

Adani Krishnapatnam
Port Limited

Financial Statements for the
FY 2021-22

INDEPENDENT AUDITOR’S REPORT

To The Members of Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) (“the Company”), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 standalone 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, but does not include the standalone financial statements and our auditor’s report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The preference dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in Note 44 to the standalone financial statements, the Board of Directors of the Company has proposed preference dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

- 2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Kartikeya Raval
(Partner)
(Membership No. 106189)
(UDIN: 22106189AIYFOO7420)

Place: Ahmedabad
Date: May 09, 2022

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Kartikeya Raval
(Partner)
(Membership No. 106189)
(UDIN: 22106189AIYFOO7420)

Place: Ahmedabad
Date: May 09, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF ADANI KRISHNAPATNAM PORT LIMITED (FORMERLY KNOWN AS KRISHNAPATNAM PORT COMPANY LIMITED)

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

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

- (i)
- (a)
- A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital Work-in-Progress, and relevant details of Right of Use assets.
- B. The Company has maintained proper records showing full particulars of Intangible assets.
- (b) Some of the Property, Plant and Equipment, Capital Work-in-Progress, and Right of Use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, Capital Work-in-Progress, and Right of Use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment, Capital Work-in Progress, according to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

(Rs. in Crores)

Description of property	Gross carrying value	Held in Name Of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in name of company
ROYAL CRUIZE FLAT	0.77	NA	NA	NA	In process of transfer from old owner to new owner
Buildings transferred from HO to Port book	3.20	NA	NA	NA	In process of transfer from old owner to new owner
Lease Hold Query as per sale agreement	2.88	NA	NA	NA	In process of transfer.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of use assets) and Intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)

(a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of paragraph 3 of the Order is not applicable.

(iii) The Company has not given any advances in the nature of loans during the year. The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans during the year and details of which are given below:

	(Rs. in Crores)	
	Loans	Security ^
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	25.40	-
- Joint Ventures	-	-
- Others	-	1000.00
B. Balance outstanding as at balance sheet date:*		
- Subsidiaries	25.40	-
- Joint Ventures	7.80	-
- Others	100.52	1000.00

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

^It represents the carrying value of securities created in the books of account as at March 31, 2022. It only includes the securities given for the borrowings of other entities and does not include the value of subservient charge, as the same is not determinable.

The company has not provided any guarantee or advances in the nature of loans to any other entity during the year.

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) The Company has granted a loan, payable on demand. During the year, the Company has not demanded such loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular in respect of the said loan.

In respect of other loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) None of the loans or advances in the nature of loans granted by the Company have fallen due during the year.
- (f) The Company has granted Loans or advances in the nature of loans which are repayable on demand details of which are given below:

(Rs. in Crores)

	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loans repayable on demand	25.40	-	25.40
Percentage of loans/advances in nature of loans to the total loans	19%	-	77%

- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of 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 as explained to us, the Central Government has not specified the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the services rendered by the Company.

(vii) In respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues of Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods and Services Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

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

Name of the Statute	Nature of the Dues	Amount (Rs. in Crores)	Period to which the Amount Relates	Forum Where Dispute is Pending
Income Tax Act, 1961	Income Tax	40.49*	AY 2010-11 to AY 2013-14 and AY 2017-18	Income Tax Appellate Tribunal
		2.34#	AY 2011-12	Commissioner of Income Tax (Appeal)
Finance Act, 1994	Service Tax	136.68^	FY 2011-12 to FY 2016-17	Customs Excise and Service Tax Appellate Tribunal, Hyderabad
		1.43&	July, 2012 to March, 2017	Commissioner (Appeals), Guntur
		19.36	FY 2016-17	Assistant Commissioner of Central Tax - Audit Division, Nellore
		1.19	FY 2017-18	Additional Commissioner of Central Tax - Audit Division, Nellore
Telangana Value Added Tax Act, 2005	Value Added Tax	5.78	FY 2008-09 to FY 2013-14	High Court of Telangana
		15.22@	FY 2014-15 to FY 2017-18	Divisions Assistant Commissioner, Tirupathi
Andhra Pradesh Tax on Entry of Motor Vehicles into Local Areas Act, 1996	Entry Tax	16.40+	FY 2009-10 and FY 2010-11	High Court of Andhra Pradesh

Name of the Statute	Nature of the Dues	Amount (Rs. in Crores)	Period to which the Amount Relates	Forum Where Dispute is Pending
Andhra Pradesh's Water Land and Tree Act, 2002 and Free Sand Policy	Seigniorage fee	79.16	FY 2006-07 to FY 2011-12	High Court of Andhra Pradesh
Building and Other Construction Workers' Welfare Cess Act, 1996	Building cess	10.68~	FY 2007-08 to FY 2012-13	Ministry of Labour
Motor Vehicle Act	Life tax	0.87`	FY 2012-13	Honourable Supreme Court

* Rs. 8.42 Crore adjusted against refund of subsequent years

Fully adjusted against refund of subsequent years

^Net of Rs. 6.62 Crore paid under protest

& Net of Rs. 0.06 Crore paid under protest

@Net of Rs.10.03 Crore paid under protest

+ Net of Rs. 0.88 Crore paid under protest

~ Net of payment made Rs. 3.50 Crore

` Net of payment made Rs. 1.00 Crore

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

(ix)

- (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year, except as under:

(Rs. in Crores)

Nature of Borrowing Including Debt Securities	Name of lender	Amount not paid on due date during the year (Rs.)		No. of days delay or unpaid	Amount Remaining unpaid as at the Balance Sheet date		Amount paid till the date of report
		Principal	Interest		Principal	Interest	
Inter-Corporate Deposits	Adani Ports and Special Economic Zone Limited	-	12.67	129	-	12.67	-

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

- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
 - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis, aggregating Rs. 490 Crore have been used for long-term purposes by the Company.
 - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.
- (x)
- a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of paragraph 3 of the Order is not applicable.
 - b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of paragraph 3 of the Order is not applicable to the Company.
- (xi)
- a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv)
- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors, directors of its holding company or persons connected

- with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)
- a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of paragraph 3 of the Order is not applicable.
- d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of paragraph 3 of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors of the Company during the year. No issues, objections or concerns were raised by the outgoing auditors in their 'No Objection Letter'.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans, including obtaining financial support, if necessary, from Adani Ports and Special Economic Zone Limited, the Parent Company to enable the Company to meet the operational requirements as they arise and to meet its liabilities as and when they fall due and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of paragraph 3 of the Order is not applicable for the year.

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

Kartikeya Raval
(Partner)
(Membership No. 106189)
(UDIN: 22106189AIYFOO7420)

Place: Ahmedabad
Date: May 09, 2022

₹ in Crs

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Assets			
Non-Current assets			
Property, Plant and Equipment	3(a)	7,645.71	7,957.89
Right of Use Assets	3(c)	174.37	-
Capital work-in-progress	3(d)	412.34	168.44
Other Intangible Assets	3(b)	223.41	0.90
Financial Assets			
(i) Investments	4	105.45	97.76
(ii) Loans	6	110.20	108.26
(iii) Other Financial Assets	7	158.29	34.26
Other Non-Current Assets	8	122.38	122.10
Deferred Tax Assets (net)	25	84.61	-
		9,036.76	8,489.61
Current assets			
Inventories	9	64.25	76.66
Financial Assets			
(i) Investments	4	-	49.41
(ii) Trade Receivables	5	204.31	649.89
(iii) Cash and Cash Equivalents	10(i)	0.33	2.36
(iv) Bank balance other than cash and cash equivalents	10(ii)	5.21	3.00
(v) Loans	6	23.00	-
(vi) Other Financial Assets	7	2.27	80.97
Other Current Assets	8	75.74	382.28
		375.11	1,244.57
Assets Held for Sale	38	47.59	-
		9,459.46	9,734.18
Total Assets			
Equity and Liabilities			
Equity			
Equity Share Capital	11	88.58	88.58
Other Equity	12	2,170.54	2,029.44
Total Equity		2,259.12	2,118.02
Liabilities			
Non-Current liabilities			
Financial Liabilities			
(i) Borrowings	13	5,928.83	6,576.50
(ii) Lease Liabilities	14	158.33	-
(iii) Other Financial Liabilities	15	54.65	42.08
Provisions	18	7.71	9.14
Deferred tax liabilities (net)		-	287.64
Other Non-Current Liabilities	16	26.40	23.27
		6,175.92	6,938.63
Current Liabilities			
Financial Liabilities			
(i) Borrowings	13	490.00	-
(ii) Trade and other payables	17		
(A) Total outstanding dues of micro enterprises and small enterprises		0.62	1.24
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		98.51	124.55
(iii) Other Financial Liabilities	15	346.55	505.36
Other Current Liabilities	16	87.79	45.81
Provisions	18	0.95	0.57
		1,024.42	677.53
Total Liabilities		7,200.34	7,616.16
Total Equity and Liabilities		9,459.46	9,734.18

The accompanying notes forms an integral part of Financial Statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of Board of Directors of

Kartikeya Raval
Partner

Avinash Chand Rai
Managing Director
DIN: 08406981

Subrat Tripathy
Director
DIN: 06890393

Srikanth Gudivada
Chief Financial Officer

Dhruvil Shah
Company Secretary

Place: Ahmedabad
Date: May 09, 2022

Date: May 09, 2022

Adani Krishnapatnam Port Limited (Formerly Krishnapatnam Port Company Limited)
Statement of Profit and Loss for the year ended March 31, 2022



₹ in Crs

Particulars	Notes	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Income			
Revenue from Operations	19	1,974.24	1,802.34
Other Income	20	46.72	25.16
Total Income		2,020.96	1,827.50
Expenses			
Operating Expenses	21(a)	420.04	325.73
Revenue Share Expenses	21(b)	36.84	46.10
Employee Benefits Expense	22	43.51	58.02
Depreciation and Amortization Expense	3	427.82	343.53
Finance Costs	23	515.14	692.94
Other Expenses	24	124.27	207.68
Sundry Balance written off during the year	24	580.81	694.93
Total Expense		2,148.43	2,368.93
(Loss) Before exceptional Items and Tax		(127.47)	(541.43)
Exceptional items	8(i)	(91.33)	-
(Loss) Before Tax		(218.80)	(541.43)
Tax Expense:			
Deferred Tax	25	(372.25)	55.85
Total Tax expense		(372.25)	55.85
Profit / (Loss) for the year	(A)	153.45	(597.28)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent years			
Income Tax Impact/(Change)			
Re-measurement gains on defined benefit plans (net of tax)		1.65	2.99
Net (losses) on FVTOCI Equity Investments (net of tax)		(14.00)	(44.61)
Other Comprehensive (Loss) for the year (net of tax)	(B)	(12.35)	(41.62)
Total Comprehensive Income / (Loss) for the year	(A+B)	141.10	(638.90)
Earnings per Share (EPS) - (Face Value of ₹ 10 each)			
Basic (in ₹)	26	17.32	(67.43)
Diluted (in ₹)		17.32	(67.43)

The accompanying notes forms an integral part of Financial Statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of Board of Directors of

Kartikeya Raval
Partner

Avinash Chand Rai
Managing Director
DIN: 08406981

Subrat Tripathy
Director
DIN: 06890393

Srikanth Gudivada
Chief Financial Officer

Dhruvil Shah
Company Secretary

Place: Ahmedabad
Date: May 09, 2022

Date: May 09, 2022

Adani Krishnapatnam Port Limited (Formerly Krishnapatnam Port Company Limited)
Statement of Changes in Equity for the year ended March 31, 2022



₹ in Crs

Particulars	Equity Share Capital	Other Equity					Retained Earnings	Cash Flow Hedge Reserve	Total
		Securities Premium Account	General Reserve	Compulsory Convertible Cumulative Participatory Preference Shares	Other Comprehensive Income				
Balance as at April 1, 2020	88.58	256.04	475.00	680.01	-	1,257.29	(20.27)	2,648.07	
(Loss) during the year	-	-	-	-	-	(597.28)	-	(597.28)	
Additions during the year							20.27	20.27	
Re-measurement Gain on defined benefit plans(net of tax)						2.99	-	2.99	
Net (loss) on FVTOCI Equity Investments (net of tax)					(44.61)		-	(44.61)	
Balance as at March 31, 2021	88.58	256.04	475.00	680.01	(44.61)	663.00	-	2,029.44	
Re-measurement Gain on defined benefit plans(net of tax)						1.65		1.65	
Net (loss) on FVTOCI Equity Investments (net of tax)					(14.00)			(14.00)	
Profit for the year			-		-	153.45	-	153.45	
Balance at the end of March 31, 2022	88.58	256.04	475.00	680.01	(58.61)	818.10	-	2,170.54	

The accompanying notes forms an integral part of Financial Statements

As per our report of even date

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of Board of Directors of

Kartikeya Raval
Partner

Avinash Chand Rai
Managing Director
DIN: 08406981

Subrat Tripathy
Director
DIN: 08406981

Srikanth Gudivada
Chief Financial Officer

Dhruvil Shah
Company Secretary

Place: Ahmedabad
Date: May 09, 2022

Date: May 09, 2022

Adani Krishnapatnam Port Limited (Formerly Krishnapatnam Port Company Ltd)
Statement of Cash flows for the year ended March 31, 2022



