

**Adani Krishnapatnam**  
**Port Limited**

**Financial Statements for the**  
**FY - 2022-23**

## **INDEPENDENT AUDITOR'S REPORT**

**To The Members of Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited)**

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

#### **Qualified Opinion**

We have audited the accompanying financial statements of **Adani Krishnapatnam Port Limited** (formerly known as Krishnapatnam Port Company Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matter described in the Basis for Qualified Opinion section below, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Qualified Opinion**

The Company has entered into Engineering, Procurement and Construction (EPC) purchase contracts substantially with a fellow subsidiary ("Contractor") of a party identified in the allegations made in the Short Seller Report. As at March 31, 2023, a net balance of Rs. 18.44 crores is payable to this Contractor in respect of capital payable. The Company has represented to us that the Contractor is not a related party.

The Company has represented to us that there is no effect of the allegations made in the Short Seller Report on the financial statements based on their evaluation and after consideration of a memorandum prepared by an external law firm on the responses to the allegations in the Short Seller Report issued by the Adani group. The Company did not consider it necessary to have an independent external examination of these allegations because of their evaluation and the ongoing investigation by the Securities and Exchange Board of India as directed by the Hon'ble Supreme Court of India. The evaluation performed by the Company, as stated in Note 42 to the financial statements, does not constitute sufficient appropriate audit evidence for the purposes of our audit. In the absence of an independent external examination by the Company and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 42 to the financial statements, by the Securities and Exchange Board of India of these allegations, we are unable to comment whether these transactions or any other transactions may result in possible adjustments and/or disclosures in the financial statements in respect of related parties, and whether the Company should have complied with the applicable laws and regulations.

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under

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

### **Information other than Financial Statements and Auditor's Report Thereon**

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report thereof, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, in the absence of an independent external examination and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 42 to the financial statements, by the Securities and Exchange Board of India of these allegations, we are unable to comment whether transaction stated in Basis for Qualified Opinion section above, or any other transactions may result in possible adjustments and/or disclosures in the financial statements in respect of related parties, and whether the Company should have complied with the relevant laws and regulations. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

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

### **Auditor's Responsibility for the Audit of the Financial Statements**

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

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

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

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

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

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

### **Other Matter**

We are not statutory auditors of majority of the other Adani group companies and therefore the scope of our audit does not extend to any transactions or balances which may have occurred or been undertaken between these Adani group companies and any supplier, customer or any other party which has had a business relationship with the Company during the year.

Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report, that:
  - a) We have sought and except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account
  - d) Except for possible effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) The matter described in the Basis for Qualified Opinion section above, in our opinion, may have an adverse effect on the functioning of the Company.
  - f) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of

Section 164(2) of the Act.

- g) The qualification relating to the maintenance of accounts and other matters connected therewith, are as stated in the Basis for Qualified Opinion section and in paragraph (b) above.
- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an Qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements for the reasons stated therein.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 35 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 38 (3) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the Note 38 (4) to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

As stated in Note 45 (i) to the financial statements, the Board of Directors of the Company has proposed preference dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1 April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

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

**Kartikeya Raval**  
Partner  
(Membership No. 106189)  
UDIN: 23106189BGVORT3975

Place: Ahmedabad  
Date: May 30, 2023

## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Adani Krishnapatnam Port Limited (formerly known as Krishnapatnam Port Company Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

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

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

Except of the matter described in the Basis for Qualified Opinion section below, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements



## **Meaning of Internal Financial Controls with reference to financial statements**

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

## **Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

## **Basis for Qualified opinion**

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2023:

The Company did not have an appropriate internal control system in respect of conducting an external examination of allegations made on the Company, including on related party relationships, which could potentially result in possible adjustments / disclosures of related party relationships, balances and transactions in the financial statements and compliance with applicable laws and regulations.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

## **Qualified Opinion**

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the material weakness described in basis for Qualified opinion section above on the achievement of the objectives of the control criteria, the company has maintained in all material aspects, adequate internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on internal control with reference to financial statements criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended March 31, 2023, and we have issued a qualified opinion on the said financial statements of the Company.

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

Place: Ahmedabad  
Date: May 30, 2023

**Kartikeya Raval**  
Partner  
(Membership No. 106189)  
UDIN: 23106189BGVORT3975

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

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

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

(i) In respect of the Company's property, plant and equipment:

(a)

A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital Work-in-Progress, and relevant details of Right of Use assets.

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

(b) Some of the Property, Plant and Equipment, Capital Work-in-Progress, and Right of Use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, Capital Work-in-Progress, and Right of Use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment, Capital Work-in Progress, according to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

(Rs in Crores)

Description of property	As at the Balance sheet date	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
	Carrying value in the financial statements (Amount in Crs)				
Lease hold land	2.88	NA	NA	NA	In Process of transfer
Head Office Building	3.20	NA	NA	NA	In the process of transfer from old owner to new owner

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

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)

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

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

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

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

	(Rs. in Crores)	
	Loans	Security
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	-	
- Joint Ventures	0.32	
- Others	-	2182.70 <sup>^</sup>
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	23.88	
- Joint Ventures	6.62	
- Others	100.00	2182.70 <sup>^</sup>

<sup>^</sup>Represents the carrying value of securities in the books of account as at March 31, 2023.

- (b) Except for possible effects of the matter described in our Basis for Qualified Opinion section in our audit report on the financial statements, the security given and the terms and conditions of the grant of all the above-mentioned loans during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - (c) The Company has granted loans, that are payable on demand. During the year, the Company has not demanded such loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular.
  - (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - (e) None of the loans granted by the Company have fallen due during the year.
  - (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) of the Order is not applicable.
- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.
  - (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public to which the directives issued by the Reserve Bank of India and provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause (v) of the Order is not applicable to the Company.
  - (vi) To the best of our knowledge and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under section 148(1) of the Companies Act, 2013.
  - (vii) According to the information and explanations given to us, in respect of statutory dues:
    - (a) The Company has generally been regular in depositing undisputed statutory dues of Provident Fund, Income-tax, Custom Duty, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company.

There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Custom Duty, Goods and Services Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(c) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (Rs. in Crores)	Period to which the Amount Relates	Forum Where Dispute is Pending
Income Tax Act, 1961	Income Tax	37.68	FY 2009-10, FY 2011-12 & FY 2012-13	Income Tax Appellate Tribunal
Finance Act, 1994	Service Tax	135.90 <sup>^</sup>	FY 2011-12 to FY 2016-17	Customs Excise and Service Tax Appellate Tribunal, Hyderabad
		18.30	FY 2016-17	Assistant Commissioner of Central Tax - Audit Division, Nellore
		8.41	FY 2017-18	Additional Commissioner of Central Tax - Audit Division, Nellore
Telangana Value Added Tax Act, 2005	Value Added Tax	6.14 <sup>+</sup>	FY 2010-11	High Court of Telangana
		6.45 <sup>@</sup>	FY 2016-17 to FY 2017-18	Divisions Assistant Commissioner, Tirupathi
Goods and Services Tax Act, 2016	Goods and Service Tax	41.00	FY 2017 - 18 to 2018-19	Joint Commissioner, Guntur
	Goods and Service Tax	2.92	FY 2017 - 18	Joint Commissioner, Guntur
Andhra Pradesh's Water Land and Tree Act, 2002 and Free Sand Policy	Seigniorage fee	79.16	FY 2006-07 to FY 2011-12	High Court of Andhra Pradesh
Building and Other Construction Workers' Welfare Cess Act, 1996	Building cess	38.36 <sup>~</sup>	FY 2007-08 to FY 2012-13	Ministry of Labour, Hyderabad
Motor Vehicle Act	Life tax	0.87 <sup>`</sup>	FY 2012-13	Honourable Supreme Court

