
| 55. Contech Estate LLP | 156. FMA Line Agencies Do Brasil Ltda |
| 56. Panna Infracon Projects LLP | 157. FCL Marine Agencies Belgium bvba |
| 57. Poorn Estates LLP | 158. Allcargo Hong kong Limited (formerly known as Oconca Shipping (HK) Ltd.) |
| 58. Poorn Buildcon LLP | 159. Oconca Container Line S.A. Ltd. |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

59. Allcargo Movers (Bombay) LLP
60. TransIndia Freight LLP
61. Avadh Marketing LLP
62. Verain Commercials LLP
63. Allcargo Logistics Park Private Limited
64. Panvel Industrial Parks Private Limited
65. Allcargo Belgium N.V.
66. Transnepal Freight Services Private Limited
67. AGL Bangladesh Private Limited
68. Allcargo Logistics Lanka (Private) Limited
69. Ecu-Line Algerie sarl
70. Ecu Worldwide (Argentina) SA (formerly known as Ecu Logistics SA)
71. Ecu Worldwide Australia Pty Ltd (formerly known as Ecu-Line Australia Pty Ltd.)
72. Integrity Enterprises Pty Ltd.
73. Ecu Worldwide (Belgium) N.V. (formerly known as Ecu-Line N.V)
74. FMA-Line Holding N.V. (formerly known Ecubro N.V.)
75. Ecuhold N.V.
76. Ecu International N.V.
77. Antwerp Freight Station NV (formerly known as Ecu Global Services N.V.)
78. HCL Logistics N.V.
79. AGL N.V.
80. Allcargo Belgium N.V.
81. Ecu Worldwide Logistics do Brazil Ltda (formerly known as Ecu Logistics do Brasil Ltda.)
82. Ecu Worldwide (Canada) Inc (formerly known as Ecu-Line Canada Inc).
83. Ecu Worldwide (Chile) S.A (formerly known as Ecu-Line Chile S.A)
84. Flamingo Line Chile S.A.
85. Ecu Worldwide (Guangzhou) Ltd.(formerly known as Ecu-Line Guangzhou Ltd)
86. China Consolidation Services Ltd
87. Ecu Worldwide China Ltd. (formerly known as China Consolidation Services Shipping Ltd.)
88. Ecu Worldwide (Colombia) S.A.S.(formerly known as Ecu-Line de Colombia S.A.S)
89. Ecu Worldwide (Cyprus) Ltd.(formerly known as Ecu-Line Mediterranean Ltd.)
90. Ecu Worldwide (CZ) s.r.o. (formerly known as Ecu-Line (CZ) s.r.o).
91. Ecu Worldwide (Ecuador) S.A.(formerly known as Ecu-Line del Ecuador S.A.)
92. Flamingo Line del Ecuador SA
160. Almacen y Maniobras LCL SA de CV
161. ECU WORLDWIDE SERVICIOS SA DE CV
162. ECU TRUCKING, INC.
163. ECU Worldwide CEE SRL
164. Allcargo Logistics Africa (PTY) LTD (formerly known as FMA Line SA (PTY) LTD)
165. Ecu Worldwide Baltics
166. AGL Bangladesh Private Limited
167. Ecu Worldwide (Bahrain) Co. W.L.L.
168. East Total Logistics B.V.
169. PAK DA (HK) LOGISTIC Ltd
170. ECU Worldwide Tianjin Ltd.
171. Allcargo Logistics FZE
172. Allcargo Logistics China Ltd.
173. Asiapac Logistics Mexico SA de CV
174. Gati Asia Pacific Pte Ltd.
175. Gati HongKong Limited
176. Gati Cargo Express (Shanghai) Co. Ltd.
177. Ecu Worldwide (BD) Limited
178. EcuNordicon AB
179. Nordicon AB
180. NORDICON A/S
181. Nordicon Terminals AB
182. RailGate Nordic AB
183. Fair Trade Gmbh Schiffhart, handel und Logistik
184. Asia Express Line GmbH
185. Asiapac Equity Investment Limited
186. ASIAPAC TURKEY TASIMACILIK ANONIM SIRKETI
187. Allcargo Tanzania
188. Asiapac Logistics El Salvador
189. Transnepal Freight Services Pvt.Ltd
190. Ecu Worldwide Peru S.A.C. (formerly known as Ecu Logistics Peru SAC)
191. Fasder S.A.
192. Ecu Worldwide Korea Co., Ltd.
193. Allcargo Logistics Korea Co., Ltd.

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

| | |
|---|---|
| 93. Ecu World Wide Egypt Ltd. (formerly known as Ecu Line Egypt Ltd.) | 194. Aladin Group Holdings Limited |
| 94. Ecu Worldwide (El Salvador) S.P. Z.o.o S.A. de CV (formerly known as Flamingo Line El Salvador SA de CV) | 195. Aladin Express DMCC |
| 95. Ecu Worldwide (Germany) GmbH (formerly known as Ecu-Line Germany GmbH) | 196. ALX Shipping Agency LLC |
| 96. ELWA Ghana Ltd. | 197. FCL Marine Agencies Gmbh (Bermen) |
| 97. Ecu Worldwide (Guatemala) S.A.(formerly known as Flamingo Line de Guatemala S.A.) | 198. Allcargo Logistics Lanka (Private) Limited |
| 98. Ecu Worldwide (Hong Kong) Ltd.(formerly known as Ecu-Line Hong Kong Ltd.) | 199. Trade Xcelerators LLC |
| 99. Ecu International Far East Ltd. | 200. RailGate Europe B.V |
| 100. CCS Shipping Ltd. | 201. Haryana Orbital Rail Corporation Limited |
| 101. PT Ecu Worldwide Indonesia | 202. Allcargo Logistics LLC |
| | 203. SPECHEM SUPPLY CHAIN MANAGEMENT (ASIA) PTE. LTD |

**(iv) Key Management Personnel**

(For Allcargo Terminals Limited)

Mr. Shashi Kiran Shetty

Mrs. Arathi Shetty

Mr. Ravi Jakhar

Mr. Ashish Vijayprakash Chandna

**(v) Relatives of Key Management Personnel**

Mr. Vaishnav Kiran Shetty

Mr. Umesh Kumar Shetty

Mrs. Usha Shetty

Mrs. Subhashini Shetty

Mrs. Shobha Shetty

Mrs. Asha Shetty

Mrs Sushila Shetty

Mr Adarsh Hegde

Mrs Leelavati Hegde

Mr Sudhakar Hegde

Mr Ram Swaroop Jakhar

Mrs Pratibha Ravi Jakhar

Mrs Vimla Jakhar

Ms. Advaya Jakhar

Ms. Araanya Jakhar

**(vi) Enterprises in which Key Management Personnel and relatives of Key Management Personnel have significant influence:**

Meridian Tradeplace Pvt. Ltd.

E-Cipher Technologies LLP

Conserve Buildcon LLP

Jessy Paul (Relative of Mr. Paul Joseph Pudusserry) (Upto 24th Decemeber 2021)

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

All Cargo Logistics Limited

ALX Shipping Agencies India Private Limited

TransIndia Reality and Logistics Parks Limited

Avvashya CCI Logistics Private Limited

Contech Logistics Solutions Pvt. Ltd

## 37 B) Transaction with Related Parties during the year ended:

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Sale of Services** | | |
| Allcargo Logistics Limited | 2,461.46 | - |
| Alx Shipping Agencies India Private Limited | 3.37 | - |
| Avvashya CCI Logistics Private Limited | 287.25 | - |
| Contech Logistics Solutions Pvt. Ltd | 420.63 | - |
| Meridien Tradeplace Private Limited | 16.76 | - |
| Speedy Multimodes Limited | 45.89 | - |
| Aladin Express DMCC | 3.90 | - |
| | 3,235.36 | - |
| **Purchase of Services** | | |
| Allcargo Logistics Limited | 4,154.07 | - |
| Asia Line Ltd | 62.64 | - |
| Avvashya CCI Logistics Private Limited | 13.79 | - |
| Contech Logistics Solutions Pvt. Ltd | 670.66 | - |
| Ecu - Worldwide (Singapore) Pte. Ltd. | 127.45 | - |
| Koproli Warehousing Private Limited | 47.22 | - |
| Meridien Tradeplace Private Limited | 808.90 | - |
| Speedy Multimodes Limited | 248.49 | - |
| Transindia Reality & Logistics Park Limited | 1,891.61 | - |
| Transnepal Frieght Services Private Limited | 18.50 | - |
| | 8,043.32 | - |
| **Business Support Charges received** | | |
| Allcargo Logistics Limited | 1.23 | - |
| TransIndia Reality and Logistics Parks Limited | 27.88 | |
| | 29.11 | - |
| **Business Support Charges paid** | | |
| Allcargo Logistics Limited | 505.26 | - |
| | 505.26 | - |
| **Lease Rent** | | |
| TransIndia Reality and Logistics Parks Limited | 3,075.84 | - |
| | 3,075.84 | - |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Other Expenses** | | |
| Container Freight Station Association of India | 2.00 | - |
| | 2.00 | - |
| **Interest Expense on Loan taken** | | |
| Allcargo Logistics Ltd | 468.54 | 136.73 |
| | 468.54 | 136.73 |
| **Dividend Income** | | |
| Speedy Multimodes Limited | 924.80 | - |
| Transnepal Frieght Services Private Limited | 27.22 | - |
| Allcargo Logistics Park Pvt Limited | 483.48 | - |
| | 1,435.50 | - |
| **Guarantee security fee** | | |
| TransIndia Reality and Logistics Parks Limited | 7.18 | - |
| | 7.18 | - |
| **Business management cost allocation for managing the CFS division on behalf of the Company (pursuant to demerger)** | | |
| Allcargo Logistics Limited | 2,197.23 | - |
| | 2,197.23 | - |
| **Transactions pursuant to demerger** | | |
| Allcargo Logistics Limited | 14,478.71 | - |
| TransIndia Reality and Logistics Parks Limited | 82.61 | |
| | 14,561.32 | - |

## 37 (C) Balance outstanding with Related Parties:

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Trade Payables** | | |
| Allcargo Logistics Limited | 710.44 | - |
| Allcargo Shipping Services Private Limited | 0.24 | - |
| Avvashya CCI Logistics Private Limited | 2.11 | - |
| Contech Logistics Solutions Pvt. Ltd | 55.86 | - |
| Koproli Warehousing Private Limited | 50.99 | - |
| Meridien Tradeplace Private Limited | 46.09 | - |
| Speedy Multimodes Limited | 122.63 | - |
| Transindia Reality & Logistics Park Limited* (Including lease rent payable) | 2,872.66 | - |
| Transnepal Frieght Services Private Limited | 18.50 | - |
| | 3,879.53 | - |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Trade Receivables** | | |
| Allcargo Logistics Limited | 213.98 | - |
| ALX Shipping Services Pvt. Ltd. | 4.20 | - |
| Avvashya CCI Logistics Private Limited | 71.20 | - |
| Contech Logistics Solutions Pvt. Ltd | 14.00 | - |
| Meridien Tradeplace Private Limited | 19.88 | - |
| Speedy Multimodes Limited | 5.12 | - |
| Transindia Reality & Logistics Park Limited | 245.50 | - |
| | **573.89** | **-** |
| **Interest Payable** | | |
| Allcargo Logistics Limited | 10.16 | 123.14 |
| | **10.16** | **123.14** |
| **Loan Payable** | | |
| Allcargo Logistics Limited* | 931.88 | 10,216.91 |
| | **931.88** | **10,216.91** |
| *₹ 9,705 Lakhs has been repaid during the year | | |
| **Recoverable pursuant to demerger scheme** | | |
| Allcargo Logistics Limited | 2,740.00 | - |
| | **2,740.00** | **-** |

*On 28th April 23, the Company has entered into long term lease contract with Transindia Reality and Logistics Parks Limited wherein the rent is payable with effect from 1st April 22, for lease of Land and buildings at certain locations.

## 38 Corporate Social Responsibility

Pursuant to the Scheme of Arrangement and Demerger 24,56,95,524 equity shares of the Company were allotted on April 24, 2023 and Paid-up equity share capital of the Company was increased from ₹ 70/- to ₹ 49,13,91,048/-. In FY 2021-22 the Company was in loss and neither the Net worth nor the Turnover exceeds the limits prescribed under Sec 135 hence the Corporate Social Responsibility is not applicable to the Company.

## 39 Financial risk management objectives and policies

i) The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the policies and processes. Risk assessment and policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and policies and processes.

ii) **Market Risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and it's revenue generating and operating activities.

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

a) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's policy is to keep maximum of its borrowings at fixed rates of interest. At 31 March 2023, 100% of the Company's borrowings are at a fixed rate of interest

iii) **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 from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**Trade Receivables**

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. 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 Companyed into homogenous Companys and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

iv) **Liquidity risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans etc. 15 % of the Company's borrowings including current maturities of non-current borrowings will mature in less than one year at 31 March 2023 based on the carrying value of borrowings including current maturities of non-current borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023

(₹ in Lakhs)

| Particulars | Less than 1 year | More than 1 Year |
|---|---|---|
| Borrowings | **477.13** | **2,717.41** |
| Lease Liability | **1,572.68** | **35,843.40** |
| Trade and Other Payables | **7,808.37** | **-** |

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2022

| Particulars | Less than 1 year | More than 1 Year |
|---|---|---|
| Borrowings | - | 10,216.91 |
| Lease Liability | - | - |
| Trade and Other Payables | 4.46 | - |

**Excessive risk**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 40 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings.

## 41 A. List of subsidiary

| Particulars | % Equity Interest | |
|---|---|---|
| | As at 31 March 2023 | As at March 31, 2022 |
| **a) The list of subsidiary Companies, controlled by the Company :** | | |
| **Indian subsidiaries (Companies incorporated/registered in India) :-** | | |
| **Partially owned subsidiaries** | | |
| 1. Speedy Multimodes Limited (w.e.f. October 1, 2021) | **85%** | 85% |

## B. List of joint ventures

| Particulars | % Equity Interest | |
|---|---|---|
| | As at 31 March 2023 | As at March 31, 2022 |
| **b) The list of Joint ventures is as under*:** | | |
| 1. Allcargo Logistics Park Private Limited | **51%** | |
| 2. Transnepal Freight Services Private Limited | **50%** | |

*Pursuant to demerger scheme above JVs are transferred from Allcargo Logistics Limited to the Company

## 42 Demerger

**Demerger of Container Freight Station and Inland Container Depots business from Allcargo Logistics Limited:**

The Company along with Allcargo Logistics Limited and Transindia Realty and Logistics Parks Limited had filed a Scheme of Demerger ("Scheme") with the National Company Law Tribunal ("NCLT") whereby Container Freight Station ("CFS") and Inland Container Depots ("ICD") business of Allcargo Logistics Limited would be transferred to the Company with effect from appointed date April 01, 2022. As a consideration, 24,56,95,524 equity shares of the Company of ₹ 2 each fully paid up would be issued to the shareholders of Allcargo Logistics Limited (Share Exchange Ratio 1:1). The Company in its Board Meeting held on April 24, 2023 has allotted 24,56,95,524 equity shares to the shareholders of Allcargo Logistics Limited as on record date April 18, 2023.

Further, with issuance and allotment of equity shares by the Company, in accordance with the Scheme the initial issued and paid-up equity capital comprising of 7 equity share of ₹ 10 each, aggregating to ₹ 70 shall stand cancelled. The equity shares have been sub-divided to ₹ 2/- face value per share (35 equity shares of ₹ 2/- each).

NCLT vide its order dated January 05, 2023 approved the Scheme. Certified Copy of the Scheme was filed with ROC on April 01, 2023.

As per the accounting treatment specified in the Scheme and Ministry of Corporate Affairs General Circular No. 09/2019 dated 21st August 2019 (""MCA circular""), assets and liabilities relating to CFS and ICD business have been recognised (at book values as appearing in the books of the Allcargo Logistics Limited) in the books of Company from the appointed date. Pending legal formalities for issue of shares, the face value of equity shares to be issued has been credited to "Equity Shares Pursuant to Demerger" and balance is credited to Capital Reserve.

During the year ended 31st March, 2023, the authorised share capital of the Company has been increased to ₹ 5,500 Lakhs.

