

**Adani Vizag Coal Terminal**  
**Private Limited**

**Financial Statements for the**  
**FY 2021-22**

**Independent Auditor's Report  
To the Members of Adani Vizag Coal Terminal Private Limited**

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

**Opinion**

We have audited the accompanying Standalone Financial Statements of **Adani Vizag Coal Terminal Private Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, 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 (herein after referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, read with the emphasis of matter paragraph below, 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 31<sup>st</sup> March, 2022, the loss and total comprehensive income, changes in equity and its cash flows 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 Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Emphasis of Matter**

1. We draw attention to Note 34 of the Standalone Financial Statements in connection with pending Arbitration matter for termination of service concession agreement and Assets considered as Held for Sale pursuant to the same.
2. The company is incurring losses and accordingly the net worth has been completely eroded. Further the company also has a negative net current assets position. However the accounts have been prepared on a going concern basis, considering the mitigating factors as given in the Note No. 36 of the Notes forming part of the Standalone Financial Statements

Our report is not modified in respect of this matter.

**Information other than the Financial Statements and Auditor's Report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

**Independent Auditor's Report  
To the Members of Adani Vizag Coal Terminal Private Limited (Continue)**

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 Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibility**

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.

**Independent Auditor's Report  
To the Members of Adani Vizag Coal Terminal Private Limited (Continue)**

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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

**Independent Auditor's Report  
To the Members of Adani Vizag Coal Terminal Private Limited (Continue)**

2. As required by section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the 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 Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 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 B';
  - g) 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:
    - a. The Company has disclosed the impact of pending litigations on its financial position in the financial statements – Refer Note 28 to the financial statements.;
    - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - d. (i) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

## **Independent Auditor's Report**

### **To the Members of Adani Vizag Coal Terminal Private Limited (Continue)**

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

(iii) Based on the audit procedures 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 d (i) and d (ii) above, contain any material misstatement.

e. There were no amount of dividend declared or paid during the year by the company.

### **3. With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided. Accordingly, reporting under section 197(16) of the Act is not applicable.

For, **DHARMESH PARIKH & CO LLP**  
Chartered Accountants  
Firm Registration No. 112054W / W100725

Place : Ahmedabad

Date : 03/05/2022

**D. A. Parikh**  
Partner  
Membership No. 045501  
UDIN: 22045501AJJIRS9725

**Annexure - A to the Independent Auditor's Report**  
**RE: Adani Vizag Coal Terminal Private Limited**

---

(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022, we report that:

- (i) (a) (A) In our Opinion according to the information and explanation given to us and the records produced to us for our verification, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has no intangible assets. Accordingly, the provisions of clause 3 (i)(a)(B) of the Order are not applicable.
- (b) In Our Opinion and according to the information and explanation given to us and the records produced to us for our verification, the Company has a regular programme of physical verification of its Property, Plant and Equipment's by which all Property, Plant and Equipment's are verified by the management in a phased manner over a period of three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Based on our verification, no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and the records produced to us for our verification, the company does not hold any immovable property (except temporary structures). Accordingly, the provisions of paragraph 3(i)(c) of the Order are not applicable.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the provision of clause 3(i)(d) of the Order are not applicable.
- (e) According to the information and explanation given to us and the records produced to us for our verification, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable to the Company.
- (ii) (a) The Company being in the service industry, hold Inventory in the nature of consumable items which at the end of the year were Nil. Accordingly the provisions of paragraph 3 (ii) (a) of the Order is not applicable.
- (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. Accordingly, the provision of clause 3(ii)(b) of the Order are not applicable.
- (iii) During the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii) (a) to (f) of the Order are not applicable.

**Annexure - A to the Independent Auditor's Report**  
**RE: Adani Vizag Coal Terminal Private Limited (Continue)**

---

(Referred to in Paragraph 1 of our Report of even date)

- (iv) In our opinion and according to information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section Section 185 and 186 of the Act in respect of grant of loans, investments made, and guarantees and securities. Accordingly the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) According to the information and explanation given to us, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is not applicable to the company for the year under consideration. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income-Tax, Provident fund, Employees' State Insurance, Goods and Service Tax and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Provident fund, Employees' State Insurance, Goods and Service Tax and other statutory dues were in arrears as at 31<sup>st</sup> March, 2022, for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no undisputed dues of Income-tax, Goods and Service Tax, and other statutory dues as at 31<sup>st</sup> March, 2022, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under section 43 of the Income Tax Act, 1961. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) a) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- c) In our opinion and according to the information and explanations given to us, the company has not received any money by way of term loans during the year. Accordingly, the provisions of clause 3(ix) (c) of the Order are not applicable to the Company.



**Annexure - A to the Independent Auditor's Report**  
**RE: Adani Vizag Coal Terminal Private Limited (Continue)**

---

(Referred to in Paragraph 1 of our Report of even date)

- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company. Accordingly, the provisions of clause 3(ix)(d) of the Order are not applicable to the Company.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company does not have any subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix)(e) & (f) of the Order are not applicable to the Company.
- (x) a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.
- b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any fully or partly convertible debenture during the year under review. Accordingly, the provisions of clause 3(x) (b) of the Order are not applicable.
- (xi) a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- b) No report on any matter 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.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) In our opinion, the Company is not a nidhi company. Accordingly, the provisions of Clauses 3 (xii) (a) to (c) of the Order are not applicable.
- (xiii) As per the information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013, where applicable, and all the details have been disclosed in Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) a) According to the information and explanations given to us and on the basis of our examination of the records, we are of the opinion that the company has an internal audit system commensurate with the size and nature of its business.

**Annexure - A to the Independent Auditor's Report**  
**RE: Adani Vizag Coal Terminal Private Limited (Continue)**

---

(Referred to in Paragraph 1 of our Report of even date)

- b) We have considered the internal audit reports of the company issued till date, for the year under audit.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions, within the meaning of Section 192 of the Act, with directors or persons connected with them. Accordingly, the provisions of Clause 3 (xv) of the Order are not applicable to the Company.
- (xvi) a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a) of the Order are not applicable to the Company.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi)(b) of the Order are not applicable to the Company.
- c) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3(xvi) (c) & (d) of the Order are not applicable to the Company.
- (xvii) The Company has incurred cash losses during the financial year of Rs. 2,384.51 Lacs covered under audit and the immediately preceding financial year of Rs. 1,262.17 Lacs.
- (xviii) According to the information and explanations given to us, there is no resignation of the statutory auditors during the year in the company. Accordingly, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us read with Note 36 of the notes forming part of the Standalone Financial Statements and 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

**Annexure - A to the Independent Auditor's Report**  
**RE: Adani Vizag Coal Terminal Private Limited (Continue)**

---

(Referred to in Paragraph 1 of our Report of even date)

- (xx) According to the information and explanations given to us and based on our examination of the records of the Company, section 135 is not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order are not applicable to the Company.

For, **DHARMESH PARIKH & CO LLP**  
Chartered Accountants  
Firm Registration No. 112054W / W100725

Place : Ahmedabad  
Date : 03/05/2022

**D. A. Parikh**  
Partner  
Membership No. 045501  
UDIN: 22045501AJJIRS9725

**Annexure – B to the Independent Auditor’s Report**  
**RE: Adani Vizag Coal Terminal Private Limited**

---

(Referred to in Paragraph 2(f) of our Report of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 (the act).

**Opinion**

We have audited the internal financial controls over financial reporting of the company as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

In our opinion, 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 31<sup>st</sup> March 2022, 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.