Particulars	₹ in Crs	
	For the period ended March 31, 2022	For the year ended March 31, 2021
Cash Flow From Operating Activities		
Profit/(Loss) before Income tax	(218.80)	(541.43)
Adjustments for		
Depreciation and Amortisation expense	427.82	343.53
Finance costs	515.14	692.94
Loss on sale of Fixed assets	5.99	45.73
Loss on sale of Investment	-	81.76
Interest income	(27.39)	(15.37)
Cash Flow Hedge Reserve	-	20.29
Operating profit before working capital changes	<u>702.76</u>	<u>627.45</u>
Change in Operating assets and liabilities		
	(40.12)	-
(Increase) in other financial assets	-	(12.46)
(Increase) / Decrease in other current assets	(25.00)	320.79
Decrease in other non current assets	306.54	77.99
Decrease/ (Increase) in inventories	12.41	(57.34)
(Increase)/ decrease in trade receivables	445.58	65.61
Increase/ (decrease) in other financial liabilities	24.86	(6.00)
Increase/ (decrease) in non current liabilities	45.11	(23.20)
Increase/ (decrease) in provisions and other liabilities	0.60	(221.95)
Increase/ (decrease) in trade payables	(26.68)	(175.45)
Cash generated from Operations	<u>1,446.06</u>	<u>595.45</u>
Less : Income taxes paid (net of refunds)	3.63	-
Net cash from Operating activities (A)	<u>1,449.69</u>	<u>595.45</u>
Cash Flows From Investing Activities		
Payments for PPE and Intangible assets (including changes in CWIP)	(1,015.68)	(497.07)
Receipts for PPE and Intangible assets (including changes in CWIP)	5.53	41.60
Loans / Inter Corporate Deposits (ICDs) given	(24.94)	(100.00)
(Payments)/receipts for Investments	(19.86)	59.29
(Investments in)/ Maturity of Fixed deposits with banks	(6.03)	1.76
Interest income	26.00	15.37
Net cash from/ (used in) Investing activities (B)	<u>(1,034.98)</u>	<u>(479.05)</u>
Cash Flows From Financing Activities		
Proceeds from/ (repayment of) Long term borrowings	(647.67)	838.36
Proceeds from/ (repayment of) Short term borrowings	490.00	(318.28)
Payment of principal portion of lease liabilities	6.81	-
Finance costs	(265.89)	(647.63)
Net cash from/ (used in) Financing activities (C)	<u>(416.75)</u>	<u>(127.55)</u>
Net increase (decrease) in cash and cash equivalents (A+B+C)	(2.04)	(11.15)
Cash and cash equivalents at the beginning of the year	2.36	13.51
Cash and cash equivalents at the end of the year	0.32	2.36

Notes:

- The Cash Flow Statement 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).
- Disclosure with regards to changes in liabilities arising from Financing activities as set out in Ind AS 7 –Statement of Cash flows is presented under note 15(a).

The accompanying notes form an integral part of the financial statements

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of Board of Directors of

Kartikeya Raval
Partner

Avinash Chand Rai
 Managing Director
 DIN: 08406981

Subrat Tripathy
 Director
 DIN: 06890393

Srikanth Gudivada
 Chief Financial Officer

Dhruvil Shah
 Company Secretary

Place: Ahmedabad
Date: May 09, 2022

Date: May 09, 2022

1 Corporate information

Adani Krishnapatnam Port Limited ("AKPL" or "the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, applicable in India. The registered office of the company is located at Adani Corporate House, Shantigram, Near Vaishnodevi Circle, S. G. Highway Khodiyar, Ahmedabad 382421. The Company is engaged as developer and operator of the Deep Water Port at Krishnapatnam, Sree Potti Sreeramulu Nellore District, Andhra Pradesh pursuant to the Concession Agreement on Build, Operate, Share and Transfer (BOST) basis with Government of Andhra Pradesh (GOAP) for a period of 30 years from the date of Commercial Operations (COD) and entitled for extension of the term by further period of 20 years (two periods of 10 years each). GOAP has allotted 4626.98 acres of land at Krishnapatnam for the development of the Port. The construction of Phase-I is focused on Iron Ore, Coal and General Cargo for which COD was declared on March 20, 2009. Phase-II of the project caters mainly to coal handling for thermal power plants, general and container cargo for which COD was declared on December 31, 2013.

The financial statements were approved for issue in accordance with a resolution of the board of directors on May 09, 2022.

2 Basis of Preparation

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

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:

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

In addition, the financial statements are presented in Indian Rupees (₹) in Crore and all values are rounded off to two decimal (₹ 00,00,000), except when otherwise indicated.

2.2 Summary of significant accounting policies

a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

b) 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.

(i) 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 recognized in profit or loss with the exceptions for which below treatment is given as per the option availed under Ind AS 101:

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

ii. Exchange differences arising on other outstanding long term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period i.e. March 31, 2016 were accumulated in the "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA) and were amortized over the remaining life of the concerned monetary item or financial year 2019-20, whichever is earlier.

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 transactions.

c) 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

External valuers are involved for valuation of unquoted financial assets and financial liabilities, such as contingent consideration. 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.

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 2.3)
- Quantitative disclosures of fair value measurement hierarchy (refer note 32.2)
- Investment in unquoted equity shares (refer note 4)
- Financial instruments (including those carried at amortised cost) (refer note 32)

d) Revenue recognition

(i) 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.

(ii) Port Operation Services

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

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

Revenue on take-or-pay charges are recognized for the quantity that is the difference between annual agreed tonnage and actual quantity of cargo handled. The amount recognized as revenue is exclusive of goods & service tax where applicable.

Income in the nature of license fees / waterfront royalty and revenue share is recognized in accordance with terms and conditions of relevant service agreement with customers/ sub concessionaire.

(iii) Income from long term leases

As a part of its business activity, the Company leases / sub-leases of certain assets on long term basis to its customers. Leases are classified as finance lease whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease. In some cases, the Company enters into cancellable lease / sub-lease transaction agreement, while in other cases, it enters into non-cancellable lease / sub-lease agreement. The Company recognizes the income based on the principles of leases as set out in relevant accounting standard and accordingly in cases where the lease / sub-lease agreement are cancellable in nature, the income in the nature of upfront premium received / receivable is recognized on operating lease basis i.e. on a straight line basis over the period of lease / sub-lease agreement / date of memorandum of understanding takes effect over lease period and annual lease rentals are recognized on an accrual basis.

In cases where long term lease / sub-lease agreement are non-cancellable in nature, the income is recognized on finance lease basis i.e. at the inception of lease / sub-lease agreement / date of memorandum of understanding takes effect over lease period, the income recognized is equal to the present value of the minimum lease payment over the lease period (including non-refundable upfront premium) which is substantially equal to the fair value of leased / sub-leased. In respect of land given on finance lease basis, the corresponding cost of the land and development costs incurred are expensed off in the statement of profit and loss.

(iv) Interest income

For all financial assets measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

(v) Dividends

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(vi) Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss due to its operating nature.

e) Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized either as an income in equal amounts over the expected useful life of the related asset or by deducting grant in arriving at the carrying amount of the assets.

f) Taxes

Tax expense comprises of current income tax and deferred tax.

(i) Current income tax

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

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

(ii) Deferred tax

Deferred tax is provided using the 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 recognized for all taxable temporary differences, except:

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

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

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

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

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

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

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

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

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

g) Property, Plant and Equipment (PPE)

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs (if capitalisation criteria are met) and other cost directly attributable to bringing the asset to its working condition for the intended use. The Group has elected to regard previous GAAP carrying values of property, plant and equipment as deemed cost at the date of transition to Ind AS i.e April 01, 2015.

Property, Plant and Equipment and Capital work in progress are stated at cost. Such cost includes the cost of replacing parts of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Borrowing cost relating to acquisition / construction of Property, Plant and Equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

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

The Company has estimated the following useful life to provide depreciation on its certain Property, Plant and Equipment assets based on assessment made by expert and management estimate.

Assets	Estimated Useful life
Marine Structure, Dredged Channel, Building RCC Frame Structure	50 Years as per concession agreement
Fender, Buoy installed at Jetty - Marine Structures	5 - 10 Years

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

Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

Cost of the BOT Assets including Leasehold Land & its development, Marine Structures, Dredged Channels, Buildings, Ware Houses (other than factory Buildings), Railway sidings is amortized, on straight line method (SLM) till end of concession period i.e. year 2059 as the useful life of all these assets is estimated to be higher than the concession period.

h) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in 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. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 estimate
Non Compete Agreement	on straight line basis	5 Years based on period of agreement

i) Borrowing costs

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

j) Leases

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

Company as a lessee

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

i) Right-of-Use Assets

The Company recognises right-of-use assets ("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 transferred 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 (l) 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 in case 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.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

k) Inventories

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

Stores and Spares: Valued at lower of cost and net realizable value. Cost is determined on a moving weighted average basis. Cost of stores and spares lying in bonded warehouse includes custom duty payable.

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

Costs incurred that relate to future contract activities are recognised as "Project Work-in-Progress".

Project work-in-progress comprise specific contract costs and other directly attributable overheads including borrowing costs which can be allocated on specific contract cost is, valued at lower of cost and net realisable value.

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

l) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or 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. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

m) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss. Contingent liabilities are not recognised but disclosed unless the probability of an outflow of resources is remote. Contingent assets are disclosed where inflow of economic benefits is probable.

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.

n) Retirement and other employee benefits

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

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

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

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

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

- Net interest expense or income

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

o) Financial instruments

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

(i) 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 three categories:

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

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.

The category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss except where the Company has given temporary waiver of interest not exceeding 12 months period. This category generally applies to trade, loans and other receivables.

(ii) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at 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 recognized in the statement of profit and loss.

(iii) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

(iv) 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.

(v) 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) Financial assets that are debt instruments and are measured as at other comprehensive income (FVTOCI)
- c) Lease receivables under relevant accounting standard
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

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

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of relevant accounting standard

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 (P&L).

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

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:

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

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

(ii) 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, or as derivatives, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

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 profit or loss.

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

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.

(iii) Reclassification of financial assets

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

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

p) Derivative financial instruments

Initial recognition and subsequent measurement

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

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

q) Cash and cash equivalents

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

r) Earnings per share

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

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

2.3 Significant accounting judgments, estimates and assumptions

The preparation of the Company's Ind AS Financial Statements requires management to make judgments, 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) Estimates and assumptions

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

i) Impairment of financial assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

ii) 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 25.

(iii) Fair value measurement

In measuring the fair value of certain assets and liabilities for financial reporting purpose, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company engages third party qualified valuers to establish appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 32 for further disclosures.

(iv) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

New Standards, Interpretations and amendments adopted by the company

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

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

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

The amendments include the following practical expedients:

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

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

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

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

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

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

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

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

(iii) Ind AS 116: COVID-19 related rent concessions

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

(iv) Ind AS 103: Business combination

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

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

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

3 Property, plant and equipment and Intangible assets

Note 3(a) Property, Plant and Equipment

₹ in Crs

Particulars	Buildings	Plant and Machinery	Furniture and Fittings	Computers	Vehicles - Other than finance lease	Office Equipment	Dredged Channel	Berths	Break-Water Dam	Godown and stock Yard	Navigation Aids	Aircraft	Railway Track	Leasehold Land	Total
Cost															
As at April 01, 2020	1,910.48	2,873.01	66.32	27.72	43.02	9.06	1,375.78	1,061.03	192.68	1,234.22	7.17	170.90	201.60	2.88	9,175.85
Additions	19.08	314.13	0.25	1.54	0.41	0.41	186.23	24.32	(0.26)	239.51	(0.00)	11.22	-	-	796.82
Deductions	-	(27.59)	-	-	(5.04)	-	-	-	-	-	-	(182.12)	-	-	(214.75)
As at March 31, 2021	1,929.55	3,159.55	66.57	29.26	38.38	9.48	1,562.01	1,085.34	192.42	1,473.72	7.16	-	201.60	2.88	9,757.92
Additions	9.91	21.17	0.13	1.00	0.52	3.87	21.00	-	2.56	-	2.66	-	-	-	62.82
Deductions	-	(14.26)	-	-	(12.76)	-	-	-	-	-	-	-	-	-	(27.02)
Reclassified as Right of Use	-	-	-	-	-	-	-	-	-	-	-	-	-	(2.88)	(2.88)
As at March 31, 2022	1,939.46	3,166.46	66.70	30.26	26.14	13.35	1,583.01	1,085.34	194.98	1,473.72	9.82	-	201.60	-	9,790.84
Accumulated depreciation															
As at April 01, 2020	196.28	689.56	19.17	25.18	26.20	6.32	193.41	127.14	36.81	144.39	4.08	86.23	29.18	0.53	1,584.48
Depreciation for the year	37.85	187.75	6.21	1.77	5.68	0.96	31.94	24.28	4.00	28.74	0.53	8.80	4.42	0.07	343.00
Deductions	-	(27.48)	-	-	(4.91)	-	-	-	-	-	-	(95.03)	-	-	(127.43)
As at March 31, 2021	234.13	849.82	25.39	26.96	26.96	7.28	225.35	151.42	40.81	173.13	4.61	-	33.58	0.60	1,800.03
Depreciation for the year	39.13	192.56	17.81	1.48	6.00	1.08	35.31	24.59	4.03	34.25	0.54	-	4.42	-	361.20
Deductions	-	(4.54)	-	-	(10.96)	-	-	-	-	-	-	-	-	-	(15.50)
Reclassified as Right of Use	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.60)	(0.60)
As at March 31, 2022	273.26	1,037.84	43.20	28.44	22.00	8.36	260.66	176.01	44.84	207.38	5.15	-	38.00	-	2,145.13
Net Block															
As at March 31, 2021	1,695.43	2,309.73	41.18	2.30	11.42	2.20	1,336.66	933.93	151.61	1,300.59	2.55	-	168.03	2.28	7,957.89
As at March 31, 2022	1,666.20	2,128.62	23.50	1.82	4.14	4.99	1,322.35	909.33	150.14	1,266.34	4.67	-	163.60	-	7,645.71