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

(₹ in Lakhs)

| Assets acquired and liabilities assumed by the Company as at April 1, 2022 are as follows: | Amount |
|---|---|
| **ASSETS** | |
| **Non-current assets** | |
| Property, Plant and Equipment | 6,966.86 |
| Right of use (net) | 4,562.21 |
| Other intangible assets | 40.37 |
| Intangible under development | 14.86 |
| (i) Investments in Joint Ventures | 436.42 |
| (ii) Loans | 36.87 |
| (iii) Other financial assets | 292.03 |
| Deferred tax assets (net) | 7,399.47 |
| Other non-current assets | 196.11 |
| **Current assets** | |
| Trade and other receivables | 2,211.60 |
| Cash and cash equivalents | 3.79 |
| Loans | 16.27 |
| Recoverable from Allcargo Logistics Limited pursuant to demerger | 1,139.35 |
| Other financial assets | 25.12 |
| Contract Asset | 1,056.68 |
| Other current assets | 673.04 |
| **TOTAL ASSETS (A)** | **25,071.06** |
| **Non-current liabilities** | |
| Financial liabilities | |
| (i) Borrowings | 1,795.96 |
| (ii) Lease liability | 4,453.87 |
| **Total** | **6,249.83** |
| **Current liabilities** | |
| Financial liabilities | |
| (i) Borrowings | 16.38 |
| (ii) Lease liability Current | 390.84 |
| Trade payables | 1,638.25 |
| Other Payables | 2,938.83 |
| Other financial liabilities (Current) | 111.47 |
| Net employment defined benefit liabilities | 135.42 |
| Contract Liability | 276.90 |
| Other current liabilities | 1,129.37 |
| **Total** | **6,637.46** |
| **TOTAL LIABILITIES (B)** | **12,887.29** |
| **Net assets transferred (A)-(B)** | 12,183.76 |
| **Represented by:** | |
| Equity share issuable pursuant to demerger | 4,913.91 |
| Capital Reserve pursuant to demerger | 7,269.85 |
| **Total** | **12,183.76** |

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

## 43 Other Statutory Information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The Company has not advanced or loaned or invested funds to any other persons or entitities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

iii) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

iv) The Company has not enterted any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

v) The Company do not have any transactions with companies struck off.

vi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

## 44 Financial Ratios

| Particulars | Numerator | Denominator | As at March 31, 2023 | As at March 31, 2022 | Variance | Remarks |
|---|---|---|---|---|---|---|
| Current Ratio | Current Assets | Current Liabilities | **0.74** | 0.02 | 3461% | |
| Debt Equity Ratio | Total Debt | Shareholder's Equity | **0.18** | (71.20) | (100%) | |
| Debt Service Coverage Ratio | Earnings for debt service = Net profit after taxes + Non-cash operating expenses+ Interest | Debt service = Interest & Lease Payments + Principal Repayments | **1.13** | (1.04) | (208%) | |
| Return on Equity | Net Profits after taxes | Average Shareholder's Equity | **34%** | (100%) | (134%) | |
| Trade Receivables Turnover Ratio | Net Credit sales | Average accounts receivables | **33.00** | N.A | N.A | |
| Trade Payables Turnover Ratio | Net Credit purchases | Average trade payable | **7.00** | N.A | N.A | |
| Net Capital Turnover Ratio^ | Net sales = Total sales - sales return | Working capital = Current assets – Current liabilities | **(15.71)** | N.A | N.A | |
| Net Profit Ratio | Net Profit | Net sales = Total sales - sales return | **13%** | N.A | N.A | |
| Return on Capital Employed | Earnings before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | **72%** | N.A | N.A | |
| Return on Investment | Interest (Finance income) | Investment | **14%** | N.A | N.A | |

Previous year ratios are not comparable to current year ratios since company has filed for demerger scheme whereby Container Freight Station ("CFS") and Inland Container Depots ("ICD") business of Allcargo Logistics Limited was transferred to the Company. (Refer Note 42)

# Notes to the Standalone financial statements

**as at and for the year ended 31 March 2023**

**45** Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

**46** The previous year's financial statements have been audited by another firm of Chartered Accountants.

**47** As per Management assessment, there are no adjusting events subsequent to March 31, 2023 other than those disclosed in the financial statements.

**As per our report of even date**

**For S.R. Batliboi & Associates LLP**
ICAI firm registration No: 101049W/E300004
Chartered Accountants

**per Aniket Anil Sohani**
Partner
Membership No: 117142

Place: Mumbai
Date: July 05, 2023

**For and on behalf of Board of directors of**
CIN No: U60300MH2019PLC320697

**Suresh Kumar Ramiah**
Director
DIN: 07019419

**Vaishnavkiran Shashikiran Shetty**
Director
DIN: 07077444

**Poornima Sreedhar**
Chief Financial Officer
M.N : 100545

**Hardik Desai**
Company Secretary & Compliance Officer
M.N.: A35491

Place: Mumbai
Date: July 05, 2023

# INDEPENDENT AUDITOR'S REPORT

To the Members of Allcargo Terminals Limited

## Opinion

We have audited the accompanying consolidated financial statements of Allcargo Terminals Limited ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and joint ventures, which comprise the consolidated Balance Sheet as at March 31, 2023 and the consolidated Statement of Profit and Loss, including other comprehensive income, consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated 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 consolidated 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 Group as at March 31, 2023, its profits 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 consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 Companies Act, 2013 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 opinion on the consolidated financial statements.

## Emphasis of Matter

We draw attention to Note 43 of the consolidated financial statements regarding accounting of demerger of 'Container Freight Stations and Inland Container Depot' of Allcargo Logistics Limited ('Demerged Undertaking') into the Holding Company under the Scheme of Arrangement (the 'Scheme') approved by the National Company Law Tribunal ('NCLT'). In accordance with the provisions of Ind AS 103 notified under Companies (Indian Accounting Standards) Rules, 2015 as amended, the Demerger should have been accounted for from the date of transfer of control. However, the same has been accounted for with effect from appointed date i.e. April 1, 2022 in accordance with the Scheme and Circular No. 09/2019 dated August 21, 2019 issued by the Ministry of Corporate Affairs ('MCA'). Our opinion is not modified in respect of this matter.

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint ventures and for preventing and detecting frauds and other irregularities; the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group its joint ventures are responsible for assessing the ability of the Group and jointly ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and its joint ventures when reporting on consolidated financial statements.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

**Other matters**

- We did not audit the financial statements and other financial information, in respect of a subsidiary, whose financial statements include total assets of Rs. 11,580.41 lakhs as at March 31, 2023 and total revenues of Rs. 24,005.36 lakhs and net cash outflows of Rs. 585.03 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management.
- The consolidated financial statements also include the Group's share of net profit of Rs. 487.86 lakhs for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 1 joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and joint venture and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint venture is based solely on the reports of such other auditors.
- The consolidated financial statements of the Group for the year ended March 31, 2022, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 23, 2022.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company and joint venture company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraphs 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
    (a) We / the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
    (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
    (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the

Act, of its subsidiary company and joint venture, none of the directors of the Group's companies, its joint ventures, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company and joint venture company, incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Group in accordance with the provisions of Section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary and joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its joint ventures in its consolidated financial statements – Refer Note 34 to the consolidated financial statements;

ii. The Group, its joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary and joint venture incorporated in India during the year ended March 31, 2023;

iv. a) The respective managements of the Holding Company and its subsidiary and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary and joint venture respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Holding Company or any of such subsidiary and joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary and joint venture respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiary and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary and joint venture shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The dividend declared and paid during the year by its subsidiary and joint venture companies incorporated in India and until the date of the respective audit reports of such subsidiary and joint venture companies is in accordance with section 123 of the Act.

vi. No dividend has been declared or paid during the year by the Holding Company

vii. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 1, 2023 for the Holding Company, its subsidiary and joint venture company incorporated in India, hence reporting under this clause is not applicable.

**For S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

**per Aniket Sohani**
Partner
Membership Number: 117142
UDIN:23117142BGYJBI9903

Mumbai
July 05, 2023

## Annexure 1 to the Independent Auditor's Report

**Re: Allcargo Terminals Limited ('the Company')**

**Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date**

In terms of the financials and explanations sought by us and given by the Holding Company, its subsidiary and joint venture which are companies incorporated in India and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding.

**For S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

**per Aniket Sohani**
Partner
Membership Number: 117142
UDIN:23117142BGYJBI9903

Mumbai
July 05, 2023

## Annexure 2 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Allcargo Terminals Limited

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

In conjunction with our audit of the consolidated financial statements of Allcargo Terminals Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), its joint venture, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated 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, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by 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 with reference to consolidated 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated 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 with reference to consolidated 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 with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated 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 Group and its joint venture, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to 1 subsidiary and 1 joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and joint venture incorporated in India.

**For S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

**per Aniket Sohani**
Partner
Membership Number: 117142
UDIN:23117142BGYJBI9903

Mumbai
July 05, 2023

# Consolidated Balance Sheet

## as at 31 March 2023

(₹ in Lakhs)

| Particulars | Notes | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| (a) Property, Plant and Equipment | 3 | **8,265.77** | 1,531.87 |
| (b) Right of use assets | 4 | **35,796.38** | 793.79 |
| (c) Goodwill | 42 | **3,257.58** | 3,257.58 |
| (d) Other intangible assets | 5 | **3,439.67** | 4,080.34 |
| (e) Intangible under development | 6 | **53.00** | 8.43 |
| (f) Investments accounted for using the equity method | | | |
| (i) Investments in joint ventures | 7 | **2,664.76** | - |
| (g) Financial assets | | | |
| (i) Loans | 8 | **52.20** | - |
| (ii) Other financial assets | 9 | **4,549.52** | 4,617.83 |
| (h) Deferred tax assets (net) | 10 | **6,481.87** | - |
| (i) Non-current tax assets (net) | 11 | **178.06** | 362.26 |
| (j) Other non-current assets | 12 | **52.61** | 39.61 |
| **Current assets** | | | |
| (a) Contract Assets | 21 A | **1,598.64** | 643.17 |
| (b) Financial Assets | | | |
| (i) Investments | 13 | **932.76** | - |
| (ii) Trade receivables | 14 | **5,325.77** | 2,038.52 |
| (iii) Cash and cash equivalents | 15 | **1,312.70** | 937.93 |
| (iv) Loans | 8 | **64.81** | 31.97 |
| (v) Other financial assets | 9 | **2,998.78** | 160.50 |
| (c) Other current assets | 12 | **1,319.45** | 281.61 |
| **Total Assets** | | **78,344.34** | **18,785.41** |
| **Equity** | | | |
| (a) Equity share capital | 16 | **4,913.91** | - |
| (b) Other equity | 17 | **15,662.47** | 289.13 |
| **Equity attributable to equity holders of the parent** | | **20,576.38** | 289.13 |
| Non controlling Interest | | **1,215.72** | 1,255.62 |
| **Total** | | **21,792.10** | **1,544.75** |
| **Non-current liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 18 | **2,717.41** | 10,227.30 |
| (ii) Lease liabilities | 32 | **36,333.94** | 739.80 |
| (b) Employee benefit liabilities | 19 | **330.73** | 218.13 |
| (c) Deferred Tax Liabilities (net) | 10 | **979.89** | 1,212.48 |
| **Total** | | **40,361.97** | **12,397.71** |
| **Current liabilities** | | | |
| (a) Contract Liabilities | 21 B | **506.19** | 198.38 |
| (b) Financial liabilities | | | |
| (i) Borrowings | 18 | **487.51** | 73.47 |
| (ii) Lease liabilities | 32 | **1,821.94** | 214.63 |
| (iii) Trade payables | | | |
| (1) Total outstanding dues to Micro enterprises and Small enterprises (MSME) | 20,36 | **126.09** | - |
| (2) Total outstanding dues of creditors other than MSME | 20 | **10,885.18** | 3,048.32 |
| (iv) Other financial liabilities | 22 | **393.56** | 491.11 |
| (c) Employee benefit liabilities | 19 | **310.61** | 109.98 |
| (d) Other current liabilities | 23 | **1,659.19** | 707.05 |
| **Total** | | **16,190.27** | **4,842.95** |
| **Total Liabilities** | | **78,344.34** | **18,785.41** |
| **Notes to the financial statements** | 1 | | |
| **Significant accounting policies and notes** | 2-49 | | |

The notes referred to above are an integral part of these financial statements

**As per our report of even date attached**

**For S.R. Batliboi & Associates LLP**
ICAI firm registration No: 101049W/E300004
Chartered Accountants

**per Aniket Sohani**

Partner
Membership No: 117142

Place: Mumbai
Date: July 05, 2023

**For and on behalf of Board of directors of**
CIN No: U60300MH2019PLC320697

**Suresh Kumar Ramiah**
Director
DIN: 07019419

**Vaishnavkiran Shashikiran Shetty**
Director
DIN: 07077444

**Poornima Sreedhar**
Chief Financial Officer
M.N : 100545

**Hardik Desai**
Company Secretary & Compliance Officer
M.N.: A35491

Place: Mumbai
Date: July 05, 2023

# Consolidated Statement of Profit and Loss

## for the year ended 31 March 2023

(₹ in Lakhs)

| Particulars | Notes | 31 March 2023 | 31 March 2022 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 24 | **70,570.87** | 12,821.48 |
| Other income | 25 | **1,147.73** | 126.81 |
| **Total Income** | | **71,718.60** | **12,948.29** |
| **Expenses** | | | |
| Cost of services rendered | 26 | **43,760.22** | 8,964.95 |
| Employee benefits expense | 27 | **6,954.02** | 1,926.91 |
| Depreciation and amortisation expenses | 28 | **5,100.33** | 633.60 |
| Finance costs | 29 | **3,190.08** | 187.10 |
| Other expenses | 30 | **5,513.13** | 632.92 |
| **Total Expenses** | | **64,517.78** | **12,345.49** |
| **Profit before tax and share of profit from joint ventures** | | **7,200.82** | **602.80** |
| Share of profits of joint ventures | 7 | **360.41** | - |
| **Profit Before Tax** | | **7,561.23** | **602.80** |
| **Tax expense** | | | |
| Current tax | 10 | **2,760.49** | 333.32 |
| Deferred tax credit | 10 | **(1,056.98)** | (116.27) |
| Adjustment of Taxes relating to earlier years | | **(21.63)** | - |
| **Total Tax expenses** | | **1,681.88** | **217.05** |
| **Profit for the year (A)** | | **5,879.35** | **385.75** |
| **Other Comprehensive Income:** | | | |
| **Items that will not be reclassified subsequently to profit or loss:** | | | |
| Re-measurement gains/(losses) on defined benefit plans (net of tax) | 33 | **(31.21)** | (18.89) |
| | | **(31.21)** | (18.89) |
| **Other Comprehensive Income for the year, net of tax (B)** | | **(31.21)** | (18.89) |
| **Total Comprehensive income for the period, net of tax (A) + (B)** | | **5,848.14** | 366.87 |
| **Profit attributable to:** | | | |
| - Equity Holders of the Parent | | **5,756.19** | 306.51 |
| - Non-controlling Interest | | **123.16** | 79.24 |
| **Other Comprehensive Income rofit attributable to:** | | | |
| - Equity Holders of the Parent | | **(31.34)** | (16.06) |
| - Non-controlling Interest | | **0.13** | (2.83) |
| **Total Comprehensive Income attributable to:** | | | |
| - Equity Holders of the Parent | | **5,724.85** | 290.45 |
| - Non-controlling Interest | | **123.29** | 76.41 |
| **Earnings per equity share** | | | |
| Basic (in full ₹) | 31 | **16,446,257** | **875,836** |
| Diluted (in full ₹) | 31 | **2.34** | **875,836** |
| **Notes to the financial statements** | 1 | | |
| **Significant accounting policies and notes** | 2-49 | | |

The notes referred to above are an integral part of these financial statements

**As per our report of even date attached**

**For S.R. Batliboi & Associates LLP**
ICAI firm registration No: 101049W/E300004
Chartered Accountants

**per Aniket Sohani**
Partner
Membership No: 117142

Place: Mumbai
Date: July 05, 2023

**For and on behalf of Board of directors of**
CIN No: U60300MH2019PLC320697

**Suresh Kumar Ramiah**
Director
DIN: 07019419

**Vaishnavkiran Shashikiran Shetty**
Director
DIN: 07077444

**Poornima Sreedhar**
Chief Financial Officer
M.N : 100545

**Hardik Desai**
Company Secretary & Compliance Officer
M.N.: A35491

Place: Mumbai
Date: July 05, 2023

# Consolidated Statement of Cash Flows

## for the year ended 31 March 2023

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Profit before tax | **7,200.82** | **602.82** |
| Adjustments to reconcile profit before tax to net cash flow: | | |
| Depreciation and amortisation | **5,100.33** | 633.60 |
| Fair value gain on financial instruments | **(12.96)** | - |
| Impairment loss recognized under expected credit loss model | **342.65** | (59.00) |
| Bad debts / advances written off | **-** | 8.00 |
| Liability no longer required written back | **(790.77)** | - |
| Finance costs | **3,190.08** | 187.00 |
| Finance income | **(234.50)** | (101.00) |
| Loss on disposal of property, plant and equipment (net) | **10.54** | 57.00 |
| (Profit) on sale of current investments (net) | **(31.04)** | - |
| | **14,775.15** | **1,328.42** |
| **Working capital adjustments:** | | |
| (Increase) in trade receivables | **(1,599.42)** | (196.72) |
| Decrease / (increase) in loans and advances other financial assets | **(347.14)** | (4,442.00) |
| (Increase) in other current, non current assets (non financial assets) | **(181.67)** | 4,807.00 |
| Increase in trade payables, other current and non current liabilities | **1,316.33** | (549.00) |
| Decrease /(Increase) in contract assets | **101.21** | (643.00) |
| (Decrease) / Increase in Contract Liabilities | **30.95** | 198.00 |
| **Cash generated from operating activities** | **14,095.41** | **502.70** |
| Income tax paid (net of refunds) (net) | **(1,605.29)** | (452.00) |
| **Net cash flows from operating activities (A)** | **12,490.12** | **50.70** |
| | | |
| **Investing activities** | | |
| Proceeds from sale of property, plant and equipment | **4.23** | 88.00 |
| Purchase of property, plant and equipment (including capital work in progress and capital advances) | **(1,074.62)** | - |
| Purchase of Intangible Assets | **(55.89)** | - |
| Purchase of current investments (Net) | **(889.17)** | - |
| Dividend received from Joint Ventures | **510.70** | - |
| Interest income received | **222.50** | 101.00 |
| Acquisition of subsidiary | **-** | (10,201.00) |
| **Net cash flows (used in) investing activities (B)** | **(1,282.24)** | **(10,012.00)** |

