

Adani kattupalli Port Limited

Financial Statements - FY - 2020-21

INDEPENDENT AUDITOR'S REPORT

To The Members of Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited) Report on the Audit of the Financial statements

Opinion

We have audited the accompanying financial statements of **Adani Kattupalli Port Limited** (Formerly known as Adani Kattupalli Port Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

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

- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial statements

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

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

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

Auditor's Responsibility for the Audit of the Financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has

adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

- e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid / provided any remuneration to its directors during the year.
 - 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval
Partner
(Membership No. 106189)
(UDIN: 21106189AAAAEQ8560)

Place: Ahmedabad
Date: May 03, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF ADANI KATTUPALLI PORT LIMITED (Formerly known as ADANI KATTUPALLI PORT PRIVATE LIMITED) (Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval
Partner
(Membership No. 106189)
(UDIN: 21106189AAAAEQ8560)

Place: Ahmedabad
Date: May 03, 2021

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF ADANI KATTUPALLI PORT LIMITED (Formerly known as ADANI KATTUPALLI PORT PRIVATE LIMITED)
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) Some of the property, plant and equipment were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties of freehold or leasehold land and acquired building and hence reporting under clause (i)(c) of paragraph 3 of the Order is not applicable.
- (ii) The management has conducted physical verification of store and spares inventory at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of sub clauses (a), (b), and (c) of clause (iii) of paragraph 3 of the Order are not applicable to the Company, and hence not commented upon.
- (iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of paragraph 3 of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under section 148(1) of the Companies Act, 2013.

According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Income-tax, Goods and Services Tax, Customs Duty, cess, and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income-tax, Goods and Services Tax, Customs Duty, cess, and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Goods and Service Tax as on March 31, 2021 on account of disputes.
- (vii) In our opinion and according to the information and explanations given to us, the Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.
- (viii) In our opinion and according to the information and explanations given to us, money raised by way of term loans has been applied by the Company during the year for the purpose for which they were raised, other than temporary deployment, if any, pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (ix) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (x) According to the information and explanations given to us, the Company has not paid any managerial remuneration during the year and hence reporting under clause (xi) are not applicable and hence not commented upon.
- (xi) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) of the Order in so far as it relates to Section 177 of the Act is not applicable and hence not commented upon.
- (xiii) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.

- (xiv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xv) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval
Partner
(Membership No. 106189)
(UDIN: 21106189AAAAEQ8560)

Place: Ahmedabad
Date: May 03, 2021

Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited)
Balance Sheet as at March 31, 2021



₹ in Lacs

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
Assets			
Non-Current Assets			
Property, Plant and Equipment	3(a)	350.12	1,901.27
Capital Work-in-Progress		2.26	264.62
Other Intangible Assets	3(b)	7.66	16.94
Deferred tax assets (net)	20	1,391.88	1,429.48
Other Non-Current Assets	6	729.14	572.73
Total Non-current Assets		2,481.06	4,185.04
Current Assets			
Inventories	7	11.07	10.36
Financial Assets			
(i) Trade Receivables	4	497.13	652.14
(ii) Cash and Cash Equivalents	8	59.95	113.14
(iii) Other Financial Assets	5	10.90	11.08
Other Current Assets	6	337.36	721.44
Total Current Assets		916.41	1,508.16
Assets Held For Sale (refer note 33)	33	1,814.99	-
Total Assets		5,212.46	5,693.20
Equity and Liabilities			
Equity			
Equity Share Capital	9	5.00	5.00
Other Equity	10	2,273.54	2,101.13
Total Equity		2,278.54	2,106.13
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	11	1,841.70	2,270.16
Total Non-current Liabilities		1,841.70	2,270.16
Current Liabilities			
Financial Liabilities			
(i) Trade Payables	14		
- total outstanding dues of micro enterprises and small enterprises		8.77	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		368.12	207.46
(ii) Other Financial Liabilities	12	530.91	948.85
Current tax liabilities (net)	20(b)	-	19.77
Other Current Liabilities	13	184.42	140.83
Total Current Liabilities		1,092.22	1,316.91
Total Liabilities		2,933.92	3,587.07
Total Equity and Liabilities		5,212.46	5,693.20

The accompanying notes form an integral part of the financial statements

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of Board of Directors

Kartikeya Raval
Partner

Karan Adani
Director
DIN : 03088095

Pranav Choudhary
Director
DIN : 08123475
Place : Hazira

Place: Ahmedabad
Date: May 03, 2021

Place: Ahmedabad
Date: May 03, 2021

Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited)
Statement of Profit and Loss for the year ended March 31, 2021



₹ in Lacs

Particulars	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from Operations	15	1,607.22	1,638.97
Other Income	16	32.26	175.75
Total Income		1,639.48	1,814.72
Expenses			
Operating Expenses	17	826.48	721.55
Employee benefits expense		-	-
Depreciation and Amortization Expense	3	202.50	116.19
Foreign Exchange (Gain) / Loss (net)		(21.27)	33.67
Finance Costs	18	165.29	186.86
Other Expenses	19	216.34	345.14
Total Expense		1,389.34	1,403.41
Profit Before Tax		250.14	411.31
Tax expense:	20(a)		
Current Tax		22.07	118.46
Deferred Tax		55.66	20.06
Total tax expense		77.73	138.52
Profit for the year	A	172.41	272.79
Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains (losses) on defined benefit plans		-	-
Income Tax effect (charge)		-	-
Fair value (loss)/gain on FVTOCI financial asset		-	-
Income Tax effect		-	-
Total Other Comprehensive Income (net of taxes)	B	-	-
Total Comprehensive Income for the year	(A+B)	172.41	272.79
Earnings per Share - (Face value of ₹ 10 each)			
Basic and Diluted (in ₹)	22	344.82	545.58