**Management’s Responsibilities for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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

**Annexure – B to the Independent Auditor’s Report**  
**RE: Adani Vizag Coal Terminal Private Limited (continue)**

---

(Referred to in Paragraph 2(f) of our Report of even date)

assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

For, **DHARMESH PARIKH & CO LLP**  
Chartered Accountants  
Firm Registration No. 112054W / W100725

Place : Ahmedabad  
Date : 03/05/2022

**D. A. Parikh**  
Partner  
Membership No. 045501  
UDIN: 22045501AJJIRS9725

**Adani Vizag Coal Terminal Private Limited**  
**Balance Sheet as at March 31, 2022**



₹ in Lacs

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3(a)	13.00	53.63
Right-of-use Assets	3(b)	-	4,711.36
Intangible Assets	3(a)	-	16,409.16
Financial Assets			
i) Other Financial Assets	5	159.07	151.48
Income Tax Assets (Net)	7	5.81	96.25
Other Non-Current Assets	6	1,855.31	1,755.92
<b>Total Non-Current Assets</b>		<b>2,033.19</b>	<b>23,177.80</b>
<b>Current assets</b>			
Inventories	8	-	181.10
Financial Assets			
i) Trade Receivables	4	76.67	76.64
ii) Cash and Cash Equivalents	9	0.85	3.75
iii) Other Financial Assets	5	10.01	22.28
Other Current Assets	6	35.78	434.26
Assets Held for Sale	34	18,675.39	-
<b>Total Current Assets</b>		<b>18,798.70</b>	<b>718.03</b>
<b>Total Assets</b>		<b>20,831.89</b>	<b>23,895.83</b>
<b>Equity And Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	10	10,128.00	10,128.00
Other equity	11	(40,784.35)	(35,773.50)
<b>Total Equity</b>		<b>(30,656.35)</b>	<b>(25,645.50)</b>
<b>Non-Current Liabilities</b>			
<b>Financial liabilities</b>			
i) Borrowings	12	27,000.00	41,760.94
ii) Lease Liabilities	13	-	4,754.57
Provisions	15	1.69	8.71
<b>Total Non-Current Liabilities</b>		<b>27,001.69</b>	<b>46,524.22</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
i) Borrowings	12	1,091.94	-
ii) Lease Liabilities	13	-	21.32
iii) Trade and Other Payables			
(A) Total Outstanding dues of micro and small enterprises	17	-	-
(B) Total Outstanding dues of creditors other than micro and small enterprises	17	909.49	1,295.19
iii) Other Financial Liabilities	14	2,179.21	1,639.34
Other current liabilities	16	15,551.06	60.03
Provisions	15	0.28	1.23
Liabilities associated with Assets classified as Held for Sale	34	4,754.57	-
<b>Total Current Liabilities</b>		<b>24,486.55</b>	<b>3,017.11</b>
<b>Total Liabilities</b>		<b>51,488.24</b>	<b>49,541.33</b>
<b>Total Equity and Liabilities</b>		<b>20,831.89</b>	<b>23,895.83</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date  
**For DHARMESH PARIKH & CO LLP**  
Chartered Accountants  
Firm Registration No.: 112054W/ W100725

For and on behalf of Board of Directors of  
Adani Vizag Coal Terminal Private Limited

**D. A. Parikh**  
Partner  
Membership No. 045501

**G.J Rao**  
Managing Director  
DIN : 01724002

**Minesh Patel**  
Director  
DIN : 02345937

**Jaydeep Thakkar**  
Company Secretary

**Satyaprakash Mishra**  
Chief Financial Officer

Place: Ahmedabad  
Date: May 03, 2022

Place: Ahmedabad  
Date: May 03, 2022

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



₹ in Lacs

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INCOME</b>			
Revenue from Operations	18	-	589.28
Other Income	19	148.24	139.53
<b>Total Income</b>		<b>148.24</b>	<b>728.81</b>
<b>Expenses</b>			
Operating Expenses	20	112.97	797.33
Employee Benefits Expense	21	21.18	132.61
Finance costs	22	1,708.78	730.00
Depreciation and Amortization Expense	3(a)	2,610.99	2,603.02
Other Expenses	23	303.75	298.10
<b>Total Expense</b>		<b>4,757.67</b>	<b>4,561.06</b>
<b>(Loss) before exceptional items and tax</b>		<b>(4,609.43)</b>	<b>(3,832.25)</b>
Exceptional items [refer note 6(i)]	33	401.58	-
<b>(Loss) before tax</b>		<b>(5,011.01)</b>	<b>(3,832.25)</b>
<b>Tax expense:</b>			
Deferred Tax	24	-	-
<b>Total Tax Expenses</b>		<b>-</b>	<b>-</b>
<b>(Loss) for the year</b>	(A)	<b>(5,011.01)</b>	<b>(3,832.25)</b>
<b>Other Comprehensive Income</b>			
Re-measurement gain / (loss) on defined benefit plans (net)		0.16	1.35
<b>Net other comprehensive income for the year not to be reclassified to profit or loss in subsequent periods</b>	(B)	<b>0.16</b>	<b>1.35</b>
<b>Total Comprehensive Income for the year</b>	(A)+(B)	<b>(5,010.85)</b>	<b>(3,830.90)</b>
<b>Earnings/(Loss) per Share - (Face value of ₹ 10 each)</b>			
<b>Basic and Diluted (in ₹)</b>	26	<b>(4.95)</b>	<b>(3.78)</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For DHARMESH PARIKH & CO LLP**

**Chartered Accountants**

**Firm Registration No.: 112054W/ W100725**

**For and on behalf of Board of Directors of  
Adani Vizag Coal Terminal Private Limited**

**D. A. Parikh**

Partner

Membership No. 045501

**G.J Rao**

Managing Director

DIN : 01724002

**Minesh Patel**

Director

DIN : 02345937

**Jaydeep Thakkar**

Company Secretary

**Satyaprakash Mishra**

Chief Financial Officer

**Place: Ahmedabad**

**Date: May 03, 2022**

**Place: Ahmedabad**

**Date: May 03, 2022**

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



₹ in Lacs

Particulars	Equity Share Capital	Reserves and Surplus	Total
		Retained Earning	
<b>Balance as at April 01, 2020</b>	<b>10,128.00</b>	<b>(31,942.60)</b>	<b>(21,814.60)</b>
(Loss) for the year	-	(3,832.25)	(3,832.25)
<b>Other Comprehensive income</b>			
Re-measurement (losses) on defined benefit plans (net of tax)	-	1.35	<b>1.35</b>
<b>Total Comprehensive income for the year</b>	<b>-</b>	<b>(3,830.90)</b>	<b>(3,830.90)</b>
<b>Balance as at March 31, 2021</b>	<b>10,128.00</b>	<b>(35,773.50)</b>	<b>(25,645.50)</b>
(Loss) for the year	-	(5,011.01)	(5,011.01)
<b>Other Comprehensive income</b>			
Re-measurement gain on defined benefit plans (net of tax)	-	0.16	<b>0.16</b>
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>(5,010.85)</b>	<b>(5,010.85)</b>
<b>Balance as at March 31, 2022</b>	<b>10,128.00</b>	<b>(40,784.35)</b>	<b>(30,656.35)</b>

For DHARMESH PARIKH & CO LLP  
Chartered Accountants  
Firm Registration No.: 112054W/ W100725

**D. A. Parikh**  
Partner  
Membership No. 045501

Place: Ahmedabad  
Date: May 03, 2022

For and on behalf of Board of Directors of  
Adani Vizag Coal Terminal Private Limited