# Consolidated Statement of Cash Flows

**for the year ended 31 March 2023**

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Financing activities** | | |
| Repayment of long term borrowings | **(10,061.39)** | - |
| Proceeds from long term borrowings | **1,242.66** | 9,996.93 |
| Proceeds from current borrowings | **(62.00)** | - |
| Lease Payments (including Interest) | **(1,062.13)** | (150.00) |
| Finance costs | **(730.84)** | - |
| Payment of dividend to minority shareholders | **(163.20)** | - |
| **Net cash flows from (used in) / from financing activities (C)** | **(10,836.90)** | **9,846.93** |
| | | |
| **Net increase in cash and cash equivalents (A+B+C)** | **370.98** | **(114.37)** |
| **Cash and cash equivalents at the beginning of the year** | **937.93** | - |
| **Transfer pursuant to demerger / Acquisition of Subsidiary** | **3.79** | 1,052.30 |
| | | |
| **Cash and cash equivalents at the end of year (Refer Note 15)** | **1,312.70** | **937.93** |

**As per our report of even date**

**For S.R. Batliboi & Associates LLP**
ICAI firm registration No: 101049W/E300004
Chartered Accountants

**per Aniket Sohani**
Partner
Membership No: 117142

Place: Mumbai
Date: July 05, 2023

**For and on behalf of Board of directors of**
CIN No: U60300MH2019PLC320697

**Suresh Kumar Ramiah**
Director
DIN: 07019419

**Vaishnavkiran Shashikiran Shetty**
Director
DIN: 07077444

**Poornima Sreedhar**
Chief Financial Officer
M.N : 100545

**Hardik Desai**
Company Secretary & Compliance Officer
M.N.: A35491

Place: Mumbai
Date: July 05, 2023

# Statement of Changes in Equity

## for the year ended 31 March 2023

### (A) Equity Share Capital:

**Equity shares of INR 10 each issued, subscribed and fully paid**

(₹ in Lakhs, unless otherwise stated)

| Particulars | No. | Amount |
|---|---|---|
| **At 1 April 2021** | - | - |
| Issue of share capital (₹ 70 only) | 7 | - |
| **At 1 April 2022** | **7** | **-** |
| Issue of share capital (₹ 70 only) | - | - |
| **At 31 March 2023*** | **35** | **-** |
| *The equity shares have been sub-divided to ₹ 2/- face value per share (35 equity shares of ₹ 2/- each) | | |
| Equity share issuable pursuant to demerger | **245,695,524** | 4,913.91 |
| | **245,695,524** | 4,913.91 |

### (B) Other Equity

(₹ in Lakhs)

| Particulars | Reserves & Surplus | | Items of OCI | Total other equity attributable to equity holders of the holding Company | Non Controlling Interests | Total other equity |
|---|---|---|---|---|---|---|
| | Retained earnings | Capital Reserve (Pursuant to Demerger) (Refer Note 43) | Remeasurements of Gains / (Loss) on defined benefits plans | | | |
| **Balance as at 1 April 2021** | **(1.36)** | **-** | **-** | **(1.36)** | **-** | **(1.36)** |
| Net Profit / (Loss) for the year | 306.55 | - | - | 306.55 | 79.24 | 385.79 |
| Other comprehensive income | - | - | (16.06) | (16.06) | (2.83) | (18.89) |
| On Obtaining control in Subsidiary | - | - | - | - | 1,179.22 | 1,179.22 |
| **As at 31 March 2022** | **305.19** | **-** | **(16.06)** | **289.13** | **1,255.62** | **1,544.76** |
| Pursuant to demerger | **-** | **9,648.49** | **-** | **9,648.49** | **-** | **9,648.49** |
| Net Profit for the year | **5,756.19** | **-** | **-** | **5,756.19** | **123.16** | **5,879.35** |
| Other comprehensive income | **-** | **-** | **(31.34)** | **(31.34)** | **0.13** | **(31.21)** |
| Dividend Paid | **-** | **-** | **-** | **-** | **(163.20)** | **(163.20)** |
| **As at 31 March 2023** | **6,061.38** | **9,648.49** | **(47.40)** | **15,662.47** | **1,215.72** | **16,878.19** |

**As per our report of even date attached**

**For S.R. Batliboi & Associates LLP**
ICAI firm registration No: 101049W/E300004
Chartered Accountants

**per Aniket Sohani**
Partner
Membership No: 117142

Place: Mumbai
Date: July 05, 2023

**For and on behalf of Board of directors of**
CIN No: U60300MH2019PLC320697

**Suresh Kumar Ramiah**
Director
DIN: 07019419

**Vaishnavkiran Shashikiran Shetty**
Director
DIN: 07077444

**Poornima Sreedhar**
Chief Financial Officer
M.N : 100545

**Hardik Desai**
Company Secretary & Compliance Officer
M.N.: A35491

Place: Mumbai
Date: July 05, 2023

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 1. Group Overview

Allcargo Terminals Limited (hereinafter referred to as the 'Holding Company', 'Parent'),its subsidiaries (the holding Company and its subsidiaries together referred to as "the Group"), is engaged in the business of operating Container Freight Stations.

Allcargo Terminals Limited was formed with a vision to tap the opportunities that lie in the terminals space owing to the increasing EXIM trade opportunity in India. It operates on an asset light business model and the core business comprises of Container Freight Stations (CFS) and Inland Container Depots (ICD). CFS and ICDs are an extension of port infrastructure and offer activities like Customs inspection/clearance, Stuffing/Destuffing, Weighment and storage, among others. The Holding company is one of the largest CFS operator in India with combined installed capacity of over one million square feet.

Our Company was incorporated on February 05, 2019 as a Private Limited Company under the Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra and was converted into public limited w.e.f. January 10, 2022. The Corporate Identification Number of our Company is U60300MH2019PLC320697

**Demerger**

**Acquisition of Container Freight Stations/Inland Container Depots and other related logistics businesses of Allcargo Logistics Limited through (Scheme) of Demerger**

In accordance with the Scheme of Arrangement (Scheme) between the Holding Company and Allcargo Logistics Limited as approved by Hon'ble National Company Law Tribunal on 5th January 2023, Container Freight Stations/Inland Container Depots (logistics businesses), were demerged and transferred to the Holding Company with effect from the Appointed date of April 1, 2022 (appointed date), in consideration of 24,56,95,524 equity shares of the Holding Company of ₹ 2 each fully paid up for every equity shares held in All Cargo Logistics Limited (ALL) of ₹ 2 each fully paid up. The effective date of the Scheme was 01st April 2022.

Pursuant to the scheme of demerger approved by NCLT, 24,56,95,524 equity shares of ₹ 2 each face value issuable to the shareholders of Allcargo Limited as per 1:1 share exchange ratio as consideration for the transfer of assets and liabilities to the Holding Company. The Holding Company in its Board Meeting held on April 24, 2023 has allotted 24,56,95,524 equity shares to the shareholders of Allcargo Logistics Limited holding as on record date April 18, 2023.

Along with issuance and allotment of equity shares by the Holding Company in accordance with the scheme of demerger as above, the initial issued and paid-up equity capital of the Holding Company comprising of 7 equity share of Rs.10 each, aggregating to ₹ 70 shall stand cancelled. The equity shares have been sub-divided to ₹ 2/- face value per share (35 equity shares of ₹ 2/- each). During the year ended 31st March 2023, the authorized share capital of the Holding Company has been increased to ₹ 55,00,00,000 (Rupees fifty five crores only)

As per the provisions of the Scheme, transfer of the above business into the Holding Company have been accounted in the Financial Statements at book values as appearing in the books of the Demerged Company as on the close of business on the day immediately prior to the appointed date.

As and from the appointed date, upto and including the effective date, All Cargo Logistics Limited shall carry on and deemed to have carried on its business and activities and shall stand possessed of all assets and properties in trust for the Holding Company and shall account for the same to the Holding Company.

## 2. Significant accounting policies

### 2.1 Basis of preparation

The Consolidated Financial Statements "CFS" of the Group have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) (Amendment) Rules, 2015 (as amended from time to time) under the provisions of the Companies Act, 2013 (the 'Act') and Presentation requirements of the Division II of the schedule III to companies act 2013(Ind AS Compliant Schedule III). These CFS are prepared under the historical cost convention on the accrual basis acquired under business combinations, derivative financial instruments and certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments). The CFS have been prepared on a going concern basis.

The financial statements are presented in INR and all values are rounded to the nearest rupees in Lakhs except when otherwise indicated.

**Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is:

- It is expected to be settled in normal operating cycle

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

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

All other liabilities as 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 Group has identified twelve months as its operating cycle.

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

### 2.2 Basis of consolidation

**Subsidiaries**

The CFS comprise the financial statements of the holding Company and its subsidiary as at 31st March, 2023.

**Subsidiary:**

Speedy Multimodes Limited (subsidiary w.e.f. October 31, 2021) (85% holding)

Control is achieved when the Group is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has all of the below:

a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

b) Exposure or rights to variable returns from its involvement with the investee and

c) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a) The contractual arrangement with the other vote holders of the investee

b) Rights arising from other contractual arrangements

c) The Group's voting rights and potential voting rights

d) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

CFS are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding Company.i.e. period ended 31st March.

**Consolidation procedure:**

Combine like items of assets, liabilities, equity, income, expenses of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 *Income Taxes* applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

**2.3 Summary of significant accounting policies**

**a. Business combinations**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing output.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 *Employee Benefits* respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms economic circumstances and pertinent conditions as at the acquisition date If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognized in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for noncontrolling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

**b. Investment in joint ventures accounted for using the Equity Method**

**Investment in Joint Ventures**

Joint ventures:

Transnepal Freight Services Pvt. Ltd. (50% holding) and Allcargo Logistics Park Pvt.Ltd. (ALPPL) (51% holding)

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries. The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the Statement of Changes in Equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the Consolidated Statement of Profit and Loss.

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the Consolidated Statement of Profit and Loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

**c. Foreign currencies**

Exchange differences arising on translation / settlement of foreign currency monetary items are recognised as income or expenses in the period in which they arise.

**d. Revenue recognition**

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 Group expects to be entitled in exchange for those goods or services.

**Container freight station income**

Income from Container Handling is recognised on completion of its performance obligation.

Income from Ground Rent is recognised for the period the container is lying in the Container Freight Station as per the terms of arrangement with the customers.

Further, a subsidiary Company recognises revenue in case of one of the Customer (which is Government Undertaking) as per the Commercial arrangements agreed with them. The same is as per normal customary Trade Practice followed in the business of the Customers.

**Others**

Reimbursement of cost is netted off with the relevant expenses incurred, since the same are incurred on behalf of the customers.

Interest income is recognised on time proportion basis. Interest income is included in finance income in the Statement of Profit and Loss.

Dividend income is recognised when the Group's right to receive the payment is established i.e. the date on which shareholders approve the dividend.

Business support charges are recognized as and when the related services are rendered.

**e. Contract Balances**

Contract balances include trade receivables, contract assets and contract liabilities.

**Trade receivables**

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are separately disclosed in the financial statements.

**Contract assets**

Contract asset includes the costs deferred for Container freight stations operations relating to import handling and transport activities where the Group's performance obligation is yet to be completed.

Additionally, a contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

**Contract liabilities**

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

**f. Taxes**

**Current Income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

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

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

a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI (Other Comprehensive Income) or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in Consolidated statement of profit and loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**Minimum Alternate Tax:**

According to section 115JAA of the Income Tax Act, 1961, Minimum Alternative Tax ('MAT') paid over and above the normal income tax in a subject year is eligible for carry forward for fifteen succeeding assessment years for set-off against normal income tax liability. The MAT credit asset is assessed against the normal income tax during the specified period.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

**g. Property, plant and equipment**

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

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised 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 recognised in Consolidated Statement of Profit and Loss as incurred.

**Depreciation**

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follow :

| Category | Useful lives ( in years) |
|---|---|
| Building | 20 to 30 |
| Plant and machinery | 10 to 15 |
| Heavy equipments | 12 |
| Furniture and fixtures | 10 |
| Vehicles | 8 to 10 |
| Computers | 3 to 6 |
| Office equipments | 5 |
| Trucks and Trailors | 8 |
| Other tangible assets | 3 to 7 |
| Leasehold Land & Building | 3 to 30 |

Leasehold improvements shorter of the estimated useful life of the asset or the lease term not exceeding 10 years

Assets individually costing less than ₹ 5000 are fully depreciated in the year of acquisition.

The Group, based on internal assessment and management estimate, depreciates certain items of Heavy Equipments and Office Equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. 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.

An item of property, plant and equipment and any significant part initially recognised is derecognised 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 Consolidated statement of profit and loss when the asset is derecognised. 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.

**h. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

**Amortisation**

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

| Category | Useful lives ( in years ) |
|---|---|
| Customer relationships | 5 to 10 |
| Computer softwares | 3 to 6 |
| License Fees | 6 |

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

i. **Impairment of Non-Financial Assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group 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 the value in use, the estimated future cash flows are discounted to their present value using a post-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 costsof disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

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

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset exceeds neither its recoverable amount nor the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Consolidated Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

j. **Borrowing costs**

Borrowing costs includes interest and amortisation of ancillary cost over the period of loans which are incurred in connection with arrangements of borrowings.

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

k. **Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group 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 Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Group does not have any Right-of-use assets which are depreciated on a straight-line basis for the period shorter of the lease term. The right-of- use assets are also subject to impairment. Refer to the accounting policies in section for Impairment of non-financial assets.

ii) **Lease Liabilities**

The Group recognises lease liabilities measured at the present value of lease payments to be made over the balance lease term. In calculating

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the transition 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).

**iii) Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases i.e., those leases that have a lease term of 12 months or less from the date of transition. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense over the lease term.

**l. Provisions**

Provisions are recognised when the Group 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. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**m. Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extreme rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

**n. Retirement and other employee benefits**

**Current employee benefits**

Employee benefits payable wholly within twelve months of availing employee services are classified as current employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of current employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognized in the period in which the employee renders the related service.

**Post-employment benefits**

**Defined contribution plans:**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Indian subsidiaries makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution of these Indian subsidiaries is recognized as an expense in the Statement of Profit and Loss during the period in which employee renders the related service. There are no other obligations other than the contribution payable to the Provident Fund and Employee State Insurance Scheme.

**Defined benefit plan:**

Gratuity liability, wherever applicable, is provided for on the basis of an actuarial valuation done as per projected unit credit method, carried out by an independent actuary at the end of the year. The Groups'gratuity benefit scheme is a defined benefit plan.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. The Group presents the leave as a short-term provision in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as long-term provision.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

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. Remeasurements are not reclassified to Statement of Profit and Loss in subsequent periods.

**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 the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. 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 Group commits to purchase or sell the asset.

**Subsequent measurement**

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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

**i. Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met –

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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 Group. 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 Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

**ii. Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**iii. Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**iv. Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss.

Equity investments made by the Group in associates and joint ventures are carried at cost.

**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 a Groups's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- The Group has transferred its rights to receive cash flows from the asset and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**Impairment of financial assets**

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets which are not fair valued through Statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL at each reporting date, right from its initial recognition. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

As a practical expedient, The Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, 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 Groups's financial liabilities include trade and other payables, loans and borrowings.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and 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

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

respective carrying amounts is recognised in the Statement of Profit and Loss.

**p. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are 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.

**q. Segments**

As the Group operates a single business i.e Container Freight Stations, accordingly, segment reporting is not applicable to the Group.

**r. Cash dividend and non-cash distribution to equity holders of the parent**

The Group recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. 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.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the Statement of Profit and Loss.