The accompanying notes form an integral part of the financial statements

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of Board of Directors

Kartikeya Raval
Partner

Karan Adani
Director
DIN : 03088095

Pranav Choudhary
Director
DIN : 08123475

Place: Ahmedabad
Date: May 03, 2021

Place: Ahmedabad
Date: May 03, 2021

Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited)
Statement of Changes in Equity for the year ended March 31, 2021



₹ in Lacs

Particulars	Equity Share Capital	Other Equity		Total
		Perpetual Debt (Refer note 10)	Reserves and Surplus	
			Retained Earning	
Balance as at April 01, 2019	5.00	50,000.00	1,828.34	51,833.34
Repayment of Perpetual Debt	-	(50,000.00)	-	(50,000.00)
Profit for the year	-	-	272.79	272.79
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive Income for the year	-	(50,000.00)	272.79	(49,727.21)
Balance as at March 31, 2020	5.00	-	2,101.13	2,106.13
Balance as at April 01, 2020	5.00	-	2,101.13	2,106.13
Profit for the year	-	-	172.41	172.41
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive Income for the year	-	-	172.41	172.41
Balance as at March 31, 2021	5.00	-	2,273.54	2,278.54

The accompanying notes form an integral part of the financial statements

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of Board of Directors

Kartikeya Raval
 Partner

Karan Adani **Pranav Choudhary**
 Director Director
 DIN : 03088095 DIN : 08123475

Place: Ahmedabad
Date: May 03, 2021

Place: Ahmedabad
Date: May 03, 2021

Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited)
Statement of Cash Flows for the year ended March 31, 2021



₹ in Lacs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(A) Cash flows from operating activities		
Profit before tax	250.14	411.31
Adjustments for:		
Depreciation and amortisation expense	202.50	116.19
Unclaimed liabilities / excess provision written back	(4.26)	-
Finance Cost	165.29	186.86
Unrealised foreign exchange fluctuation (gain) / Loss	(21.27)	33.67
Allowances for doubtful advances (net)	5.61	26.99
Operating profit / (loss) before working capital changes	598.01	775.02
Adjustments for :		
(Increase) / Decrease in Trade Receivables	149.40	(164.04)
Decrease in Inventories	(0.71)	(10.09)
Decrease in Financial Assets	0.18	50,172.27
(Increase) / Decrease in Other Assets	(237.93)	1,170.29
Increase / (Decrease) in Trade Payables	194.96	(288.82)
Increase / (Decrease) in Other Liabilities	43.59	(329.69)
Increase / (Decrease) in Financial Liabilities	(28.00)	(523.02)
Cash Generated from Operations	719.50	50,801.92
Direct Taxes Paid	31.97	153.76
Net cash generated from operating activities	A 751.47	50,955.68
(B) Cash flows from investing activities		
Purchase of property plant and equipment (Including Capital in Work in Progress, other Intangible assets, capital advances and capital creditors)	(210.37)	(467.47)
Net cash used in investing activities	B (210.37)	(467.47)
(C) Cash flows from financing activities		
Proceeds from Intercompany Deposit (Long Term/Short Term Borrowing)	1,520.61	200.00
Repayment of Intercompany Deposit (Long Term / Short Term Borrowing)	(1,949.07)	-
Redemption of Perpetual Debt	-	(50,000.00)
Finance cost paid	(165.83)	(606.35)
Net cash (used in) Financing Activities	C (594.29)	(50,406.35)
Net (Decrease) / Increase in Cash & Cash Equivalents	(A+B+C) (53.19)	81.86
Cash and Cash Equivalents at the Beginning of the Year (Refer note 8)	113.14	31.28
Cash and cash equivalents at the end of the year (Refer note 8)	59.95	113.14
Component of Cash and Cash equivalents		
Balances with scheduled bank		
On current accounts	59.95	113.14
Cash and Cash Equivalents at the end of the year	59.95	113.14

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

(2) Disclosure under Para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) (Amendment) Rules, 2017 is given in note 29

The accompanying notes form an integral part of the financial statements

As per our report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

For and on behalf of Board of Directors

Kartikeya Raval
Partner

Karan Adani **Pranav Choudhary**
Director Director
DIN : 03088095 DIN : 08123475

Place: Ahmedabad
Date: May 03, 2021

Place: Ahmedabad
Date: May 03, 2021

1 Corporate information

Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited) ("the Company or "AKPL") is a private limited company domiciled in India and is incorporated under the provision of the Companies Act applicable in India. The registered office of the company is located at "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421. The Company is wholly owned subsidiary of Adani Ports and Special Economic Zone Limited with an objective to acquire and operate port at Kattupalli, Tamil Nadu.

The Company is primarily engaged in the business of operation of container freight station.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 03, 2021.