**G.J Rao**  
Managing Director  
DIN : 01724002

**Jaydeep Thakkar**  
Company Secretary

Place: Ahmedabad  
Date: May 03, 2022

**Minesh Patel**  
Director  
DIN : 02345937

**Satyaprakash Mishra**  
Chief Financial Officer



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



Particulars	₹ in Lacs	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash Flow from Operating Activities</b>		
<b>(Loss) before tax</b>	(5,011.01)	(3,832.25)
Adjustments for:		
Unclaimed liabilities / excess provision written back	(85.61)	(33.14)
Sundry Balance Written Off/Back	100.85	-
Depreciation and Amortisation	2,610.99	2,603.02
Exceptional Items	401.58	-
Finance Income	(15.83)	(16.97)
Net (Gain) on Sale of Current Investments	-	(4.90)
Finance Cost	1,708.78	730.00
Loss on sale of asset	0.27	-
Rent Concession Income	-	(81.24)
Amortisation of benefits under Deposits	(18.55)	(19.53)
<b>Operating (Loss) / Profit before Working Capital Changes</b>	<b>(308.53)</b>	<b>(655.01)</b>
Adjustments for :		
(Increase)/Decrease in trade receivables	(0.03)	792.47
Decrease/(Increase) in inventories	45.67	(27.68)
Decrease/(Increase) in financial assets	4.68	(8.23)
(Increase)/Decrease in other assets	(184.78)	0.30
(Decrease) in trade payables	(300.09)	(779.74)
Increase/(Decrease) in other liabilities	15,491.03	(243.58)
(Decrease) in Provisions	(7.81)	(19.73)
Increase in financial liabilities	156.19	279.87
<b>Cash generated (used in) / from operations</b>	<b>14,896.33</b>	<b>(661.33)</b>
Direct Taxes (Paid) / Refunds	90.44	25.88
<b>Net Cash Outflow / (Inflow) from Operating Activities</b>	<b>14,986.77</b>	<b>(635.45)</b>
<b>B. Cash flows from Investing Activities</b>		
Purchase of Property, Plant and Equipments (Including capital work In progress and capital advances)	9.92	(11.90)
Proceeds from Sale of Investment in Mutual Funds (net)	-	4.90
Interest Received	15.83	16.97
<b>Net cash Inflow / (Outflow) from investing activities</b>	<b>25.75</b>	<b>9.97</b>
<b>Cash flows from Financing Activities</b>		
Proceeds from Inter Corporate Deposit (including short-term)	-	6,046.00
Repayment of Inter Corporate Deposit (including short-term)	(13,669.00)	(3,286.04)
Payment for Principal Portion of Lease Obligation	-	(223.90)
Interest Paid	(1,346.42)	(2,967.03)
<b>C. Net Cash (Outflow) / Inflow from Financing Activities</b>	<b>(15,015.42)</b>	<b>(430.97)</b>
<b>D. Net (Decrease) / Increase in Cash &amp; Cash Equivalents (A + B + C)</b>	<b>(2.90)</b>	<b>(1,056.45)</b>
<b>E. Cash &amp; Cash Equivalents at the Beginning of the Year (Refer note - 9)</b>	<b>3.75</b>	<b>1,060.20</b>
<b>F. Cash &amp; Cash Equivalents at the End of the Year (Refer note - 9)</b>	<b>0.85</b>	<b>3.75</b>
<b>Notes:</b>		
<b>Component of Cash and Cash equivalents</b>		
Balances with scheduled bank		
On current accounts	0.85	3.75
<b>Cash and Cash Equivalents at the End of the year</b>	<b>0.85</b>	<b>3.75</b>
<b>Summary of significant accounting policies refer note 2.2</b>		

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

(2) Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given as per note 14(b).

As per our report of even date

**For DHARMESH PARIKH & CO LLP**

**Chartered Accountants**

**Firm Registration No.: 112054W/ W100725**

**For and on behalf of Board of Directors of  
Adani Vizag Coal Terminal Private Limited**

**D. A. Parikh**

Partner

Membership No. 045501

**G.J Rao**

Managing Director

DIN : 01724002

**Minesh Patel**

Director

DIN : 02345937

**Jaydeep Thakkar**

Company Secretary

**Satyaprakash Mishra**

Chief Financial Officer

**Place: Ahmedabad**

**Date: May 03, 2022**

**Place: Ahmedabad**

**Date: May 03, 2022**

## **1 Corporate information**

Adani Vizag Coal Terminal Private Limited ('the Company') was incorporated on April 15, 2011 as a wholly owned subsidiary of Adani Ports and Special Economic Zone Limited. The Company has developed bulk cargo port terminal facility for Handling Steam Coal in the inner harbor of Visakhapatnam Port on Design, Build, Finance, Operate and Transfer ("DBFOT") basis under the Concession Agreement dated August 01, 2011, effective for a period of 30 years from the date of Award of Concession (August 08, 2012).

The Company has commenced its commercial operations on East Quay - 1 ("EQ-1) Berth at Vizag Port w.e.f October 01 2014 .  
The financial statement were authorised for issue in accordance with a resolution of the director on May 03, 2022

## **2 Basis of preparation**

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

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 INR and all values are rounded to the nearest Lacs (INR 00,000), except when otherwise indicated. The financial statement provide comparative information in respect of the previous period.

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

### **a) Current versus non-current classification**

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

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

All other assets are classified as non-current.

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 realisation in cash and cash equivalents.

The Company has identified twelve months as its operating cycle.

### **b) Inventories**

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

Stores and Spares:

- Valued at lower of cost and net 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.
- Net Realizable Value in respect of store and spares is the estimated current procurement price in the ordinary course of the business.

### **c) Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

### **d) Property, plant and equipment (PPE)**

#### **Recognition and measurement**

Property, Plant and Equipment (including Capital Work-in-Progress) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalization criteria are met directly attributable cost of bringing the asset to its working condition for the intended use.

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

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

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**

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 based on assessment made by expert and management estimate.

<b>Assets</b>	<b>Estimated Useful Life</b>
Leasehold Land Development & Assets Constructed on Lease Land	Over the balance period of Concession Agreement.
Marine structure & Dredged channel	Over the balance period of Concession Agreement.
Nylon coated belt on conveyor	4 Years
Fender	10 Years
Building RCC Frame Structure	Over the balance period of Concession Agreement.
Carpeted Roads	10 Years

An item of property, plant and equipment covered under Concession agreement, sub-concession agreement and supplementary concession agreement, shall be transferred to and shall vest in Grantor (government authorities) at the end of respective concession agreement. In cases, where the Company is expected to receive consideration of residual value of property from grantor at the end of concession period, the residual value of contracted property is considered as the carrying value at the end of concession period based on depreciation rates as per management estimate/Schedule II of the Companies Act, 2013 and in other cases it is NIL.

#### **Derecognition**

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

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

#### **e) Intangible assets**

##### **Recognition and measurement**

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.

##### **Amortisation**

Intangible assets 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 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 is recognised in the statement of profit and loss.

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

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

<b>Intangible assets</b>	<b>Method of amortisation</b>	<b>Estimated Useful Life</b>
Software	Straight line basis	5 Years or useful life whichever is less

##### **Port concession rights arising from Service Concession/Sub-Concession Arrangements:**

The Company recognises port concession rights as "Intangible Assets" arising from a service concession arrangement, in which the grantor controls or regulates the services provided and the prices charged, and also controls any significant residual interest in the infrastructure such as property, plant and equipment, if the infrastructure is existing infrastructure of the grantor or the infrastructure is constructed or purchased by the Company as part of the service concession arrangement. Such an intangible asset is recognised by the Company at cost (which is the fair value of the consideration received or receivable for the construction service delivered) and is capitalised when the project is complete in all respects and the Company receives the completion certificate from the authorities as specified in the concession agreement.

Port concession rights also include certain property, plant and equipment which are reclassified as intangible assets in accordance with Appendix A of Ind AS 11 'Service Concession Arrangements'. These assets are amortised based on the lower of their useful lives or concession period.

#### **Derecognition**

Gains or losses arising from de-recognition of port concession rights are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is de-recognised.

The estimated period of port concession arrangements ranges within a period of 20 – 40 years.

#### **f) Revenue Recognition**

##### **Revenue from contract with customer**

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

##### **Port Operation Services**

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

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

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

##### **Interest Income**

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. 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.

#### **g) Foreign Currency Translation**

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

##### **Transactions and balances**

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

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

- 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 capitalized / 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 are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" (FCMITDA) and amortized over the remaining life of the concerned monetary item.