**s. Earnings per equity share**

Basic earnings per share (EPS) amounts is calculated by dividing the profit for the period attributable to equity holders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit of 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.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 3.1 Property, plant and equipment

| Particulars | Building | Computers | Heavy Equipment | Furniture & Fixtures | Leasehold Improvements | Office Equipment | Plant & Machinery | Vehicles | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Gross Block** | | | | | | | | | |
| Balance as at 1 April 2021 | - | - | - | - | - | - | - | - | - |
| On Acquisition of a Subsidiary | 1,766.41 | 174.54 | - | 57.55 | - | 192.94 | 738.33 | 944.34 | 3,874.11 |
| Additions | 0.38 | 15.04 | - | 1.81 | - | 3.73 | - | 42.00 | 62.96 |
| Disposals | - | - | - | - | - | - | (82.65) | (71.91) | (154.56) |
| **Balance as at 31 March 2022** | **1,766.79** | **189.58** | **-** | **59.36** | **-** | **196.67** | **655.68** | **914.43** | **3,782.51** |
| Transferred pursuant to demerger scheme | **6,083.18** | **316.94** | **2,061.34** | **857.00** | **337.80** | **451.42** | **4,074.33** | **6.42** | **14,188.43** |
| Additions | **0.26** | **124.85** | **-** | **24.94** | **-** | **37.79** | **897.81** | **6.97** | **1,092.62** |
| Disposals | **-** | **(40.12)** | **-** | **(15.65)** | **-** | **(71.78)** | **(58.26)** | **-** | **(185.81)** |
| **Balance as at 31 March 2023** | **7,850.23** | **591.25** | **2,061.34** | **925.65** | **337.80** | **614.10** | **5,569.56** | **927.82** | **18,877.75** |
| **Accumulated Depreciation** | | | | | | | | | |
| Balance as at 1 April 2021 | - | - | - | - | - | - | - | - | - |
| On Acquisition of a Subsidiary | 1,267.23 | 137.71 | - | 29.11 | - | 130.33 | 180.30 | 385.63 | 2,130.31 |
| Depreciation | 71.69 | 8.74 | - | 2.99 | - | 11.10 | 27.10 | 53.13 | 174.75 |
| Disposals | - | - | - | - | - | - | (6.36) | (48.06) | (54.42) |
| **Balance as at 31 March 2022** | **1,338.92** | **146.45** | **-** | **32.10** | **-** | **141.43** | **201.04** | **390.70** | **2,250.64** |
| Transferred pursuant to demerger scheme | **1,401.26** | **273.03** | **1,676.19** | **692.06** | **148.50** | **402.51** | **2,621.93** | **6.08** | **7,221.56** |
| Depreciation | **406.67** | **73.48** | **209.12** | **69.47** | **22.27** | **51.80** | **354.44** | **124.02** | **1,311.27** |
| Disposals | **-** | **(40.59)** | **-** | **(14.22)** | **-** | **(71.74)** | **(44.94)** | **-** | **(171.49)** |
| **Balance as at 31 March 2023** | **3,146.85** | **452.37** | **1,885.31** | **779.41** | **170.77** | **524.00** | **3,132.47** | **520.80** | **10,611.98** |
| **Net Block** | | | | | | | | | |
| **As at 31 March 2023** | **4,703.38** | **138.88** | **176.03** | **146.24** | **167.03** | **90.10** | **2,437.09** | **407.02** | **8,265.77** |
| **As at 31 March 2022** | 427.87 | 43.13 | - | 27.26 | - | 55.24 | 454.64 | 523.73 | 1,531.87 |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 4 Right-of-use Assets

(₹ in Lakhs)

| Particulars | Land | Building | Total |
|---|---|---|---|
| **Gross Block** | | | |
| Balance as at 1 April 2021 | - | - | - |
| On Acquisition of a Subsidiary | - | 803.35 | 803.35 |
| Additions | - | 100.28 | 100.28 |
| **Balance as at 31 March 2022** | **-** | **903.63** | **903.63** |
| Transferred pursuant to demerger scheme | **5,193.80** | **52.71** | **5,246.51** |
| Additions | **15,153.49** | **18,361.16** | **33,514.65** |
| Disposals | **-** | **-** | **-** |
| **Balance as at 31 March 2023** | **20,347.29** | **19,317.50** | **39,664.79** |
| **Accumulated Depreciation** | | | |
| Balance as at 1 April 2021 | - | - | - |
| Depreciation | - | 109.84 | 109.84 |
| **Balance as at 31 March 2022** | **-** | **109.84** | **109.84** |
| Transferred pursuant to demerger scheme | **631.59** | **52.72** | **684.31** |
| Depreciation | **1,378.97** | **1,695.29** | **3,074.26** |
| **Balance as at 31 March 2023** | **2,010.56** | **1,857.85** | **3,868.41** |
| **Net Block** | | | |
| **As at 31 March 2023** | **18,336.73** | **17,459.65** | **35,796.38** |
| **As at 31 March 2022** | **-** | **793.79** | **793.79** |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 5 Other Intangible assets

(₹ in Lakhs)

| Particulars | License Fees | Software | Customer Relationships | Total |
|---|---|---|---|---|
| **Gross Block** | | | | |
| Balance as at 1 April 2021 | - | - | - | - |
| On Acquisition of a Subsidiary | 71.93 | 10.05 | 4,400.00 | 4,481.98 |
| Additions | - | 0.50 | - | 0.50 |
| **Balance as at 31 March 2022** | **71.93** | **10.55** | **4,400.00** | **4,482.48** |
| Transferred pursuant to demerger scheme | **-** | **183.60** | **-** | **183.60** |
| Additions | **33.43** | **0.33** | **-** | **33.76** |
| **Balance as at 31 March 2023** | **105.36** | **194.48** | **4,400.00** | **4,699.84** |
| **Accumulated Amortization** | | | | |
| Balance as at 1 April 2021 | - | - | - | - |
| On Acquisition of a Subsidiary | 51.01 | 2.13 | - | 53.14 |
| Amortisation | 3.14 | 0.86 | 345.00 | 349.00 |
| **Balance as at 31 March 2022** | **54.15** | **2.99** | **345.00** | **402.14** |
| Transferred pursuant to demerger scheme | **-** | **143.23** | **-** | **143.23** |
| Amortisation | **5.84** | **18.96** | **690.00** | **714.80** |
| **Balance as at 31 March 2023** | **59.99** | **165.18** | **1,035.00** | **1,260.17** |
| **Net Block** | | | | |
| **As at 31 March 2023** | **45.37** | **29.30** | **3,365.00** | **3,439.67** |
| **As at 31 March 2022** | **17.78** | **7.56** | **4,055.00** | **4,080.34** |

## 6 Intangible assets under development

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Intangible Assets under development | **53.00** | 8.43 |

***Ageing of Intangible Assets under Development is as below :**

(₹ in Lakhs)

| Particulars | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
|---|---|---|---|---|---|
| **As at 31 March 2023** | **53.00** | **-** | **-** | **-** | **53.00** |
| **As at 31 March 2022** | 8.43 | - | - | - | 8.43 |

*Intangible Asset under development completion is not overdue

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 7 Investments in joint ventures

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Unquoted Equity Instrument (fully paid-up)** | | |
| Investment in Allcargo Logistics Park Private Limited 38,67,840 (31 March 2022: NIL) equity shares of ₹ 10 each | **1,771.52** | - |
| Investment in Transnepal Freight Services Private Limited 43,600 (31 March 2022: NIL) equity shares of Nepalese ₹ 100 each | **893.24** | - |
| **Total** | **2,664.76** | **-** |

The following table provides aggregated summarized financial information for the Group's joint ventures as it relates to the amounts recognized in the group income statement and on the group balance sheet:

(₹ in Lakhs)

| Particulars | Investments in joint ventures as at | | |
|---|---|---|---|
| | Allcargo Logistics Park Private Limited | Transnepal Freight Services Private Limited | Total |
| **As at 31 March 2022** | - | - | - |
| Transferred pursuant to Demerger (Refer Note 43) | 1,767.14 | 1,047.91 | 2,815.05 |
| Share of profit / (loss) for the year | 487.86 | (127.45) | 360.41 |
| Less: Dividend received | (483.48) | (27.22) | (510.70) |
| **As at 31 March 2023** | **1,771.52** | **893.24** | **2,664.76** |

**The following table provides the summarised financial information related to Joint Ventures :**

(₹ in Lakhs)

| Summarised Balance Sheet as at 31 March 2023: | Allcargo Logistics Park Private Limited | Transnepal Freight Services Private Limited |
|---|---|---|
| Current assets | 1,900.58 | 550.45 |
| Non-current assets | 2,625.45 | 1,300.53 |
| Current liabilities | (541.72) | (64.51) |
| Non-Current liabilities | (510.73) | - |
| **Equity** | **3,473.58** | **1,786.47** |
| Proportion of the Group's ownership | 51.00% | 50.00% |
| Groups' share of equity in Joint Venture | 1,771.52 | 893.24 |
| **Additional information:** | | |
| Cash and cash equivalent | 176.05 | 290.15 |
| Non-current financial liabilities | (510.73) | - |
| **Reconciliation of Carrying amount of investments in joint ventures** | | |
| **Group's share in total equity** | **1,771.52** | **893.24** |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

(₹ in Lakhs)

| **Summarised statement of Profit and Loss:** | **Allcargo Logistics Park Private Limited** | **Transnepal Freight Services Private Limited** |
|---|---|---|
| **Revenue** | | |
| Sale of services | 4,718.25 | 1,347.43 |
| Finance income | 49.65 | - |
| Other income | 15.40 | 29.25 |
| Cost of services rendered | (2,881.61) | (1,017.94) |
| Depreciation & amortization | (138.42) | (106.89) |
| Finance cost | (41.33) | - |
| Employee benefit | (357.92) | (249.39) |
| Other expense | (388.64) | (220.81) |
| **Profit / (loss) before tax** | **975.38** | **(218.35)** |
| Income tax expense | (18.79) | (36.55) |
| **Profit for the year** | **956.59** | **(254.90)** |
| **Group's net share of profit / (loss) the year recognised in Consolidated Statement of Profit and Loss** | **487.86** | **(127.45)** |

## 8 Loans

(₹ in Lakhs)

| **Particulars** | **Non-Current** | | **Current** | |
|---|---|---|---|---|
| | **31 March 2023** | **31 March 2022** | **31 March 2023** | **31 March 2022** |
| **Unsecured, considered good** | | | | |
| Loans to employees | **52.20** | - | **64.81** | 31.97 |
| **Total** | **52.20** | **-** | **64.81** | **31.97** |

## 9 Other Financial Assets

(₹ in Lakhs)

| **Particulars** | **Non-Current** | | **Current** | |
|---|---|---|---|---|
| | **31 March 2023** | **31 March 2022** | **31 March 2023** | **31 March 2022** |
| **Security deposits** | | | | |
| Unsecured, considered good | 300.80 | 11.15 | 81.20 | 6.23 |
| (A) | **300.80** | **11.15** | **81.20** | **6.23** |
| **Other bank balances** | | | | |
| Deposit with original maturity of more than 12 months | 4,248.72 | 4,606.68 | - | - |
| (B) | **4,248.72** | **4,606.68** | **-** | **-** |
| Recoverable from Allcargo Logistics Limited pursuant to demerger scheme | - | - | 2,740.00 | - |
| Interest accrued on fixed deposits | - | - | 166.23 | 154.27 |
| Others | | | 11.35 | - |
| (C) | **-** | **-** | **2,917.58** | **154.27** |
| **Total Other financial assets (A+B+C)** | **4,549.52** | **4,617.83** | **2,998.78** | **160.50** |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 10 Income Tax & Deferred tax Liabilities (net)

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| **Deferred Tax Assets / (Liabilities)** | | |
| Deferred tax relates to the following: | | |
| Fixed assets and Lease Liability | **(144.60)** | (306.45) |
| Provision for doubtful trade receivables | **129.17** | 16.38 |
| Provision for compensated absences | **93.42** | 18.86 |
| Fair Valuation of Security Deposit | **505.68** | 239.55 |
| MAT Credit Entitlement | **5,911.38** | - |
| Others | **(13.19)** | - |
| Amortisation of Intangibles | **(979.89)** | (1,180.82) |
| **Deferred Tax Assets / (Liabilities)** | **5,501.98** | **(1,212.48)** |
| **Deferred Tax Assets** | **6,481.87** | **-** |
| **Deferred Tax (Liabilities)** | **(979.89)** | **(1,212.48)** |
| **Reconciliation of Deferred tax Assets / Liabilities** | | |
| As of 31 March 2022 (net) | **(1,212.48)** | - |
| Transferred pursuant to demerger | **7,399.47** | |
| Acquisition of subsidiary | **-** | (1,328.75) |
| Deferred tax credit | **1,056.98** | 116.27 |
| MAT credit utilisation | **(1,741.99)** | - |
| **As of 31 March 2023 (net)** | **5,501.98** | **(1,212.48)** |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

**The major components of income tax expense for the year ended 31st March, 2023 :**

**Statement of profit and loss:**

(₹ in Lakhs)

| Profit or loss section | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Current income tax:** | | |
| Current income tax charge | **2,760.49** | 333.32 |
| Adjustments in respect of current income tax of previous year | **(21.63)** | - |
| **Deferred tax:** | | - |
| Relating to origination and reversal of temporary differences | **(1,056.98)** | (116.27) |
| **Income tax expense reported in the statement of profit or loss** | **1,681.88** | **217.05** |
| | | |
| **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023:** | | |
| **Accounting profit before tax (before share of profit of Joint Venture)** | **7,200.82** | 602.80 |
| At India's statutory income tax rate of 34.944% (29.12% for 31 March 2022) | **2,516.25** | 175.54 |
| | | |
| **Computed tax expenses** | | |
| Tax on Dividend from Joint Ventures & Subsidiary (eliminated in consolidation) | **501.62** | - |
| 80 IA deduction for certain CFS facilities | **(1,249.28)** | - |
| Expenses not allowed for tax purpose | **105.31** | - |
| Tax Effect of earlier years | **(21.63)** | - |
| Setoff of brought forward losses | **(50.04)** | - |
| Others | **(120.34)** | 41.51 |
| **At the effective income tax rate** | **1,681.88** | **217.05** |
| Income tax expense reported in the statement of profit and loss | **1,681.88** | **217.05** |
| | **1,681.88** | **217.05** |

## 11 Non-Current Tax Assets (net)

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Advance tax recoverable (net of provision for tax) | **178.06** | 362.26 |
| **Total Non current tax Assets** | **178.06** | **362.26** |

## 12 Other Assets

**Unsecured considered good, unless stated otherwise**

(₹ in Lakhs)

| Particulars | Non-Current | | Current | |
|---|---|---|---|---|
| | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 |
| Prepaid expenses | **12.40** | 2.78 | **962.66** | 175.07 |
| Receivables from Government Authorities | **37.36** | 36.83 | **4.57** | 73.55 |
| Advances for supply of services | **2.85** | - | **286.69** | 32.99 |
| Other advances | **-** | - | **65.53** | - |
| **Total Other Assets** | **52.61** | **39.61** | **1,319.45** | **281.61** |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 13 Current Investments (at fair value through profit & loss)

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Investments at fair value through statement of profit and loss** | | |
| **(Market value of Investment at FVTPL is equal to carrying value) (Unquoted Mutual Fund)** | | - |
| DSP Overnight Fund Regular Growth : 14767.449 Units (31 March 2022 : Nil Units) | 176.68 | - |
| ICICI Prudential Overnight Fund Growth : 14681.196 Units (31 March 2022 : Nil Units) | 176.66 | - |
| Nippon India Liquid Fund Growth : 1,655.958 Units (31 March 2022 : Nil Units) | 90.30 | - |
| Nippon India Overnight Fund : 147164.489 Units (31 March 2022 : Nil Units) | 176.40 | - |
| Tata Liquid Fund Regular Plan : 3876.833 Units (31 March 2022 : Nil Units) | 136.40 | - |
| Tata Overnight Fund Regular Plan Growth : 14974.121 Units (31 March 2022 : Nil Units) | 176.32 | - |
| **Total Investments** | 932.76 | - |

## 14 Trade Receivables

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| (a) Unsecured, Considered good | 4,521.80 | 1,857.79 |
| (b) Unsecured, which have significant increase in Credit Risk | 471.34 | 65.10 |
| | 4,993.14 | 1,922.89 |
| Less: Provisions | | |
| Allowance for doubtful trade receivables | (471.34) | (65.10) |
| | (471.34) | (65.10) |
| **Receivables from related Parties (Refer Note 37 C)** | 803.97 | 180.73 |
| | 5,325.77 | 2,038.52 |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