2 Basis of preparation

2.1 The financial statements of the Company has been prepared in accordance with Indian Accounting Standards (IndAS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

Accounting policies have been consistently applied except where a newly - issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in accounting policy as mentioned in note 2.3 hitherto in use.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

2.2 Summary of significant accounting policies**a) Current versus non-current classification**

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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.

b) Inventories

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

Stores and Spares: Valued at lower of cost and net realisable value. Cost is determined on a moving weighted average basis.

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

c) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, 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, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

d) Property, plant and equipment (PPE)

Property, Plant and Equipment (including Capital work-in-progress) are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price directly and indirectly attributable costs arising directly from the construction/development and borrowing costs if capitalisation criteria are met directly attributable cost of bringing the asset / project to its working condition for the intended use.

Capital work-in-progress included in PPE is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the borrowing costs for long-term construction projects if the recognition criteria are met. All other costs are recognised in the statement of profit and loss as

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act 2013. The identified component of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are

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.

e) Intangible assets

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

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

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

Intangible assets	Method of Amortisation	Estimated Useful Life
Software applications	on straight line basis	5 Years based on management estimates

f) Revenue Recognition

Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Port Operation Services

Revenue from port operation services including cargo handling, storage, rail infrastructure and other ancillary port services are recognised in the accounting period in which the services are rendered on proportionate completion method based on services completed till reporting date. Revenue is recognised based on the actual service provided by the end of reporting period as a proportion of total services to be provided.

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

Income from SEIS/SFIS

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

g) Foreign currency transactions

The Company's financial statements are presented in INR, which is functional currency of the Company. The Company determines the functional currency and items included in the financial statements are measured using that functional currency. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of transaction.

Transactions and balances

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

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

h) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long - term investments. Long - term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of investments.

i) Borrowing Costs

Borrowing costs are interest and other ancillary costs incurred with the arrangement of Borrowings. Borrowing costs directly attributable to the acquisition, construction or development of an asset / project 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) Segment Reporting

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

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

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

i) Right-of-use assets

The Company recognises right-of-use assets ("RoU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

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

i) Earnings per share (EPS)

The Basic EPS has been computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

m) Taxes

Tax expense comprises of current income tax and deferred tax.

i) Current income tax

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

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

ii) Deferred tax

Deferred tax is provided using the balance sheet 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:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be 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.

n) 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, 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 group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

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

o) Provisions (other than employee benefits), Contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate of the amount can be made. Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of the money is material). The increase in the provisions due to passage of time is recognised as interest expense. Provisions are reviewed as at each reporting date and adjusted to reflect the current best estimate.

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.

p) Government grants

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants and subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance sheet and transferred to the statement of profit and loss on systematic and rational basis over the useful lives of the related asset. Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs which they are intended to compensate on a systematic basis. Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

q) Fair value measurement

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

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

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- > Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- > Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- > Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

External valuers are involved for valuation of unquoted financial assets and financial liabilities, Involvement of external valuers is decided upon annually by the management. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

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

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on a yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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

Disclosures for valuation methods, significant estimates and assumptions (refer note 21)

Quantitative disclosures of fair value measurement hierarchy (refer note 21)

Financial instruments (including those carried at amortised cost) (refer note 21)

r) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- > Debt instruments at amortised cost
- > Debt instruments, derivatives and financial instruments at fair value through profit or loss (FVTPL)

Debt instruments at amortised cost

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

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the 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.

Debt instrument at FVTPL

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

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Derecognition

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

> The rights to receive cash flows from the asset have expired, or

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

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

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

Impairment of financial assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure ;

a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances.

b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

> Trade receivables or contract revenue receivables; and

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / (expense) in the statement of profit and loss. This amount is reflected under the head " Other Expense" in the statement of profit and loss.

Financial liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the 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.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or

2.3 Changes in accounting policies and disclosures

New Standards, Interpretations and amendments adopted by the company

In the current year, the Company has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after April 01, 2020.

Amendments to Ind AS 116 - Covid-19 Related Rent Concessions

The Company has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and
- There is no substantive change to other terms and conditions of the lease.

The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to Ind AS 103

Definition of a business

The Company has adopted the amendments to Ind AS 103 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1 April 2020.

The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to Ind AS 1 and Ind AS 8 - Definition of "material"

The Company has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of the amendments has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to Ind AS 109 and 107 - Interest Rate Benchmark Reform

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

The adoption of the amendments has not had any impact on the disclosures or on the amounts reported in these financial statements.

2.4 Significant accounting estimates and assumptions

The preparation of the Company's Ind AS financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Judgments

As per Government notification no. 57/2015-2020 dated March 31, 2020 the Company is entitled to Service Exports from India Scheme (SEIS) benefits on Port Services till year ended March 31, 2020 and accordingly company has accounted the same on provisional basis pending notification in receipt of the eligible service and rate of rewards as at reporting date (Refer note 6).

(b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when

Useful lives of property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. The estimated useful lives of property, plant and equipments are described in note 2.2 (d).

Taxes

Deferred tax (including MAT Credits) assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 20(d).