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

#### **h) 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 profit or 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 month after the reporting date.

**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) Earnings per share**

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year.

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.

**k) 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 as income in equal amounts over the expected useful life of the related asset.

**l) Related Party Transactions**

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party disclosures" has been set out in a separate note. Related Parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representation made by management and information available with the Company.

**m) Taxes**

Tax expense comprises of current income tax and deferred tax.

**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 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.

**Deferred tax**

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

Deferred tax liabilities are recognized for all taxable temporary differences, except

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

Deferred tax assets are recognized 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.

The Company is eligible and claiming tax deductions available under section 80IA of the Income Tax Act, 1961. The current year is the fifth year of Company's operation and it proposes to start claiming tax holiday in the subsequent years only. In view of Company availing tax deduction under Section 80IA of the Income Tax Act, 1961, deferred tax has been recognized in respect of temporary difference, which reverse after the tax holiday period in the year in which the temporary difference originate and no deferred tax (assets or liabilities) is recognized in respect of temporary difference which reverse during tax holiday period, to the extent such gross total income is subject to the deduction during the tax holiday period. For recognition of deferred tax, the temporary difference which originate first are considered to reverse first.

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

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

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

**n) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, 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.

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.

**o) Provisions**

**General**

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

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.

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

Contingent assets are not recognised in the financial statements. the nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.

**p) 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 are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

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

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

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.

-Quantitative disclosures of fair value measurement hierarchy (refer note 25.2)

-Financial instruments (including those carried at amortised cost) (refer note 25.1)

**q) Financial instruments**

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

**Financial assets**

**Initial recognition and measurement**

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

**Subsequent measurement**

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

> Debt instruments at amortised cost

> Debt instruments and derivatives at fair value through profit or loss (FVTPL)

**Debt instruments at amortised cost**

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

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

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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.

**Debt instrument at FVTPL**

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

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

**Derecognition**

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

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

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

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

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

**Impairment of financial assets**

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

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

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

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

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 increased significantly, lifetime ECL is used.

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

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

**Financial assets measured as at amortised cost:**

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group 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.

**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 profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.



#### **Derecognition**

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

#### **r) 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.

#### **l) Leases**

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

##### **The Company as a lessee**

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

##### **i. Right-of-use assets**

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

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (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 because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

##### **iii. Short-term leases and leases of low-value assets**

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

##### **The Company as a lessor**

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

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

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

The accounting policies adopted in the preparation of the financial statements are in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. 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.

#### 1. 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.

#### 2. 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.

#### 3. 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.

#### 4. 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.

#### 5. 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.

### 2.4 Significant accounting judgements, estimates and assumptions

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

#### Estimates, judgements 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.

**Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

**Taxes**

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

**Defined benefit plans (gratuity benefits)**

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

**Recognition and measurement of Contingent liabilities, provisions and uncertain tax positions:**

There are various legal, direct and indirect tax matters and other obligations including local and state levies, availing input tax credits etc., which may impact the Company. Evaluation of uncertain liabilities and contingent liabilities arising out of above matters and recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

Particulars	Tangible assets						Intangible assets		
	Building	Furniture & fixtures	Office equipments	Computer equipment	Vehicles	Total	Port Infrastructure Rights	Software	Total
<b>Cost</b>									
<b>As at April 01, 2020</b>	<b>15.01</b>	<b>22.34</b>	<b>59.37</b>	<b>107.59</b>	<b>0.37</b>	<b>204.68</b>	<b>39,264.60</b>	<b>120.16</b>	<b>39,384.76</b>
Additions	-	-	0.50	-	-	0.50	11.39	-	11.39
Deductions/Adjustment	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>15.01</b>	<b>22.34</b>	<b>59.87</b>	<b>107.59</b>	<b>0.37</b>	<b>205.18</b>	<b>39,275.99</b>	<b>120.16</b>	<b>39,396.15</b>
Additions	-	-	-	-	-	-	-	-	-
Deductions	-	-	7.84	15.27	-	23.11	-	-	-
Adjustments	0.57	-	-	-	-	0.57	(0.57)	-	(0.57)
Assets classified as held for Sale (Refer note 34)	-	22.34	52.03	92.32	0.37	167.06	39,275.43	120.16	39,395.59
<b>As at March 31, 2022</b>	<b>15.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.58</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Depreciation and Impairment</b>									
<b>As at April 01, 2020</b>	<b>1.42</b>	<b>11.02</b>	<b>43.81</b>	<b>73.02</b>	<b>0.24</b>	<b>129.51</b>	<b>20,545.27</b>	<b>81.62</b>	<b>20,626.89</b>
Depreciation for the year	0.30	2.45	3.32	15.92	0.05	22.04	2,346.90	13.20	2,360.10
<b>As at March 31, 2021</b>	<b>1.72</b>	<b>13.47</b>	<b>47.13</b>	<b>88.94</b>	<b>0.29</b>	<b>151.55</b>	<b>22,892.17</b>	<b>94.82</b>	<b>22,986.99</b>
Depreciation for the year	0.30	2.51	1.96	5.32	0.06	10.15	2,370.68	9.29	2,379.97
Deductions	-	-	3.74	9.17	-	12.91	-	-	-
Adjustments	0.57	-	-	-	-	0.57	(0.57)	-	(0.57)
Assets classified as held for Sale (Refer note 34)	-	15.98	45.35	85.09	0.35	146.77	25,262.29	104.11	25,366.40
<b>As at March 31, 2022</b>	<b>2.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.59</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Block</b>									
As at March 31, 2022	13.00	-	-	-	-	13.00	-	-	-
As at March 31, 2021	13.29	8.87	12.74	18.65	0.08	53.63	16,383.82	25.34	16,409.16

₹ in Lacs

Particulars	Right-of-use Assets	
	Leasehold Land	Total
<b>Cost</b>		
<b>As at April 01, 2020</b>	<b>4,787.46</b>	<b>4,787.46</b>
Additions	344.30	344.30
Deductions	-	-
<b>As at March 31, 2021</b>	<b>5,131.76</b>	<b>5,131.76</b>
Additions	-	-
Deductions	-	-
Assets classified as held for Sale (Refer note 34)	5,131.76	5,131.76
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>
<b>Depreciation</b>		
<b>As at April 01, 2020</b>	199.52	199.52
Depreciation for the year	220.88	220.88
Deductions	-	-
<b>As at March 31, 2021</b>	<b>420.40</b>	<b>420.40</b>
Depreciation for the year	220.88	220.88
Deductions	-	-
Assets classified as held for Sale (Refer note 34)	641.28	641.28
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>
<b>Net Block</b>		
As at March 31, 2022	-	-
As at March 31, 2021	4,711.36	4,711.36

#### 4 Trade Receivables

##### Current

Trade Receivables

Considered good (refer note 31)

Considered doubtful

Less: Allowance for credit losses

**Total Trade Receivables**

As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
76.67	76.64
-	-
76.67	76.64
-	-
<b>76.67</b>	<b>76.64</b>

##### Trade receivables ageing schedule

As at March 31, 2022

₹ in Lacs

Sr No	Particulars	Outstanding for following periods from due date of receipt						Total
		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	0.07	0.14	8.35	68.11	-	-	76.67
2	Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>		<b>0.07</b>	<b>0.14</b>	<b>8.35</b>	<b>68.11</b>	<b>-</b>	<b>-</b>	<b>76.67</b>

As at March 31, 2021

₹ in Lacs

Sr No	Particulars	Outstanding for following periods from due date of receipt						Total
		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	-	0.22	8.30	68.12	-	-	76.64
2	which have significant increase in risk	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>		<b>-</b>	<b>0.22</b>	<b>8.30</b>	<b>68.12</b>	<b>-</b>	<b>-</b>	<b>76.64</b>