**Ageing of Trade Receivables and credit risk arising there from is as below:**

**As at 31 March 2023**

(₹ in Lakhs)

| Particulars | Current but not due | Outstanding for | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed– Trade Receivable considered good | 2,406.46 | 2,471.45 | 83.52 | 361.88 | 2.46 | - | 5,325.77 |
| Undisputed – Trade Receivable significant increase in credit risk | - | 11.40 | 28.26 | 50.71 | 6.43 | 10.20 | 107.00 |
| Disputed– Trade Receivable considered good | - | - | - | 0.54 | 8.87 | 32.01 | 41.42 |
| Disputed –Trade Receivable significant increase in credit risk | - | 289.00 | - | - | - | 33.92 | 322.92 |
| | 2,406.46 | 2,771.85 | 111.78 | 413.13 | 17.76 | 76.13 | 5,797.11 |
| Less: Allowance for doubtful trade receivables | | | | | | | (471.34) |
| **Total Trade Receivables** | | | | | | | 5,325.77 |

**As at 31 March 2022**

| Particulars | Current but not due | Outstanding for | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Undisputed– Trade Receivable considered good | 1,046.86 | 889.35 | 39.80 | 55.50 | 7.01 | - | **2,038.52** |
| Undisputed – Trade Receivable significant increase in credit risk | - | - | 6.76 | 17.46 | - | - | **24.22** |
| Disputed– Trade Receivable considered good | - | - | - | - | 8.87 | 32.01 | **40.88** |
| | 1,046.86 | 889.35 | 46.56 | 72.96 | 15.88 | 32.01 | **2,103.62** |
| Less : Allowance for bad & doubtful debts | | | | | | | **(65.10)** |
| **Total Trade Receivables** | | | | | | | **2,038.52** |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 15 Cash and cash equivalents*

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Balances with banks** | | |
| - On current accounts | **1,300.94** | 935.82 |
| Cash on hand | **11.76** | 2.11 |
| **Total** | **1,312.70** | **937.93** |

***Refer note 43. The management is in process of changing bank accounts name from Allcargo Logistics Limited to Holding Company.**

## 16 Equity Share capital

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Authorised capital:** | | |
| 2750,00,000 (31 March 2022: 1,00,000 equity shares of ₹ 10 each) equity shares of ₹ 2 each** | **5,500.00** | 10.00 |
| | **5,500.00** | **10.00** |
| **Issued equity capital:** | | |
| **Issued, subscribed and fully paid up:** | | |
| 35 (31 March 2022: 7 equity shares of ₹ 10 each) equity shares of ₹ 2 each (*Less than ₹ 1 Lakh) | **-** | - |
| **The equity shares have been sub-divided to ₹ 2/- face value per share (35 equity shares of ₹ 2/- each). | | |
| **Total issued, subscribed and fully paid up share capital** | **-** | - |
| **Equity share issuable pursuant to demerger (Refer note 43)** | **4,913.91** | **-** |

**Terms/ rights attached to equity shares**

The Holding Company has only one class of equity shares having par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The equity shares are entitled to receive dividend as declared from time to time. Voting rights cannot be exercised in respect of shares on which any call or other sums payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(i) Reconciliation of number of the equity shares outstanding at the beginning and for the year ended:**

| Particulars | As at 31 March 2023 | | As at 31 March 2022 | |
|---|---|---|---|---|
| | No. of shares | Amount | No. of shares | Amount |
| **Equity Shares** | | | | |
| At the beginning of the period (*Less than ₹ 1 Lakh) | **35** | **-** | 7 | - |
| **Outstanding for the year ended **** | **35** | **-** | **7** | **-** |

**The equity shares have been sub-divided to ₹ 2/- face value per share (35 equity shares of ₹ 2/- each).

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

**(ii) Details of shareholders holding more than 5% shares of a class of shares**

| Particulars | No. of shares | % holding in the class |
|---|---|---|
| Allcargo Logistics Ltd** | 35 | 100% |

**(iii) Details of Promoter shareholding**

| Name of shareholders | At the beginning of the year | Changes during the year | At the end of the year | % of Total Shares | % Change during the year |
|---|---|---|---|---|---|
| Allcargo Logistics Limited ** | 7 | - | 35 | 100% | 0% |

*During the year 31 March 2023, the authorised share capital of the Holding Company has been increased to ₹ 5,500 lakhs.

## 17 Other Equity

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Retained earnings | **6,061.38** | 305.19 |
| Capital Reserve (Pursuant to Demerger) | **9,648.49** | - |
| Remeasurements of Gains / (Loss) on defined benefits plans | **(47.40)** | (16.06) |
| **Total** | **15,662.47** | **289.13** |

**Nature and Purpose of Reserves**

**Retained earnings**

Retained earnings represents all accumulated net income as reduced by all dividends paid to shareholders.

**Remeasurements of gains / (losses) on defined benefit plans (OCI)**

It comprises of actuarial gains and losses, differences between the return on plan assets and interest income on plan assets and changes in the asset ceiling (outside of any changes recorded as net interest).

**Capital Reserve (Pursuant to demerger) (Refer Note 43)**

This reserve represents the difference between net assets taken over and shares issuable to the shareholders of Allcargo Logistics Limited pursuant to demerger.

## 18 Borrowings

(₹ in Lakhs)

| Particulars | Non-Current | | Current | |
|---|---|---|---|---|
| | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 |
| **Non-current borrowings** | | | | |
| Borrowings (secured) | | | | |
| Term Loan from Banks | **1,785.53** | 10.39 | **487.51** | 73.47 |
| **Other borrowings (unsecured)** | | | | |
| Loan from Related party (Refer note 37C) | **931.88** | 10,216.91 | **-** | - |
| **Total borrowings** | **2,717.41** | **10,227.30** | **487.51** | **73.47** |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

****Short-term borrowings include**

(₹ in Lakhs)

| Name of the Bank | Rate of Interest | 31 March 2023 | 31 March 2022 | Terms of Repayment |
|---|---|---|---|---|
| HSBC Bank (secured against the fixed assets) | 8.96% | **891.74** | - | Repayable in 18 quarterly instalments |
| Axis Bank* | 6.80% | **1,370.91** | - | Repayable yearly in four years |
| ICICI Bank (secured against assets of subsidiary) | 9.19% | **10.39** | 21.86 | Repayable in 60 monthly instalments |
| ICICI Bank (secured against assets of subsidiary) | 8.50% | **-** | 0.50 | Repayable in 60 monthly instalments |
| ICICI Bank (secured against assets of subsidiary) | 8.50% | **-** | 0.50 | Repayable in 60 monthly instalments |
| ICICI Bank (secured against assets of subsidiary) | 9.25% | **-** | 22.16 | Repayable in 35 monthly instalments |
| Yes Bank (secured against assets of subsidiary) | 10.25% | **-** | 38.84 | Repayable in 30 monthly instalments |
| | | **2,273.04** | **83.86** | |

* Consequent to the Scheme of Demerger the Axis Bank term loan has been allocated between the Holding Company, TransIndia Reality and Logistics Parks Limited and Allcargo Logistics limited.

As per the terms of borrowing it is secured against land and buildings of Allcargo Logistics Limited , pursuant to demerger scheme, these assets have been transferred to TransIndia Reality and Logistics Parks Limited . Accordingly this borrowing is not secured by the Holding Company Assets and secured by land and building of Transindia Reality Limited pursuant to demerger. The Borrowing is disclosed as secured. The Company is in the process of transfer of borrowing in name of ATL.

## 19 Employee benefit liabilities

(₹ in Lakhs)

| Particulars | Non-current | | Current | |
|---|---|---|---|---|
| | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 |
| Provision for gratuity | **330.73** | 218.13 | **-** | 33.19 |
| Provision for Compensated abscenses | **-** | - | **310.61** | 76.79 |
| **Total Employee benefit liabilities** | **330.73** | **218.13** | **310.61** | **109.98** |

## 20 Trade payables

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Trade payables | | |
| a) Total outstanding dues of micro enterprises and small enterprises; (Refer Note 36) | **126.09** | - |
| b) Total outstanding dues of creditors other than micro enterprises and small enterprises | **7,074.12** | 2,783.18 |
| c) Trade payables to related parties (Refer Note.37C) | **3,811.06** | 265.14 |
| **Total** | **11,011.27** | **3,048.32** |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

**Ageing schedule of Trade Payables is as below:**

**As at 31 March 2023**

(₹ in Lakhs)

| Particulars | Unbilled | Current but not due | Outstanding for | | | | Total |
|---|---|---|---|---|---|---|---|
| | | | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Undisputed Dues - Others | 3,999.80 | - | 5,943.97 | 940.96 | - | 0.45 | 10,885.18 |
| Undisputed Dues - MSME | | - | 123.11 | - | - | - | 123.11 |
| Disputed Dues - Others | | - | - | - | - | - | - |
| Disputed Dues - MSME | | - | 2.15 | 0.82 | - | - | 2.98 |
| **Total Trade Payables** | **3,999.80** | **-** | **6,069.23** | **941.78** | **-** | **0.45** | **11,011.27** |

**As at 31 March 2022**

| Particulars | Unbilled | Current but not due | Outstanding for | | | | Total |
|---|---|---|---|---|---|---|---|
| | | | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | |
| Undisputed Dues - Others | 939.59 | 3.14 | 1,852.57 | 190.64 | 20.88 | 41.50 | **3,048.32** |
| Undisputed Dues - MSME | - | - | - | - | - | - | **-** |
| Disputed Dues - Others | - | - | - | - | - | - | **-** |
| Disputed Dues - MSME | - | - | - | - | - | - | **-** |
| **Total Trade Payables** | **939.59** | **3.14** | **1,852.57** | **190.64** | **20.88** | **41.50** | **3,048.32** |

## 21 A Contract Assets

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Contract Assets (ageing less than 1 year) | **1,598.64** | 643.17 |
| | **1,598.64** | **643.17** |

## 21 B Contract Liabilities

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Contract Liabilities (ageing less than 1 year) | **506.19** | 198.38 |
| | **506.19** | **198.38** |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 22 Other financial liabilities

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Other financial liabilities at amortised cost** | | |
| Security Deposits received | 82.33 | 28.25 |
| Capital Creditors | 18.47 | - |
| Employee Related Liabilities | 282.53 | 339.22 |
| Interest Accrued but not due on Borrowings | 10.23 | 123.64 |
| **Total other financial liabilities at amortised cost** | **393.56** | **491.11** |

## 23 Other current liabilities

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Statutory dues payable | 526.30 | 256.33 |
| Advances received from customers | 1,132.89 | 412.39 |
| Others | - | 38.32 |
| **Total Other Current Liabilities** | **1,659.19** | **707.05** |

## 24 Revenue from operations

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Sale of services** | | |
| Services relating to Container freight stations | 70,385.99 | 12,821.48 |
| (A) | 70,385.99 | 12,821.48 |
| **Other operating revenue** | | |
| Business support charges | 68.47 | - |
| Other ancillary services | 116.41 | - |
| (B) | 184.88 | - |
| (A) + (B) | 70,570.87 | 12,821.48 |

## 25 Other income

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Other non-operating income** | | |
| Liability no longer required written back (net) | 790.77 | 25.80 |
| Profit on sale of mutual funds (net) | 31.05 | - |
| Rental income | 39.06 | - |
| Fair value gain on financial instruments through profit or loss | 12.96 | - |
| Others | 8.80 | - |
| (A) | 882.64 | 25.80 |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Finance Income** | | |
| Interest income on | | |
| - Fixed deposits with banks | **227.58** | 100.42 |
| - Others Interest Income | **4.26** | 0.57 |
| - Income Tax Refund | **29.97** | - |
| - Loan given to other parties | **1.00** | - |
| Miscellaneous income | **2.27** | 0.02 |
| **(B)** | **265.09** | **101.01** |
| **(A) + (B)** | **1,147.73** | **126.81** |

## 26 Cost of services rendered

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Container freight stations expenses** | | |
| Handling and Transportation charges | **40,686.25** | 7,750.31 |
| Power and fuel costs | **2,612.89** | 792.11 |
| Repairs and maintenance-Others | **461.08** | 422.53 |
| | **43,760.22** | **8,964.95** |

## 27 Employee benefits expense

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Salaries, wages and bonus | **6,248.62** | 1,758.58 |
| Contributions to provident and other funds (Refer Note 33) | **255.85** | 68.23 |
| Gratuity expenses (Refer Note 33) | **104.74** | 27.33 |
| Compensated absences | **164.72** | 31.22 |
| Staff welfare expenses | **180.09** | 41.55 |
| | **6,954.02** | **1,926.91** |

## 28 Depreciation and amortisation

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Depreciation of property, plant and equipment | **1,311.27** | 174.75 |
| Amortisation of intangible assets | **714.80** | 349.00 |
| Depreciation on Right of Use Assets | **3,074.26** | 109.84 |
| | **5,100.33** | **633.60** |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 29 Finance costs

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Interest expense** | | |
| Bank term loan | **145.78** | 6.18 |
| Vehicle finance loan | **2.78** | - |
| Lease obligations | **2,569.22** | 44.19 |
| Loan from related party (Refer note 37B) | **468.54** | 136.73 |
| Others | **3.76** | - |
| | **3,190.08** | **187.10** |

## 22 Other expenses

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Rent | **118.31** | 93.22 |
| Travelling expenses | **389.55** | 32.84 |
| Legal and professional fees | **1,071.94** | 50.83 |
| Repairs to Building | **33.87** | 7.98 |
| Repairs to Others | **436.05** | 142.29 |
| Security expenses | **674.72** | 71.39 |
| Electricity charges | **341.76** | 1.55 |
| Insurance | **430.29** | 83.96 |
| Business promotion | **106.64** | 15.20 |
| Business Support Charges | **419.36** | - |
| Office expenses | **305.05** | 23.57 |
| Rates and taxes | **342.68** | 30.84 |
| Communication charges | **86.17** | 11.94 |
| CSR expenses (Refer Note 46) | **36.28** | 18.38 |
| Donations | **3.69** | - |
| Loss on sale of Property, Plant and Equipment (net) | **10.53** | 56.63 |
| Payment to auditors (Refer note below) | **57.60** | 25.29 |
| Provision for doubtful debts /(reversal) under Expected credit loss (ECL) | **326.11** | (58.66) |
| Bad debts/advances written off | **16.55** | - |
| Miscellaneous expenses | **305.98** | 25.67 |
| | **5,513.13** | **632.92** |
| **Payment to auditors : -** | | |
| As auditor : | | |
| Audit fee | **45.00** | 16.62 |
| Tax audit fee | **10.00** | 2.50 |
| GST audit fee | **1.10** | 1.25 |
| Other Capacity : | | - |
| Other Services | **1.50** | 4.92 |
| | **57.60** | **25.29** |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 31 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Holding Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Profit attributable to equity holders: | **5,756.19** | 306.51 |
| Weighted average number of Equity shares for basic EPS | **35** | 35 |
| Nominal Value of Shares, Fully Paid up* | **2** | 2 |
| Basic EPS (In Full Rupees) | **16,446,257** | 875,836 |

* The equity share have been sub-divided to ₹2/- face value per share (35 equity shares of ₹2/- each).

Pursuant to the scheme of demerger approved by NCLT, 24,56,95,524 equity shares of ₹ 2 each face value are issuable to the shareholders of Allcargo Limited as per 1:1 share exchange ratio as consideration for the transfer of assets and liabilities to the Holding Company. The Holding Company in its Board Meeting held on April 24, 2023 has allotted 24,56,95,524 equity shares to the shareholders of Allcargo Logistics Limited holding as on record date April 18, 2023.

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Profit attributable to equity holders: | **5,756.19** | 306.51 |
| No. of equity shares for diluted EPS calculation | **245,695,524** | 35 |
| Diluted EPS (considering the shares issuable to shareholders of Allcargo Limited pursuant to demerger) (In Full Rupees) | **2.34** | 875,836 |

## 32 Leases:

### (a) The following is the break up of lease liabilities:

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Current lease liabilities | **1,821.94** | 214.63 |
| Non-Current lease liabilities | **36,333.94** | 739.80 |
| **Closing Balances** | **38,155.88** | 954.43 |

### (b) The following is the movement in lease liabilities:-

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Opening Balance | **954.43** | - |
| On Acquisition of Subsidiary | **-** | 954.37 |
| Transferred pursuant to demerger scheme | **4,844.71** | - |
| Additions | **33,514.65** | 97.40 |
| Finance cost accrued during the year (Refer Note No.29) | **2,569.22** | 44.19 |
| Payable to TransIndia Reality and Logistics Parks Limited (for Lease rentals (net)) | **(2,665.00)** | - |
| Lease payments made during the year | **(1,062.13)** | (141.53) |
| **Closing Balances** | **38,155.88** | **954.43** |

On 28 April 2023, the Holding Company has entered into long term lease contract with Transindia Reality and Logistics Parks Limited wherein the rent is payable with effect from 1 April 2022, for lease of Land and buildings at certain locations.