Note 3 - Property, Plant and Equipment and Intangible Assets

Note 3(a) - Property, Plant and Equipment

₹ in Lacs

Particulars	Tangible Assets						Total
	Plant & equipment	Building	Office Equipment	Computer Hardware	Vehicle	Furniture & Fixture	
Cost							
As at April 1, 2019	265.12	-	79.61	66.73	33.52	37.55	482.53
Additions	1,261.72	207.06	6.13	93.64	-	20.33	1,588.88
Deductions/Adjustment	-	-	-	-	-	-	-
As at March 31, 2020	1,526.84	207.06	85.74	160.37	33.52	57.88	2,071.41
Additions	83.08	106.28	20.43	7.85	-	0.07	217.71
Deductions/Adjustment	-	-	-	-	-	-	-
Exchange difference	-	-	-	-	-	-	-
Asset Held for Sale (refer note 33)	(1,301.49)	(313.33)	(21.89)	(88.16)	-	(20.41)	(1,745.28)
As at March 31, 2021	308.43	0.00	84.29	80.06	33.52	37.55	543.85
Depreciation and Amortisation							
As at April 1, 2019	15.29	-	18.26	17.89	6.30	2.27	60.01
Depreciation for the year	57.12	3.74	16.41	23.91	4.19	4.76	110.13
Deductions/(Adjustment)	-	-	-	-	-	-	-
As at March 31, 2020	72.41	3.74	34.67	41.80	10.49	7.03	170.14
Depreciation for the year	102.54	10.44	20.13	52.56	4.19	5.79	195.65
Deductions/(Adjustment)	-	-	-	-	-	-	-
Asset Held for Sale (refer note 33)	(123.00)	(14.18)	(4.12)	(27.73)	-	(3.04)	(172.07)
As at March 31, 2021	51.95	-	50.68	66.63	14.68	9.78	193.72
Net Block							
As at March 31, 2021	256.48	0.00	33.61	13.43	18.84	27.77	350.12
As at March 31, 2020	1,454.43	203.32	51.07	118.57	23.03	50.85	1,901.27

Note 3(b) Other Intangible Assets

(₹ in Lacs)

Particulars	Other Intangible Assets
	Software
Cost	
As at April 1, 2019	27.43
Additions	6.50
Deductions/Adjustment	-
Exchange difference	-
As at March 31, 2020	33.93
Additions	-
Deductions/Adjustment	-
Exchange difference	-
Asset Held for Sale (refer note 33)	(3.47)
As at March 31, 2021	30.46
Amortisation	
As at April 1, 2019	10.93
Amortisation for the year	6.06
Deductions/(Adjustment)	-
As at March 31, 2020	16.99
Amortisation for the year	6.85
Deductions/(Adjustment)	-
Asset Held for Sale (refer note 33)	(1.04)
As at March 31, 2021	22.80
Net Block	
As at March 31, 2021	7.66
As at March 31, 2020	16.94

	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
4 Trade Receivables (Unsecured, unless otherwise stated)		
Current		
Considered Good	497.13	637.71
Dues from related parties (refer note 30)	-	14.43
Credit Impaired	36.69	31.08
	533.82	683.22
Allowances for expected credit loss	(36.69)	(31.08)
	497.13	652.14
Note:		
(i) No Trade or other receivable are due from directors or other officers of the company either separately or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.		
(ii) Trade receivable are non interest bearing and are generally realisable within 7 to 30 days as per terms.		
5 Other Financial assets	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Current		
Interest accrued on deposits and loans	-	0.18
Security Deposit		
Unsecured, considered good	10.90	10.90
	10.90	11.08
6 Other Assets	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Non Current		
Capital Advances		
Unsecured, considered good	-	373.73
	-	373.73
Bal. with Govt Authorities	622.01	-
Taxes recoverable (Net of Provision ₹ 2,403.09 Lacs) (Previous year ₹ 2,286.92 Lacs) (refer note 20b)	14.34	106.21
Export Benefits and other receivables (refer below note (i))	92.79	92.79
	729.14	199.00
	729.14	572.73
Current		
Advances recoverable other than in cash		
Unsecured, considered good	32.85	37.63
	32.85	37.63
Others (Unsecured)		
Prepaid Expenses	2.13	13.57
Contract Assets	13.08	-
Balances with Government authorities	289.30	670.24
	304.51	683.81
	337.36	721.44
Note		
(i) As per Government notification dated March 31, 2020 the Company is entitled to Service Exports from India Scheme (SEIS) benefits on Port Services till year ended March 31, 2020. The SEIS benefits of ₹ 92.79 Lacs for the Port Services provided during the financial year ended March 31, 2020 has been accounted by the Company on provisional basis pending notification in respect of the service categories eligible under the scheme and the rates of rewards on such services by Government Authorities and as at reporting date Company is carrying ₹ 92.79 Lacs receivables in the books. The Company's management is confident that Company will able to realise the outstanding receivables once the Government notify the said services and rates. The company based on the advise of legal counsel is confident of realisability of the same.		
7 Inventories (at lower of cost or net realisable value)	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Stores and spares	11.07	10.36
	11.07	10.36
8 Cash and cash equivalents	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Balances with banks:		
Balance in current account	59.95	12.10
Deposits with original maturity of less than three months	-	101.04
	59.95	113.14

Adani Kattupalli Port Limited (Formerly known as Adani Kattupalli Port Private Limited)

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



	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
9 Equity Share capital		
Authorised		
50,000 Equity Shares of ₹ 10 each (50,000 Equity Shares of ₹ 10 each as at March 31, 2020)	5.00	5.00
	5.00	5.00
Issued, subscribed and fully paid up shares		
50,000 Equity Shares of ₹ 10 each (50,000 Equity Shares of ₹ 10 each as at March 31, 2020)	5.00	5.00
	5.00	5.00