#### 5 Financial assets

##### Non-current

Security and other deposits

As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
159.07	151.48
<b>159.07</b>	<b>151.48</b>

##### Current

Security and other deposits

Non Trade receivable (refer note 31)

Loans to employees

Advances to employees

10.00	10.00
-	7.69
-	4.36
0.01	0.23
<b>10.01</b>	<b>22.28</b>

## 6 Other Assets

### Non Current

Deposits given  
Balance with Government Authorities

### Current

Advances recoverable in cash or in kind

### Others

Prepaid Expenses  
Balances with Government Authorities  
SEIS License receivables (refer note (i) below)

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
	18.55	19.53
	1,836.76	1,736.39
	<b>1,855.31</b>	<b>1,755.92</b>
	35.10	7.41
<b>(A)</b>	<b>35.10</b>	<b>7.41</b>
	0.68	1.82
	-	23.45
	-	401.58
<b>(B)</b>	<b>0.68</b>	<b>426.85</b>
<b>(A)+(B)</b>	<b>35.78</b>	<b>434.26</b>

### Note:

(i) 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 500.00 lacs per entity for FY 2019-20, pursuant to which the SEIS receivable amounting to Rs 401.58 Lacs pertaining to FY 2019-20 has been provided during the current year and is shown as exceptional item. However, the Company has contested the legality and retrospective application of the said notification.

## 7 Income Tax Assets (Net)

Advance income tax

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
	5.81	96.25
	<b>5.81</b>	<b>96.25</b>

## 8 Inventories (at lower of cost and net realisable value)

Stores and spares, fuel and lubricants

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
	-	181.10
	-	<b>181.10</b>

## 9 Cash and cash equivalents

### Balances with banks:

Balance in current account

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
	0.85	3.75
	<b>0.85</b>	<b>3.75</b>

## 10 Share capital

### Authorised

1,05,00,00,00 Equity Shares of ₹ 10 each (1,05,00,00,00 Equity Shares of ₹ 10 each as at March 31, 2021)

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
	10,500.00	10,500.00
	<b>10,500.00</b>	<b>10,500.00</b>

### Issued, subscribed and fully paid up shares

10,12,80,000 Equity Shares of ₹ 10 each ( 10,12,80,000 Equity Shares of ₹ 10 each as at March 31, 2021)

	10,128.00	10,128.00
	<b>10,128.00</b>	<b>10,128.00</b>

### Notes:

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

	As at March 31, 2022		As at March 31, 2021	
	No in Lacs	₹ in Lacs	No in Lacs	₹ in Lacs
As the beginning of the year	1,012.80	10,128.00	1,012.80	10,128.00
New Shares Issued during the year	-	-	-	-
As the end of the year	<b>1,012.80</b>	<b>10,128.00</b>	<b>1,012.80</b>	<b>10,128.00</b>

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

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

**(c) Shares held by holding company**

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

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
<b>Adani Ports and Special Economic Zone Limited, the holding company and its nominee</b> 10,12,80,000 equity shares (Previous year 10,12,80,000) of ₹ 10 each	10,128.00	10,128.00

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

	As at March 31, 2022	As at March 31, 2021
<b>Equity shares of ₹ 10 each fully paid</b>		
Adani Ports and Special Economic Zone Limited, the holding company and its nominee	1,012.80	1,012.80
	100%	100%

**(e) Shareholding of Promoters**

Shares held by promoters as at March 31, 2022				
S. No	Promoter name	No. of Shares (₹ in Lacs)	% of total shares	% Change during the year
1	Adani Ports and Special Economic Zone Limited, the holding company and its nominee	1,012.80	100%	Nil
<b>Total</b>		<b>1,012.80</b>	<b>100%</b>	<b>Nil</b>

Shares held by promoters as at March 31, 2021				
S. No	Promoter name	No. of Shares (₹ in Lacs)	% of total shares	% Change during the year
1	Adani Ports and Special Economic Zone Limited, the holding company and its nominee	1,012.80	100%	Nil
<b>Total</b>		<b>1,012.80</b>	<b>100%</b>	<b>Nil</b>

**11 Other Equity**

**Retained earnings**

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Opening Balance	(35,773.50)	(31,942.60)
Add : (Loss) for the year	(5,011.01)	(3,832.25)
Re-measurement gain / (loss) on defined benefit plans (net of tax)	0.16	1.35
<b>Total Other Equity</b>	<b>(40,784.35)</b>	<b>(35,773.50)</b>

**Note:-** Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013. No dividends are distributed given the accumulated losses incurred by the Company.

**12 Borrowings**

**Long term Borrowings**

**Non-Current**

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
Inter Corporate Deposit (refer note (a)) (Unsecured)	-	14,760.94
Inter Corporate Deposit (refer note (b)) (Secured)	27,000.00	27,000.00
	<b>27,000.00</b>	<b>41,760.94</b>

**Current maturities of long term borrowings**

Inter Corporate Deposit (refer note (a)) (Unsecured)	1,091.94	-
<b>Total current borrowing</b>	<b>1,091.94</b>	<b>-</b>

**The above amount includes**

Secured borrowings	27,000.00	27,000.00
Unsecured borrowings	1,091.94	14,760.94
<b>Total borrowings</b>	<b>28,091.94</b>	<b>41,760.94</b>



**Notes:**

(a) The Inter Corporate Deposits of ₹ 1,091.94 lakhs (Previous year ₹ 14,760.94 lakhs) borrowed from the holding company carries interest @ 0% p.a. The amounts are borrowed in installments and are repayable on March, 2023. The repayment period is extendable with the mutual consent of both the parties.

(b) The Inter Corporate Deposits of ₹ 27,000 lakhs (Previous year ₹ 27,000 lakhs) borrowed from the holding company carries interest @ 0% p.a. The amounts are borrowed for a period of thirteen years from the date of borrowings and bullet repayment on November 30, 2029. The repayment period is extendable with the mutual consent of both the parties. The amounts are secured by mortgage of borrowers machinery, other tangible movable and intangible assets, both present and future.

**13 Lease Liabilities**

**Non-Current**

Lease Liabilities

**Current**

Lease Liabilities

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
	-	4,754.57
	-	<b>4,754.57</b>
	-	21.32
	-	<b>21.32</b>

**14 Other financial liabilities**

**Current**

Interest accrued but not due on borrowings  
Capital creditors, retention money and other payable

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
	1,219.53	1,219.53
	959.68	419.81
	<b>2,179.21</b>	<b>1,639.34</b>

**b) Amendments to Ind AS 7 Statement of Cash Flows: Disclosure Initiative**

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

**Changes in liabilities arising from financing activities**

(₹ in Lacs)

Particulars	April 1, 2021	Cash Flows	Foreign Exchange Management	Changes in Fair Values / Other Changes	March 31, 2022
Long-Term Borrowings (including Current Maturities)	41,760.94	(13,669.00)	-	-	<b>28,091.94</b>
Lease Liabilities	4,775.89	-	-	(4,775.89)	-
Interest Accrued but not due	1,219.53	(1,346.42)	-	1,346.42	<b>1,219.53</b>
<b>TOTAL</b>	<b>47,756.36</b>	<b>(15,015.42)</b>	-	<b>(3,429.47)</b>	<b>29,311.47</b>

(₹ in Lacs)

Particulars	April 1, 2020	Cash Flows	Foreign Exchange Management	Changes in Fair Values / Other Changes	March 31, 2021
Long-Term Borrowings (including Current Maturities)	39,000.98	2,759.96	-	-	<b>41,760.94</b>
Lease Liabilities	4,450.09	(223.90)	-	549.70	<b>4,775.89</b>
Interest Accrued but not due	3,820.54	(2,967.03)	-	366.02	<b>1,219.53</b>
<b>TOTAL</b>	<b>47,271.61</b>	<b>(430.97)</b>	-	<b>915.72</b>	<b>47,756.36</b>

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

Particulars	(₹ in Lacs)					
	Within One Year	After One Year but not later than five years	More than five years	Total Minimum Lease Payments	Less: Amounts representing finance charges	Present value of minimum lease payments
<b>March 31, 2022</b>						
Minimum Lease Payments	-	-	-	-	-	-
Finance charge allocated to future periods	-	-	-	-	-	-
<b>Present Value of MLP</b>						
<b>March 31, 2021</b>						
Minimum Lease Payments	383.67	1,612.98	8,089.56	10,086.21	(5,310.32)	4,775.88
Finance charge allocated to future periods	362.36	1,416.66	3,531.30	5,310.32	-	-
<b>Present Value of MLP</b>	<b>21.32</b>	<b>196.31</b>	<b>4,558.25</b>	<b>4,775.88</b>	<b>-</b>	<b>4,775.88</b>

#### 15 Provisions

##### Non-current

Provision for gratuity (refer note 30)  
Provision for compensated absences

##### Current

Provision for gratuity (refer note 30)  
Provision for compensated absences

Note: Non-current and current classification done on the basis of actuarial valuation report.