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

**(c) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis for the entire lease period :**

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Within 1 year | 4,094.19 | 293.30 |
| Between 1 to 5 years | 25,889.39 | 838.99 |
| **More than 5 years** | 30,999.86 | - |

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**(d) Total Expense on Leases for the year ended**

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Lease expense on short term leases (rent) | 118.31 | 93.22 |
| Interest expense on lease liabilities | 2,569.22 | 44.19 |
| Depreciation on ROU Assets | 3,074.26 | 109.84 |
| **Total** | 5,761.79 | 247.25 |

## 33 EMPLOYEE BENEFITS:

The Group has classified the various benefits provided to employees as under:

**I. Defined Contribution Plans**

a. Employers' Contribution to Provident Fund and Employee's Pension Scheme

b. Employers' Contribution to Employee's State Insurance

During the year, the Group has incurred and recognised the following amounts in the Statement of Profit and Loss for the year ended:

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Employers' Contribution to Provident Fund and Employee's Pension Scheme | 254.93 | 68.23 |
| Employers' Contribution to Employee's State Insurance | 0.92 | - |
| **Total Expenses recognised in the Statement of Profit and Loss** | 255.85 | 68.23 |

**II. Defined Benefit Plan***

As per the Payment of Gratuity Act, 1972, the Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on resignation or retirement at 15 days salary (last drawn salary) for each completed year of service.

| Contribution to Gratuity Fund | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| **a. Major Assumptions** | (% p.a.) | (% p.a.) |
| Discount Rate | 7.44%-7.50% | 7.31% |
| Salary Escalation Rate @ | 5% to 8% | 5.00% |
| Expected Rate of Return on Asset | 7.50% | 7.31% |
| Employee Turnover | Service Based: Service <= 4 years: 16% p.a. Service > 4 years: 8% p.a. | 2.00% |
| Retirement Age (Years) | 58 to 60 | 60 |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **b.** | **Change in Present Value of Obligation** | | |
| | Present Value of Obligation as at the beginning of the year | **402.63** | - |
| | On Acquisition of Subsidiary | **-** | 387.96 |
| | Transfer pursuant to demerger | **278.83** | - |
| | Current Service Cost | **87.09** | 14.54 |
| | Interest Cost | **48.48** | 12.79 |
| | Benefit paid | **(49.97)** | (27.55) |
| | Actuarial (Gain)/ Loss on Obligations | **18.53** | 14.89 |
| | **Present Value of Obligation as at the end of the year** | **785.59** | **402.63** |

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **c.** | **Reconciliation of Present Value of Plan Assets** | | |
| | Fair Value of Plan Assets as at the beginning of the year | **151.31** | - |
| | Transfer pursuant to demerger | **285.41** | - |
| | On Acquisition of Subsidiary | **-** | 154.44 |
| | Expected Return of Plan Assets | **30.83** | - |
| | Actuarial Gain/ (Loss) | **(12.68)** | (3.99) |
| | Employer's Contribution | **-** | 2.00 |
| | Benefits Paid | **-** | (1.14) |
| | **Fair Value of Plan Assets as at year end** | **454.86** | **151.31** |

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **d.** | **Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets** | | |
| | Present Value of Funded Obligation | **785.59** | 402.63 |
| | Fair Value of Plan Assets | **454.86** | 151.31 |
| | **Funded Status** | **330.73** | **251.32** |

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **e.** | **Actuarial Gain/ (Loss) recognized during the year** | | |
| | Actuarial Gain/ (Loss) on Plan Assets | **(12.68)** | (3.99) |
| | Actuarial Gain/ (Loss) on Obligation | **30.83** | - |
| | **Net Total** | **18.15** | **(3.99)** |

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **f.** | **Total Cost recognised in Total Comprehensive Income** | | |
| | Cost recognised in P&L | **104.74** | 27.33 |
| | Remeasurements effects recognised in OCI (gain) / Loss | **31.21** | 18.89 |

(₹ in Lakhs)

| | | | |
|---|---|---|---|
| **g.** | **Investment details of Plan Assets** | | |
| | Insurer Managed Funds & T-Bills | **454.86** | 151.31 |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

(₹ in Lakhs)

| | | |
|---|---|---|
| **h. Maturity profile of Defined Benefit Obligation** | | |
| Year 1 | **77.39** | 34.38 |
| Year 2 | **73.39** | 28.01 |
| Year 3 | **74.34** | 43.87 |
| Year 4 | **69.34** | 36.78 |
| Year 5 | **65.65** | 32.75 |
| Year 6-10 | **356.62** | 168.58 |

(₹ in Lakhs)

| | | |
|---|---|---|
| **i. Sensitivity Analysis for the significant assumptions are as follows** | | |
| Delta effect of +1% change in the rate of discounting | **728.78** | 30.54 |
| Delta effect of -1% change in the rate of discounting | **850.57** | 35.15 |
| Delta effect of +1% change in the rate of salary increase | **851.88** | 33.43 |
| Delta effect of -1% change in the rate of salary increase | **726.38** | 29.79 |
| Delta effect of +1% change in the employee turnover rate | **787.79** | 5.17 |
| Delta effect of -1% change in the employee turnover rate | **791.98** | 5.94 |

*Refer note 43. The management is in process of transferring plan assets from Allcargo Logistics Limited to the Holding Company.

## 34 Contingent liabilities

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Disputed Liabilities in respect of Service Tax (Refer note 3) | **38.25** | 38.25 |
| Disputed Liabilities in respect of Service Tax (Refer note 4) | **163.63** | 163.63 |
| Arrears on Land Revenue (Refer note 5) | **146.86** | 120.94 |
| Disputed Liabilities in respect of Commissioner of Customs (Refer note 6) | **227.17** | - |
| **Total (A)** | **575.91** | **322.82** |
| There are certain litigations / civil cases against the Holding Company. Based on the assessment, Management is confident that these would not result in any material financial obligations against the Holding Company. | **555.75** | - |
| **Guarantees** | | |
| Bank Guarantee Remaining in Force executed in favour of Jawaharlal Nehru Port Trust towards Performance Guarantee (refer note 1 ) | **3,736.00** | 3,724.00 |
| Bank Guarantee Remaining in Force executed in favour of Central Warehousing Corporation towards Performance Guarantee | **504.23** | 475.69 |
| Bank Guarantee Remaining in Force executed in favour of The Regional Officer Maharashtra Pollution Control Board towards Compliance for Pollution Control Board Regarding Pollution Equipment | **5.50** | 5.50 |
| Bank Guarantee Remaining in Force executed in favour of Custom Bond, Export MCC Movement, Project Cargo & Transportation | **5.00** | - |
| Bond remaining in force executed in favour of president of India, through the Commission of Customs - [Custodian-Cum-Carrier Bond] for Export Clause No. 5 (4) (refer note 2) | **0.05** | 0.11 |
| Bond remaining in force executed in favour of president of India, through the Commissioner of Customs - [Custodian-Cum-Carrier Bond] for Import Clause No. 5(3) (refer note 2) | **12,288.78** | 19,727.54 |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Bond remaining in force executed in favour of president of India, through the Commission of Customs - [Custodian-Cum-Carrier Bond] for Export Clause No. 5 (4) (refer note 2) | **4,843.06** | 10,541.00 |
| Bond remaining in force executed in favour of president of India, through the Commission of Customs - [Custodian-Cum-Carrier Bond] for Import/Export Clause No. 5(4) (refer note 2) | **-** | 10,541.00 |
| Bond remaining in force executed in favour of president of India, through the Commissioner of Customs -[General Bond for Close Bonded Warehouse] (refer note 2) | **2,100.00** | 2,100.00 |
| Guarantee given to HDFC Bank for providing bank guarantee to subsidiary company | **4,510.00** | - |
| Bond remaining in force executed in favour of president of India, through the Commissioner of Customs - [General Bond for Open Bonded Warehouse] (refer note 2) | **24,000.00** | 24,000.00 |
| **Total (B)** | **52,548.37** | **71,114.83** |
| **Grand Total (A+B)** | **53,124.28** | **71,437.65** |

**Note:**

1. Bank Guarantee given against Lease Rent, Royalty and Electricity Charges for the period Dec, 2022 to Dec, 2023.
2. The Group has executed bonds in favour of Commissioner of Customs as per clause 5(3) & 5(4) of Cargo Handling in Customs Area Regulation, 2009, notification no.26/2009-Cus (NT), dated 17-03-2009. Further, during the year, Company has not executed the bond towards for Handling of Cargo in Custom Area Regulation, 2009 (Notification No 26/2009 Clause 5(4))
3. The said matter is pending at CESTAT (Appeals) vide appeal no.ST/85615/2018-SM against the order passed by Commissioner (Appeals) vide order no MKK/160/RGD/APP/2017 dtd 01.11.2017. Hearing in this Matter is awaited.
4. The said matter is pending at Adjudicating Authority of Central Excise & Service Department, Raigarh, as CESTAT (Appeals) has set aside the impugned order passed by Commissioner Appeals and remand the said matter to the adjudicating authority for passing a fresh de novo adjudication order. Hearing in this Matter is awaited.
5. The subject matter is pending at Hon'ble High Court of Judicature at Bombay. The State of Maharashtra Department of Revenue & ORS issued "Demand Notice" on 13.12.2019 and demanded arrears of Land Revenue amounting to ₹ 120.94 Lakhs for the period 2006-07 to 2019-2020. In against, the Company has made an Writ Petition before HIGH COURT OF JUDICATURE AT BOMBAY. The Company has stated in its petition that the Company is not a legal owner of the subject land. Further, Jawahar Lal Nehru Port Trust (JNPT) is the legal owner of the subject land which is also exempted from land revenue vide Notification dated 8th October, 1973 vide Ref: No. L&F/1677/34614/H1 issued by the Govt. of Maharashtra. Further, based on opinion of the legal consultant and the facts of the case, the Company firmly believes that the said case will be decided in favor of the Company and there will not be any outflow of resources and hence classified as a contingent liability.

   Further, during the year, company has increased the contigent liability for the period 2020-21 to 2022-23 amounting to ₹ 25.92 Lakhs.
6. The Group had obtained a stay order from the Hon'ble Bombay High Court against the order passed by The Commissioner of Customs (G) JNCH, Nhavasheva dated 5th April 2023 against Speedy Multimodes Limited, Container freight station (CFS), Uran *interalia* suspending the approval granted for operation as Customs Cargo Service Providers (CCSP) for the period 16th April, 2023 to 30th April, 2023 on an allegation of pilferage of goods kept in the CFS. The said stay order also stays the directions of The Commissioner of Customs to deposit the amount equivalent to the valuation of the cargo in the said Container amounting to ₹ 222.67 Lakhs along with the penalty of ₹ 4.50 Lakhs.

   The Hon'ble Bombay High Court in its hearing held on 19th June 2023, disposed off the petition and directed the group to file and appeal before CESTAT and extended the stay till disposal of stay application by CESTAT.The Group is in the process of filing the appeal before CESTAT.
7. With reference to the Strategic Alliance Management Operation (SAMO) contract with CWC, The Central Bureau of Investigation ("CBI") has filed the First Information Report ("FIR") dated March 16, 2023 against the key management personnel and certain employees of Speedy Multimodes Limited alleging violation of certain terms of the contract. The Management has evaluated the matter and believes that no wrongful act was conducted, and it has adequate evidence and supporting documentation to support its claim. Management is in the process of seeking legal advice on the same for responding to the allegations, and also working with the CWC Regional office and the CBI in providing the required information to support its case.

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

## 35 Commitments

(₹ in Lakhs)

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital accounts (net of advances) | 61.79 | - |
| **Grand Total** | **61.79** | **-** |

**36** Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 02 October 2006,certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small Enterprises. The information given is based on the information available with the Company and has been relied upon by the auditors.

(₹ in Lakhs)

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Principal amount remaining unpaid to any supplier as at the year end | 126.09 | - |
| Interest due thereon 31 March 2023: Nil (31 March 2022: ₹ Nil ) | - | - |
| Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period. | - | - |
| 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 period) but without adding the interest specified under the MSMED. | - | - |
| Amount of interest accrued and remaining unpaid at the end of the financial year 31 March 2023 : ₹ Nil (31 March 2022: ₹ Nil ) | - | - |
| 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 disallowances as a deductible expenditure under the MSMED Act, 2006 | - | - |

## 37 (A) Related Party Disclosure:

**(i) Joint ventures (direct and indirect)**

**Direct joint venture :**

Transnepal Freight Services Private Limited (Joint Venture)

Allcargo Logistics Park Private Limited (Joint Venture)

**(ii) Entities over which key managerial personnel or their relative's exercises significant influence:**

| | | | |
|---|---|---|---|
| 1. | Shashi Kiran Shetty HUF | 102. | Ecu Worldwide Italy S.r.l. (formerly known as Ecu-Line Italia srl.) |
| 2. | Shloka Shetty Trust | 103. | Eurocentre Milan srl. |
| 3. | ACGL Benefit Trust | 104. | Ecu Worldwide (Cote d'Ivoire) sarl (formerly known as Ecu-Line Côte d'Ivoire Sarl) |
| 4. | Avvashya Foundation | 105. | Ecu Worldwide (Japan) Ltd.(formerly known as Ecu-Line Japan Ltd.) |
| 5. | Allcargo Logistics Limited | 106. | Jordan Gulf for Freight Services and Agencies Co. LLC |
| 6. | AGL Warehousing Private Limited | 107. | Ecu Worldwide (Kenya) Ltd. (formerly known as Ecu-Line Kenya Ltd.) |
| 7. | Contech Logistics Solution Private Limited | 108. | Ecu Shipping Logistics (K) Ltd. |
| 8. | ECU International (Asia) Private Limited | 109. | Ecu Worldwide (Malaysia) SDN. BHD. (formerly known as Ecu-Line Malaysia SDN. BHD) |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

| | | | |
|---|---|---|---|
| 9. | Avvashya Supply Chain Private Limited | 110. | Ecu Worldwide (Mauritius) Ltd.(formerly known as Ecu-Line Mauritius Ltd.) |
| 10. | TransIndia Logistic Park Private Limited | 111. | CELM Logistics SA de CV |
| 11. | Avvashya CCI Logistics Private Limited | 112. | Ecu Worldwide Mexico SA de CV (formerly known as Ecu Logistics de Mexico SA de CV) |
| 12. | Altcargo Oil & Gas Private Limited (under the process of strike-off) | 113. | Ecu Worldwide Morocco S.A. (formerly known as Ecu-Line Maroc S.A.) |
| 13. | ALX Shipping Agencies India Private Limited | 114. | Ecu Worldwide (Netherlands) B.V.(Ecu-Line Rotterdam BV) |
| 14. | Comptech Solutions Private Limited | 115. | Rotterdam Freight Station BV |
| 15. | Gati Limited | 116. | FCL Marine Agencies B.V. |
| 16. | Gati Kintetsu Express Private Limited | 117. | Ecu Worldwide New Zealand Ltd. (formerly known as Ecu-Line NZ Ltd.) |
| 17. | Gati Import Export Trading Private Limited | 118. | Ecu Worldwide (Panama) S.A. (formerly known as Ecu-Line de Panama SA) |
| 18. | Zen Cargo Movers Private Limited | 119. | Ecu-Line Paraguay SA |
| 19. | Gati Logistics Parks Private | 120. | Flamingo Line del Peru SA |
| 20. | Gati Projects Private Limited | 121. | Ecu-Line Peru SA |
| 21. | TransIndia Realty & Logistics Parks Limited | 122. | Ecu Worldwide (Philippines) Inc.(formerly known as Ecu-Line Philippines Inc.) |
| 22. | Allcargo Inland Park Private Limited | 123. | Ecu Worldwide (Poland) Sp zoo (formerly known as Ecu-Line Polska SP. Z.o.o.) |
| 23. | Allcargo Multimodal Private Limited | 124. | Ecu-Line Doha W.L.L. |
| 24. | Jhajjar Warehousing Private Limited | 125. | Ecu-Line Saudi Arabia LLC |
| 25. | Bhiwandi Multimodal Private Limited | 126. | Ecu - Worldwide (Singapore) Pte. Ltd. (formerly known as Ecu-Line Singapore Pte. Ltd.) |
| 26. | Allcargo Warehousing Management Private Limited | 127. | Ecu Worldwide (South Africa) Pty Ltd. (formerly known as Ecu-Line South Africa (Pty.) Ltd.) |
| 27. | Madanahatti Logistics and Industrial Parks Private Limited | 128. | Ecu-Line Spain S.L. |
| 28. | Marasandra Logistics and Industrial Parks Private Limited | 129. | ECU Worldwide Lanka (Private) Ltd. (formerly known as Ecu Line Lanka (Pvt) Ltd.) |
| 29. | Avvashya Projects Private Limited | 130. | Ecu Worldwide (Thailand) Co. Ltd.(formerly known as Ecu-Line (Thailand) Co. Ltd.) |
| 30. | Avvashya Inland Park Private Limited | 131. | Société Ecu-Line Tunisie Sarl |
| 31. | Dankuni Industrial Parks Private Limited | 132. | Ecu Worldwide Turkey Taşımacılık Limited Şirketi (formerly known as Ecu Uluslarasi Tas. Ve Ticaret Ltd. Sti.) |
| 32. | Hoskote Warehousing Private Limited | 133. | Ecu-Line Middle East LLC |
| 33. | Koproli Warehousing Private Limited | 134. | Ecu-Line Abu Dhabi LLC |
| 34. | Allcargo Shipping Services Private Limited | 135. | Eurocentre FZCO |
| 35. | Alltrans Logistics Private Limited | 136. | Star Express Company Ltd. |
| 36. | Allnet Financial Services Private Limited | 137. | Ecu Worldwide (UK) Ltd. (formerly known as Ecu-Line UK Ltd) |
| 37. | Avash Builders and Infrastructure Private Limited | 138. | Ecu Worldwide (Uruguay) S.A. (formerly known as DEOLIX S.A.) |
| 38. | Avashya Corporation Private Limited | 139. | CLD Compania Logistica de Distribution SA |
| 39. | Avashya Holdings Private Limited | 140. | Guldary S.A. |
| 40. | Indport Maritime Agencies Private Limited | 141. | PRISM GLOBAL, LLC |
| 41. | Jupiter Precious Gems and Jewellery Private Limited | 142. | Ecu worldwide (USA) Inc. [formerly Econocaribe Consolidators, Inc.] |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