Notes:

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

	March 31, 2021		March 31, 2020	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
At the beginning of the year	50,000	5.00	50,000	5.00
Add : New shares issued during the year	-	-	-	-
At the end of the year	50,000	5.00	50,000	5.00

(b) Terms/rights attached to equity shares:

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

(c) Shares held by holding company

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

	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Adani Ports and Special Economic Zone Limited, the holding company and its nominee		
50,000 equity shares (Previous year 50,000) of ₹ 10 each	5.00	5.00

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

Equity shares of ₹ 10 each fully paid	Particulars	March 31, 2021	March 31, 2020
Adani Ports and Special Economic Zone Limited, the holding Company and its nominee	No of shares	50,000	50,000
	% Holding	100.00%	100.00%

10 Other Equity

Retained Earnings

	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Opening Balance	2,101.13	1,828.34
Add : Profit for the year.	172.41	272.79
Closing Balance	(A) 2,273.54	2,101.13

Note:- The portion of profits not distributed among the shareholders are termed as retained earnings. The Company may utilise the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

Perpetual Debt

	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
At the beginning of the year	-	50,000.00
Add: New perpetual debt issued during the year	-	-
Less : Redemption of perpetual debt	-	(50,000.00)
At the end of the year	(B) -	-
Total Other Equity	(A+B) 2,273.54	2,101.13

The Company has redeemed perpetual debts amounting to ₹ Nil Lacs (previous year ₹ 50,000 Lacs). These debt were perpetual in nature with no fixed maturity or redemption period and are callable only at the option of the Company. These securities are issued with coupon of 7.5% but payable at the option of the Company though in case Company decide to declare dividend, the interest will be paid. As these securities are perpetual in nature and the Company does not have any redemption obligation, these are classified as 'equity'.

11 Borrowings

Long Term Borrowing

	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Inter Corporate Deposit (refer Note (a) below & 31) (Unsecured)	1,841.70	2,270.16
	1,841.70	2,270.16

Less: Current maturities of long term borrowings classified under "other current financial liabilities" (refer note 12)

	-	-
Net current borrowing	1,841.70	2,270.16

The above amount includes

Unsecured borrowings	1,841.70	2,270.16
Total borrowings	1,841.70	2,270.16

Note:

(a) The Inter Corporate Deposits taken from Adani Ports and Special Economic Zone Limited are interest bearing @ 7.50% per annum. The InterCorporate Deposit are repayable in FY 2023-24

12 Other financial liabilities

Current

Interest accrued but not due on borrowings (refer note 30)	151.56	152.10
Deposits from customers	39.50	41.50
Capital creditors, retention money and other payable	117.52	506.92
Refund Liability (Refer note a)	222.33	248.33
	530.91	948.85

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
151.56	152.10
39.50	41.50
117.52	506.92
222.33	248.33
530.91	948.85

Note: (a) A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refund liabilities refers to the volume discount which shall be payable to the customer after adjusting any outstanding receivable from them.

13 Other Liabilities

Current

Statutory liability	18.46	10.31
Contract Liability	165.96	130.52
	184.42	140.83

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
18.46	10.31
165.96	130.52
184.42	140.83

14 Trade payables

Total outstanding dues of micro enterprises and small enterprises (Refer note 28)	8.77	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	368.12	207.46
	376.89	207.46

March 31, 2021	March 31, 2020
₹ in Lacs	₹ in Lacs
8.77	-
368.12	207.46
376.89	207.46

Dues to related parties included in above (refer note 30)

213.01

-

15 Revenue from Operations

Revenue from Contract with Customers
Other Operating Income

	For the year ended March 31, 2021 ₹ in Lacs	For the year ended March 31, 2020 ₹ in Lacs
	1,607.22	1,368.77
	-	270.20
	1,607.22	1,638.97

Notes

Reconciliation of revenue recognised with contract price:

Particulars

Contract Price
Adjustment for:
Refund Liabilities
Change in value of Contract Assets
Change in value of Contract Liabilities
Revenue from Contract with Customers

	For the year ended March 31, 2021 ₹ in Lacs	For the year ended March 31, 2020 ₹ in Lacs
	1,568.15	853.75
	26.00	515.02
	13.07	-
	-	-
	1,607.22	1,368.77

16 Other Income

Interest Income on :
Bank deposits
Income Tax Refund
Unclaimed liabilities / excess provision written back
Scrap Sale

	For the year ended March 31, 2021 ₹ in Lacs	For the year ended March 31, 2020 ₹ in Lacs
	0.38	14.44
	-	20.99
	4.26	-
	27.62	140.32
	32.26	175.75

17 Operating Expenses

Cargo handling /Other charges to sub-contractors
Repairs to Plant and Machinery
Power and Fuel cost

	For the year ended March 31, 2021 ₹ in Lacs	For the year ended March 31, 2020 ₹ in Lacs
	811.23	690.27
	-	23.22
	15.25	8.06
	826.48	721.55

18 Finance Costs

Interest on
Inter Corporate Deposit
Others
Bank and other finance charges

	For the year ended March 31, 2021 ₹ in Lacs	For the year ended March 31, 2020 ₹ in Lacs
	163.84	169.00
	1.43	17.79
	0.02	0.07
	165.29	186.86