Name of the Statute	Nature of the Dues	Amount (Rs. in Crores)	Period to which the Amount Relates	Forum Where Dispute is Pending
Customs Act, 1962	SFIS scrips	14.39 <sup>#</sup>	FY 2007-08 to FY 2013-14	Director General of Foreign Trade
Railway's Act 1989	Railway Matter	1.46	FY 2013-14 and FY 2014-15	High Court of Andhra Pradesh
Motor Vehicle Act	Entry Tax	10.26	FY 2010-11	High Court of Andhra Pradesh
Industrial Disputes Act, 1947	Labour Matters	0.15	FY 2013-14 to FY 2021-22	Labour Court, Guntur
Industrial Disputes Act, 1947	Labour Matters	0.13	FY 2010-11	High Court of Andhra Pradesh
Railway's Act 1989	Railway Matter	2.61	FY 2018-2019	Additional Chief Judge City Civil Court, Secunderabad

^Net of Rs. 6.59 Crore paid under protest

@Net of Rs. 5.20 Crore paid under protest

~ Net of payment made Rs. 6.07 Crore

` Net of payment made Rs. 1.00 Crore

#Net of payment made Rs. 4.37 Crore

+Net of payment made Rs. 0.88 Crore

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

(ix)

- (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries companies or joint ventures.
- (x)
  - a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
  - b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi)
  - a) To the best of our knowledge, except for the possible effects of the matter stated in our Basis for Qualified Opinion paragraph in our audit report on the financial statement, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
  - b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
  - c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year. We have taken into consideration the Short Seller Report referred to in our Basis of Qualified Opinion section in our audit report on the financial statements while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) Except for the possible effects of the matters described in the Basis for Qualified Opinion section of our audit report on the financial statements, the Company is in compliance with section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv)
  - a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - b) We have considered the internal audit observations of the Company presented to the Audit Committee on quarterly basis, for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.



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

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

Place: Ahmedabad  
Date: May 30, 2023

**Kartikeya Raval**  
Partner  
(Membership No. 106189)  
UDIN: 23106189BGVORT3975

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>Assets</b>			
<b>Non-Current assets</b>			
Property, Plant and Equipment	3(a)	8,056.10	7,645.71
Right of Use Assets	3(c)	255.37	174.37
Capital work-in-progress	3(d)	123.19	412.34
Other Intangible Assets	3(b)	2.49	223.41
<b>Financial Assets</b>			
(i) Investments	4	264.60	105.45
(ii) Loans	6	107.50	110.20
(iii) Other Financial Assets	7	160.11	158.29
Other Non-Current Assets	8	15.71	122.38
Deferred Tax Assets (net)	25	48.87	84.61
		<b>9,033.94</b>	<b>9,036.76</b>
<b>Current assets</b>			
Inventories	9	61.82	64.25
<b>Financial Assets</b>			
(i) Trade Receivables	5	354.33	204.31
(ii) Customers' Bills Discounted	5	197.15	-
(iii) Cash and Cash Equivalents	10(i)	0.52	0.33
(iv) Bank balance other than cash and cash equivalents	10(ii)	14.94	5.21
(v) Loans	6	23.00	23.00
(vi) Other Financial Assets	7	1.75	2.27
Other Current Assets	8	38.57	75.74
		<b>692.08</b>	<b>375.11</b>
Assets Held for Sale	40	-	47.59
<b>Total Assets</b>		<b>9,726.02</b>	<b>9,459.46</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity Share Capital	11	88.58	88.58
Other Equity	12	2,690.23	2,170.54
<b>Total Equity</b>		<b>2,778.81</b>	<b>2,259.12</b>
<b>Liabilities</b>			
<b>Non-Current liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	13	5,653.11	5,928.83
(ii) Lease Liabilities	14	218.93	158.33
(iii) Other Financial Liabilities	15	89.74	54.65
Provisions	18	6.21	7.71
Other Non-Current Liabilities	16	-	26.40
		<b>5,967.99</b>	<b>6,175.92</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(i) Borrowings	13	85.73	490.00
(ii) Customers' Bills Discounted	13	197.15	-
(iii) Lease Liabilities	14	5.09	-
(iv) Trade and other payables			
(A) Total outstanding dues of micro enterprises and small enterprises	17	1.83	0.62
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	17	131.17	98.51
(v) Other Financial Liabilities	15	462.86	346.55
Other Current Liabilities	16	73.32	87.79
Provisions	18	1.62	0.95
Current Tax Liabilities (net)	25	20.45	0.01
		<b>979.22</b>	<b>1,024.42</b>
<b>Total Liabilities</b>		<b>6,947.21</b>	<b>7,200.34</b>
<b>Total Equity and Liabilities</b>		<b>9,726.02</b>	<b>9,459.46</b>

The accompanying notes forms an integral part of Financial Statements  
As per our report of even date

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Kartikeya Raval**  
Partner

Place: Ahmedabad  
Date: May 30, 2023

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

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

**Subrat Tripathy**  
Director  
DIN: 06890393

**Srikanth Gudivada**  
Chief Financial Officer

**Dhruvil Shah**  
Company Secretary

Date: May 27, 2023

Particulars	Notes	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Income</b>			
Revenue from Operations	19	2,332.07	1,974.24
Other Income	20	83.41	46.72
<b>Total Income</b>		<b>2,415.48</b>	<b>2,020.96</b>
<b>Expenses</b>			
Operating Expenses	21(a)	546.43	420.04
Revenue Share Expenses	21(b)	49.76	36.84
Employee Benefits Expense	22	52.51	43.51
Depreciation and Amortization Expense	3	397.18	427.82
Foreign Exchange/Derivatives Loss (net)	24	4.39	0.02
Finance Costs	23	471.84	515.14
Other Expenses	24	56.13	124.25
Sundry Balance written off during the year	24	36.03	580.81
<b>Total Expense</b>		<b>1,614.27</b>	<b>2,148.43</b>
<b>Profit / (Loss) Before exceptional Items and Tax</b>		<b>801.21</b>	<b>(127.47)</b>
Exceptional items	8(i)	-	(91.33)
<b>Profit / (Loss) Before Tax</b>		<b>801.21</b>	<b>(218.80)</b>
<b>Tax Expense:</b>			
Current Tax		135.41	-
Deferred Tax	25	35.74	(372.25)
<b>Total Tax expense</b>		<b>171.15</b>	<b>(372.25)</b>
<b>Profit for the year</b>	<b>(A)</b>	<b>630.06</b>	<b>153.45</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent years</b>			
Re-measurement gains on defined benefit plans		0.60	1.65
Net gain / (losses) on FVTOCI Equity Investments		109.48	(14.00)
<b>Other Comprehensive Income / (Loss) for the year</b>	<b>(B)</b>	<b>110.08</b>	<b>(12.35)</b>
<b>Total Comprehensive Income for the year</b>	<b>(A+B)</b>	<b>740.14</b>	<b>141.10</b>
<b>Earnings per Share (EPS) - (Face Value of ₹ 10 each)</b>			
<b>Basic (in ₹)</b>	26	<b>71.11</b>	<b>17.32</b>
<b>Diluted (in ₹)</b>	26	<b>71.11</b>	<b>17.32</b>