| | | | |
|---|---|---|---|
| 42. | Meridien Tradeplace Private Limited | 143. | Econoline Storage Corp. |
| 43. | N. R. Holdings Private Limited | 144. | ECI Customs Brokerage, Inc. |
| 44. | Prominent Estate Holdings Private Limited | 145. | OTI Cargo, Inc. |
| 45. | Sealand Crane Private Limited | 146. | Ports International, Inc. |
| 46. | Talentos (India) Private Limited | 147. | Administradora House Line C.A. |
| 47. | Talentos Entertainment Private Limited | 148. | Ecu Worldwide Vietnam Joint Stock Company (Formerly known as Ecu Worldwide Vietnam Co. Ltd and Ecu-Line Vietnam Co.Ltd) |
| 48. | TransIndia Freight Services Private Limited | 149. | Ecu-Line Zimbabwe (Pvt) Ltd. |
| 49. | Pirkon Properties Private Limited | 150. | Asia Line Ltd |
| 50. | Hoskote Warehousing & Industrial Parks Private Limited | 151. | Contech Transport Services (Pvt) Ltd |
| 51. | Talentos Warehousing & Industrial Parks Private Limited | 152. | Prism Global Ltd. |
| 52. | SKS Netgate LLP | 153. | Eculine Worldwide Logistics Co. Ltd. |
| 53. | Panna Estates LLP | 154. | FMA-LINE Nigeria Ltd. |
| 54. | SKS Realty LLP | 155. | Ecu Worldwide (Uganda) Limited |
| 55. | Contech Estate LLP | 156. | FMA Line Agencies Do Brasil Ltda |
| 56. | Panna Infracon Projects LLP | 157. | FCL Marine Agencies Belgium bvba |
| 57. | Poorn Estates LLP | 158. | Allcargo Hong kong Limited (formerly known as Oconca Shipping (HK) Ltd.) |
| 58. | Poorn Buildcon LLP | 159. | Oconca Container Line S.A. Ltd. |
| 59. | Allcargo Movers (Bombay) LLP | 160. | Almacen y Maniobras LCL SA de CV |
| 60. | TransIndia Freight LLP | 161. | ECU WORLDWIDE SERVICIOS SA DE CV |
| 61. | Avadh Marketing LLP | 162. | ECU TRUCKING, INC. |
| 62. | Verain Commercials LLP | 163. | ECU Worldwide CEE SRL |
| 63. | Allcargo Logistics Park Private Limited | 164. | Allcargo Logistics Africa (PTY) LTD (formerly known as FMA Line SA (PTY) LTD) |
| 64. | Panvel Industrial Parks Private Limited | 165. | Ecu Worldwide Baltics |
| 65. | Allcargo Belgium N.V. | 166. | AGL Bangladesh Private Limited |
| 66. | Transnepal Freight Services Private Limited | 167. | Ecu Worldwide (Bahrain) Co. W.L.L. |
| 67. | AGL Bangladesh Private Limited | 168. | East Total Logistics B.V. |
| 68. | Allcargo Logistics Lanka (Private) Limited | 169. | PAK DA (HK) LOGISTIC Ltd |
| 69. | Ecu-Line Algerie sarl | 170. | ECU Worldwide Tianjin Ltd. |
| 70. | Ecu Worldwide (Argentina) SA (formerly known as Ecu Logistics SA) | 171. | Allcargo Logistics FZE |
| 71. | Ecu Worldwide Australia Pty Ltd (formerly known as Ecu-Line Australia Pty Ltd.) | 172. | Allcargo Logistics China Ltd. |
| 72. | Integrity Enterprises Pty Ltd. | 173. | Asiapac Logistics Mexico SA de CV |
| 73. | Ecu Worldwide (Belgium) N.V. (formerly known as Ecu-Line N.V) | 174. | Gati Asia Pacific Pte Ltd. |
| 74. | FMA-Line Holding N.V. (formerly known Ecubro N.V.) | 175. | Gati HongKong Limited |
| 75. | Ecuhold N.V. | 176. | Gati Cargo Express (Shanghai) Co. Ltd. |
| 76. | Ecu International N.V. | 177. | Ecu Worldwide (BD) Limited |
| 77. | Antwerp Freight Station NV (formerly known as Ecu Global Services N.V.) | 178. | EcuNordicon AB |
| 78. | HCL Logistics N.V. | 179. | Nordicon AB |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

| | | | |
|---|---|---|---|
| 79. | AGL N.V. | 180. | NORDICON A/S |
| 80. | Allcargo Belgium N.V. | 181. | Nordicon Terminals AB |
| 81. | Ecu Worldwide Logistics do Brazil Ltda (formerly known as Ecu Logistics do Brasil Ltda.) | 182. | RailGate Nordic AB |
| 82. | Ecu Worldwide (Canada) Inc (formerly known as Ecu-Line Canada Inc). | 183. | Fair Trade Gmbh Schiffhart, handel und Logistik |
| 83. | Ecu Worldwide (Chile) S.A (formerly known as Ecu-Line Chile S.A) | 184. | Asia Express Line GmbH |
| 84. | Flamingo Line Chile S.A. | 185. | Asiapac Equity Investment Limited |
| 85. | Ecu Worldwide (Guangzhou) Ltd.(formerly known as Ecu-Line Guangzhou Ltd) | 186. | ASIAPAC TURKEY TASIMACILIK ANONIM SIRKETI |
| 86. | China Consolidation Services Ltd | 187. | Allcargo Tanzania |
| 87. | Ecu Worldwide China Ltd. (formerly known as China Consolidation Services Shipping Ltd.) | 188. | Asiapac Logistics El Salvador |
| 88. | Ecu Worldwide (Colombia) S.A.S.(formerly known as Ecu-Line de Colombia S.A.S) | 189. | Transnepal Freight Services Pvt.Ltd |
| 89. | Ecu Worldwide (Cyprus) Ltd.(formerly known as Ecu-Line Mediterranean Ltd.) | 190. | Ecu Worldwide Peru S.A.C. (formerly known as Ecu Logistics Peru SAC) |
| 90. | Ecu Worldwide (CZ) s.r.o. (formerly known as Ecu-Line (CZ) s.r.o). | 191. | Fasder S.A. |
| 91. | Ecu Worldwide (Ecuador) S.A.(formerly known as Ecu-Line del Ecuador S.A.) | 192. | Ecu Worldwide Korea Co., Ltd. |
| 92. | Flamingo Line del Ecuador SA | 193. | Allcargo Logistics Korea Co., Ltd. |
| 93. | Ecu World Wide Egypt Ltd. (formerly known as Ecu Line Egypt Ltd.) | 194. | Aladin Group Holdings Limited |
| 94. | Ecu Worldwide (El Salvador) S.P. Z.o.o S.A. de CV (formerly known as Flamingo Line El Salvador SA de CV) | 195. | Aladin Express DMCC |
| 95. | Ecu Worldwide (Germany) GmbH (formerly known as Ecu-Line Germany GmbH) | 196. | ALX Shipping Agency LLC |
| 96. | ELWA Ghana Ltd. | 197. | FCL Marine Agencies Gmbh (Bermen) |
| 97. | Ecu Worldwide (Guatemala) S.A.(formerly known as Flamingo Line de Guatemala S.A.) | 198. | Allcargo Logistics Lanka (Private) Limited |
| 98. | Ecu Worldwide (Hong Kong) Ltd.(formerly known as Ecu-Line Hong Kong Ltd.) | 199. | Trade Xcelerators LLC |
| 99. | Ecu International Far East Ltd. | 200. | RailGate Europe B.V |
| 100. | CCS Shipping Ltd. | 201. | Haryana Orbital Rail Corporation Limited |
| 101. | PT Ecu Worldwide Indonesia | 202. | Allcargo Logistics LLC |
| | . | 203 | SPECHEM SUPPLY CHAIN MANAGEMENT (ASIA) PTE. LTD |

**(iii) Key Management Personnel**

(For Allcargo Terminals Limited)

Mr. ShashiKiran Shetty

Mrs. Arathi Shetty

Mr. Ravi Jakhar

Mr. Ashish Vijayprakash Chandna

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

**(iv) Relatives of Key Management Personnel**

Mr. Vaishnav Kiran Shetty

Mr. Umesh Kumar Shetty

Mrs. Usha Shetty

Mrs. Subhashini Shetty

Mrs. Shobha Shetty

Mrs. Asha Shetty

Mrs Sushila Shetty

Mr Adarsh Hegde

Mrs Leelavati Hegde

Mr Sudhakar Hegde

Mr Ram Swaroop Jakhar

Mrs Pratibha Ravi Jakhar

Mrs Vimla Jakhar

Ms. Advaya Jakhar

Ms. Araanya Jakhar

**v) Key Management Personnel**

(For Speedy Multimodes Limited)

Mr. Ashish Vijayprakash Chandna (Managing Director)

Mr. Arvind Tribhuvan Tiwari (Non Executive Director) [Upto December 24, 2021]

Mr. Paul Joseph Pudusserry (Non Executive Director) [Upto December 24, 2021]

Mr. Satish Mahesh Gupta (Non-Executive Independent Director)

Mr. Dinesh Kumar Lal (Non-Executive Independent Director)

Mr. Najim Usman Shaikh (Chief Financial Officer w.e.f. 19-01-2020)

Ms. Prachi Vijay Vaidya (Company Secretary from 25-01-2021)

Mr. Suresh Kumar Ramiah (w.e.f. December 24, 2021)

**(vi) Enterprises in which Key Management personnel and relatives of Key Management personnel have significant influence:**

Meridian Tradeplace Pvt. Ltd.

E-Cipher Technologies LLP

Conserve Buildcon LLP

Jessy Paul (Relative of Mr. Paul Joseph Pudusserry) (Upto 24 Decemeber 2021)

All Cargo Logistics Limited

ALX Shipping Agencies India Private Limited

TransIndia Reality and Logistics Parks Limited

Avvashya CCI Logistics Private Limited

Contech Logistics Solutions Pvt. Ltd

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 37 B) Transaction with Related Parties during the year ended:

(₹ in Lakhs)

| Particulars | 31 Match 2023 | 31 March 2022 |
|---|---|---|
| **Directors' and KMPs' Remuneration** | | |
| Mr. Ashish Vijayprakash Chandna | 386.79 | 912.85 |
| Ms. Prachi Vijay Vaidya | 6.64 | - |
| Mr. Najim Usman Shaikh | 3.78 | - |
| | **397.22** | **912.85** |
| **Reimbursement of Expenses to Director & KMP** | | |
| Mr. Ashish Vijayprakash Chandna | 4.40 | 1.43 |
| Mr. Jitendra Kumar Garg | - | - |
| Mr. Najim Usman Shaikh | 0.02 | - |
| | **4.42** | **1.43** |
| **Purchase of Services** | | |
| Mr. Ashish Vijayprakash Chandna | 47.94 | 47.30 |
| Meridian Tradeplace Pvt. Ltd. | 1,332.58 | 222.25 |
| TransIndia Reality and Logistics Parks Limited | 2,071.48 | - |
| Jessy Paul | 6.00 | - |
| Allcargo Logistics Limited | 4,154.99 | 490.93 |
| Transnepal Frieght Services Private Limited | 18.50 | - |
| Asia Line Ltd | 62.64 | - |
| Contech Logistics Solutions Pvt. Ltd | 670.66 | - |
| Ecu - Worldwide (Singapore) Pte. Ltd. | 127.45 | - |
| Koproli Warehousing Private Limited | 47.22 | - |
| Avvashya CCI Logistics Pvt Ltd | 14.75 | 0.06 |
| | **8,554.20** | **760.54** |
| **Sale of Services** | | |
| Meridian Tradeplace Pvt. Ltd. | 16.76 | 0.01 |
| Allcargo Logistics Ltd | 2,874.82 | 316.56 |
| Contech Logistics Solutions Pvt. Ltd | 420.63 | - |
| Avvashya CCI Logistics Pvt Ltd | 336.16 | 25.21 |
| Alladin Express DMCC | 3.90 | - |
| ALX Shipping Services Pvt Ltd | 3.85 | 0.06 |
| | **3,656.12** | **341.84** |
| **Business Support Charges received** | | |
| Allcargo Logistics Limited | 1.23 | - |
| TransIndia Reality and Logistics Parks Limited | 27.88 | - |
| | **29.11** | **-** |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

(₹ in Lakhs)

| Particulars | 31 Match 2023 | 31 March 2022 |
|---|---|---|
| **Business Support Charges paid** | | |
| Allcargo Logistics Limited | 505.26 | - |
| | 505.26 | - |
| **Lease Rent** | | |
| TransIndia Reality and Logistics Parks Limited | 3,075.84 | - |
| | 3,075.84 | - |
| **Other Expenses** | | |
| Container Freight Station Association of India | 5.50 | - |
| | 5.50 | - |
| **Interest Paid** | | |
| Allcargo Logistics Limited | 468.54 | 136.73 |
| | 468.54 | 136.73 |
| **Dividend Income** | | |
| Transnepal Frieght Services Private Limited | 27.22 | - |
| Allcargo Logistics Park Pvt Limited | 483.48 | - |
| | 510.70 | - |
| **Guarantee security fee** | | |
| TransIndia Reality and Logistics Parks Limited | 7.18 | - |
| | 7.18 | - |
| **Transactions pursuant to demerger** | | |
| Allcargo Logistics Limited | 14,478.71 | - |
| TransIndia Reality and Logistics Parks Limited | 82.61 | |
| | 14,561.32 | - |
| **Business management cost allocation for managing the CFS division on behalf of the Company (pursuant to demerger)** | | |
| Allcargo Logistics Limited | 2,197.23 | - |
| | 2,197.23 | - |
| **C. Balance outstanding with Related Parties:** | | |
| **Trade Payables** | | |
| Meridian Tradeplace Pvt. Ltd. | 80.24 | 83.74 |
| Allcargo Logistics Ltd | 710.87 | 177.77 |
| Avvashya CCI Logistics Pvt Ltd | 2.11 | 3.63 |
| Contech Logistics Solutions Pvt. Ltd | 55.86 | - |
| Koproli Warehousing Private Limited | 50.99 | - |
| Allcargo Shipping Services Private Limited | 0.24 | - |
| Transnepal Frieght Services Private Limited | 18.50 | - |
| TransIndia Reality and Logistics Parks Limited* (Including lease rent payable) | 2,892.23 | - |
| | 3,811.06 | 265.14 |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

(₹ in Lakhs)

| Particulars | 31 Match 2023 | 31 March 2022 |
|---|---|---|
| **Trade Receivables** | | |
| Meridian Tradeplace Pvt. Ltd | **29.88** | 18.00 |
| ALX Shipping Services Pvt Ltd | **4.20** | - |
| Avvashya CCI Logistics Private Limited | **71.20** | - |
| TransIndia Reality and Logistics Parks Limited | **245.50** | - |
| Contech Logistics Solutions Pvt. Ltd | **14.00** | - |
| Allcargo Logistics Limited | **439.19** | 162.73 |
| | **803.97** | **180.73** |
| **Interest Payable** | | |
| Allcargo Logistics Limited | **10.15** | 123.14 |
| | **10.15** | **123.14** |
| **Loan Payable** | | |
| Allcargo Logistics Limited | **931.88** | 10,216.91 |
| | **931.88** | **10,216.91** |
| **Recoverable pursuant to demerger scheme** | | |
| Allcargo Logistics Limited | **2,740.00** | - |
| | **2,740.00** | **-** |
| **Remuneration Payable** | | |
| Mr. Ashish Vijayprakash Chandna | **-** | 49.33 |
| Ms. Prachi Vijay Vaidya | **-** | - |
| | **-** | **49.33** |

*On 28th April 23, the Holding Company has entered into long term lease contract with Transindia Reality and Logistics Parks Limited wherein the rent is payable with effect from 1st April 22, for lease of Land and buildings at certain locations.