19 Other Expenses

Rent Expenses
Rates and Taxes
Insurance Expenses
Other Repairs and Maintenance
Legal and Professional Expenses
Payment to Auditors (refer note a below)
Communication Expenses
Travelling and Conveyance
Directors Sitting Fee
Charity & Donations (refer note b below)
Provision for Doubtful debts
Miscellaneous Expenses

	For the year ended March 31, 2021 ₹ in Lacs	For the year ended March 31, 2020 ₹ in Lacs
	1.03	1.03
	-	16.84
	7.02	62.21
	0.14	4.67
	14.91	20.36
	2.86	2.87
	22.95	49.63
	35.37	36.32
	0.05	-
	74.00	60.00
	5.61	26.99
	52.40	64.22
	216.34	345.14

Note: a

	For the year ended March 31, 2021 ₹ in Lacs	For the year ended March 31, 2020 ₹ in Lacs
Payment to Auditor		
As Auditor:		
Audit fee	1.76	1.69
Limited review	0.84	0.91
Certification Fees	0.25	0.25
Reimbursement of expenses	0.01	0.02
	2.86	2.87

Note: b

Details of CSR Expenses

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development

	For the year ended March 31, 2021 ₹ in Lacs	For the year ended March 31, 2020 ₹ in Lacs
Gross amount required to be spent by the Company during the year	74.00	60.00
	In cash	Yet to be paid in cash
Amount spent during the year ended March 31, 2021		
(i) Construction/acquisition of any Asset	-	-
(ii) On Purpose other than (i) above	74.00	-
Amount spent during the year ended March 31, 2020		
(i) Construction/acquisition of any Asset	-	-
(ii) On Purpose other than (i) above	60.00	-

20 Income Tax

The major component of income tax expenses for the year ended March 31, 2021 and March 31, 2020 are as under

a) **Profit and Loss Section**

	For the year ended March 31, 2021 ₹ in Lacs	For the year ended March 31, 2020 ₹ in Lacs
Current Income Tax		
Current income tax charge	22.07	118.46
Deferred Tax	55.66	20.06
Tax Expense reported in the Statement of Profit and Loss	77.73	138.52

b) **Balance sheet Section**

	March 31, 2021 ₹ in Lacs	March 31, 2020 ₹ in Lacs
Current tax liabilities (net)	-	19.77
Taxes Recoverable (net) (refet note 6)	14.34	106.21
Net Tax Provision	14.34	125.98

Note : Current tax liabilities (net) and Taxes Recoverable (net) are presented based on a year-wise tax balances, as the case may be.

c) **Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020**

	March 31, 2021		March 31, 2020	
	%	₹ in Lacs	%	₹ in Lacs
Accounting profit before taxation		250.14		411.31
Tax using the Company's domestic rate	27.82%	69.59	27.82%	114.43
Tax effect of :				
Permenant disallowance	7.22%	18.06	2.59%	10.63
Tax Adjustment pertains to previous year	-13.51%	(33.79)	-	-
Temprary Difference in respect of which deferred tax has not been recognised	-2.37%	(5.92)	1.98%	8.16
Deferred tax on timing difference pertain to previous period	11.91%	29.79	-	-
Other Temporary differences	0.00%	-	1.29%	5.30
Effective tax rate	31.08%	77.73	33.68%	138.52
Income tax expenses charged to profit and loss		77.73		138.52

Note : Pursuant to the Taxation Law (Amendment) Ordinance, 2019 ("Ordinance") issued by Ministry of Law and Justice (Legislative Department) on September 20, 2019 effective from April 01, 2019, domestic companies have an option to pay Corporate income tax rate at 22% plus applicable surcharge and cess ("New tax rate") subject to certain conditions. The Company has made an assessment of the impact of the Ordinance and decided to continue with existing tax structure until utilisation of accumulated Minimum Alternate Tax (MAT) credit.

d) The Company has unutilised MAT credit under the Income Tax Act, 1961, for which deferred tax assets has been recognised in the Balance Sheet at March 31, 2021 of ₹ 1,495.25 Lacs (previous year 1,477.20 Lacs) which will be expired in financial year 2032-33.

e) **Deferred tax Liabilities relate to following**

Particulars	Balance Sheet as at		Statement of Profit and Loss Other Comprehensive Income	
			/	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Liability on Accelerated depreciation for tax purpose	113.58	56.36	57.22	27.51
(Asset) on Others Temporary Difference	(10.21)	(8.64)	(1.56)	(7.45)
Deferred tax liabilities / Deferred Tax Charge	103.37	47.72	55.66	20.06

f) **Deferred Tax Asset reflected in the Balance Sheet as follows**

	March 31, 2021	March 31, 2020
Tax Credit Entitlement under MAT	1,495.25	1,477.20
Less : Deferred tax liabilities (net)	(103.37)	(47.72)
	1,391.88	1,429.48

21 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

21.1 Category-wise Classification of Financial Instruments:

Particulars	Refer Note	As at March 31, 2021		
		Fair Value through Profit & Loss	Amortised Cost	Carrying Value
Financial Asset				
Trade receivables	4	-	497.13	497.13
Cash and Cash Equivalents	8	-	59.95	59.95
Others financial assets	5	-	10.90	10.90
Total		-	567.98	567.98
Financial Liabilities				
Borrowings	11	-	1,841.70	1,841.70
Trade payables	14	-	376.89	376.89
Other financial liabilities	12	-	530.91	530.91
Total		-	2,749.50	2,749.50