The accompanying notes form an integral part of Financial Statements  
As per our report of even date

**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**

**Kartikeya Raval**  
Partner

**Place: Ahmedabad**  
**Date: May 30, 2023**

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

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

**Subrat Tripathy**  
Director  
DIN: 06890393

**Srikanth Gudivada**  
Chief Financial Officer

**Dhruvil Shah**  
Company Secretary

**Date: May 27, 2023**

Note: 12

₹ in Crs

Particulars	Equity Share Capital	Other Equity					Cash Flow Hedge Reserve	Total
		Securities Premium Account	General Reserve	Compulsory Convertible Cumulative Participatory Preference Shares	Other Comprehensive Income	Retained Earnings		
<b>Balance as at April 1, 2021</b>	<b>88.58</b>	<b>256.04</b>	<b>475.00</b>	<b>680.01</b>	<b>(44.61)</b>	<b>663.00</b>	-	<b>2,029.44</b>
Re-measurement Gain on defined benefit plans(net of tax)	-	-	-	-	-	1.65	-	1.65
Net (loss) on FVTOCI Equity Investments (net of tax)	-	-	-	-	(14.00)	-	-	(14.00)
Profit for the year	-	-	-	-	-	153.45	-	153.45
<b>Balance as at March 31, 2022</b>	<b>88.58</b>	<b>256.04</b>	<b>475.00</b>	<b>680.01</b>	<b>(58.61)</b>	<b>818.10</b>	-	<b>2,170.54</b>
Re-measurement Gain on defined benefit plans(net of tax)	-	-	-	-	-	0.60	-	0.60
Net gain on FVTOCI Equity Investments (net of tax)	-	-	-	-	109.48	-	-	109.48
Profit for the year	-	-	-	-	-	630.06	-	630.06
Assignment of Non- Compete Fees (refer Note 3 (b))	-	-	-	-	-	(220.45)	-	(220.45)
<b>Balance at the end of March 31, 2023</b>	<b>88.58</b>	<b>256.04</b>	<b>475.00</b>	<b>680.01</b>	<b>50.87</b>	<b>1,228.31</b>	-	<b>2,690.23</b>

The accompanying notes forms an integral part of Financial Statements  
As per our report of even date

For Deloitte Haskins & Sells LLP  
Chartered Accountants

For and on behalf of Board of Directors

Kartikeya Raval  
Partner

G J Rao  
Managing Director

Subrat Tripathy  
Director

Place: Ahmedabad  
Date: May 30, 2023

Srikanth Gudivada  
Chief Financial Officer

Dhruvil Shah  
Company Secretary

Date: May 27, 2023

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Cash Flow From Operating Activities</b>		
Profit/(Loss) before Income tax	801.21	(218.80)
Adjustments for		
Depreciation and Amortisation expense	397.18	427.82
Finance costs	471.84	515.14
Loss on sale of Fixed assets	2.49	5.99
(Gain)/Loss on fair valuation of Financial Instruments	(2.09)	(19.86)
Interest income	(41.17)	(27.39)
Net foreign exchange loss	4.39	-
Allowance for SEIS	25.00	-
Operating profit before working capital changes	<b>1,658.85</b>	<b>682.90</b>
<b>Change in Operating assets and liabilities:</b>		
(Increase) / Decrease in other financial assets	(3.68)	(40.12)
Decrease in other assets	37.17	281.54
Decrease in inventories	2.43	12.41
(Increase) / Decrease in trade receivables	(150.33)	445.58
Increase in other financial liabilities	18.72	24.86
(Decrease)/Increase in other liabilities	(14.47)	45.11
(Decrease)/Increase in provisions	(0.23)	0.60
Increase/ (Decrease) in trade payables	33.73	(26.68)
Cash generated from Operations	1,582.19	1,426.20
Income taxes (paid)/refund (net)	(32.29)	3.63
<b>Net cash generated from Operating activities (A)</b>	<b>1,549.90</b>	<b>1,429.83</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of Property, Plant and Equipment (Including capital work-in-progress, other Intangible assets, capital advances and capital creditors)	(526.24)	(1,015.68)
Proceeds from Sale of Property, Plant and Equipment	40.69	5.53
Loans / Inter Corporate Deposits (ICDs) given	-	(24.94)
Loans / Inter Corporate Deposits (ICDs) received back	3.02	-
Deposits in Bank (net)	(5.91)	(6.03)
Interest income	36.83	26.00
<b>Net cash (used in) Investing activities (B)</b>	<b>(451.61)</b>	<b>(1,015.12)</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from/ (repayment of) Long term borrowings (Net)	(265.95)	(647.67)
Proceeds from/ (repayment of) Short term borrowings	(417.97)	490.00
Payment of lease liabilities	(30.26)	6.81
Finance costs	(383.92)	(265.89)
<b>Net cash (used in) Financing activities (C)</b>	<b>(1,098.10)</b>	<b>(416.75)</b>
<b>Net (decrease) in cash and cash equivalents (A+B+C)</b>	<b>0.19</b>	<b>(2.04)</b>
Cash and cash equivalents at the beginning of the year	0.33	2.36
<b>Cash and cash equivalents at the end of the year (Refer note 10(i))</b>	<b>0.52</b>	<b>0.32</b>

**Notes:**

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

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

The accompanying notes form an integral part of the financial statements  
As per our report of even date