## 38 Fair value hierarchy

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

**Quantitative disclosures fair value measurement hierarchy as at 31 March 2023:**

(₹ in Lakhs)

| Particulars | Total | Quoted price in active market (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
|---|---|---|---|---|
| **FVTPL Financial Investments** | | | | |
| - Mutual funds | 932.76 | 932.76 | - | - |
| **Total Financial Assets measured at fair value** | 932.76 | 932.76 | - | - |

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

**Quantitative disclosures fair value measurement hierarchy as at 31 March 2022:**

| Particulars | Total | Quoted price in active market (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
|---|---|---|---|---|
| **FVTPL Financial Investments** | | | | |
| - Mutual funds | - | - | - | - |
| **Total Financial Assets measured at fair value** | **-** | **-** | **-** | **-** |

The management assessed that cash and cash equivalents, trade receivables, trade payables, short-term borrowings, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## 39 Financial risk management objectives and policies

**i)** The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Group's risk assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the policies and processes. Risk assessment and policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The Board of Directors and the management is responsible for overseeing the Group's risk assessment and policies and processes.

**ii) Market Risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and it's revenue generating and operating activities.

**a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group's policy is to keep maximum of its borrowings at fixed rates of interest. At 31 March 2023, 100% of the Group's borrowings are at a fixed rate of interest

**iii) 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 Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**Trade Receivables**

Customer credit risk is managed subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

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 historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets . The Group does not hold collateral as security.

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

**iv) Liquidity risk**

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans etc. 15 % of the Group's borrowings including current maturities of non-current borrowings will mature in less than one year at 31 March 2023 based on the carrying value of borrowings including current maturities of non-current borrowings reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023

(₹ in Lakhs)

| Particulars | Less than 1 year | More than 1 Year |
|---|---|---|
| Borrowings | **487.51** | **2,717.41** |
| Lease Liability | **1,821.94** | **36,333.94** |
| Trade and Other Payables | **11,011.27** | **-** |

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2022

| Particulars | Less than 1 year | More than 1 Year |
|---|---|---|
| Borrowings | 73.47 | 10,227.30 |
| Lease Liability | 214.63 | 739.80 |
| Trade and Other Payables | 2,108.73 | - |

**Excessive risk**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

## 40 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Group. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings.

## 41 List of Entities Consolidated

| Particulars | % Equity Interest | |
|---|---|---|
| | As at 31 March 2023 | As at 31 March 2022 |
| **a) The list of subsidiary Companies, controlled by the group, which are included in the CFS are as under :** | | |
| **Indian subsidiaries (Companies incorporated/registered in India) :-** | | |
| **Partially owned subsidiaries** | | |
| 1. Speedy Multimodes Limited (w.e.f. October 1, 2021) | **85%** | 85% |
| **b) The list of Joint ventures (directly) considered in CFS is as under*:** | | |
| 1. Allcargo Logistics Park Private Limited | **51%** | |
| 2. Transnepal Freight Services Private Limited | **50%** | |

*Pursuant to demerger scheme above JVs are transferred from Allcargo Logistics Limited to the Holding Company.

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

## 42 Material Business combinations

In October 2021, The Holding Company has acquired 85% of equity stake in Speedy Multimodes Limited at a total consideration of ₹ 10,200 Lakhs. The fair values of the identifiable assets and liabilities as at the date of acquisition were:

(₹ in Lakhs)

| Particulars | Fair value recognised on acquisition |
|---|---|
| **Assets Acquired** | **Amount** |
| Tangible assets (including ROU Assets) | 2,547.14 |
| Intangible Assets (Identified) | 4,428.84 |
| Cash and cash equivalents | 1,052.30 |
| Net Working Capital | 2,144.05 |
| Others | 399.72 |
| **Fair Value of assets acquired (A)** | **10,572.05** |
| **Liabilities Taken up** | |
| Debt | 167.29 |
| Lease Liability | 954.37 |
| Deferred Tax Liability | 47.47 |
| **Fair value of liabilities acquired (B)** | **1,169.13** |
| Deferred tax on Acquisition (C ) | 1,281.28 |
| **Total identified Net Assets acquired (D) = (A) -(B) - ( C)** | **8,121.64** |
| Consideration Transferred | 10,200.00 |
| Non Controlling interest | 1,179.22 |
| Less: Net identifiable assets | (8,121.64) |
| **Goodwill on Acquisition** | **3,257.58** |

Goodwill has been tested for impairment as at 31st March, 2023 and there is no impairment in goodwill.

The recoverable amount of the Speedy CFS business has been determined to be the higher of: (a) carrying value (b) value in use determined by using the discounted cash flow (DCF method) based on projections from financial budgets approved by senior management covering a five-year period. The pre tax discount rate applied to cash flow projections for impairment testing is 16.5% and cash flows beyond the five-year period are extrapolated using perpetuity factor.

## 43 Demerger

Demerger of Container Freight Station and Inland Container Depots business from Allcargo Logistics Limited:

The Holding Company along with Allcargo Logistics Limited and Transindia Realty and Logistics Parks Limited had filed a Scheme of Demerger ("Scheme") with the National Company Law Tribunal ("NCLT") whereby Container Freight Station ("CFS") and Inland Container Depots ("ICD") business of Allcargo Logistics Limited would be transferred to the Holding Company with effect from appointed date April 01, 2022. As a consideration, 24,56,95,524 equity shares of the Holding Company of ₹ 2 each fully paid up would be issued to the shareholders of Allcargo Logistics Limited (Share Exchange Ratio 1:1). The Holding Company in its Board Meeting held on April 24, 2023 has allotted 24,56,95,524 equity shares to the shareholders of Allcargo Logistics Limited holding as on record date April 18, 2023.

Further, with issuance and allotment of equity shares by the Holding Company, in accordance with the Scheme the initial issued and paid-up equity capital comprising of 7 equity share of Rs.10 each, aggregating to ₹ 70 shall stand cancelled. The equity shares have been sub-divided to ₹ 2/- face value per share (35 equity shares of ₹ 2/- each). NCLT vide its order dated January 05, 2023 approved the Scheme. Certified Copy of the Scheme was filed with ROC on April 01, 2023. As per the accounting treatment specified in the Scheme and Ministry of Corporate Affairs General Circular No. 09/2019 dated 21st August 2019 ("MCA circular"), assets and liabilities relating to CFS and ICD business have been recognised (at book values as appearing in the books of the Allcargo Logistics Limited) in the books of Holding Company from the appointed date. Pending

# Notes to the Consolidated financial statements

## as at and for the year ended 31 March 2023

legal formalities for issue of shares, the face value of equity shares to be issued has been credited to “Equity Shares Pursuant to Demerger” and balance is credited to Capital Reserve.

During the year ended 31st March, 2023, the authorised share capital of the Holding Company has been increased to ₹ 5,500 Lakhs.

(₹ in Lakhs)

| Assets acquired and liabilities assumed by the Company as at 1 April 2022 are as follows: | Amount |
|---|---|
| **ASSETS** | |
| **Non-current assets** | |
| Property, Plant and Equipment | 6,966.87 |
| Right of use (net) | 4,562.20 |
| Other intangible assets | 40.37 |
| Intangible under development | 14.86 |
| (i) Investments in Joint Ventures (including consolidation adjustments upto 31st March, 2022) | 2,815.05 |
| (ii) Loans | 36.87 |
| (iii) Other financial assets | 292.03 |
| Deferred tax assets (net) | 7,399.47 |
| Other non-current assets | 196.11 |
| **Current assets** | |
| Trade and other receivables | 2,211.60 |
| Cash and cash equivalents | 3.79 |
| Loans | 16.27 |
| Recoverable from Allcargo Logistics Limited pursuant to demerger | 1,139.35 |
| Other financial assets | 25.12 |
| Contract Asset | 1,056.68 |
| Other current assets | 673.05 |
| **TOTAL ASSETS (A)** | **27,449.69** |
| **Non-current liabilities** | |
| **Financial liabilities** | |
| (i) Borrowings | 1,795.96 |
| (iI) Lease liability | 4,453.87 |
| **Total** | **6,249.83** |
| **Current liabilities** | |
| **Financial liabilities** | |
| (i) Borrowings | 16.38 |
| (ii) Lease liability Curent | 390.84 |
| Trade payables | 1,638.25 |
| Other Payables | 2,938.83 |
| Other financial liabilities (Current) | 111.47 |
| Employment defined benefit liabilities (net) | 135.42 |

# Notes to the Consolidated financial statements

as at and for the year ended 31 March 2023

(₹ in Lakhs)

| Assets acquired and liabilities assumed by the Company as at 1 April 2022 are as follows: | Amount |
|---|---|
| Contract Liability | 276.90 |
| Other current liabilities | 1,129.37 |
| **Total** | **6,637.46** |
| **TOTAL LIABILITIES (B)** | **12,887.29** |
| **Net assets transferred (A)-(B)** | **14,562.40** |
| **Represented by:** | |
| Equity share issuable pursuant to demerger | 4,913.91 |
| Capital Reserve pursuant to demerger | 9,648.49 |
| **Total** | **14,562.40** |

## 44 Other Statutory Information

i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

ii) The Group has not advanced or loaned or invested funds to any other persons or entitities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

iii) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

   a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

iv) The Group has not entered any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

v) The Group do not have any transactions with companies struck off.

vi) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

**45** Additional Information to be disclosed as required under Schedule III to the Companies Act 2013, of enterprises consolidated as subsidiaries / jointly controlled entities (before elimination of inter group transactions):

| Name of the entity | Net Assets ie Total Assets less total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|
| | As a % of Consolidated Net Assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of total comprehensive income | Amount |
| **Parent** | | | | | | | | |
| Allcargo Terminals Limited | 83.25% | 18,141.54 | 104.32% | 6,133.38 | 102.84% | (32.10) | 104.33% | 6,101.28 |
| Less : Standalone cost of investment in JVs | -2.00% | (436.41) | | | | | | |
| **Subsidiaries** | | | | | | | | |
| ***Indian:*** | | | | | | | | |
| Speedy Multimodes Limited | 27.44% | 5,980.57 | 20.19% | 1,187.00 | -3.27% | 1.02 | 20.31% | 1,188.02 |
| Less: Eliminations / consolidation adjustments | -26.50% | (5,774.10) | -32.73% | (1,924.60) | 0.00% | - | -32.91% | (1,924.60) |
| **Non-controlling interest in all subsidiaries:** | | | | | | | | |
| ***Indian:*** | | | | | | | | |
| Speedy Multimodes Limited | 5.58% | 1,215.72 | 2.09% | 123.16 | 0.43% | (0.13) | 2.10% | 123.03 |
| **Joint ventures** | | | | | | | | |
| ***Indian:*** | | | | | | | | |
| Allcargo Logistics Park Private Limited | 8.13% | 1,771.52 | 8.30% | 487.86 | 0.00% | - | 8.34% | 487.86 |
| ***Foreign:*** | | | | | | | | |
| Transnepal Freight Services Private Limited | 4.10% | 893.24 | -2.17% | (127.45) | 0.00% | - | -2.18% | (127.45) |
| **Total** | **100%** | **21,792.10** | **100%** | **5,879.35** | **100%** | **(31.21)** | **100%** | **5,848.14** |

## 46 Corporate Social Responsibility

CSR is not applicable to the Holding company. As per section 135 of the Act, a CSR committee has been formed by the subsidiary Company. The funds are utilised throughout the year on activities which are specified in Schedule VII of the Act. The utilisation is done by way of direct contribution towards various activities.

(a) Gross amount required to be spent by Subsidiary of the Company during the period ended 31 March 2023 ₹ 36.26 lakhs (31 Mar 2022 ₹ 17.72 lakhs)

# Notes to the Consolidated financial statements

**as at and for the year ended 31 March 2023**

(b) The areas of CSR activities and contributions made thereto are as follows:

(₹ in Lakhs)

| Amount spent during the year on | 31 March 2023 | 31 March 2022 |
|---|---|---|
| 1) Construction / Acquisition of any assets | **-** | - |
| 2) For purposes other than (1) above: | | |
| - Promoting education, health & safety of underprivileged children | **27.98** | 12.75 |
| - Contributing towards COVID-19 Relief activity, setting of medical camps for eye and general health checkup | **-** | 0.45 |
| 3) Others | **8.30** | 5.18 |
| **Total** | **36.28** | **18.38** |

**47** Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

**48** The previous year's financial statements have been audited by another firm of Chartered Accountants.

**49** As per Management assessment, there are no adjusting events subsequent to March 31, 2023 other than those disclosed in the financial statements.

**As per our report of even date**

**For S.R. Batliboi & Associates LLP**
ICAI firm registration No: 101049W/E300004
Chartered Accountants

**per Aniket Sohani**
Partner
Membership No: 117142

Place: Mumbai
Date: July 05, 2023

**For and on behalf of Board of Directors of**
CIN No: U60300MH2019PLC320697

**Suresh Kumar Ramiah**
Director
DIN: 07019419

**Vaishnavkiran Shashikiran Shetty**
Director
DIN: 07077444

**Poornima Sreedhar**
Chief Financial Officer
M.N : 100545

**Hardik Desai**
Company Secretary & Compliance Officer
M.N.: A35491

Place: Mumbai
Date: July 05, 2023

# FORM AOC-I

[Pursuant to first proviso to sub-section [3] of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies [Accounts] Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures [Information in respect of each subsidiary presented with amounts for the Financial Year ended March 31, 2023

## Part "A": Subsidiaries

(₹ in Lakhs)

| Sr. No. | Name of Subsidiary | Financial Period Ended | The date since when subsidiary was acquired | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Share Capital# | Reserves and Surplus | Total Assets | Total Other Liabilities | Investments | Turnover/ Operating Income | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | % of Shareholding* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | **Speedy Multimodes Limited** | March 31, 2023 | October 01, 2021 | NA | 2,720 | 3,260.57 | 11,580.41 | 5,599.84 | 932.76 | 24,005.36 | 1,734.28 | 424.12 | 1,310.16 | 0 | 85% |

*Representing aggregate % of shares held by the Company.
#Share Capital rounded off nearest to ₹ Lakh

**Notes:**

2 **Names of subsidiaries which became Subsidiary/Wholly Owned Subsidiary ('WOS') during the year:** Not Applicable

3 **Names of subsidiaries which are yet to commence operations:** Not Applicable

4 **Names of subsidiaries which have been liquidated or sold during the year:** Not Applicable

### Part "B": Associates and Joint Ventures

(₹ in Lakhs)

| Sr. No. | Name of Associates/Joint Ventures | Transnepal Freight Services Private Limited* | Allcargo Logistics Park Private Limited* |
|---|---|---|---|
| 1 | Latest audited Balance Sheet Date | July 16, 2022 | March 31, 2023 |
| 2 | Date on which the Associate or Joint Venture was associated or acquired | April 01, 2022 | April 01, 2022 |
| 3 | Shares of Associate/Joint Ventures held by the Company on the year end** | | |
| [i] | Number | 43,600 | 3,867,840 |
| [ii] | Amount of Investment in Associates/Joint Venture | 13.63 | 422.78 |
| [iii] | Extend of Holding %** | 50% | 51% |
| 4 | Description of how there is significant influence | Joint Venture | Joint Venture |
| 5 | Reason why the Associate/Joint Venture is not consolidated | N.A | N.A |
| 6 | Networth attributable to Shareholding as per latest Audited Balance Sheet | 893.24 | 1,771.52 |
| 7 | Profit / [Loss] for the year | (254.90) | 956.59 |
| [i] | Considered in Consolidation | (127.45) | 487.86 |
| [ii] | Not Considered in Consolidation | (127.45) | 468.73 |

*Pursuant to the Scheme of Arrangement and Demerger investments in aforesaid Joint Ventures was transferred to the Company by Allcargo Logistics Limited with effect from Appointed Date i.e. April 01, 2022.

**Transfer of equity shares from Allcargo Logistics Limited to the Company is in process.

1 **Names of Associates/Joint Ventures which are yet to commence operations:**

Not Applicable

2 **Names of associates or joint ventures which have been liquidated or sold during the year**

Not Applicable

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

**Sd/-**
**Suresh Kumar Ramiah**
Managing Director
DIN: 07019419

**Sd/-**
**Vaishnavkiran Shetty**
Non-executive Director
DIN: 07077444

**Sd/-**
**Poornima Sreedhar**
Chief Financial Officer
M. N.: 100545

**Sd/-**
**Hardik Desai**
Company Secretary & Compliance Officer
M.N. A35491

Date: July 05, 2023
Place: Mumbai

Allcargo Terminals Limited,
4th Floor, A, Wing, Allcargo House,
CST Road, Kalina, Santacruz (East),
Mumbai- 400098, Maharashtra, India

Tel.: 022-6679 8100

Fax: 022-6679 8195

Email: investor.relations@allcargoterminals.com

Website: www.allcargoterminals.com

CIN: U60300MH2019PLC320697