Notes:

- Berths, Godowns & Stockyards, Dredged Channels, Roads & Buildings, Railways, Break Water and Other Marine Structures, have been constructed/developed on land allotted by GOAP vide the concession agreement with GOAP.
- Railway Track/Sidings being part of the BOT Assets have been amortised over the Concession period.
- Following immovable properties are not held in the name of Company

Relevant line items in the Balance sheet	Description of item of property	Gross Carrying Value (₹ in Crs)	Title deeds held in name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter or director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant and Equipment	Building	0.77	NA	NA	NA	It is in process of transfer from old owner to new owner
Property, Plant and Equipment	Building	3.2	NA	NA	NA	It is in process of transfer from old owner to new owner
Right of Use	Land	2.88	NA	NA	NA	It is in process of transfer

Note 3(b) Other Intangible Assets ₹ in Crs

Particulars	Other Intangible Assets		
	Computer Software	Non Compete Intangible Asset(*)	Total
Cost			
As at April 01, 2020	9.08	-	9.08
Additions	0.42	-	0.42
As at March 31, 2021	9.50	-	9.50
Additions	3.03	275.00	278.03
Cost as at March 31, 2022	12.53	275.00	287.53
Accumulated Depreciation			
As at April 01, 2020	8.06	-	8.06
Depreciation for the year	0.54	-	0.54
As at March 31, 2021	8.60	-	8.60
Depreciation for the year	0.97	54.55	55.52
As at March 31, 2022	9.57	54.55	64.12
Net Block			
As at March 31, 2021	0.90	-	0.90
As at March 31, 2022	2.96	220.45	223.41

(*) Amounts paid for geographical exclusivity for a period of 5 years and has been amortized accordingly.

Note 3(c) Right-of-use assets

₹ in Crs

Particulars	Land (Refer note (a) below)	Building	Total
Cost			
As at April 1, 2020	-	-	-
Addition during the year	-	-	-
Deductions	-	-	-
As at March 31, 2021	-	-	-
Additions	178.43	8.09	186.52
Reclassified as Right of Use	2.88	-	2.88
Deductions	(3.38)	-	(3.38)
As at March 31, 2022	177.93	8.09	186.02
Accumulated Depreciation			
As at April 1, 2020	-	-	-
Depreciation for the year	-	-	-
As at March 31, 2021	-	-	-
Depreciation for the year	8.38	2.70	11.08
Reclassified as Right of Use	0.60	-	0.60
Deductions	(0.03)	-	(0.03)
As at March 31, 2022	8.95	2.70	11.65
Net Block			
As at March 31, 2021	-	-	-
As at March 31, 2022	168.98	5.39	174.37

a) As a part of concession agreement for development of port and related infrastructure at Krishnapatnam the Company has been allotted land on lease basis by Andhra Pradesh Maritime Board (APMB). The Company has recorded rights in the APMB Land at present value of future annual lease payments in the books and classified the same as Right of use assets.

b) Refere footnote (iii) to note 3(a) for ROU assets where lease agreement are not held in the name of company.

Note 3(d) Capital Work-in-Progress

₹ in Crs

Particulars	CWIP	Inventory	Total
As at March 31, 2020	10.67	-	10.67
Additions	389.75	12.43	402.18
Transfers	-	-	-
Capitalised / apportioned Ind AS Adjustments	(244.41)	-	(244.41)
As at March 31, 2021	156.01	12.43	168.44
Additions	543.48	36.23	579.71
Transfers	-	-	-
Capitalised / apportioned Ind AS Adjustments	(335.80)	-	(335.80)
As at March 31, 2022	363.68	48.66	412.34

Capital Work-in-Progress (CWIP) Ageing as at March 31, 2022

₹ in Crs

Particulars	Amount in CWIP for a year of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	260.70	147.90	-	3.74	412.34
Projects temporarily suspended	-	-	-	-	-

Capital Work-in-Progress (CWIP) Ageing as at March 31, 2021

₹ in Crs

Particulars	Amount in CWIP for a year of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	156.01	-	-	12.43	168.44
Projects temporarily suspended	-	-	-	-	-

4 Investments

	Non-Current portion		Current portion	
	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
Unquoted				
In Equity Shares of subsidiaries (valued at cost)				
10,000 (previous year 10,000) Fully paid up equity shares of ₹10 each of Adani Krishnapatnam Container Terminal Pvt. Ltd (formerly Navayuga Container Terminal Pvt. Ltd)	0.01	0.01	-	-
3,08,150 (previous year NIL) Fully paid up equity share of ₹10 each of Seabird Distriparks Investment in Associates (at cost)	7.91	-	-	-
Investment in Preference Shares of Subsidiary Company				
11,31,000 (previous year NIL) Fully paid up Preference Shares of ₹100 each of Seabird Distriparks Krishnapatnam Pvt. Ltd.	11.31	-	-	-
In Equity Shares of Joint Venture (valued at cost)				
74,000 (previous year 64,000) Fully paid up equity shares of ₹10 each of Adani KP Agri warehousing Company Pvt Ltd (formerly KP Agriwarehousing Company Pvt Ltd) (Refer note (i) below)	8.32	5.82	-	-
In Equity Shares of Other Companies (Investment at fair value through OCI)				
65,00,000 (previous year 65,00,000) Fully paid up equity shares of ₹10 each KP Polyolefin Sacks Pvt. Ltd.	-	-	-	6.14
Nil (previous year 18,13,654) Fully paid up equity shares of ₹10 each of Navayuga Udupi Tollway Pvt. Ltd.	-	-	-	1.81
3,69,54,050 (previous year 3,69,54,050) equity shares of ₹10 each of Krishnapatnam Infratech Ltd.	-	-	-	41.45
Investments in Other companies (Unquoted)(at fair value through OCI)				
8,10,00,000 (previous year 8,10,00,000) Fully paid up equity shares of ₹10 each of Krishnapatnam Railway Company Ltd.	70.70	84.70	-	-
36,00,000 (previous year 1,99,000) Fully paid up equity shares of ₹10 each of Blyth Wind Park Pvt. Ltd.	7.20	0.20	-	-
Investments in Convertible Debentures (at amortised cost)				
NIL (previous year 35,15,625) debentures of ₹20 each Zero Coupon Compulsory Convertible Debentures (CCD's) of Blyth Wind Park Pvt Ltd.	-	7.03	-	-
Investments in Mutual Fund (Non-Trade, FVTPL)				
Investments in units of mutual fund	-	0.01	-	-
	105.45	97.76	-	49.41

Note:

(i) The company had a control over Adani KP Agri warehousing Private Limited (formerly known as KP Agri warehousing Pvt Ltd) ("KP Agri") with a shareholding of 74 percent. During the current year, KP Agri commenced its operations. Considering the understanding of the company with other shareholder and company's ability to exercise control over KP Agri, the company has concluded that it is jointly controlling the same post commencement of its operations.

(ii) During the year Zero Coupon Compulsory Convertible Debentures converted to equity share of Blyth Wind Park Pvt Ltd at Fair value of ₹20 each.

(iii) During the year under review, the Company has acquired an asset of Container freight station at Krishnapatnam Port vide 100% stake in Seabird Distriparks (Krishnapatnam) Private Limited ("Seabird"). Pursuant to this, Seabird has become wholly owned subsidiary of the Company w.e.f. 29th January, 2022.

5 Trade Receivables

(Unsecured considered good unless stated otherwise)

Trade Receivables considered good - Unsecured
Credit impaired

	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
	204.31	649.89
	44.02	-
	248.33	649.89
	(44.02)	-
	204.31	649.89
	39.07	30.57

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

Total Receivable

Dues to related parties included in above (Refer note - 30)

The carrying amounts of trade receivables as at the reporting date approximate fair value. Also, refer note 32.3 for information about credit risk and market risk.

Notes:

a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, director or a member.

b) Generally, as per credit terms trade receivable are collectable within 30-90 days including with the related parties.

Trade Receivables ageing schedule as on March 31, 2022

Sr No	Particulars	Outstanding for following periods from due date of receipt						March 31, 2022
		Not Due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	9.05	147.87	33.57	6.52	7.30	-	204.31
2	Disputed Trade receivables - which have significant increase in risk	-	4.35	2.37	33.55	3.74	-	44.02
Less:	Allowances for expected credit loss ("ECL")	-	(4.35)	(2.37)	(33.55)	(3.74)	-	(44.02)
	Total	9.05	147.87	33.57	6.52	7.30	-	204.31

Trade Receivables ageing schedule as on March 31, 2021

Sr No	Particulars	Outstanding for following periods from due date of receipt						March 31, 2021
		Not Due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	-	142.79	6.57	27.02	-	-	176.39
2	Disputed Trade receivables - Considered good	-	6.78	7.75	458.98	-	-	473.51
	Total	-	149.57	14.32	486.00	-	-	649.89

6 Loans

	Non-Current portion		Current portion	
	March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs	March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs
Non - Current				
Loans to others (Unsecured, considered Good)	77.00	100.00	23.00	-
Loans and Advance to Related Parties (Refer note 30)	33.20	8.26	-	-
	110.20	108.26	23.00	-

Note :

Loans/ Inter Corporate deposits given from time to time are based on terms approved by the Board of Directors of the Company as per the Treasury Policy, as permitted by the Articles of Association, and their repayment along with interest are guaranteed by unconditional and irrevocable Letter of Indemnity and Undertaking by a related party. (Credit Risk section under (b) in note 32.3, and note 30 on Related Parties.)

7 Other Financial Assets

	Non-Current portion		Current portion	
	March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs	March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs
Balance held as Margin Money deposits (Refer note (i) below)	3.82	-	-	-
Land Lease Receivable (refer note (ii) below)	147.22	-	-	-
Security Deposits	7.25	34.26	0.36	50.45
Interest Receivables on Loans, Advances, Security and Other deposits	-	-	1.39	-
Insurance Claims and other Receivables	-	-	-	29.92
Loans and Advances to Staff	-	-	0.52	0.60
	158.29	34.26	2.27	80.97

Note:

i) Margin Money Deposits (net of overdraft facilities of ₹ 96.80 crore (Previous year ₹92.17 crore)) aggregating to ₹ 100.62 crore (previous year ₹97.53 crore) are pledged / lien against bank overdraft facility.

ii) The Company has given land on finance lease to various parties. These leases have terms end between 8 and 60 years. The lease agreements entered are non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements. Land leases include a clause to enable upward revision of the rental charges 4% to 5%. Income of ₹ 145.80 crore (previous year ₹ Nil) accrued under such lease have been booked as income in the statement of profit and loss.

Future minimum lease receivables under finance leases together with the present value of the net minimum lease payments receivable ("MLPR") are as follows:

Particulars	March 31, 2022		March 31, 2021	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
	₹ in Crs			
Within one year	8.26	-	-	-
After one year but not later than five years	34.55	-	-	-
More than five years	622.98	147.22	-	-
Total minimum lease receivables	665.79	147.22	-	-
Less: Amounts representing finance charges	(518.57)	-	-	-
Present value of minimum lease receivables	147.22	147.22	-	-

8 Other Assets

	Non-Current portion		Current portion	
	March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs	March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs
Capital Advances (Unsecured and good unless otherwise stated)	14.70	35.79	-	-
Advance Income Tax	82.68	86.31	-	-
Government Incentive Receivables (refer foot note - (i) below)	25.00	-	-	116.33
Advances to Suppliers (Unsecured considered good unless otherwise stated)	-	-	38.77	176.46
Prepaid Expenses	-	-	3.66	2.82
Balances with Government Authorities	-	-	19.66	84.04
Contract Assets (refer foot note - (ii) below)	-	-	13.65	2.63
	122.38	122.10	75.74	382.28

Notes:-

i) **Service Exports from India Scheme (SEIS)**

On September 23, 2021 DGFT issued a notification, which restricts the Company's eligibility for SEIS benefits and also restricts the benefit up to Rs 5 crore per entity for FY 2019-20, pursuant to which the SEIS receivable amounting to Rs 91.33 crore pertaining to FY 2019-20 has been written off in Current Year as exceptional item. However, the Company has contested the legality and retrospective application of the said notification.

The Company is entitled to Service Exports from India Scheme (SEIS) benefits on Port Services. Accordingly, the SEIS benefits of ₹ 25.00 crore for the Port Services provided prior to April 1, 2019 is considered as receivable.

ii) Contract assets are the right to receive consideration in exchange for services transferred to the customer. Contract assets are initially recognised for revenue earned from port operation services as receipt of consideration is conditional on successful completion of services. Upon completion of services and acceptance by the customer, the amounts recognised as contract assets are reclassified to financial assets.