Particulars	Refer Note	As at March 31, 2020		
		Fair Value through Profit & Loss	Amortised Cost	Carrying Value
Financial Asset				
Trade receivables	4	-	652.14	652.14
Cash and Cash Equivalents	8	-	113.14	113.14
Others financial assets	5	-	11.08	11.08
Total		-	776.36	776.36
Financial Liabilities				
Borrowings	11	-	2,270.16	2,270.16
Trade payables	14	-	207.46	207.46
Other financial liabilities	12	-	948.85	948.85
Total		-	3,426.47	3,426.47

21.2 Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

21.3 Financial Risk objective and policies :

The Company's principal financial liabilities, comprise loans and borrowings, perpetual debt, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and acquisition of port asset. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. In the ordinary course of business, the Company is mainly exposed to risks resulting from interest rate movement.

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

(A) Market risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with interest rates linked to general borrowing rate and period of borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Currently, inter corporate deposit is of fixed rate of interest. The Company has issued Perpetual Debt to APSEZL with no obligation to redeem the debt.

(i) Interest rate risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. Currently, the Company has fixed interest rate borrowing from its Holding Company.

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended March 31, 2021 would decrease / increase by ₹ Nil Lacs (for the year ended March 31, 2020 decrease / increase by ₹ Nil Lacs).

(ii) Foreign currency risk

Exchange rate movements, particularly the United States Dollar (USD) against Indian Rupee (INR), have an impact on the company's operating results.

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

₹ in Lacs

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
USD Sensitivity				
RUPEES / USD – Increase by 1%	(0.35)	(3.46)	(0.35)	(3.46)
RUPEES / USD – Decrease by 1%	0.35	3.46	0.35	3.46

(B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets) and from its financing activities, including deposits with banks and other financial instruments.

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

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

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

Concentrations of Credit Risk form part of Credit Risk

Considering that the Company operates the port services at Kattupalli, the Company is significantly dependent on such Container customers. Out of total revenue, the Company earns ₹ 438.40 lacs of revenue during the year ended March 31, 2021 (previous year ₹ 553.88 lacs) from such customers which constitute 27.28% (previous year 40.47%). Accounts receivable from such customer approximated ₹ 222.11 lacs as at March 31, 2021 and ₹ 258.12 lacs as at March 31, 2020. A loss of these customer could adversely affect the operating result or cash flow of the Company.

(C) Liquidity risk

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

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

i) Maturities of financial liabilities

The tables below analyze the company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

₹ in Lacs

Contractual maturities of financial liabilities as at March 31, 2021	Carrying amount	On demand or within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years	Total
Borrowings	1,841.70	-	1,841.70	-	1,841.70
Interest on borrowings	151.56	-	357.24	-	357.24
Trade Payables	376.89	376.89	-	-	376.89
Other Financial Liabilities	379.35	379.35	-	-	379.35
Total	2,749.50	756.24	2,198.94	-	2,955.18

₹ in Lacs

Contractual maturities of financial liabilities as at March 31, 2020	Carrying amount	On demand or within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years	Total
Borrowings	2,270.16	-	-	2,270.16	2,270.16
Interest on borrowings	152.10	-	-	610.61	610.61
Trade Payables	207.46	207.46	-	-	207.46
Other Financial Liabilities	796.75	796.75	-	-	796.75
Total	3,426.47	1,004.21	-	2,880.77	3,884.98

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments available with the Company. The amounts included above for variable interest rate instruments is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

21.4 Capital management :

For the purposes of the Company's capital management, capital includes issued capital, perpetual debt (equity in nature) and all other equity reserves. The primary objective of the Company's capital management is to maximize shareholder value keeping long term and short term goal of the Company. The Company manages its capital structure and makes adjustments on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans.

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

₹ in Lacs

Particulars	March 31, 2021	March 31, 2020
Total Borrowings (refer note 11)	1,841.70	2,270.16
Less: Cash and bank balance (refer note 8)	59.95	113.14
Net Debt (A)	1,781.75	2,157.02
Total Equity (B)	2,278.54	2,106.13
Total Equity and Net Debt (C = A + B)	4,060.29	4,263.15
Gearing ratio (A / C)	43.88%	50.60%

22 Earnings per Share	March 31, 2021	March 31, 2020
Profit / (Loss) attributable to equity shareholders of the company (₹ in Lacs)	172.41	272.79
Weighted average number of equity shares (No's)	50,000	50,000
Basic and Diluted earning per share (in ₹)	344.82	545.58

23 Capital Commitments & Other Commitment

Particulars	₹ in Lacs	
	March 31, 2021	March 31, 2020
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	9.95	92.55

24 Derivative instruments and unhedged foreign currency exposure

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

Nature	As at March 31, 2021		As at March 31, 2020	
	₹ in Lacs	Foreign Currency In Million	₹ in Lacs	Foreign Currency In Million
Capital Creditors	35.43	USD 0.0485	345.79	USD 0.457

Closing rates as at March 31, 2021:
INR / USD = ₹ 73.11

Closing rates as at March 31, 2020:
INR / USD = ₹ 75.67

25 Contingent Liabilities not provided for

Based on the information available with the Company, there is no contingent liability at the year ended March 31, 2021.