**For Deloitte Haskins & Sells LLP**  
**Chartered Accountants**

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

**Kartikeya Raval**  
**Partner**

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

**Subrat Tripathy**  
Director  
DIN: 06890393

**Srikanth Gudivada**  
Chief Financial Officer

**Dhruvil Shah**  
Company Secretary

**Place: Ahmedabad**  
**Date: May 30, 2023**

**Date: May 27, 2023**

3 Property, plant and equipment and Intangible assets

Note 3(a) Property, Plant and Equipment

₹ in Crs

Particulars	Buildings	Plant and Machinery	Furniture and Fittings	Computers	Vehicles - Other than finance lease	Office Equipment	Dredged Channel	Berths	Break-Water Dam	Godown and stock Yard	Navigation Aids	Aircraft	Railway Track	Leasehold Land	Total
<b>Cost</b>															
<b>As at April 01, 2021</b>	<b>1,929.55</b>	<b>3,159.55</b>	<b>66.57</b>	<b>29.26</b>	<b>38.38</b>	<b>9.48</b>	<b>1,562.01</b>	<b>1,085.34</b>	<b>192.42</b>	<b>1,473.72</b>	<b>7.16</b>	<b>-</b>	<b>201.60</b>	<b>2.88</b>	<b>9,757.92</b>
Charge for the year															
Additions	9.91	21.17	0.13	1.00	0.52	3.87	21.00	-	2.56	-	2.66	-	-	-	62.82
Deductions	-	(14.26)	-	-	(12.76)	-	-	-	-	-	-	-	-	-	(27.02)
Reclassified as Right of Use	-	-	-	-	-	-	-	-	-	-	-	-	-	(2.88)	(2.88)
<b>As at March 31, 2022</b>	<b>1,939.46</b>	<b>3,166.46</b>	<b>66.70</b>	<b>30.26</b>	<b>26.14</b>	<b>13.35</b>	<b>1,583.01</b>	<b>1,085.34</b>	<b>194.98</b>	<b>1,473.72</b>	<b>9.82</b>	<b>-</b>	<b>201.60</b>	<b>-</b>	<b>9,790.83</b>
Additions	47.06	274.97	0.28	6.22	175.08	2.96	182.73	136.08	-	4.32	-	-	6.52	1.29	837.51
Deductions	(0.77)	(99.81)	(4.97)	(22.44)	(18.92)	(4.63)	-	-	-	-	-	-	-	-	(151.53)
<b>As at March 31, 2023</b>	<b>1,985.75</b>	<b>3,341.63</b>	<b>62.01</b>	<b>14.04</b>	<b>182.30</b>	<b>11.68</b>	<b>1,765.74</b>	<b>1,221.42</b>	<b>194.98</b>	<b>1,478.04</b>	<b>9.82</b>	<b>-</b>	<b>208.12</b>	<b>1.29</b>	<b>10,476.81</b>
<b>Accumulated depreciation</b>															
<b>As at April 01, 2021</b>	<b>234.13</b>	<b>849.82</b>	<b>25.39</b>	<b>26.96</b>	<b>26.96</b>	<b>7.28</b>	<b>225.35</b>	<b>151.42</b>	<b>40.81</b>	<b>173.13</b>	<b>4.61</b>	<b>-</b>	<b>33.58</b>	<b>0.60</b>	<b>1,800.03</b>
Depreciation for the year	39.13	192.56	17.81	1.48	6.00	1.08	35.31	24.59	4.03	34.25	0.54	-	4.42	-	361.21
Deductions	-	(4.54)	-	-	(10.96)	-	-	-	-	-	-	-	-	-	(15.50)
Reclassified as Right of Use	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.60)	(0.60)
<b>As at March 31, 2022</b>	<b>273.26</b>	<b>1,037.84</b>	<b>43.20</b>	<b>28.44</b>	<b>22.00</b>	<b>8.36</b>	<b>260.66</b>	<b>176.01</b>	<b>44.84</b>	<b>207.38</b>	<b>5.15</b>	<b>-</b>	<b>38.00</b>	<b>-</b>	<b>2,145.15</b>
Depreciation for the year	42.16	195.61	17.74	1.57	12.42	1.77	38.73	27.41	4.06	34.25	0.80	-	4.48	0.03	381.04
Deductions	(0.05)	(56.00)	(4.90)	(22.43)	(17.53)	(4.55)	-	-	-	-	-	-	-	-	(105.45)
<b>As at March 31, 2023</b>	<b>315.38</b>	<b>1,177.45</b>	<b>56.04</b>	<b>7.58</b>	<b>16.90</b>	<b>5.58</b>	<b>299.39</b>	<b>203.42</b>	<b>48.90</b>	<b>241.63</b>	<b>5.95</b>	<b>-</b>	<b>42.48</b>	<b>0.03</b>	<b>2,420.74</b>
<b>Net Block</b>															
<b>As at March 31, 2022</b>	<b>1,666.20</b>	<b>2,128.62</b>	<b>23.50</b>	<b>1.82</b>	<b>4.14</b>	<b>4.99</b>	<b>1,322.35</b>	<b>909.33</b>	<b>150.14</b>	<b>1,266.34</b>	<b>4.67</b>	<b>-</b>	<b>163.60</b>	<b>-</b>	<b>7,645.71</b>
<b>As at March 31, 2023</b>	<b>1,670.37</b>	<b>2,164.18</b>	<b>5.97</b>	<b>6.46</b>	<b>165.41</b>	<b>6.09</b>	<b>1,466.35</b>	<b>1,018.00</b>	<b>146.08</b>	<b>1,236.41</b>	<b>3.87</b>	<b>-</b>	<b>165.64</b>	<b>1.26</b>	<b>8,056.10</b>

Notes:

- i) Berths, Godowns & Stockyards, Dredged Channels, Roads & Buildings, Railways, Break Water and Other Marine Structures, have been constructed/developed on land allotted by GOAP vide the concession agreement with GOAP attributable to acquisition of Fixed Assets.
- ii) Following immovable properties are not held in the name of Company

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

**Note 3(b) Other Intangible Assets**
**₹ in Crs**

Particulars	Other Intangible Assets		
	Computer Software	Non Compete Intangible Asset(*)	Total
<b>Cost</b>			
<b>As at April 01, 2021</b>	<b>9.50</b>	-	<b>9.50</b>
Additions	3.03	275.00	278.03
<b>Cost as at March 31, 2022</b>	<b>12.53</b>	<b>275.00</b>	<b>287.53</b>
Additions	0.73	-	0.73
Deductions	(7.69)	-	(7.69)
Adjustment	-	(275.00)	(275.00)
<b>Cost as at March 31, 2023</b>	<b>5.57</b>	-	<b>5.57</b>
<b>Accumulated Depreciation</b>			
<b>As at April 01, 2021</b>	<b>8.60</b>	-	<b>8.60</b>
Depreciation for the year	0.97	54.55	55.52
<b>As at March 31, 2022</b>	<b>9.57</b>	<b>54.55</b>	<b>64.12</b>
Depreciation for the year	1.20	-	1.20
Deductions	(7.69)	-	(7.69)
Adjustment	-	(54.55)	(54.55)
<b>As at March 31, 2023</b>	<b>3.08</b>	-	<b>3.08</b>
<b>Net Block</b>			
<b>As at March 31, 2022</b>	<b>2.96</b>	<b>220.45</b>	<b>223.41</b>
<b>As at March 31, 2023</b>	<b>2.49</b>	-	<b>2.49</b>

(\*) In earlier year, the Company has paid amount towards non-compete fees for acquiring geographical exclusivity for the term of five years. As per the provision of Accounting Standards, the Company has reassessed the accounting treatment being transaction linked with acquisition of the remaining stake from Non-controlling interest. Accordingly, unamortised amount of ₹220.45 crore has been adjusted from Intangible Assets to Retained Earnings during the year ended March 31, 2023.