9 Inventories

(Lower of Cost or Net Realisable value)
Stores and spares

March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs
64.25	76.66
64.25	76.66

10 Cash and cash equivalents

(i) **Balances with Banks:**
Balance in Current Account

March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs
0.33	2.36
0.33	2.36

(ii) **Bank balances Other than cash and cash equivalents :**

Balance held as Margin Money deposits (With original Maturity of More than 3 months and less than 12 months)

March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs
5.21	3.00
5.21	3.00

Note : Margin Money Deposits aggregating to Rs. 5.21 crore are pledged / lien against bank guarantees, letter of credit and other credit facilities.

11 Equity Share Capital

	March 31, 2022 ₹ in Crs	March 31, 2021 ₹ In Crs
Authorised		
8,92,50,000 Equity Shares of ₹ 10 each (previous year - 8,92,50,000 Equity Shares of Rs. 10/- each)	89.25	89.25
7,50,000 - 10% Compulsory convertible preference shares of Rs. 10/- each (previous year - 7,50,000 - 10% Compulsory convertible preference shares of Rs. 10/- each)	0.75	0.75
70,00,00,000 - 0.001% Compulsory convertible cumulative participatory preference shares of Rs. 10/- each (previous year - 70,00,00,000 - 0.001% Compulsory convertible cumulative participatory preference shares of Rs. 10/- each)	700.00	700.00
	790.00	790.00
Issued, subscribed and fully paid up shares		
8,85,76,159 Equity Shares of Rs. 10 each with voting rights (previous year - 8,85,76,159 Equity Shares of Rs. 10 each)	88.58	88.58
	88.58	88.58

Notes:

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

	March 31, 2022		March 31, 2021	
	No. in Crs	₹ in Crs	No. in Crs	₹ in Crs
At the beginning of the year	8.86	88.58	8.86	88.58
New Shares Issued during the year	-	-	-	-
At the end of the year	8.86	88.58	8.86	88.58

(b) (i) 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.

(ii) Terms/ rights attached to the Compulsory Convertible Cumulative Participatory Preference Shares:

The Company has only one class of preference shares. The salient features thereof are as follows:-Compulsorily Convertible Cumulative Participatory Preference Shares (CCCPPS) were issued to Strategic Port Investments KPC Ltd (Investor). Under the Shareholders Agreement (SHA) between the Investor and the Company and the Erstwhile Promoter Shareholders (the Investor), had a Put Option wherein the Company and/or the Erstwhile Promoter Shareholders, subject to necessary approvals (if any required), from the appropriate government authorities were required to buy-back/purchase the said preference shares along with equity shares held by the Investor on exercise of Put Option at an amount that should give 18% Internal Rate of Return (IRR) per annum on the Investor's aggregate investment. Further As per the SHA the Investor is entitled for conversion of the CCCPPS in to equity shares based on company's performance in the years 2012-13 & 2013-14. However Reserve Bank Of India (RBI) held that the put option is not valid as per the extant FDI policy at the time of investment and directed the company to amend the SHA by removing the option. The Investor commenced arbitration proceedings against the Company and/or the Erstwhile Promoter Shareholders and an arbitral tribunal has, by an award dated 23 April 2018 held that the Investor is not entitled to the assured return of 18% and only entitled to the fair value of its shareholding as on September 30, 2013.

Adani Port and Special Economic Zone Limited (APSEZL), the holding company has acquired the preference shares from Strategic Port Investments KPC Ltd w.e.f 1st October, 2020. Arbitration Proceedings against the company have been withdrawn by the Investor. In view of the fact that the existing terms relating to the said CCCPS are no more valid, change of terms of the above class of preference shares is under consideration of the management with the approval of the shareholder and the new investor APSEZL. Under these circumstances it meets the defeniation of equity and accordingly, entire amount in respect of the said CCCPPS amounting to Rs. 680.01 crores has been shown as Other equity as at March 31, 2022 and March 31, 2021.

As per the Agreement dated February 19, 2009, any preference shares which are outstanding on the completion of a period of 20 years from the date of their issue shall immediately and automatically be converted into one equity share. Accordingly, basic EPS is given effect for one equity share, diluted EPS will be same as basic EPS.

(c) Shares held by holding company

Out of equity shares issued by the company, shares held by its holding company are as below

	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
Adani Ports and Special Economic Zone Limited, the holding company and its nominees		
8,85,76,154 equity shares (Previous year 6,64,32,115) of ₹ 10 each	88.58	66.43

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

	Particulars	March 31, 2022	March 31, 2021
Equity shares of ₹ 10 each fully paid			
Adani Ports and Special Economic Zone Limited (APSEZL), the holding company and its nominees	No. in Crs	8.86	6.64
	% Holding	100%	75%
Vishwa Samudra Holdings Pvt Ltd (Formerly Natco Genomik Private Ltd)	No. in Crs	-	2.22
	% Holding	-	25%

e) Details of shareholding of Promoters as at March 31, 2022

Name of the Business Entity	March 31, 2022		March 31, 2021		% Change during the year
	No. of Equity Shares	% of Shares	No. of Equity Shares	% of Shares	
M/s. Adani Ports and Special Economic Zone Limited (APSEZ) and its nominees	88,576,159	100	66,432,120	75	33
M/s. Vishwa Samudra Holdings Private Limited (Formerly Natco Genomik Private Limited)	-	-	22,144,039	25	(100)
Total	88,576,159	100.00	88,576,159	100.00	

12 Other Equity

Retained Earning

	March 31, 2022 in Crs	March 31, 2021 ₹ In Crs
Balance at the beginning of the year	663.00	1,257.29
Profit/(loss) for the year	153.45	(597.28)
Remeasurement losses on defined benefit plans (net of tax)	1.65	2.99
Balance at the end of the year	818.10	663.00

Note:- The portion of profits not distributed among the shareholders are termed as retained earnings. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns

Securities Premium Account

	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
Balance at the beginning of the year	256.04	256.04
Additions / Deductions during the year	-	-
Balance at the end of the year	256.04	256.04

Note:- Securities premium represents the premium received on issue of shares over and above the face value of equity and preference shares. Such amount is available for utilisation in accordance with the provisions of the Companies Act, 2013.

General Reserve

	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
Balance at the beginning of the year	475.00	475.00
Additions / Deductions during the year	-	-
Balance at the end of the year	475.00	475.00

Note:- The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income

Equity instrument through other comprehensive income

	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
Opening Balance	(44.61)	-
Add : Change in fair value of FVTOCI Equity Investments (net of tax)	(14.00)	(44.61)
Balance at the end of the year	(58.61)	(44.61)

Note:- This reserve represents the cumulative gains and losses arising on the revaluation of equity investments measured at fair value through other comprehensive income.

Equity Component of Compulsory Convertible Cumulative Participatory Preference Shares

	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
Balance at the beginning of the year	680.01	680.01
Additions / Deductions during the year	-	-
Balance at the end of the year	680.01	680.01
Total Other Equity	2,170.54	2,029.44

Note:- This reserve represents the cumulative gains and losses arising on the revaluation of equity investments measured at fair value through other comprehensive income.

13 Borrowings

	Non-Current portion		Current portion	
	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
a. Inter Corporate Deposit				
Inter Corporate Deposit from holding company (unsecured)	5,928.83	6,576.50	-	-
	5,928.83	6,576.50	490.00	-
b. Term Loans				
Unsecured Borrowings				
Rupee Term Loan from bank (unsecured)	-	-	490.00	-
	-	-	490.00	-

Note:

- (A) Inter corporate deposit is borrowed from Adani Ports and Special Economic Zone Limited., the holding Company, at the interest rate of 7.5% P.A. The loan amount of Rs 4,928.83 Cr. will be repayable on April 01, 2031.
- (B) Inter corporate deposit is borrowed from Adani Ports and Special Economic Zone Limited., the holding Company, at the interest rate of 6.25% P.A. The loan amount of Rs 1,000.00 Cr. will be repayable on October 18, 2024, and it is secured by way of a charge over all movable and immovable assets of the company pertaining to the project.
- (C) Unsecured Short Term Loan aggregating to ₹ 490.00 Cr. (previous year ₹ Nil) carries Interest Rate for one month T Bill Rate 3.43% + 1% Spread. Short Term Loan will be repayable on December 31, 2022.
- The carrying amounts of borrowings as at the reporting date approximate fair value. Also, (refer note 32) for information about credit risk and market risk.
- (D) Interest accrued and due on borrowings is ₹ 12.67 Crs. (Refer note 15).

14 Lease Liabilities

	Non-Current portion		Current portion	
	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
Non-Current				
Lease Obligation (Refer note below)	158.33	-	-	-
	158.33	-	-	-

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

Particulars	Within one year	After one year but not later than five years	More than five years	Total minimum lease payments	Less: Amounts representing finance charges	Present value of minimum lease payments
						₹ in Crs
March 31, 2022						
Minimum Lease Payments	8.40	28.32	769.44	806.16	(647.84)	158.33
Finance charge allocated to future periods	8.40	28.32	611.12	647.84	-	-
Present Value of MLP	-	-	158.33	158.33	-	158.33
March 31, 2021						
Minimum Lease Payments	-	-	-	-	-	-
Finance charge allocated to future periods	-	-	-	-	-	-
Present Value of MLP	-	-	-	-	-	-

15 Other financial liabilities

	Non-Current portion		Current portion	
	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
Deposit from customers	54.65	42.08	-	-
Interest accrued but not due on borrowings (Refer Note 30)	-	-	296.29	47.04
Interest accrued and due on borrowings (Refer Note 30)	-	-	12.67	-
Unpaid dividend	-	-	-	0.38
Capital creditors, retention money and other payable	-	-	37.59	457.94
	54.65	42.08	346.55	505.36

Notes:

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

Disclosure of changes in liabilities arising from financing activities, including changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses) is as under:

Changes in liabilities arising from financing activities

Particulars	April 01, 2021	Cash Flows	Foreign Exchange Fluctuation	Other Changes (Refer note - 1 below)	Non Cash Changes	₹ in Crs
						March 31, 2022
Inter Corporate Deposit	6,576.50	(647.67)	-	-	-	5,928.83
Short-term Borrowings	-	490.00	-	-	-	490.00
Lease Obligation	-	(5.33)	-	163.66	-	158.33
Interest Accrued but not due	47.04	(253.75)	-	503.00	-	296.29
TOTAL	6,623.54	(416.75)	-	666.66	-	6,873.45

Particulars	April 01, 2020	Cash Flows	Foreign Exchange Fluctuation	Other Changes (Refer note - 1 below)	Non Cash Changes	₹ in Crs
						March 31, 2021
Inter Corporate Deposit	-	6,576.50	-	-	-	6,576.50
Short-term Borrowings	318.28	(318.28)	-	-	-	-
Interest Accrued but not due	1.73	(647.63)	-	692.94	-	47.04
TOTAL	320.01	5,610.59	-	692.94	-	6,623.54

Note:

1. Other changes in interest accrued but not due represents accrual of interest including finance cost on lease obligation during the year. Other changes in lease obligation represents interest on lease obligation and new lease arrangements entered during the year.

16 Other Liabilities

Unamortized Interest Income
Statutory liabilities
Contract Liabilities (refer note (i) below)

	Non-Current portion		Current portion	
	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
Unamortized Interest Income	26.40	23.27	-	-
Statutory liabilities	-	-	26.72	45.81
Contract Liabilities (refer note (i) below)	-	-	61.07	-
	26.40	23.27	87.79	45.81

Note:-

i) Contract liabilities include advances received to deliver Port Operation Services and transaction price allocated to unsatisfied performance obligation in respect of Storage and Dispatch services of Customers' Cargo lying at Port.

17 Trade payables

Total outstanding dues of micro enterprises and small enterprises (refer note - 33)
Total outstanding dues of creditors other than micro enterprises and small enterprises

	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
Total outstanding dues of micro enterprises and small enterprises	0.62	1.24
Total outstanding dues of creditors other than micro enterprises and small enterprises	98.51	124.55
	99.13	125.79
	17.77	324.87

Dues to related parties included in above (Refer note - 30)

Trade Payables ageing schedule as on March 31, 2022

Sr No	Particulars	Outstanding for following periods from due date of Payment					March 31, 2022 ₹ in Crs
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	0.62	-	-	-	-	0.62
2	Others	66.94	31.57	-	-	-	98.51
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	Total	67.56	31.57	-	-	-	99.13

Trade Payables ageing schedule as on March 31, 2021

Sr No	Particulars	Outstanding for following periods from due date of Payment					March 31, 2021 ₹ in Crs
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	1.24	-	-	-	-	1.24
2	Others	16.21	4.17	104.16	-	-	124.55
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	Total	17.45	4.17	104.16	-	-	125.79

18 Provisions

Provision for gratuity (Refer note 28)
Provision for Compensated Absences

	Non-Current portion		Current portion	
	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
Provision for gratuity (Refer note 28)	5.34	6.18	0.40	0.39
Provision for Compensated Absences	2.37	2.96	0.55	0.18
	7.71	9.14	0.95	0.57

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19 Revenue from Operations

Revenue from Operations

Income from Port Operations	1,828.44	1,802.34
Land Lease and Infrastructure Usage Income (Refer footnote (ii) to note 7)	145.80	-

March 31, 2022	March 31, 2021
₹ In Crs	₹ In Crs
1,828.44	1,802.34
145.80	-
1,974.24	1,802.34

Note :

a) Reconciliation of revenue recognised with contract price:

Particulars

Contract Price

Adjustment for:

Change in value of Contract Assets (Refer Note - 8)

Revenue from Contract with Customers

March 31, 2022	March 31, 2021
₹ In Crs	₹ In Crs
1,817.42	1,808.38
11.02	(6.04)
1,828.44	1,802.34

20 Other Income

Interest Income on		
Bank deposits	8.11	0.07
Loans	11.06	9.52
Land Lease receivable	8.22	5.78
Scrap sale	11.78	5.46
Rent Income	3.38	-
Gain on Sale of investment in Mutual Fund (net)	-	0.56
Miscellaneous Income	4.17	3.77

March 31, 2022	March 31, 2021
₹ In Crs	₹ In Crs
8.11	0.07
11.06	9.52
8.22	5.78
11.78	5.46
3.38	-
-	0.56
4.17	3.77
46.72	25.16

21(a) Operating Expenses

Cargo handling / other charges to Contractors	259.86	233.09
Tug and Pilotage Charges	1.24	2.68
Power & Fuel	109.34	71.56
Repairs to Buildings	3.10	1.96
Repairs to Plant & Machinery	43.15	16.44
Cost of assets transferred under Finance Lease	3.35	-

March 31, 2022	March 31, 2021
₹ In Crs	₹ In Crs
259.86	233.09
1.24	2.68
109.34	71.56
3.10	1.96
43.15	16.44
3.35	-
420.04	325.73

21(b) Revenue Share Expenses (Refer note below)

Note:

As per Clause 6.2 of the Concession Agreement between the Company and the Government of Andhra Pradesh (GOAP), the Company being in consideration of the rights granted to it to develop and operate Container Terminal at Krishnapatnam and right to carry out revenue generating activities is required to share income earned from container terminal operations to GOAP at rate stipulated under the concession agreement and is thereby disclosed as 'Revenue Share Expenses' in the statement of profit and loss.