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
	1.27	4.80
	0.42	3.91
	<b>1.69</b>	<b>8.71</b>
	0.12	0.47
	0.16	0.76
	<b>0.28</b>	<b>1.23</b>

#### 16 Other Liabilities

##### Current

Statutory liabilities  
Contract Liabilities (Advance from customers)  
Other current liabilities (refer note 34)

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

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

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
	0.58	9.95
	50.48	50.08
	15,500.00	-
	<b>15,551.06</b>	<b>60.03</b>

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
	-	91.95

#### 17 Trade payables

Payables to micro, small and medium enterprises (refer note 32)  
Trade payables Other than micro, small and medium enterprises (refer note 31)

	As at March 31, 2022 ₹ in Lacs	As at March 31, 2021 ₹ in Lacs
	-	-
	909.49	1,295.19
	<b>909.49</b>	<b>1,295.19</b>

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

Sr No	Particulars	Outstanding for following periods from due date of Payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	895.72	9.28	4.49	-	-	909.49
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>895.72</b>	<b>9.28</b>	<b>4.49</b>	<b>-</b>	<b>-</b>	<b>909.49</b>

₹ in Lacs

Trade and other payable ageing as on March 31, 2021 is as below

₹ in Lacs

Sr No	Particulars	Outstanding for following periods from due date of Payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	1,264.31	30.88	-	-	-	1,295.19
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>1,264.31</b>	<b>30.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,295.19</b>

**18 Revenue from Operations**

**Revenue from Contract with Customers**

- Income from Port Terminal Operations\*

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

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
	-	589.28
	<b>-</b>	<b>589.28</b>

**19 Other Income**

**Interest Income from**

- Others

Unclaimed liabilities / excess provision written back

Scrap sale

Profit on sale of Mutual Fund

Miscellaneous Income

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
	15.83	16.97
	85.61	33.14
	-	0.42
	-	4.90
	46.80	84.10
	<b>148.24</b>	<b>139.53</b>

**20 Operating Expenses**

Cargo handling / Other charges to sub-contractors (net of reimbursement)

Railway Operating Expenses

Tug and Pilotage Charges

Other expenses including customs establishment charges

Repairs to Plant & Machinery

Repairs to Buildings

Power & Fuel

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
	21.95	523.86
	-	8.42
	-	13.70
	0.61	43.02
	49.65	50.85
	0.97	-
	39.79	157.48
	<b>112.97</b>	<b>797.33</b>

**21 Employee benefit expense**

Salaries and Wages

Contribution to Provident and Other Funds

Gratuity (refer note 30)

Staff Welfare Expenses

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
	17.94	121.09
	1.06	5.99
	0.53	1.69
	1.65	3.84
	<b>21.18</b>	<b>132.61</b>

**22 Finance Costs**

**Interest on**

- Finance charges payable under finance leases

- Others

Bank and other finance charges

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
	460.87	486.03
	1,229.54	221.80
	18.37	22.17
	<b>1,708.78</b>	<b>730.00</b>

### 23 Other Expenses

Directors Sitting Fee
Rates and Taxes
Communication Expenses
Office Expenses
Loss on sale of fixed assets
Security Expenses
Travelling and Conveyance
Payment to Auditors (refer note a below)
Legal and Professional Expenses
Repairs and Maintenance (net of reimbursement)
Insurance (net of reimbursement)
Fire and Safety Expenses
Sundry Balance Written Off/Back
Miscellaneous Expenses

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
1.00	0.48	
-	0.03	
0.26	11.41	
0.69	11.63	
0.27	-	
30.53	36.92	
0.63	18.53	
1.38	2.37	
153.54	165.19	
0.13	2.05	
3.55	4.82	
-	23.46	
100.85	0.20	
10.92	21.01	
<b>303.75</b>	<b>298.10</b>	

**Note:**

**(a) Payment to Auditor**

**As Auditor:**

Audit fee

**In other Capacity**

Certification Fees

Other Services

**Reimbursement of expenses**

	For the year ended March 31, 2022 ₹ in Lacs	For the year ended March 31, 2021 ₹ in Lacs
1.38	2.10	
-	0.11	
-	0.15	
-	0.01	
<b>1.38</b>	<b>2.37</b>	

### 24 Income Tax

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

	March 31, 2022		March 31, 2021	
	%	₹ in Lacs	%	₹ in Lacs
<b>Profit / (Loss) Before tax</b>		(5,011.01)		(3,832.25)
Tax using the Company's domestic rate	26.00%	(1,302.86)	26.00%	(996.39)
<b>Tax Effect of:</b>				
Unrecognised Deferred Tax		1,302.86		996.39
<b>Effective tax rate</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>

**(b) Deferred tax relates to following**

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Accelerated depreciation for tax purpose	1,030.64	1,003.25	(27.39)	(97.42)
Deferred Tax Assets recognised to the extent of liability	(1,025.19)	(996.04)	29.15	95.51
Other temporary differences	(5.45)	(7.21)	(1.76)	1.91
<b>Deferred tax liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(c) The company has carried forward unabsorbed depreciation aggregating ₹ 27,843.05 lacs (Previous year ₹ 25,784.54 lacs) under the Income Tax Act, 1961 for which there is no expiry date of its tax credit utilisation by the respective entities. Further the Company has carried forward losses aggregating ₹ 12,834.75 lacs (previous year ₹ 10,435.62 lacs) under the Income Tax Act, 1961, which gets expired within 8 years of the respective year. The carried forward losses will get expired mainly during the year 2022-23 to 2029-30.

Deferred Tax Assets has not been recognised in respect of these unabsorbed depreciation and carried forward losses as they may not be used to offset taxable profits of the company in future year and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company will not able to reverse / utilised all unabsorbed depreciation, then the Company shall be required to recognise deferred tax assets on aforesaid unabsorbed depreciation.

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

25.1 Category-wise Classification of Financial Instruments:

₹ in Lacs

Particulars	Refer Note	As at March 31, 2022			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
<b>Financial Asset</b>					
Trade receivables	4	-	-	76.67	76.67
Cash and Cash Equivalents	9	-	-	0.85	0.85
Others financial assets	5	-	-	169.08	169.08
<b>Total</b>		-	-	<b>246.60</b>	<b>246.60</b>
<b>Financial Liabilities</b>					
Borrowings	12	-	-	28,091.94	28,091.94
Trade payables	17	-	-	909.49	909.49
Other financial liabilities	14	-	-	2,179.21	2,179.21
<b>Total</b>		-	-	<b>31,180.64</b>	<b>31,180.64</b>

₹ in Lacs

Particulars	Refer Note	As at March 31, 2021			
		Fair Value through other Comprehensive Income	Fair Value through other Profit & Loss	Amortised Cost	Carrying value
<b>Financial Asset</b>					
Trade receivables	4	-	-	76.64	76.64
Cash and Cash Equivalents	9	-	-	3.75	3.75
Others financial assets	5	-	-	173.76	173.76
<b>Total</b>		-	-	<b>254.15</b>	<b>254.15</b>
<b>Financial Liabilities</b>					
Borrowings	12	-	-	41,760.94	41,760.94
Trade payables	17	-	-	1,295.19	1,295.19
Other financial liabilities	14	-	-	6,415.23	6,415.23
<b>Total</b>		-	-	<b>49,471.36</b>	<b>49,471.36</b>

## 25.2 Fair Value Measurements:

### 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

### 25.3 Financial Risk Management objective and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations/projects and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company enters into derivative transactions.