**Note 3(c) Right-of-use assets**
**₹ in Crs**

Particulars	Land (Refer note (a) below)	Building	Plant & Machinery (Refer note (c) below)	Total
<b>Cost</b>				
<b>As at April 01, 2021</b>	-	-	-	-
Additions	178.42	8.09	-	186.51
Reclassified as Right of Use	2.88	-	-	2.88
Deductions	(3.38)	-	-	(3.38)
<b>As at March 31, 2022</b>	<b>177.92</b>	<b>8.09</b>	-	<b>186.01</b>
Additions	6.84	-	89.11	95.95
Reclassified as Right of Use	-	-	-	-
Deductions	-	-	-	-
<b>As at March 31, 2023</b>	<b>184.76</b>	<b>8.09</b>	<b>89.11</b>	<b>281.96</b>
<b>Accumulated Depreciation</b>				
<b>As at April 01, 2021</b>	-	-	-	-
Depreciation for the year	8.38	2.70	-	11.08
Reclassified as Right of Use	0.60	-	-	0.60
Deductions	(0.03)	-	-	(0.03)
<b>As at March 31, 2022</b>	<b>8.95</b>	<b>2.70</b>	-	<b>11.65</b>
Depreciation for the year	8.55	2.70	3.70	14.95
Deductions	-	-	-	-
<b>As at March 31, 2023</b>	<b>17.50</b>	<b>5.39</b>	<b>3.70</b>	<b>26.59</b>
<b>Net Block</b>				
<b>As at March 31, 2022</b>	<b>168.97</b>	<b>5.39</b>	-	<b>174.36</b>
<b>As at March 31, 2023</b>	<b>167.26</b>	<b>2.70</b>	<b>85.41</b>	<b>255.37</b>

- a) As a part of concession agreement for development of port and related infrastructure at Krishnapatnam the Company has been allotted land on lease basis by Andhra Pradesh Maritime Board (APMB). The Company has recorded rights in the APMB Land at present value of future annual lease payments in the books and classified the same as Right of use assets .
- b) Refer footnote (ii) to note 3(a) for ROU assets where lease agreement are not held in the name of company.
- c) As a part of development of port and related infrastructure at Krishnapatnam the Company has taken plant and machinery on lease basis from Adani Ports and Special Economic Zone Limited (APSEZL). The Company has recorded rights in the APSEZL Plant and Machinery at present value of future annual lease payments in the books and classified the same as Right of use assets .

**Note 3(d) Capital Work-in-Progress**

₹ in Crs

Particulars	March 31, 2023	March 31, 2022
<b>Opening</b>	<b>412.34</b>	<b>168.44</b>
Additions	579.00	579.71
Capitalised during the year	(868.15)	(335.80)
<b>Closing</b>	<b>123.19</b>	<b>412.34</b>

**Capital Work-in-Progress (CWIP) Ageing as at March 31, 2023**

₹ in Crs

Particulars	Amount in CWIP for a year of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	99.87	21.88	1.44	-	123.19
<b>Total</b>	<b>99.87</b>	<b>21.88</b>	<b>1.44</b>	<b>-</b>	<b>123.19</b>

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

₹ in Crs

Particulars	Amount in CWIP for a year of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	260.70	147.90	-	3.74	412.34
<b>Total</b>	<b>260.70</b>	<b>147.90</b>	<b>-</b>	<b>3.74</b>	<b>412.34</b>

There are no project whose completion is overdue or has exceeded its cost compared to its original plan.  
There are no temporarily suspended projects.



## **1 Corporate information**

Adani Krishnapatnam Port Limited ("AKPL" or "the Company") (CIN: U45203GJ1996PLC128239) is a public company domiciled in India and incorporated under the provisions of the Companies Act, applicable in India. The registered office of the company is located at Adani Corporate House, Shantigram, Near Vaishnodevi Circle, S. G. Highway Khodiyar, Ahmedabad 382421. The Company is engaged as developer and operator of the Deep Water Port at Krishnapatnam, Sree Potti Sreeramulu Nellore District, Andhra Pradesh pursuant to the Concession Agreement on Build, Operate, Share and Transfer (BOST) basis with Government of Andhra Pradesh (GOAP) for a period of 30 years from the date of Commercial Operations (COD) and entitled for extension of the term by further period of 20 years (two periods of 10 years each). GOAP has allotted 4898.78 acres of land at Krishnapatnam for the development of the Port. The construction of Phase-I is focused on Iron Ore, Coal and General Cargo for which COD was declared on March 20, 2009. Phase-II of the project caters mainly to coal handling for thermal power plants, general and container cargo for which COD was declared on December 31, 2013.

The financial statements were approved for issue in accordance with a resolution of the board of directors on May 27, 2023.

## **2 Basis of Preparation**

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

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

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

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

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

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

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

#### **b) Foreign currency transactions :**

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

##### **(i) Transactions and balances**

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

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

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exceptions for which below treatment is given as per the option availed under Ind AS 101:

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

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

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

**c) Fair value measurement**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- Disclosures for valuation methods, significant estimates and assumptions (refer note 2.3)
- Quantitative disclosures of fair value measurement hierarchy (refer note 32.2)
- Investment in unquoted equity shares (refer note 4)
- Financial instruments (including those carried at amortised cost) (refer note 32)

**d) Revenue recognition**

**(i) Revenue from contract with customer**

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

The specific recognition criteria described below must also be met before revenue is recognized.

**(ii) Port Operation Services**

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

In cases, where the contracts include multiple contract obligations, the transaction price will be allocated to each performance obligation based on the standalone selling prices. Where these prices are not directly observable, they are estimated based on expected cost plus margin. Revenue recorded by the company is net of variable consideration on account of various discounts offered by the Company as part of the contract.

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

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

Income towards infrastructure premium is recognized as revenue in the year in which the Company provides access to its common infrastructure.

**(iii) Construction and Development of Infrastructure Assets**

The Company's business operations includes in construction and development of infrastructure assets. Where the outcome of the project cannot be estimated reasonably, Revenue from contracts for such construction and development activities is recognized on completion of relevant activities under the contract and the transfer of control of the infrastructure when all significant risks and rewards of ownership in the infrastructure assets are transferred to the customer .

**(iv) Income from long term leases**

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

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

**(v) Interest income**

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

**(vi) Dividends**

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

**(vii) Rental income**

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

**e) Government Grants**

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

**f) Taxes**

Tax expense comprises of current income tax and deferred tax.

**(i) Current income tax**

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

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

**(ii) Deferred tax**

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

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

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

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

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

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

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

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

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

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

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

**g) Property, Plant and Equipment (PPE)**

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

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

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

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

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

<b>Assets</b>	<b>Estimated Useful life</b>
Marine Structure, Dredged Channel, Building RCC Frame Structure	50 Years as per concession agreement
Fender, Buoy installed at Jetty - Marine Structures	5 - 10 Years
Railway Track/Sidings	50 Years as per concession agreement

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

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

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

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

#### **h) Intangible assets**

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

The useful lives of intangible assets are assessed as finite.

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

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

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

<b>Intangible Assets</b>	<b>Method of Amortisation</b>	<b>Estimated Useful life</b>
Software applications	on straight line basis	5 Years based on management estimate

#### **i) Borrowing costs**

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

#### **j) Leases**

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

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

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

**i) Right-of-Use Assets**

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

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

**ii) Lease Liabilities**

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

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

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

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

**Company as a lessor**

**Income from long term leases**

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

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

**k) Inventories**

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

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

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

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

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

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



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

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

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

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

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

**m) Provisions, Contingent Liabilities and Contingent Assets**

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

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

**n) Retirement and other employee benefits**

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

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

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

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

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

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

**o) Financial instruments**

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

**(i) Financial assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus in case of financial asset not recorded at fair value through profit and loss, transaction cost that are attributable to the acquisition of the financial assets. Trade receivable that do not contain a significant financing component are initially recognised at transaction price.