March 31, 2022	March 31, 2021
₹ In Crs	₹ In Crs
36.84	46.10
456.88	371.83

22 Employee benefit expense

Salaries and Wages	28.61	38.67
Contribution to Provident Fund and other funds	1.62	1.07
Gratuity expenses (refer note - 28)	1.40	2.05
Staff Welfare Expenses	11.88	16.23

March 31, 2022	March 31, 2021
₹ In Crs	₹ In Crs
28.61	38.67
1.62	1.07
1.40	2.05
11.88	16.23
43.51	58.02

23 Finance Costs

Interest on

Amortized Expenses	(4.54)	45.38
Term Loan	5.82	251.38
Inter Corporate Deposit	501.26	371.36
Finance Charges under lease	12.14	-
Bank and other finance charges	0.46	24.82

March 31, 2022	March 31, 2021
₹ In Crs	₹ In Crs
(4.54)	45.38
5.82	251.38
501.26	371.36
12.14	-
0.46	24.82
515.14	692.94

24 Other Expenses

Repairs to other assets	2.46	3.71
Rent / Lease Expense	7.50	6.92
Rates and Taxes	4.64	0.93
Insurance charges	6.46	8.48
Net foreign exchange loss	0.02	-
Payment to Auditors (refer note (a) below)	0.36	0.55
Legal and other professional costs	7.07	5.01
Advertisement, promotion and selling expenses	1.29	1.17
Travelling expenses	13.29	15.48
Security Expenses	14.02	15.26
Communication Expenses	2.08	1.00
Office Expenses	5.20	8.75
Directors Sitting Fee (refer note - 30)	0.03	0.05
Loss on sale/discard of property, plant and equipment/other assets (net)	5.99	45.73
Charity & Donations (refer note (b) below)	2.69	6.44
Loss on sale of Investments	-	81.76
Bank charges	-	0.01
Other General Expenses	7.15	6.43
Provision for Doubtful Debt	44.02	-
Sundry Balances Written Off (refer note (e) below)	580.81	694.93

March 31, 2022	March 31, 2021
₹ In Crs	₹ In Crs
2.46	3.71
7.50	6.92
4.64	0.93
6.46	8.48
0.02	-
0.36	0.55
7.07	5.01
1.29	1.17
13.29	15.48
14.02	15.26
2.08	1.00
5.20	8.75
0.03	0.05
5.99	45.73
2.69	6.44
-	81.76
-	0.01
7.15	6.43
44.02	-
580.81	694.93
705.08	902.61

a) Payment to Auditor

As Auditor:

For audit	0.20	0.20
For other services	-	0.20
- GST Audit	0.15	0.15
- Other Services	0.01	-
For reimbursement of Expenses	0.36	0.55

March 31, 2022	March 31, 2021
₹ In Crs	₹ In Crs
0.20	0.20
-	0.20
0.15	0.15
0.01	-
0.36	0.55

b) Details of Expenditure on Corporate Social Responsibilities

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

As per notification issued by Ministry of Corporate Affairs dated January 22, 2021, where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years.

a) Gross amount required to be spent by the company during the year is ₹ 0.16 Crs (Previous year ₹ 5.51 crores)

b) Excess amount to be set off against succeeding three financial years ₹ Nil (previous year ₹ Nil)

c) Amount spent during the year on :-

Particulars	In Cash	Yet to be paid in Cash	Total
March 31, 2021			
i) Construction/ acquisition of any asset	-	-	-
ii) On Purpose other than (i) above	1.04	-	1.04
Total	1.04	-	1.04
March 31, 2022			
i) Construction/ acquisition of any asset	-	-	-
ii) On Purpose other than (i) above	6.44	-	6.44
Total	6.44	-	6.44

(d) Detail of related party Transactions

Name	March 31, 2021	March 31, 2021
Contribution to Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence	0.16	3.53

(e) Post acquisition of 100% stake by Adani Ports and Special Economic Zone Limited ("APSEZL") on June 08, 2021 in the Company and after reconstitution of the Board of Directors, the new management of the Company has re-assessed the recoverability of various assets, that were outstanding for more than a year. Such assets includes trade and other receivables, capital advances, advances for material and services, deposits given to CBEC, receivable from government authorities and insurance claims receivable. These receivable balances include amounts pertaining to disputed Minimum Guarantee Cargo claims of the Company, unfulfilled capital advances and claims of the Company as operational creditors not acknowledged by respective resolution professionals. Considering all such internal and external information and based on probability of recoverability of the same, the management determined assets aggregating to Rs. 580.81 crore to be not recoverable and accordingly, the same have been written off in the current year.

25 Income Tax

The major components of income tax expenses for the years ended March 31, 2022 and March 31, 2021

(a) Statement of Profit and Loss

Current Income tax:

Current income tax charge

Adjustment in respect of income tax charge of previous years

Deferred Tax:

Relating to origination and reversal of temporary differences

Income tax expenses reported in statement of profit and loss

	For the period ended March 31, 2022 ₹ in Crs	For the year ended March 31, 2021 ₹ in Crs
Current income tax:		
Current income tax charge	-	-
Adjustment in respect of income tax charge of previous years	-	-
Deferred Tax:		
Relating to origination and reversal of temporary differences	(372.25)	55.85
Income tax expenses reported in statement of profit and loss	(372.25)	55.85

Notes:

1. Refer Note 2.3 for Accounting Estimates and Judgements made by the Company and Note 2.3 (vi) regarding tax rates applied in respect of recognition of Deferred Tax Expenses.

2. Deferred Tax recognition is evaluated based on the net asset/ liability as per note (c) below.

(b) Balance Sheet Section

Particulars

Provision for Income Tax

Advance Income Tax

Net Refund Due

	March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs
Provision for Income Tax	-	-
Advance Income Tax	82.68	86.31
Net Refund Due	82.68	86.31

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

Profit/(Loss) before taxes from continuing operations

Income tax expense calculated at 34.944% (2020-21: 34.944%)

Tax Effect of:-

Effect of expenses that are not deductible in determining taxable profit

Unrecognized tax credit for the current year

Change in deferred tax balance due to change in tax rate

Recognition of deferred tax liability

DTA Recognised on unabsorbed depreciation of current year & previous years

Others

Effective Tax Rate/ Tax Expense as per books

Note :

	March 31, 2022		March 31, 2021	
	%	₹ in Crs	%	₹ in Crs
Profit/(Loss) before taxes from continuing operations		(218.80)		(541.43)
Income tax expense calculated at 34.944% (2020-21: 34.944%)	34.95%	(76.46)	34.94%	(189.20)
Tax Effect of:-				
Effect of expenses that are not deductible in determining taxable profit	-29.22%	63.92	-	-
Unrecognized tax credit for the current year	-	-	-34.94%	189.20
Change in deferred tax balance due to change in tax rate	6.20%	(13.57)	-	-
Recognition of deferred tax liability	-	-	-10.32%	55.85
DTA Recognised on unabsorbed depreciation of current year & previous years	158.21%	(346.16)	-	-
Others	0.00%	0.01	-	-
Effective Tax Rate/ Tax Expense as per books	170.13%	(372.26)	-10.33%	55.85

a) The tax rate used for 2021-22 and 2020-21 reconciliations above is the corporate tax rate of 34.944%, payable by corporate entities in India on taxable profits under the Indian tax law.

b) The company has carried forward unabsorbed depreciation aggregating ₹ 1365.79 Crores under the Income Tax Act, 1961 for which there is no expiry date of its tax credit utilisation. Further Company has recognised deferred tax assets on the same during the current year.

(d) Deferred Tax relates to following:-

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs	March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs
(Liability) on Accelerated Depreciation for Tax Purpose	(817.56)	(741.09)	74.76	(59.38)
(liability)/ Asset on Expenditure allowed on payment basis	3.35	(0.11)	(3.35)	(0.68)
Asset on Unabsorbed Depreciation / carried forward business losses	476.54	-	(476.54)	-
(Liability) on other adjustments	(32.88)	(1.60)	32.88	4.21
	(370.55)	(742.80)	(372.25)	(55.85)

The Company has recognised the deferred tax asset on unutilised business losses, unused tax credits and unabsorbed depreciation. Based on the management evaluation, the Company shall be having tax credits post tax holiday period based on the taxes paid under Minimum Alternative Tax during the tax holiday period.

(e) Deferred Tax reflected in the balance sheet as follows

Deferred Tax (net)

Less: Tax Charge/Credit Entitlement under MAT

Net Deferred Tax

	March 31, 2022 ₹ in Crs	March 31, 2021 ₹ in Crs
Deferred Tax (net)	370.55	742.80
Less: Tax Charge/Credit Entitlement under MAT	(455.16)	(455.16)
Net Deferred Tax	(84.61)	287.64

(f) Reconciliation of deferred tax assets / liabilities (net)

Tax Expenses during the period recognised in statement of Profit and Loss
Tax Expenses during the period recognised in OCI
Total Charge to Profit & Loss

March 31, 2022	March 31, 2021
₹ In Crs	₹ In Crs
(372.25)	55.85
-	-
(372.25)	55.85

g) The Company has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recognised in the Balance Sheet at

Financial Year	Amount	Expiry Date
2009-10	53.81	March 31, 2025
2010-11	38.77	March 31, 2026
2011-12	24.31	March 31, 2027
2012-13	71.60	March 31, 2028
2013-14	48.11	March 31, 2029
2014-15	25.99	March 31, 2030
2015-16	14.37	March 31, 2031
2016-17	31.59	March 31, 2032
2017-18	54.57	March 31, 2033
2018-19	92.04	March 31, 2034
Total	455.16	

h) In view of the profitability Projections, the company is reasonably certain that there would be sufficient taxable income in future periods to utilize MAT credit entitlements. Consequently, the company has recognized cumulative MAT credit as at 31.03.2022 is Rs.455.16 Crs.