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk). It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Cross Currency Swaps, Full Currency swaps, Interest rate swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations.

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

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

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

### Credit risk

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

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

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

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Group'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 Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

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

Considering that the Company operates the port services at Vizag, the Company is significantly dependent on cargo from such customers which includes related parties. During previous year ended on March 31,2021, out of total revenue, the Company had earned ₹ 172.41 lacs of revenue from such customers, which constituted 99.15% of total revenue. Accounts receivable from such customer approximated ₹ 75.99 lacs as at March 31, 2021. A loss of these customer could adversely affect the operating result or cash flow of the Company.

During year ended March 31, 2022, the company has reported Nil revenue.

#### Liquidity risk

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

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

The table below analysis derivative and non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, 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.

(₹ in Lacs)					
Contractual maturities of financial liabilities as at March 31, 2022	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Value
Borrowings (refer note 12)	1,091.94	-	27,000.00	28,091.94	28,091.94
Interest accrued but not due on borrowings (refer note 14)	1,219.53	-	-	1,219.53	1,219.53
Trade Payables (refer note 17)	909.49	-	-	909.49	909.49
Other Financial liabilities (refer note 14)	959.68	-	-	959.68	959.68
<b>Total</b>	<b>4,180.64</b>	<b>-</b>	<b>27,000.00</b>	<b>31,180.64</b>	<b>31,180.64</b>

  

(₹ in Lacs)					
Contractual maturities of financial liabilities as at March 31, 2021	Less than 1 year	1 to 5 years	Over 5 years	Total	Carrying Value
Borrowings (refer note 12)	-	14,760.94	27,000.00	41,760.94	41,760.94
Interest accrued but not due on borrowings (refer note 14)	4,351.60	9,207.07	7,434.25	20,992.92	1,219.53
Lease Liabilities	21.32	196.31	4,558.25	4,775.88	4,775.89
Trade Payables (refer note 17)	1,295.19	-	-	1,295.19	1,295.19
Other Financial liabilities (refer note 14)	419.81	-	-	419.81	419.81
<b>Total</b>	<b>6,087.92</b>	<b>24,164.32</b>	<b>38,992.50</b>	<b>69,244.74</b>	<b>49,471.36</b>

#### 25.4 Capital management

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

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

Particulars	March 31, 2022	March 31, 2021
Total Borrowings (refer note 12)	28,091.94	41,760.94
Less: Cash and bank balance (refer note 9)	0.85	3.75
Net Debt (A)	<b>28,091.09</b>	<b>41,757.19</b>
Total Equity (B)	<b>(30,656.35)</b>	<b>(25,645.50)</b>
Total Equity and Net Debt (C = A + B)	<b>(2,565.26)</b>	<b>16,111.69</b>
Gearing ratio	-1095.06%	259.17%

#### 26 Earnings/(Loss) per share

	March 31, 2022	March 31, 2021
	₹ in Lacs	₹ in Lacs
Loss for the year	(5,011.01)	(3,832.25)
Weighted average number of equity shares	1,012.80	1,012.80
Basic and Diluted earning per share (in ₹)	(4.95)	(3.78)

#### 27 Capital commitments

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

**28 Contingent liabilities not provided for**

		₹ in Lacs	
Sr.No	Particulars	March 31, 2022	March 31, 2021
a	Statutory claim against company not acknowledged as debt	46.27	46.27
b	The show cause notice received from office of the Superintendent of Central Tax, Vishakhapatnam G.S.T. Audit Circle for Irregular availment of Input Tax credit on Krishi cess for the period June 2017.	1.93	1.93
c	The show cause notice received from Assistant Commissioner of Central Tax, Vishakhapatnam G.S.T. Audit Circle for Irregular availment of ITC on Education cess & Secondary higher education cess for the period June 2017.	48.62	48.62

**29 Segment information**

The Company is primarily engaged in the business segment, namely developing, operating and maintaining the port services as determined by chief operational decision maker, in accordance with Ind AS 108 "Operating Segment". There being no business outside India, the entire business has been considered as single geographic 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.

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

The Company has a defined gratuity plan which is unfunded. Under the plan every employee who has completed at least five year of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

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

**Gratuity**

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

Particulars	₹ in Lacs	
	March 31, 2022	March 31, 2021
Present value of the defined benefit obligation at the beginning of the year	5.26	16.64
Current service cost	0.18	1.06
Interest cost	0.35	0.63
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in demographic assumptions	0.00	(0.17)
- change in financial assumptions	0.15	-
- experience variance	(0.32)	(1.18)
Benefits paid	(0.79)	(4.43)
Liability Transfer In		3.84
Liability Transfer Out	(3.45)	(11.13)
Present value of the defined benefit obligation at the end of the year	<b>1.39</b>	<b>5.26</b>

**b) Net asset/(liability) recognised in the balance sheet**

Contribution to	₹ in Lacs	
	March 31, 2022	March 31, 2021
Present value of the defined benefit obligation at the end of the year	1.39	5.26
Fair value of plan assets at the end of the year	-	-
Amount recognised in the balance sheet	1.39	5.26
Net (liability)/asset - Current	0.12	0.47
Net (liability)/asset - Non-current	1.27	4.80

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

Particulars	₹ in Lacs	
	March 31, 2022	March 31, 2021
Current service cost	0.18	1.06
Interest cost on benefit obligation	0.35	0.63
Total Expenses included in employee benefits expense	<b>0.53</b>	<b>1.69</b>

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

Particulars	₹ in Lacs	
	March 31, 2022	March 31, 2021
Actuarial (gain)/losses arising from		
- change in demographic assumptions	0.00	(0.17)
- change in financial assumptions	0.15	-
- experience variance	(0.32)	(1.18)
Return on plan assets, excluding amount recognised in net interest expense		-
<b>Recognised in comprehensive income</b>	<b>(0.16)</b>	<b>(1.35)</b>



**e) Maturity profile of Defined Benefit Obligation**

Particulars	March 31, 2022	March 31, 2021
Weighted average duration (based on discounted cash flows)	7 Years	9 Years

**f) Expected Cash Flows over the next (valued on undiscounted basis)**

Particulars	₹ in Lacs	
	March 31, 2022	March 31, 2021
1 year	0.12	0.47
2 to 5 year	0.47	1.83
6 to 10 year	0.59	2.10
More than 10 years	1.17	6.83

**g) 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			
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	(0.09)	0.10	(0.45)	0.52

Particulars	March 31, 2022		March 31, 2021	
	Salary Growth rate			
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	0.10	(0.09)	0.51	(0.45)

Particulars	March 31, 2022		March 31, 2021	
	Attrition rate			
Sensitivity level	50% Increase	50% Decrease	50% Increase	50% Decrease
Impact on defined benefit obligations	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
	(0.05)	0.07	(0.19)	0.34

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

**Sensitivity Analysis Method**

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

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

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

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

32 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, 2022. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

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

33 Below are the ratio as on March 31, 2022

Sr No	Ratio Name	Formula	Ratio		% Variance	Reason for variance
			March 31, 2022	March 31, 2021		
1	Current	Current Assets / Current Liabilities	0.77	0.24	222.59%	Increased on account of classification non current assets & liabilities under held for sale
2	Trade Receivables Turnover	Revenue from operations / Average Accounts Receivable	-	1.25	-100.00%	Revenue from operation is Nil during the year.
3	Trade Payable Turnover	Operating exp & Other expense / Average Trade Payable	0.38	0.64	-41.28%	Lower expenses due to Nil revenue from operations.
4	Net Capital Turnover	Revenue from Operation / Avg Working Capital	NA	(0.25)		Revenue from operation is Nil during the year.
5	Net Profit	Profit After Tax / Revenue from Operations	NA	-650.33%		Revenue from operation is Nil during the year.