**Subsequent measurement**

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

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

**Debt instruments at amortised cost**

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

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

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

**(ii) Debt instrument at FVTPL**

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

The Company classifies its debt instruments which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the Balance Sheet at fair value. Gains and losses on changes in fair value of debt instruments are recognised on net basis through profit or loss.

**Debt instrument at FVTOCI**

A debt instrument is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(iii) Equity investments**

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

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

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

**Perpetual debt**

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

**(iv) Derecognition**

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

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



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

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

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

**(v) Impairment of financial assets**

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances.
- b) Financial assets that are debt instruments and are measured as at other comprehensive income (FVTOCI)
- c) Lease receivables under relevant accounting standard
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

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

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

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

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

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

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

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

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

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

**(ii) Financial liabilities**

**Initial recognition and measurement**

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

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

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

**Subsequent measurement**

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

**Financial liabilities at fair value through profit or loss**

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

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains / losses attributable to changes in own credit risk are recognised 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 classifies its debt instruments which are held for trading under FVTPL category. Held for trading assets are recorded and measured in the Balance Sheet at fair value. Gains and losses on changes in fair value of debt instruments are recognised on net basis through profit or loss.

#### **Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings.

#### **Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value through profit or loss (FVTPL), adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

After initial recognition, an issuer of such a contract shall subsequently measure it at the higher of:

- (i) the amount of the loss allowance determined and
- (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115

#### **Derecognition**

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

#### **(iii) Reclassification of financial assets**

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

#### **(iv) Offsetting of financial instruments**

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

### **p) Derivative financial instruments**

#### **Initial recognition and subsequent measurement**

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

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

### **q) Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**r) Earnings per share**

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

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

**2.3 Significant accounting judgments, estimates and assumptions**

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

**(A) Estimates and assumptions**

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

**i) Impairment of financial assets**

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

**ii) Taxes**

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

**(iii) Fair value measurement**

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

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

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

**New Standards, Interpretations and amendments adopted by the company**

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31, 2022, except for amendments to the existing Indian Accounting Standards (Ind AS). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The Company applies, for the accounting periods beginning on or after 1 April 2022, that do not have material impact on the financial statements of the Company.

**1. Accounting for proceeds before intended use (Ind AS 16, Property, Plant and Equipment)**

The excess of net sale proceeds of items produced over the cost of testing, if any, should not be recognised in the statement of profit or loss but deducted from the directly attributable costs considered as part of cost of an item of Property, Plant and Equipment.

**2. Determining costs to fulfil a contract (Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets)**

The 2022 amendments clarify the types of costs a company can include as the 'costs of fulfilling a contract' while assessing whether a contract is onerous as under:

- The incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

**3. Reference to the Conceptual Framework for Financial Reporting (Ind AS 103, Business Combinations)**

The 2022 amendments have substituted the reference to the Framework for Preparation and Presentation of Financial Statements with Indian Accounting Standards with the reference to the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework), without changing the accounting requirements for business combinations.

**4. Fees in the '10 per cent test' for derecognition of financial liabilities (Ind AS 109, Financial Instruments)**

For the purpose of performing the '10 per cent test' for derecognition of financial liabilities, in determining fees paid, the borrower includes amounts paid by the borrower to or on behalf of the lender, and fees received includes amounts paid by the lender to or on behalf of the borrower.

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4 Investments	Non-Current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs	₹ in Crs	₹ in Crs
<b>Unquoted</b>				
<b>In Equity Shares of subsidiaries (valued at cost)</b>				
10,000 (previous year 10,000) Fully paid up equity shares of ₹10 each of Adani Krishnapatanam Container Terminal Pvt Ltd (formerly Navayuga Container Terminal Pvt. Ltd)	0.01	0.01	-	-
3,08,150 (previous year 3,08,150) Fully paid up equity share of ₹10 each of Seabird Distiparks Krishnapatnam Pvt. Ltd.	7.91	7.91	-	-
<b>Deemed Investment</b>				
11,31,000 (previous year 11,31,000) Fully paid up Preference Shares of ₹100 each of Seabird Distiparks Krishnapatnam Pvt. Ltd.	8.65	-	-	-
<b>Investment in Preference Shares of Subsidiary Company (At FVTPL)</b>				
11,31,000 (previous year 11,31,000) Fully paid up Preference Shares of ₹100 each of Seabird Distiparks Krishnapatnam Pvt. Ltd.	4.75	-	-	-
<b>Investment in Preference Shares of Subsidiary Company (At Cost)</b>				
Nil (previous year 11,31,000) Fully paid up Preference Shares of ₹100 each of Seabird Distiparks Krishnapatnam Pvt. Ltd.	-	11.31	-	-
<b>In Equity Shares of Joint Venture (valued at cost)</b>				
74,000 (previous year 74,000) Fully paid up equity shares of ₹10 each of Adani KP Agri warehousing Company Pvt Ltd (formerly KP Agriwarehousing Company Pvt Ltd) (Refer note (i) below)	8.32	8.32	-	-
<b>In Equity Shares of Other Companies (Investment at fair value through OCI)</b>				
65,00,000 (previous year 65,00,000) Fully paid up equity shares of ₹10 each KP Polyolefin Sacks Pvt. Ltd. (Refer note 40)	6.98	-	-	-
3,69,54,050 (previous year 3,69,54,050) equity shares of ₹10 each of Krishnapatnam Infratech Ltd. (Refer note 40)	170.05	-	-	-
<b>Investments in Other companies (Unquoted) (at fair value through OCI)</b>				
8,10,00,000 (previous year 8,10,00,000) Fully paid up equity shares of ₹10 each of Krishnapatnam Railway Company Ltd.	55.49	70.70	-	-
36,00,000 (previous year 36,00,000) Fully paid up equity shares of ₹10 each of Blyth Wind Park Pvt. Ltd.	2.45	7.20	-	-
	<b>264.60</b>	<b>105.45</b>	<b>-</b>	<b>-</b>

**Note:**

**Investments at fair value through Other Comprehensive Income (FVTOCI)**

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

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

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



	Non-Current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs	₹ in Crs	₹ in Crs
<b>6 Loans</b>				
<b>Non - Current</b>				
Loans to others (Unsecured, considered Good)	77.00	77.00	23.00	23.00
Loans and Advance to Related Parties (Refer note 30)	30.50	33.20	-	-
	<b>107.50</b>	<b>110.20</b>	<b>23.00</b>	<b>23.00</b>

**Note :**

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

	Non-Current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs	₹ in Crs	₹ in Crs
<b>7 Other Financial Assets</b>				
Balance held as Margin Money deposits (Refer note (i) below)	-	3.82	-	-
Land Lease Receivable (refer note (ii) below)	151.01	147.22	-	-
Security Deposits	7.25	7.25	0.31	0.36
Interest Receivables on Loans, Advances, Security and Other deposits	1.85	-	0.98	1.39
Loans and Advances to Staff	-	-	0.46	0.52
	<b>160.11</b>	<b>158.29</b>	<b>1.75</b>	<b>2.27</b>