26 Earnings per share

Profit/(loss) attributable to equity shareholders of the company
Weighted average number of equity shares
Face Value of Share
Basic earning per share (in ₹) (Refere note 11(b)(ii))
Diluted earning per share (in ₹) (Refere note 11(b)(ii))

March 31, 2022	March 31, 2021
₹ In Crs	₹ In Crs
153.45	(597.28)
88,576,160	88,576,160
10.00	10.00
17.32	(67.43)
17.32	(67.43)

27 Below are the ratio as on March 31, 2022 and March 31, 2021

Sr No	Ratio Name	Formula	March 22	March 21	% Variance	Reason for variance
1	Current	Current Assets / Current Liabilities	0.37	1.84	-80%	Mainly due to old balances of receivable/advances/d eposites written off during current year and new short term borrowing.
2	Debt-Equity	Total Debt / Shareholder's Equity	2.84	3.11	-8%	-
3	Debt Service Coverage	Earnings available for debt service (PAT + Interest cost + Foreign Exchange Loss or (Gain) (net) + Depreciation) / Debt Service (Interest cost & lease payments + repayment of non current debt made during the period excluding refinanced loans)	2.11	0.62	240%	PAT improves due to creation of DTA on carried forward unabsorbed depreciation.
4	Return on Equity	Net Profit after Taxes / Avg Equity Shareholder's Fund	7.01%	-24.61%	-128%	Net Profit improves due to creation of DTA on carried forward unabsorbed depreciation. Accordingly Return of Equity improves.
5	Inventory Turnover	NA	NA	NA	NA	-
6	Trade Receivables Turnover	Revenue from operations / Average Accounts Receivable	4.62	2.64	75%	Trade Receivable turnover ratio improves due to write off of trade receivables.
7	Trade Payable Turnover	Operating exp & Other expense/ Average Trade Payable	5.17	2.71	90%	Mainly due to improved payment cycle.
8	Net Capital Turnover	Revenue from Operation / Working Capital	-3.04	3.18	-196%	Mainly due to old balances of trade receivable written off during current year and new short term borrowing resulting to negative working capital.
9	Net Profit	Profit After Tax / Revenue from Operations	7.77%	-33.14%	-123%	Due to creation of DTA on unabsorbed depreciation and reversal of SEIS income as mentioned in exceptional item.
10	Return on Capital Employed	Earnings before Interest and Taxes / Capital Employed (Tangible Networth+Total Debt)	-1.21%	-6.05%	-80%	Mainly due to lower borrowing and reversal of SEIS income as mentioned in exceptional item.
11	Return on Investment	NA	NA	NA	NA	-

28 Disclosures as required by Ind AS - 19 Employee Benefits

a) The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of ₹ 0.92 crore (previous year ₹ 0.92 crore) as expenses under the following defined contribution

Contribution to	March 31, 2022	March 31, 2021
Provident Fund	0.99	0.92
Superannuation Fund	0.01	-
Total	1.00	0.92

- b) The Company has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset - liability matching strategy. The management decides its contribution based on the The following tables summarise the component of the net benefits expense recognised in the statement of profit and loss account and the funded status and amounts recognized in the balance

c) Gratuity

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

Particulars	₹ in Crs	
	March 31, 2022	March 31, 2021
Present value of the defined benefit obligation at the beginning of the year	6.56	9.02
Current service cost	0.94	1.42
Interest cost	0.46	0.61
Re-measurement (or Actuarial) (gain) / loss arising from and including in OCI:		
- change in demographic assumptions	-0.94	-0.01
- change in financial assumptions	-0.90	0.03
- experience variance	0.19	-2.15
Benefits paid	-0.87	-2.34
Liability Transfer In	0.79	-
Liability Transfer Out	-0.40	-
Present value of the defined benefit obligation at the end of the year	5.84	6.56

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

Particulars	₹ in Crs	
	March 31, 2022	March 31, 2021
Fair value of plan assets at the beginning of the year	0.09	0.14
Investment income	0.01	0.05
Contributions by employer	-	-
Benefits paid	-	-0.08
Return on plan assets, excluding amount recognised in net interest expense	-	-0.02
Fair value of plan assets at the end of the year	0.10	0.09

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

Particulars	₹ in Crs	
	March 31, 2022	March 31, 2021
Present value of the defined benefit obligation at the end of the year	5.84	6.56
Fair value of plan assets at the end of the year	0.10	0.09
Amount recognised assets / (liability)	-5.74	-6.47
Net asset / (liability) - Current	-	-6.08
Net (liability) / asset - Non Current	-5.74	-0.39

(iv) Expense recognised in the Statement of Profit and Loss for the year

Particulars	₹ in Crs	
	March 31, 2022	March 31, 2021
Current service cost	0.94	1.50
Net Interest on benefit obligation	0.46	0.55
Total Expense included in Employee Benefits Expense	1.40	2.05

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

Particulars	₹ in Crs	
	March 31, 2022	March 31, 2021
Actuarial (gain)/losses arising from	-1.65	-2.12
- change in demographic assumptions	-0.94	-0.01
- change in financial assumptions	-0.90	0.03
- experience variance	0.19	-2.15
Return on plan assets, excluding amount recognised in net interest expense	-	0.02
Recognised in the other comprehensive income	-1.65	-2.12

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

Particulars	March 31, 2022		March 31, 2021	
	Discount rate	6.90%	Discount rate	6.74%
Rate of escalation in salary (per annum)	10.00%		11.00%	
Mortality	India Assured Lives Mortality (2012-14)		India Assured Lives Mortality (2012-14)	
Attrition rate	9.11%		1.61%	

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

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

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

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

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

(viii) Sensitivity Analysis

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

Quantitative sensitivity analysis for significant assumption is as below

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

Particulars	March 31, 2022		March 31, 2021	
	Discount rate		Discount rate	
	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Sensitivity level	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)
Impact on defined benefit obligations	-0.42	0.48	-0.79	0.95

Particulars	March 31, 2022		March 31, 2021	
	Salary Growth rate		Salary Growth rate	
	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Sensitivity level	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)
Impact on defined benefit obligations	0.46	-0.41	0.80	-0.72

Particulars	March 31, 2022		March 31, 2021	
	Attrition rate		Attrition rate	
	50% Increase	50% Decrease	50% Increase	50% Decrease
Sensitivity level	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)
Impact on defined benefit obligations	-0.29	0.47	-	-

Particulars	March 31, 2022		March 31, 2021	
	Mortality rate		Mortality rate	
	10% Increase	10% Decrease	10% Increase	10% Decrease
Sensitivity level	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)
Impact on defined benefit obligations	-0.00	0.00	-	-

* Figures being nullified on conversion to ₹ in Crs.

(ix) Maturity profile of Defined Benefit Obligation

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

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

Particulars	₹ in Crs	
	March 31, 2022	March 31, 2021
Within the next 12 months (next annual reporting period)	0.50	0.39
Between 2 and 5 years	2.43	1.06
Between 5 and 10 years	2.76	1.71
Beyond 10 years	5.38	-
Total Expected Payments	11.07	3.16

The Company expect to contribute ₹ 6.37 crore to the gratuity fund in the financial year 2021-22 (previous year ₹ 0.40 crore).

(xi) Asset - Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

29 Segment information

The Company is primarily engaged in one business segment, namely developing, operating and maintaining the Ports services, Ports related Infrastructure development activities at Krishnapatnam, Nellore, as determined by chief operational decision maker, in accordance with Ind-AS 108 "Operating Segment".

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

Further, all the revenue from the operations and assets of the company, derived from port operation services rendered in India and situated in India respectively.

30 Related Party Transactions

SI No	Name of the related party	Nature of relationship
1	Adani Port and SEZ Limited	Holding Company
2	KP Agriwarehousing Company Private Limited	Joint Venture
3	Adani Krishnapatnam Container Terminal Pvt Ltd.	Subsidiary Company
4	Seabird Striparks (Krishnapatnam) Private Limited	Subsidiary Company
5	KP Polyolefin Sacks Pvt Ltd	Associate Companies (Till 08.06.2021)
6	Adani Ennore Container Terminal Pvt. Ltd.	Fellow subsidiary
7	Adani Logistics Ltd	Fellow subsidiary
8	Shanti Sagar International Dredging Pvt. Ltd.	Fellow subsidiary
9	Adani Hazira Port Limited	Fellow subsidiary
10	Adani Harbour Services Limited	Fellow subsidiary
11	Adani Enterprises Limited	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence
12	Adani Institute for Education and Research	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence
13	Adani Wilmar Ltd.	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence
14	Vishwa Samudra Engineering Private Limited	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
15	Krishna Dredging Co. Pvt. Ltd	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
16	Navayuga Engineering Company Ltd	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
17	Krishnapatnam Horticulture	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
18	East Coast Logistics Private Limited	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
19	Krishnapatnam Logistics Private Limited	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
20	Nellore Warehousing Company Pvt Ltd	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
21	East Coast Maritime Services	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
22	Vishwesh Warehousing & Container Handling Services Pvt Ltd	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
23	Seaport Cargo Logistics Pvt Ltd	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
24	Well-do Holdings & Exports Pvt Ltd	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
25	Krishnapatnam Security Services Pvt Ltd	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
26	Blyth Wind Park Pvt Ltd	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
27	Adani Skill Development Center	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence
28	CVR Educational Society	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
29	CVR Foundation	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
30	Madhava Enterprises	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
31	Krishnapatnam Infratech Ltd	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence (Till 08.06.2021)
32	Adani Foundation	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence
33	Adani Properties Private Limited	Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence

Key Managerial Persons :-

SI No	Name	Designation
1	Shri Karan Gautam Adani	Chairman
2	Shri Avinash Chand Rai	Managing Director (w.e.f. 27.04.2021)
3	Shri Abhishek Bansal	Company Secretary (Till 26.10.2021)
4	Shri Dinesh Birla	Chief Financial Officer (Till 31.10.2021)
5	Shri Subrat Tripathy	Director
6	Shri Ajai Kumar	Independent Director
7	Smt Birva Chiragbhai Patel	Independent Director
8	Shri Srikanth Gudivada	Chief Financial Officer (w.e.f. 27.01.2022)
9	Dhruvil Shah	Company Secretary (w.e.f. 26.10.2021)

(A) Transactions with Related Party

₹ in Crs

No	Head	Relationship	Name of Related Party	Period Ended March 31, 2022	Year Ended March 31, 2021		
1	Capital Expenditure during the Year	Holding Company	Adani Ports And Special Economic Zone Ltd	-	13.99		
		Other Company*	Vishwa Samudra Engineering Private Limited	-	282.99		
		Other Company*	Krishna Dredging Co. Pvt. Ltd	-	0.95		
		Other Company*	Navayuga Engineering Company Ltd	-	273.00		
		Other Company*	Krishnapatnam Horticulture	-	0.08		
2	Income From Operations	Fellow Subsidiary	Shanti Sagar International Dredging Pvt. Ltd.	-	10.15		
		Subsidiary Company	Adani Krishnapatanam Container Terminal Pvt Ltd	15.35	38.59		
		Joint Venture	Adani Kp Agri Warehousing Private Limited	0.10	-		
		Other Company*	Adani Enterprises Limited	380.08	68.97		
		Other Company*	Adani Wilmar Limited	7.18	3.98		
		Other Company*	East Coast Logistics Private Limited	-	0.18		
		Other Company*	Krishnapatnam Logistics Private Limited	-	0.01		
		Other Company*	Nellore Warehousing Company Pvt Ltd	-	0.10		
		Holding Company	Adani Ports And Special Economic Zone Ltd	-	0.02		
		Other Company*	East Coast Maritime Services	-	0.01		
		Other Company*	Vishwesh Warehousing & Container Handling Services Pvt Ltd	-	0.03		
		Other Company*	Seaport Cargo Logistics Pvt Ltd	-	0.09		
		Other Company*	Navayuga Engineering Company Ltd	-	0.29		
		Fellow Subsidiary	The Adani Harbour Services Private Limited	0.70	-		
		3	Rendering of Services (Reimbursement of Expense)	Subsidiary Company	Adani Krishnapatanam Container Terminal Pvt Ltd	5.03	-
Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited			0.08	-		
Fellow Subsidiary	The Adani Harbour Services Private Limited			1.96	-		
4	Interest Expenses	Holding Company	Adani Ports And Special Economic Zone Ltd	501.26	300.32		
		Other Company*	Well-Do Holdings & Exports Pvt Ltd	-	5.57		
5	Interest Income	Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	0.37	-		
		Joint Venture	Adani Kp Agri Warehousing Private Limited	0.70	0.84		
6	Receiving Of Services	Fellow Subsidiary	Adani Petronet Dahej Port Private Limited	0.14	-		
		Other Company*	Adani Enterprises Limited	2.79	-		
		Subsidiary Company	Adani Krishnapatanam Container Terminal Pvt Ltd	-	12.75		
		Other Company*	Krishnapatnam Security Services Pvt Ltd	-	9.33		
		Other Company*	East Coast Logistics Private Limited	-	12.63		
		Other Company*	Krishnapatnam Logistics Private Limited	-	9.37		
		Other Company*	Nellore Warehousing Company Pvt Ltd	-	3.85		
		Other Company*	Krishnapatnam Horticulture	-	0.05		
		Other Company*	Blyth Wind Park Pvt Ltd	-	25.54		
		Other Company*	Vishwesh Warehousing & Container Handling Services Pvt Ltd	-	0.32		
		Other Company*	Seaport Cargo Logistics Pvt Ltd	-	13.11		
		Other Company*	Adani Skill Development Center	0.06	-		
		Subsidiary Company	Adani Krishnapatanam Container Terminal Pvt Ltd	1.41	-		
		7	Material Issued	Other Company*	Vishwa Samudra Engineering Private Limited	-	0.07
				Other Company*	Seaport Cargo Logistics Pvt Ltd	-	0.64
Other Company*	CVR Educational Society			-	0.01		
Other Company*	CVR Foundation			-	0.01		
Other Company*	East Coast Logistics Private Limited			-	5.99		
Other Company*	Krishnapatnam Logistics Private Limited			-	1.18		
8	Material Purchased	Other Company*	Navayuga Engineering Company Ltd	-	0.08		
		Other Company*	Krishnapatnam Horticulture	-	0.20		
		Subsidiary Company	The Dhamra Port Company Limited	0.04	-		
9	Reimbursement of Expense	Holding Company	Adani Ports And Special Economic Zone Ltd	28.60	-		
		Other Company*	Madhava Enterprises	-	0.86		
		Fellow Subsidiary	The Adani Harbour Services Private Limited	6.22	-		
		Subsidiary Company	Adani Krishnapatanam Container Terminal Pvt Ltd	1.70	-		
		Other Company*	East Coast Logistics Private Limited	-	0.04		
		Other Company*	Adani Wilmar Limited	-	0.02		
		Other Company*	Krishnapatnam Infratech Ltd	-	2.08		
10	Director sitting fees	Other Company*	Vishwesh Warehousing & Container Handling Services Pvt Ltd	-	0.01		
		Other Company*	Seaport Cargo Logistics Pvt Ltd	-	0.02		
11	Borrowings (Loan Taken) Addition	Fellow Subsidiary	Adani Hazira Port Private Limited	0.55	-		
		Director	Shri Ajai Kumar	0.02	0.01		
12	Borrowings (Loan Repaid) Repaid	Director	Smt Birva Chiragbhai Patel	0.02	0.01		
		Holding Company	Adani Ports And Special Economic Zone Ltd	1,974.51	820.50		
13	Loans Given	Holding Company	Adani Ports And Special Economic Zone Ltd	2,622.18	447.00		
		Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	25.40	-		
14	Investment in Equity Share Capital	Other Company*	Krishnapatnam Infratech Ltd	-	100.00		
		Joint Venture	Adani Kp Agri Warehousing Private Limited	2.50	-		
15	Lease Rent Paid	Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	19.22	-		
		Joint Venture	Adani Kp Agri Warehousing Private Limited	3.00	-		
16	Donation	Other Company*	Adani Foundation	0.16	-		
		Other Company*	CVR Foundation	-	3.53		
17	Write off	Fellow Subsidiary	Adani Logistics Ltd	-	0.27		
		Holding Company	Adani Ports And Special Economic Zone Ltd	7.02	-		
18	Purchase of Property / Asset / Land use Rights	Other Company*	Adani Wilmar Limited	5.19	-		
		Key Management Personnel	Mr Avinash Rai	2.23	-		
19	Deposit Received from customer	Key Management Personnel	Mr. Dinesh Birla	0.60	-		
		Key Management Personnel	Mr. Srikanth Gudivada	0.09	-		