Note: Either Numerator or Denominator is not available for computing below ratios, hence not computed.

- 1 Debt-Equity ratio
- 2 Debt Service coverage ratio
- 3 Inventory turnover ratio
- 4 Return on Equity ratio
- 5 Return on Capital employed
- 6 Return on Investment

34 Assets classified as held for Sale

The Company is engaged in Port services under concession from one of the port trust authorities of the Government of India. During the previous year, the company had received the consultation notice for shortfall in Minimum Guarantee Cargo (MGC) from Visakhapatnam Port Trust ("VPT"). In response to the said letter, the Company contested the said consultation notice on the grounds that the consultation notice is not valid since notified force majeure event of COVID-19 pandemic was still under continuances. Also since the force majeure event has exceeded 120 days, AVCTPL has initiated termination on mutual consent as per right under the concession agreement. VPT has also issued the counter termination. AVCTPL and VPT have appointed arbitrators as well as the presiding arbitrator. Both the parties have filed the claim with arbitrators and the matter is currently under arbitration.

During the current year, the arbitration tribunal observed that terminal remaining idle leads to its deterioration and fails to generate any revenue. Hence, terminal should be put to operation without any delay and has directed VPT to release an ad-hoc interim payment. Based on such directions, ad-hoc payment of ₹ 15,500.00 Lacs has been received against handing over the possession, management and operational control of the terminal, leaving open all rights and contentions of both parties for examination at a later stage. Pending outcome of the ongoing arbitration, assets and liabilities handed over have been currently classified as held for sale.

Major class of Assets and Liabilities classified as held for sale are as under

Particulars	March 31, 2022 ₹ in Lacs
<b>Assets</b>	
Property, Plant and Equipment	20.29
Right-of-use Assets	4,490.48
Intangible Assets	14,029.19
Inventories	135.43
<b>Assets Held for Sale</b>	<b>18,675.39</b>
<b>Liabilities</b>	
Lease Liabilities	4,754.57
<b>Liabilities associated with Assets classified as Held for Sale</b>	<b>4,754.57</b>
<b>Net assets directly associated with held for sale</b>	<b>13,920.82</b>

### 35 Standards issued but not yet 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

- 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.

**36** The Company has accumulated losses of ₹ 40,784.35 lacs (Previous Year ₹ 35,773.50 lacs) as at the balance sheet date, which resulted in erosion of the Company's net worth. Loss reported during the year is ₹ 5,010.85 lacs (Previous Year ₹ 3,830.90 lacs). However the Company has no significant liabilities towards third party as on the balance sheet date. Further, it is getting continuous financial support from Adani Ports and Special Economic Zone Ltd., Holding Company, to meet any financial obligation if needed. In view of the same the Company's accounts has been prepared on a going concern basis.

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

### 38 Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of May 03, 2022, there were no subsequent events to be recognized or reported that are not already disclosed.

As per our report of even date

For DHARMESH PARIKH & CO LLP  
Chartered Accountants  
Firm Registration No.: 112054W/ W100725

For and on behalf of Board of Directors of  
Adani Vizag Coal Terminal Private Limited

D. A. Parikh  
Partner  
Membership No. 045501

G.J Rao  
Managing Director  
DIN : 01724002

Minesh Patel  
Director  
DIN : 02345937

Jaydeep Thakkar  
Company Secretary

Satyaprakash Mishra  
Chief Financial Officer

Place: Ahmedabad  
Date: May 03, 2022

Date: May 03, 2022

## Note 31- Related Parties transactions

Particulars	Name of Company
<b>Holding Company</b>	Adani Ports and Special Economic Zone Ltd
<b>Fellow Subsidiary</b>	Adani Murmugao Port Terminal Private Ltd
	Marine Infrastructure Developer Private Limited
	Adani Krishnapatnam Port Limited
	Adani Ennore Container Terminal Private Limited
<b>Joint Ventures of Holding company</b>	Adani International Container Terminal Private Limited
	Adani CMA Mundra Terminal Private Limited
	Adani Total Private Limited
	Dhamra LNG Terminal Private Limited
	Total Adani Fuels Marketing Private Limited
<b>Significant influence</b>	Adani Enterprises Limited
<b>Key Management Personnel</b>	Mr. G. J. Rao, Director, Managing Director Mr. Minesh Patel, Director Mr. Shivna Sanjay Majmudar, Director Mr. Satya Prakash Mishra, Chief Financial Officer Mr. Jaydeep Thakkar, Company Secretary

## Terms and conditions of transactions with related parties

Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## Notes:

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

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

## (A) Transactions with Related Party

(₹ in Lacs)

Particulars	Name of Related Party	Relationship	Year Ended March 31, 2022	Year Ended March 31, 2021
Income from Port Services / Other Operating Income / Rendering of Services	Adani Enterprises Limited	Other Entity*	-	90.18
Sale of capital inventory (gross)	Adani Murmugao Port Terminal Private Limited	Subsidiary/ Fellow Subsidiary	45.48	-
Sale of property/asset	Marine Infrastructure Developer Private Limited	Subsidiary/ Fellow Subsidiary	9.93	-
Loans Taken	Adani Ports and Special Economic Zone Ltd	Holding	1,994.00	6,046.00
Loans Repaid	Adani Ports and Special Economic Zone Ltd	Holding	15,663.00	3,286.04
Employee Liability Transfer In	Adani Ennore Container Terminal Private Limited	Subsidiary/ Fellow Subsidiary	-	7.69
Employee Liability Transfer Out	Marine Infrastructure Developer Private Limited	Subsidiary/ Fellow Subsidiary	-	5.06
Employee Liability Transfer Out	Adani Krishnapatnam Port Limited	Subsidiary/ Fellow Subsidiary	-	7.62
Employee Liability Transfer Out	Adani Murmugao Port Terminal Private Limited	Subsidiary/ Fellow Subsidiary	-	6.92
Sitting Fees	Mr. Shivna Sanjay Majmudar	Key Managerial Personnel	1.00	-

## (B) Balances with Related Party

(₹ in Lacs)

Particulars	Name of Related Party	Relationship	As on March 31, 2022	As on March 31, 2021
Borrowings	Adani Ports and Special Economic Zone Ltd	Holding	28,091.94	41,760.94
Other Financial & Non-Financial Liabilities	Adani Ports and Special Economic Zone Ltd	Holding	1,219.53	1,219.53
Trade Payable (including provisions)	Adani Krishnapatnam Port Limited	Subsidiary/ Fellow Subsidiary	2.14	7.62
Trade Payable (including provisions)	Adani Ports and Special Economic Zone Ltd	Holding	1.33	-
Trade Payable (including provisions)	Adani Murmugao Port Terminal Private Limited	Subsidiary/ Fellow Subsidiary	-	6.85
Trade Payable (including provisions)	Marine Infrastructure Developer Private Limited	Subsidiary/ Fellow Subsidiary	3.10	5.06
Trade Receivable	Adani Murmugao Port Terminal Private Limited	Subsidiary/ Fellow Subsidiary	0.07	-
Other Financial & Non-Financial Assets	Adani Ennore Container Terminal Private Limited	Subsidiary/ Fellow Subsidiary	-	7.69

\* 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.