**Note:**

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

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

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

Particulars	March 31, 2023		March 31, 2022	
	Gross Investment in the lease	Present Value of MLPR	Gross Investment in the lease	Present Value of MLPR
	₹ in Crs			
Within one year	8.32	-	8.26	-
After one year but not later than five years	35.71	-	34.55	-
More than five years	612.80	151.01	622.98	147.22
<b>Total minimum lease receivables</b>	<b>656.83</b>	<b>151.01</b>	<b>665.79</b>	<b>147.22</b>
Less: Amounts representing finance charges	(505.82)	-	(518.57)	-
<b>Present value of minimum lease receivables</b>	<b>151.01</b>	<b>151.01</b>	<b>147.22</b>	<b>147.22</b>

**8 Other Assets**

	Non-Current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs	₹ in Crs	₹ in Crs
Capital Advances (Unsecured and good unless otherwise stated)	15.71	14.70	-	-
Advance Income Tax	-	82.68	-	-
Government Incentive Receivables (refer foot note - (i) below)	-	25.00	-	-
Advances to Suppliers (Unsecured considered good unless otherwise stated)	-	-	17.12	38.77
Prepaid Expenses	-	-	13.11	3.66
Balances with Government Authorities	-	-	7.81	19.66
Contract Assets (refer foot note - (ii) below)	-	-	0.53	13.65
	<b>15.71</b>	<b>122.38</b>	<b>38.57</b>	<b>75.74</b>

**Notes:-**

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

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

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

**9 Inventories**

**(At lower of Cost and Net Realisable value)**

Stores and spares

March 31, 2023	March 31, 2022
₹ in Crs	₹ in Crs
61.82	64.25
<b>61.82</b>	<b>64.25</b>

**10 Cash and cash equivalents**

**(i) Balances with Banks:**

Balance in Current Account

March 31, 2023	March 31, 2022
₹ in Crs	₹ in Crs
0.52	0.33
<b>0.52</b>	<b>0.33</b>

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

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

March 31, 2023	March 31, 2022
₹ in Crs	₹ in Crs
14.94	5.21
<b>14.94</b>	<b>5.21</b>

**Note :** Margin Money Deposits aggregating to ₹ 14.94 crore are pledged / lien against bank guarantees, letter of credit and other credit facilities. (Margin Money Deposits (net of overdraft facilities of ₹ 96.85 crore aggregating to ₹ 111.78 crore are pledged / lien against bank overdraft facility.)

**11 Equity Share Capital**

**Authorised**

8,92,50,000 Equity Shares of ₹ 10 each (previous year - 8,92,50,000 Equity Shares of Rs. 10 /- each)

7,50,000 - 10% Compulsory Convertible Non-Cumulative preference shares of Rs. 10 /- each (previous year - 7,50,000 - 10% Compulsory convertible preference shares of Rs. 10 /- each)

70,00,00,000 - 0.001% Compulsory convertible cumulative participatory preference shares of Rs. 10 /- each (previous year - 70,00,00,000 - 0.001% Compulsory convertible cumulative participatory preference shares of Rs. 10 /- each)

**Issued, subscribed and fully paid up shares**

8,85,76,159 Equity Shares of Rs. 10 each with voting rights (previous year - 8,85,76,159 Equity Shares of Rs. 10 each)

March 31, 2023	March 31, 2022
₹ in Crs	₹ in Crs
89.25	89.25
0.75	0.75
700.00	700.00
<b>790.00</b>	<b>790.00</b>
88.58	88.58
<b>88.58</b>	<b>88.58</b>

**Notes:**

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

	March 31, 2023		March 31, 2022	
	No. in Crs	₹ in Crs	No. in Crs	₹ in Crs
At the beginning of the year	8.86	88.58	8.86	88.58
New Shares Issued during the year	-	-	-	-
At the end of the year	<b>8.86</b>	<b>88.58</b>	<b>8.86</b>	<b>88.58</b>

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

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

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



**(ii) Terms/ rights attached to the 0.001% Compulsory Convertible Cumulative Participatory Preference Shares:**

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

Adani Port and Special Economic Zone Limited (APSEZL), the holding company has acquired the preference shares from Strategic Port Investments KPC Ltd w.e.f 1st October, 2020. Arbitration Proceedings against the company have been withdrawn by the Investor. In view of the fact that the existing terms relating to the said CCCPS are no more valid, change of terms of the above class of preference shares is under consideration of the management with the approval of the shareholder and the new investor APSEZL, entire amount in respect of the said CCPPS amounting to Rs. 680.01 crores has been shown as Other equity as at March 31, 2023 and March 31, 2022.

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

**(iii) Terms/ rights attached to the 10% Compulsory Convertible Non- Cumulative Preference Shares:**

The salient features thereof are as follows: The erstwhile owner has issued 10% Compulsory convertible Non- Cumulative preference shares of Rs. 10/- each on 11th December, 2007 to Hitech Infra Ltd pursuant to Share Subscription Agreement dated December 6, 2007; the said preference shares were converted in fully paid-up equity shares of the company on 10th December, 2014. The Conversion Ratio was 1:1.

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

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

	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs
<b>Adani Ports and Special Economic Zone Limited, the holding company and its nominees</b>		
8,85,76,154 equity shares (Previous year 8,85,76,154) of ₹ 10 each	88.58	88.58

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

	Particulars	March 31, 2023	March 31, 2022
<b>Equity shares of ₹ 10 each fully paid</b>			
Adani Ports and Special Economic Zone Limited (APSEZL), the holding company and its nominees	No. in Crs	8.86	8.86
	% Holding	100%	100%

**e) Details of shareholding of Promoters as at March 31, 2023**

Name of the Business Entity	March 31, 2023		March 31, 2022		% Change during the year
	No. of Equity Shares	% of Shares	No. of Equity Shares	% of Shares	
M/s. Adani Ports and Special Economic Zone Limited (APSEZ) and its nominees	8,85,76,159	100	8,85,76,159	100	-
<b>Total</b>	<b>8,85,76,159</b>	<b>100</b>	<b>8,85,76,159</b>	<b>100</b>	<b>-</b>

**12 Other Equity**

	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs
<b>Retained Earning</b>		
Balance at the beginning of the year	818.10	663.00
Profit/(loss) for the year	630.06	153.45
Remeasurement losses on defined benefit plans (net of tax)	0.60	1.65
Assignment of Non- Compete Fees (refer Note 3 (b))	(220.45)	-
<b>Balance at the end of the year</b>	<b>1,228.31</b>	<b>818.10</b>

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

#### Securities Premium Account

Balance at the beginning of the year  
Additions / Deductions during the year  
**Balance at the end of the year**

March 31, 2023	March 31, 2022
₹ in Crs	₹ in Crs
256.04	256.04
-	-
<b>256.04</b>	<b>256.04</b>

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

#### General Reserve

Balance at the beginning of the year  
Additions / Deductions during the year  
**Balance at the end of the year**

March 31, 2023	March 31, 2022
₹ in Crs	₹ in Crs
475.00	475.00
-	-
<b>475.00</b>	<b>475.00</b>

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

#### Equity instrument through other comprehensive income

Opening Balance  
Add : Change in fair value of FVTOCI Equity Investments (net of tax)  
**Balance at the end of the year**

March 31, 2023	March 31, 2022
₹ in Crs	₹ in Crs
(58.61)	(44.61)
109.48	(14.00)
<b>50.87</b>	<b>(58.61)</b>

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

#### Equity Component of Compulsory Convertible Cumulative Participatory Preference Shares

Balance at the beginning of the year  
Additions / Deductions during the year  
**Balance at the end of the year**

March 31, 2023	March 31, 2022
₹ in Crs	₹ in Crs
680.01	680.01
-	-
<b>680.01</b>	<b>680.01</b>

#### Total Other Equity

<b>2,690.23</b>	<b>2,170.54</b>
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**Note:-** This reserve represents the cumulative gains and losses arising on the revaluation of equity investments measured at fair value through other comprehensive income.