(B) Balances with Related Party

₹ in Crs

No	Head	Relationship	Name of Related Party	Period Ended March 31, 2022	As on March 31, 2021
1	Borrowings	Holding Company	Adani Ports And Special Economic Zone Ltd	5,928.83	6,576.50
		Joint Venture	Adani Kp Agri Warehousing Pvt Ltd	7.80	8.26
2	Loans & Advances Given	Other Company*	Krishnapatnam Horticulture	-	0.01
		Other Company*	Gateway Media Pvt Ltd	-	0.32
		Other Company*	Chinta Visweswara Rao Educational Society	-	7.82
		Other Company*	Krishnapatnam Water Company Pvt Ltd	-	0.80
		Other Company*	Krishnapatnam Infratech Pvt Ltd	-	100.00
		Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	25.40	-
		Other Company*	Adani Enterprise Limited	0.60	-
3	Trade Payable	Holding Company	Adani Ports And Special Economic Zone Ltd	4.99	-
		Fellow Subsidiary	Shanti Sagar International Dredging Pvt. Ltd.	-	11.83
		Other Company*	Thar Power Transmission Service Limited	-	0.01
		Other Company*	Ahmedabad International Airport Limited	0.23	-
		Joint Venture	Adani Kp Agri Warehousing Pvt Ltd	0.31	-
		Fellow Subsidiary	Adani Hazira Port Private Limited	0.10	-
		Other Company*	East Coast Logistics Private Limited	-	0.02
		Other Company*	Star Trek Aviation Pvt Ltd (Formerly Navayuga Aviation Pvt Ltd)	-	0.07
		Other Company*	Vishwa Samudra Engineering Private Limited	-	263.50
		Other Company*	Madhava Enterprises	-	0.01
		Other Company*	Vishwesh Warehousing & Container Handling Services Pvt Ltd	-	0.07
		Other Company*	Nellore Warehousing Company Pvt Ltd	-	0.01
		Other Company*	Krishnapatnam Logistics Private Limited	-	0.84

		Other Company*	Navayuga Engineering Company Ltd	-	27.34
		Holding Company	Adani Ports And Special Economic Zone Ltd	-	16.30
		Other Company*	CVR Foundation	-	0.65
		Other Company*	Navayuga Real Ventures Pvt Ltd	-	0.05
		Other Company*	Krishnapatnam Security Services Pvt Ltd	-	0.25
		Other Company*	East Coast Maritime Services	-	0.02
		Other Company*	Seaport Cargo Logistics Pvt Ltd	-	0.34
		Other Company*	Blyth Wind Park Pvt Ltd	-	3.57
		Subsidiary Company	Adani Krishnapatnam Container Terminal Pvt Ltd	11.53	-
		Other Company*	Adani Wilmar Limited	0.48	0.83
		Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	0.32	-
		Other Company*	Gangavaram Port Ltd	0.05	-
		Joint Venture	Adani Kp Agri Warehousing Pvt Ltd	1.05	1.08
		Other Company*	Adani Enterprise Limited	37.00	28.10
		Other Company*	East Coast Logistics Private Limited	-	0.03
		Other Company*	Vishwesh Warehousing & Container Handling Services Pvt Ltd	-	0.03
		Other Company*	Nellore Warehousing Company Pvt Ltd	-	0.03
		Other Company*	Navayuga Engineering Company Ltd	-	0.45
		Holding Company	Adani Ports And Special Economic Zone Ltd	-	0.02
		Fellow Subsidiary	Adani Petronet Dahej Port Private Limited	0.16	-
		Subsidiary Company	Adani Krishnapatnam Container Terminal Pvt Ltd	1.39	2.66
		Other Company*	Adani Wilmar Limited	0.02	-
		Fellow Subsidiary	The Adani Harbour Services Private Limited	0.07	-
		Other Company*	East Coast Maritime Services	-	0.02
		Other Company*	Seaport Cargo Logistics Pvt Ltd	-	0.07
		Holding Company	Adani Ports And Special Economic Zone Ltd	0.24	-
		Subsidiary Company	Adani Enterprise Limited	0.70	-
		Holding Company	Adani Ports And Special Economic Zone Limited	308.96	47.04
		Other Company*	Adani Enterprise Limited	12.90	-
		Subsidiary Company	Adani Krishnapatnam Container Terminal Pvt Ltd	0.47	-
		Fellow Subsidiary	The Adani Harbour Services Private Limited	1.07	-
		Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	0.33	-
		Fellow Subsidiary	The Dhamra Port Company Limited	0.01	-
		Joint Venture	Adani Cma Mundra Terminal Private Limited	0.21	-
		Fellow Subsidiary	Adani Vizag Coal Terminal Private Limited	0.02	-
		Other Company*	Adani Infrastructure Management Services Limited	0.03	-
		Other Company*	Adani Power Maharashtra Limited	0.26	-
		Joint Venture	Adani Kp Agri Warehousing Pvt Ltd	1.31	-
		Other Company*	Adani Green Enregy Limited	0.01	-
		Other Company*	Adani Wilmar Limited	5.19	-
		Subsidiary Company	Adani Krishnapatnam Container Terminal Pvt Ltd Formerly Known As (Navayuga Container Terminal Private Limited)	0.01	0.01
		Joint Venture	Adani Kp Agri Warehousing Pvt Ltd	8.32	5.82
		Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	19.22	-
4	Trade Receivable				
5	Advance From Customers				
6	Other Current Liabilities				
7	Other Financial & Non-Financial Assets				
8	Deposits from customers				
9	Investment in Share Capital				

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

Note: The Loans and ICDs of ₹ 100 crores as at the balance sheet date are guaranteed by Adani Properties Private Limited, a promoter group company and a related party.

31 Unhedged foreign currency exposure

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

Nature	March 31, 2022			March 31, 2021		
	Currency	Amount in Millions (Currency)	Amount in Rs Crs.	Currency	Amount in Millions (Currency)	Amount in Rs Crs.
Trade Payables & Other	USD	0.19	1.45	USD	0.05	0.35
Current Liabilities	EUR	*	0.04	EUR	-	-
	AED	0.28	0.58	AED	-	-
Other Receivable	EUR	0.01	0.07	EUR	-	-

* Figures being nullified on conversion to millions

Closing Rate as at March 31, 2022		Closing Rate as at March 31, 2021	
USD	75.7925	USD	73.11
EUR	84.2200	EUR	85.75
SGD	55.9700	SGD	54.35
AED	20.6350		

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

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

Particulars	Note	₹ in Crs			
		Fair Value through Profit & Loss	Fair Value through Other comprehensive Income	Amortised Cost	Carrying Value
Financial Asset					
Investments in unquoted Equity Shares	4	-	125.49	(20.05)	105.45
Trade receivables (including bills discounted)	5	-	-	204.31	204.31
Cash and Cash Equivalents	10(i)	-	-	0.33	0.33
Other Bank balance	10(ii)	-	-	5.21	5.21
Loans	6	-	-	133.20	133.20
Other financial assets	7	-	-	160.56	160.56
		-	125.49	483.57	609.06
Financial Liabilities					
Borrowings (Including bills discounted and current maturities)	13	-	-	6,418.83	6,418.83
Trade payables	17	-	-	99.13	99.13
Lease Liabilities	14	-	-	158.33	158.33
Other financial liabilities	15	-	-	401.20	401.20
		-	-	7,077.49	7,077.49

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

₹ in Crs					
Particulars	Note Reference	Fair Value through Profit & Loss	Fair Value through Other comprehensive Income	Amortised Cost	Carrying Value
Financial Asset					
Investments	4	-	134.11	13.06	147.17
Trade receivables (including bills discounted)	5	-	-	649.89	649.89
Cash and Cash Equivalents	10(i)	-	-	2.36	2.36
Other Bank balance	10(ii)	-	-	3.00	3.00
Loans	6	-	-	108.26	108.26
Other financial assets	7	-	-	115.23	115.23
		-	134.11	891.80	1,025.91
Financial Liabilities					
Borrowings (Including bills discounted and current maturities)	13	-	-	6,576.50	6,576.50
Trade payables	17	-	-	125.79	125.79
Other financial liabilities	15	-	-	547.44	547.44
		-	-	7,249.73	7,249.73

32.2 Fair Value hierarchy :

Quantitative disclosures - Fair value measurement hierarchy for Financial assets and financial liabilities.

₹ in Crs						
Particulars	As at March 31, 2022			As at March 31, 2021		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
Financial Assets						
Investment in unquoted Equity Investments measured at FVTOCI (refer note 4)	-	77.90	77.90	-	134.11	134.11
Investment in unquoted Equity Investments measured at FVTOCI (refer note 3B)	-	47.59	47.59	-	-	-
Total	-	125.49	125.49	-	134.11	134.11

b) Description of significant unobservable inputs to valuation:

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2022 and March 31, 2021 are as shown below:

Particulars	Valuation technique	Significant unobservable inputs	Weighted average rate	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares (Investment of Krishnapatnam Railway Company Ltd.)	Net Asset Approach	NA	NA	NA
FVTOCI assets in unquoted equity shares (Investment of Blyth Wind Park Pvt. Ltd.)	DCF Method	Weighted Average Cost of Capital (WACC)	11.28%	1% increase would result in decrease in fair value by ₹ 0.71 Crs as of March 31, 2022

a) 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.

The discount for lack of marketability represents the amounts that the Group has determined that market participants would take into account when pricing the investments.

32.3 Financial Risk Management objective and policies

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, the use of financial derivatives, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

a) market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

i) Interest rate risk

The Company is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

Interest rate sensitivity

The sensitivity analyses 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 is used when reporting interest rate risk internally to key management personnel and 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, 2022 would decrease/increase by Rs. 2.45 Crores (March 31, 2021: decrease/increase by Rs.16.70 Crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

(ii) Foreign currency risk

Exchange rate movements, particularly the United States Dollar (USD) and Euro (EUR) against Indian Rupee (INR), have an impact on the Company's operating results. The Company manages its foreign currency risk by entering into currency swap for converting INR loan into other foreign currency for taking advantage of lower cost of borrowing in stable currency environment. The Company also enters into various foreign exchange contracts to mitigate the risk arising out of foreign exchange rate movement on foreign currency borrowings or creditors. Further, to hedge foreign currency future transactions in respect of which firm commitment are made or which are highly probable forecast transactions (for instance, foreign exchange denominated income) the Company has entered into foreign currency forward contracts as per the policy of the Company.

The Company is mainly exposed to changes in USD, EURO, AUD, BDT, GBP and SGD. 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 Crs

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
USD Sensitivity				
RUPEES / USD – Increase by 1%	0.01	*	0.01	*
RUPEES / USD – Decrease by 1%	(0.01)	*	(0.01)	*
EUR Sensitivity				
RUPEES / USD – Increase by 1%	*	*	*	*
RUPEES / USD – Decrease by 1%	*	*	*	*
AED Sensitivity				
RUPEES / USD – Increase by 1%	0.01	*	0.01	*
RUPEES / USD – Decrease by 1%	(0.01)	*	(0.01)	*
SGD Sensitivity				
RUPEES / USD – Increase by 1%	*	*	*	*
RUPEES / USD – Decrease by 1%	*	*	*	*

* Figures being nullified on conversion to ₹ in Crs

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 loans to others, deposits with banks, financial institutions & others, foreign exchange transactions and other financial assets.

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, financial institutions and other counter parties is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Company further mitigate credit risk of counter parties by obtaining adequate securities including undertaking from creditable parties.

The Company is exposed to market conditions and counter party credit risk on Loans and ICDs extended from time to time based on limits set by the Board of Directors having regard to various factors including net-worth of the counterparties. As part of credit risk policy, guarantees are obtained to secure repayment of these loans and ICDs and interest thereon. These guarantees are evaluated for enforceability under the prevailing laws by the Board of Directors including assessment by external legal expert, and by assessing financial ability of the guarantor.