26 Segment Information

The Company is primarily engaged in the business of operation of container freight station. The entire business has been considered as a single segment in terms of Ind AS - 108 on Segment Reporting issued by the Institute of Chartered Accountants of India. There being no business outside India, the entire business has been considered as single geographic segment.

27 Employee Benefits

The Company does not have any employee. The management and administrative functions of the Company are being managed by the holding Company, Adani Ports and Special Economic Zone Limited.

28 Details as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). This information has been determined to the extent such parties have been identified on the basis of information available with the Company

Sr.No.	Particulars	March 31, 2021	March 31, 2020
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal	8.77	Nil
	Interest	Nil	Nil

29 Disclosure with regards to changes in liabilities arising from financing activities as per Ind AS 7 Statement of Cash Flows:

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

Changes in liabilities arising from financing activities

Particulars	₹ in Lacs				
	April 1, 2020	Cash Flows	Foreign Exchange Management	Other Changes*	March 31, 2021
Long-term Borrowings (Including Current Maturities)	2,270.16	(428.46)	-	-	1,841.70
Interest accrued on Borrowings	152.10	(165.83)	-	165.29	151.56
TOTAL	2,422.26	(594.29)	-	165.29	1,993.26

* This relates to the amount charged / credited in the Statement of profit and loss

Particulars	₹ in Lacs				
	April 1, 2019	Cash Flows	Foreign Exchange Management	Other Changes*	March 31, 2020
Long-term Borrowings (Including Current Maturities)	2,070.16	200.00	-	-	2,270.16
Interest accrued on Borrowings	571.59	(606.35)	-	186.86	152.10
TOTAL	2,641.75	(406.35)	-	186.86	2,422.26

30 Related Party Disclosures

The management has identified the following entities as related parties of the Company.

Parent Company	Adani Ports and Special Economic Zone Limited
Fellow Subsidiary	Adani Logistics Limited Marine Infrastructure Developer Private Limited Karnavati Aviation Private Limited Tha Adani Harbour Services Limited
Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence	Adani Enterprise Limited Adani Green Energy Limited Adani Power Mundra Limited Adani Wilmar Limited Adani Foundation Mundra Solar PV Limited
Key Managerial Personnel	Mr. Karan Adani - Director Mr. Sandeep Mehta - Director Mr. Pranav Choudhary - Director (w.e.f. January 31, 2020)

Terms and conditions of transactions with related parties

Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes:

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

₹ in Lacs

Transaction/Category	Related Party	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Expense	Adani Ports and Special Economic Zone Limited	163.84	169.00
Repayment of Perpetual Debt	Adani Ports and Special Economic Zone Limited	-	50,000.00
Borrowings (Loan taken)	Adani Ports and Special Economic Zone Limited	1,520.61	200.00
Borrowings (Loan repaid)	Adani Ports and Special Economic Zone Limited	1,949.08	-
Services Availed	Marine Infrastructure Developer Private Limited	300.00	300.00
Reim of Expenses	Marine Infrastructure Developer Private Limited	142.77	-
Sale of Non Financial Asset	Adani Wilmar Limited	-	1,391.65
Donation	Adani Foundation	74.00	60.00

₹ in Lacs

Closing Balance		As at March 31, 2021	As at March 31, 2020
Interest accrued and but not due	Adani Ports and Special Economic Zone Limited	151.56	152.10
		151.56	152.10
Borrowings - Inter Corporate Deposit	Adani Ports and Special Economic Zone Limited	1,841.70	2,270.16
		1,841.70	2,270.16
Trade Receivable	Marine Infrastructure Developer Private Limited	-	13.91
	Adani Green Energy Limited	-	0.52
		-	14.43
Trade Payables	Marine Infrastructure Developer Private Limited	213.01	-
		213.01	-

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

31 Standard issued but not effective:

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

32 The Company's management has made assessment of likely impact from the COVID-19 pandemic on business and financial risks based on internal and external sources. The Company has also considered the possible effects of COVID-19 on the carrying amounts of its financial and non financial assets and debt covenants using reasonably available information, estimates and judgments and has determined that none of these balances require a material adjustment to their carrying values. Further, The management does not see any medium to long term risks in the ability of the company to meet its liabilities as and when they fall due.

33 During the year, the Company has initiated the transfer of one of the assets to a fellow subsidiary. Pending transfer of the same, the said assets which include Property, plant and equipment (net) ₹ 1,573.21 lacs, intangible assets (net) ₹ 2.43 lacs and Capital Work-in-progress ₹ 239.35 lacs have been classified as held for

34 The Code on Wages, 2019 and Code of Social Security, 2020 ("the Codes") relating to employee compensation and post-employment benefits had received Presidential assent and the related rules thereof for quantifying the financial impact have not been notified. The Company will assess the impact of the Codes when the rules are notified and will record any related impact in the period the Codes become effective.

35 Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approved financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 03, 2021 there were no subsequent events to be recognized or reported that are not already disclosed.

For and on behalf of Board of Directors

Karan Adani
Director
DIN : 03088095

Pranav Choudhary
Director
DIN : 08123475

Place: Ahmedabad
Date: May 03, 2021