Concentrations of Credit Risk form part of Credit Risk

Considering that the Company operates the port services at Krishnapatnam, the Company is significantly dependent on cargo from or to such large port user customer located at Eastern Region of India. Out of total revenue, the Company earns ₹ 1222.38 Crs of revenue during the year ended March 31, 2022 (previous year ₹ 1827 Crs) from such large port users which constitute 64.95% (previous year 66.36%). Accounts receivable from such customer approximated ₹ 81.66 Crs as at March 31, 2022 and ₹ 218.66 Crs as at March 31, 2021. 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 to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below analyses derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Particulars	₹ in Crs			
	Less than 1 year	1 to 5 years	Over 5 years	Total
As at March 31, 2022				
Borrowings	490.00	1,000.00	4,928.83	6,418.83
Trade Payables	99.13	-	-	99.13
Lease Liabilities (Including finance charge)	-	-	158.33	158.33
Other Financial Liabilities	346.55	54.65	-	401.20
Total	935.68	1,054.65	5,087.16	7,077.49

Particulars	₹ in Crs			
	Less than 1 year	1 to 5 years	Over 5 years	Total
As at March 31, 2021				
Borrowings	-	-	6,576.50	6,576.50
Trade Payables	125.79	-	-	125.79
Other Financial Liabilities	505.36	42.08	-	547.44
Total	631.15	42.08	6,576.50	7,249.73

Note:
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, ignoring the refinancing options available with the Company. The amounts included above for variable interest rate instruments for non derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

32.4 Capital Management:

For the purpose of company's management, capital includes equity capital, perpetual debt and other equity reserves.

The primary objective of the company's capital management is to maximize shareholder value. The company manages its capital structure and makes adjustments in light of changes in economic environment and the requirement of financial covenant.

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

The capital structure of the company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

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

Particular	March 31, 2022	March 31, 2021
	₹ in Crs	₹ in Crs
Total Borrowings (refer note - 13)	6,418.83	6,576.50
Less: Cash and Bank balance (refer note - 10)	5.54	5.36
Net debt (A)	6,413.29	6,571.14
Total Capital* (B)	2,259.12	2,118.02
Net debt and total equity (C = A + B)	8,672.41	8,689.16
Gearing Ratio	73.95%	75.62%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Non-Adherence of Financial Covenants can lead to Event of Default whereby Lender may right to recall the call after expiry cure period permitted in respective period. There has been no breaches in the financial covenant of any interest bearing loans and borrowings except as disclosed in footnote 13(D). No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

* - Total Capital includes Equity and Other Equity (including CCCPPS).

33 Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III the Companies Act, 2013 for the year ended March 31, 2021. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

₹ in Crs			
Sr No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a)	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each Principal Interest	0.62 Nil	1.24 Nil
(b)	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	Nil	Nil

34 Capital commitments & other commitment
Capital commitment

Particulars	March 31, 2022 ₹ In Crs	March 31, 2021 ₹ In Crs
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	212.37	180.00

35 Contingent liabilities not provided for

₹ in Crs			
Sl No	Particulars	March 31, 2022	March 31, 2021
1	Show cause notice issued to the company by department of mines and geology regarding non payment of Seigniorage fee along with penalties for variation in used quantities of minor minerals vis-a-vis temporary permits from Government of Andhra Pradesh. The Company has denied all the allegations of department of mines and geology and stated that the utilization of sand was under limit and there is no cap for other minor minerals in any of the memos or notifications issued by Government. The Company also stated that according to clause 3.16 in the concession agreement, fiscal incentives were granted for the construction of port for phase I and II. Therefore, the Company is not liable to pay any Seigniorage fee as they are under the compliance of concession Agreement with Government of Andhra Pradesh. In W.P. No 12255/2012, stay was granted in all further proceedings. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same	79.16	79.16
2	Company availed Duty credit Served From India Scheme for few services which are under dispute, company has made representation dated 08.07.2017 requesting DGFT, New Delhi for issuance of appropriate clarification as deemed fit with respect to the entitlement of SFIS benefit for the services. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	18.76	18.76
3	Notice issued to the Company by Ministry of Labour, Hyderabad to pay building cess of Rs 16.75 crores by considering all the costs incurred during the entire port construction period i.e., from 2007-2010 which is Rs 1675 crores, based on intimation made by the company to Superintendent of police, Regional Vigilance and Enforcement officer, Nellore. The Company has challenged such demand by stating that the overall port construction costs cannot be made to pay under building cess as per the Act, as construction of Breakwaters wharf, dredging and reclamation, equipment ware houses, sewage treatment plants cannot be considered under building cess. The Company determined the cost of construction at Rs 607 crores as per the building cess act and paid Rs. 6.07 Crore of building cess on such amount, which was also duly acknowledged by the office of joint commissioner of Labour, Guntur without any queries. The Labour department is still insisting for the payment of balance building cess based on the Vigilance report. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	10.68	10.68
4	Show cause notices issued to the Company by CTO for levy of entry tax on purchase of Tippers, Trucks, excavators and wheel Loaders used in operations during the period from 01.04.2010 to 21.09.2011 and from 01.09.2010 to 24.01.2011. The Company filed two writs questioning the validity of the entry tax and the Hon'ble High court disposed the writs stating that the constitutionality of the provision has been upheld by a division bench of this court in Vijaya Traders Vs Commercial Tax. The company filed civil appeal before Hon'ble Supreme court. Meanwhile, based on the order of the Hon'ble High court, following the procedure in Vijaya Traders, CTO has initiated acquiring further information from the Govt bodies such as Road Transport Authorities. The supreme court remanded to the Honorable high courts to file fresh writ petitions and granted stay on all further proceedings. KpCl filed a writ (W.P. No 11483/2018) in the High court on the entry tax. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	11.13	7.01
5	The Company entered into an agreement dated 24.11.2015 with the Respondent, to avail aircraft maintenance, overall modifications, repairs, inspection, treatment processing of Aircraft. The reconciliation of invoices admitted, relating and pertaining to LEGENCY 600 VT-CKP Aircraft of 2009 make with aircraft SL No. 14501094 made the Company liable to petitioner to pay a sum of Rs.9 crores by full and final settlement thereof. However, as loss sustained by the Company, in delay handing over the aircraft and hiring charter aircraft from outside, the arbitration matters is proposed to be settled at Rs. 5 crore.	5.00	-
6	In respect of dispute in construction of Fertilizer Conveyor System by Felguera India Pvt Ltd, Honble Aribtral Tribunal passed award on 28.08.2018 and subsequently on 30.10.18, Company filed COP before Citi Civil court, Hyderabad. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	2.08	2.08
7	The company placed two purchase orders against FGI for engineering, design, fabrication, transport to site of conveyor system, fixed hoppers and tripper, erection, commissioning and startup of conveyors systems, fixed hopper and tripper. FGI failed to complete the purchase orders within stipulated time. Consequently, disputes arose between the parties. hence both approached the arbitration. There after the arbitration passed an award in the favor of the FGI which can be set aside under section 34 of the arbitration and conciliation act. The impugned award is illegal, opposed to law, prejudicial to the rights of the KPCL, contrary to the fundamental policy and therefore filed an OP (C.O.P.No05/2019) in commercial court Hyderabad to grant stay on the award passed and to set aside the award for its revision. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	4.60	-
8	The suit is filed by Customers against company claiming damages for not releasing their coal lying with the company. Management is reasonably confident that no liability will devolve on the company. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	3.29	-
9	The Chief Commercial Manager, South Central Railways issued suspension of detention order No.CGSR/PKP/KAPT/NO/2014/12/2 Dated 02/01/2015. Company has challenged the said order and filed petition in High Court of Andhara Pradesh. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	1.46	-
10	Former employees filed petition with the Labour Court to look into determination of statutory bonus and over time wages by the Company. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	0.15	-
11	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Hyderabad and appeals there of, for wrongly availing of Cenvat credit/ Service tax credit, Liquidated Damages (MGT issues) and Short payment of service tax during financial year 2011-12 to 2019-20. These matters are pending before the CESTAT, Hyderabad and Assistant Commissioner of Central Tax - Audit Division - Nellore. The Company has taken an external advice in the matter based on which the management is of the view that no liability shall arise on the Company. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	-	159.97

12	After completion of yearly VAT Audit, SCN/Orders received from Assistant Commissioner of Commercial Tax for VAT demand on Marine Income/Cranage Income/Boat Charges and other revenue , for the period FY 2014-15 to 2017-18 (3 months), where Company already discharged the Service Tax on the same income. At the Appellate authority, with the submission of sufficient documents all the matters are remanded back to the local authorities. Now These matters are pending with local authorities for further verification and closure. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	-*	18.79
13	Company has received notices for various matters related to diallowance of Prior period Expenses, Excess Depreciation, Delay in EPF, ESI contribution and computation error for calculating tax under section 115JB pending before Central Circle (1), Hyd, ITD. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same	-*	2.41
Total			136.31
			298.86

(*) During the current year, on re-assessment of fact and status of the above matters, the company has changed their estimates and assessed that possibility of any outflow in settlement is remote. Accordingly the same has not considered as Contingent Liability. (Refer point 11 to 16 above)

Note:-

- i) APSEZL (the Parent Company) is having full indemnity from erstwhile promotor group for all outstanding contingent liability, pursuant to the share purchase agreement dated 3rd January, 2020 and as amended on 1st October, 2020.

36 Disclosure of significant interest in subsidiaries and joint ventures as per Ind AS 27 para 17.

Sr No	Name of Entities	Relationship	Place of Business	Ownership
1	Adani Krishnapatnam Container Terminal Pvt Ltd.	Subsidiary	India	100%
2	Seabird Distriparks (Krishnapatnam) Private Limited	Subsidiary	India	100%
3	KP Agriwarehousing Company Private Limited	Joint Venture	India	74%

Note: The Company is wholly owned subsidiary of Adani Ports and Special Economic Zone Limited, Parent Company, which has prepared consolidated financials statement for the year ended March 31, 2022. Accordingly, the Company has availed an exemption as per Ind AS 110 paragraph 4(a) (i) for not preparing the consolidated financial statements.

37 Statutory information

- (i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (ii) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

38 During the year, APSEZ (Holding Company) has completed the acquisition of balance 25% stake in Adani Krishnapatnam Port Limited ("AKPL") (formerly known as Krishnapatnam Port Company Limited ("KPCL")) and consider it as wholly owned subsidiary Company w.e.f. June 08, 2021.. The assets included investments that were to be carved out and were to be settled separately by AKPL, Said investment as on reporting date amounting to ₹ 47.59 crore (PY ₹ 49.51 crores) are included under Assets classified as held for sale.

Particulars	March 31, 2022 ₹ In Crs
65,00,000 (previous year 65,00,000) Fully paid up equity shares of ₹10 each KP Polyolefin Sacks Pvt. Ltd.	6.14
Nil (previous year 18,13,654) Fully paid up equity shares of ₹10 each of Navayuga Udupi Tollway Pvt. Ltd.	-
3,69,54,050 (previous year 3,69,54,050) equity shares of ₹10 each of Krishnapatnam Infratech Ltd.	41.45
Total	47.59

Note : For the above investments, sale consideration has been agreed and hence Company does not anticipate any gains or losses for the same.

39 Standards issued but not effective:

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

1. Ind AS 101 - First-time adoption of Ind AS
2. Ind AS 103 – Business Combinations
3. Ind AS 109 – Financial Instruments
4. Ind AS 16 – Property, Plant and Equipment
5. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
6. Ind AS 41 – Agriculture

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

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

40 As at March 31, 2022, the Company's current liabilities exceeds its current assets by ₹ 652.97 lacs. The Company anticipates to generate sufficient cash from its operations in the next financial year to meet the obligations as and when fall due for settlement. Further, Adani Ports and Special Economic Zone Limited, the Parent Company has undertaken to provide financial support as necessary, to enable the Company to meet the operational requirements. Accordingly, these financial statements have been prepared on a 'going concern' basis.

41 The Code on Wages, 2019 and Code of Social Security, 2020 ("the Codes") relating to employee compensation and post-employment benefits that 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.

42 Figures are given in Rupees in Crores unless stated otherwise.

43 The financial statements of the Company for the year ended March 31, 2021, were audited by the RCV & Company Chartered Accountants, the predecessor auditor.

44 Events occurred after balance sheet date:

(i) The Board of Directors of the company has recommended dividend of ₹ 68,001/- at the rate of 0.001% (P.Y. ₹ 68,001/- at the rate of 0.001%) on Compulsorily Convertible Cumulative Participatory Preference Shares (CCPPS). We confirm that the dividend proposed/ declared/ and paid during the year is in compliance with the requirements of Section 123 of the Companies Act.

(ii) The Board of Directors of the company has accorded consent for Scheme of Arrangement for amalgamation of Adani Krishnapatnam Container Terminal Private Limited (Subsidiary Company) with the company with the appointed date of 1 April 2022 subject to the requisite approvals of the shareholders and the creditors of the company and the sanctions of central government or the national company law Tribunal or such other competent authority, as may be applicable.

For and on behalf of Board of Directors of

Avinash Chand Rai
Managing Director
DIN: 08406981

Subrat Tripathy
Director
DIN: 08406981

Srikanth Gudivada
Chief Financial Officer

Dhruvil Shah
Company Secretary

Place: Ahmedabad
Date: May 09, 2022