### 13 Borrowings

#### a. Inter Corporate Deposit

Inter Corporate Deposit from holding company - Unsecured (refer below note A)  
Inter Corporate Deposit from holding company - Secured (refer below note B)

#### b. Term Loans

##### Secured Borrowings

Rupee Term Loan from bank (unsecured) (refer below note C)

#### c. Foreign currency letters of credit

From Bank (secured) (refer below note F)

#### d. Bill Discounted

Customers' Bill Discounted (unsecured) (refer below note E)

	Non-Current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs	₹ in Crs	₹ in Crs
	4,639.27	4,928.83	-	-
	1,000.00	1,000.00	-	-
	<b>5,639.27</b>	<b>5,928.83</b>	-	-
	-	-	-	490.00
	-	-	-	<b>490.00</b>
	13.84	-	85.73	-
	<b>13.84</b>	-	<b>85.73</b>	-
	-	-	197.15	-
	<b>5,653.11</b>	-	<b>282.88</b>	<b>490.00</b>

**Note:**

(A) Inter corporate deposit is borrowed from Adani Ports and Special Economic Zone Limited., the holding Company, at the interest rate of 7.5% P.A. The loan amount of ₹ 4,639.27 Cr. (previous year ₹ 4,928.83 Cr.) is repayable on April 01, 2031.

(B) Inter corporate deposit is borrowed from Adani Ports and Special Economic Zone Limited., the holding Company, at the interest rate of 6.25% P.A. The loan amount of ₹ 1,000.00 Cr. (previous year ₹ 1,000.00 Cr.) is repayable on October 18, 2024, and it is secured by way of a charge over all movable and immovable assets of the company pertaining to the project.

(C) Unsecured Short Term Loan aggregating to Nil (previous year ₹ 490.00 Cr) carries Interest Rate range from one month T Bill Rate 3.43% + 1% Spread (previous year one month T Bill Rate 3.43% + 1.00% Spread.) Short Term Loan was repaid as on June 30, 2022.

The carrying amounts of borrowings as at the reporting date approximate fair value. Also, (refer note 32) for information about credit risk and market risk.

(D) During previous year, Interest accrued and due on borrowings is ₹ 12.67 Crs. (Refer note 15).

(E) Factored receivables of ₹ 197.15 Lacs (previous year Nil) have recourse to the Company and interest liability on amount of bill discounted is borne by the customer. The maturity period of transfer is 1 to 12 months period.(refer Note 5(c))

(F) Letter of credit from banks aggregating to ₹ 25.11 Cr. (previous year Nil) The Foreign letter of credit outstanding as at March 31, 2023 is repayable by 360 days to 720 days from date of Bill of Lading

Letter of credit taken by Adani Krishnapatnam Port Limited aggregating to ₹ 74.46 crore (previous year ₹ Nil) is repayable within 320 days to 350 days from the day of bill of landing.

**14 Lease Liabilities**

	Non-Current portion		Current portion	
	March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs	March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs
Lease Obligation (Refer note below)	218.93	158.33	5.09	-
	<b>218.93</b>	<b>158.33</b>	<b>5.09</b>	<b>-</b>

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

Particulars	Within one year	After one year but not later than five years	More than five years	Total minimum lease payments	Less: Amounts representing finance charges	₹ in Crs
						Present value of minimum lease payments
<b>March 31, 2023</b>						
Minimum Lease Payments	19.56	56.96	842.50	919.02	(695.00)	224.02
Finance charge allocated to future	19.56	56.96	618.48	695.00	-	-
Present Value of MLP	-	-	224.02	224.02	-	224.02
<b>March 31, 2022</b>						
Minimum Lease Payments	8.40	28.32	769.44	806.16	(647.84)	158.33
Finance charge allocated to future	8.40	28.32	611.12	647.84	-	-
Present Value of MLP	-	-	158.33	158.33	-	158.33

**15 Other financial liabilities**

	Non-Current portion		Current portion	
	March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs	March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs
Deposit from customers	87.60	54.65	-	-
Interest accrued but not due on borrowings (Refer Note 30)	-	-	394.98	296.29
Interest accrued and due on borrowings (Refer Note 30)	-	-	-	12.67
Capital creditors, retention money and other payable	2.14	-	56.39	37.59
Refund Liabilities	-	-	11.49	-
	<b>89.74</b>	<b>54.65</b>	<b>462.86</b>	<b>346.55</b>

**Notes:**

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

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

**Changes in liabilities arising from financing activities**

Particulars	April 01, 2022	Cash Flows	Foreign Exchange Fluctuation	Other Changes (Refer note - 1 below)	Non Cash Changes	₹ in Crs
						March 31, 2023
Long Term Borrowing	5,928.83	(275.72)	-	-	-	5,653.11
Short-term Borrowings	490.00	(404.27)	-	-	-	85.73
Lease Obligation	158.33	(11.97)	-	77.66	-	224.02
Interest Accrued but not due	296.29	(385.81)	-	471.84	-	382.32
<b>TOTAL</b>	<b>6,873.45</b>	<b>(1,077.77)</b>	<b>-</b>	<b>549.50</b>	<b>-</b>	<b>6,345.18</b>

₹ in Crs

Particulars	April 01, 2021	Cash Flows	Foreign Exchange Fluctuation	Other Changes (Refer note - 1 below)	Non Cash Changes	March 31, 2022
Long Term Borrowing	6,576.50	(647.67)	-	-	-	5,928.83
Short-term Borrowings		490.00	-	-	-	490.00
Lease Obligation	-	(5.33)	-	163.66	-	158.33
Interest Accrued but not due	47.04	(253.75)	-	503.00	-	296.29
<b>TOTAL</b>	<b>6,623.54</b>	<b>(416.75)</b>	<b>-</b>	<b>666.66</b>	<b>-</b>	<b>6,873.45</b>

**Note:**

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

**16 Other Liabilities**

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

	Non-Current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs	₹ in Crs	₹ in Crs
Unamortized Interest Income	-	26.40	-	-
Statutory liabilities	-	-	34.91	26.72
Contract Liabilities (refer note (i) below)	-	-	38.41	61.07
	-	<b>26.40</b>	<b>73.32</b>	<b>87.79</b>

**Note:-**

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

**17 Trade payables**

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

	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs
	1.83	0.62
	131.17	98.51
	<b>133.00</b>	<b>99.13</b>

**Trade Payables ageing schedule as on March 31, 2023**

₹ in Crs

Sr No	Particulars	Outstanding for following periods from due date of Payment					March 31, 2023
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	1.83	-	-	-	1.83
2	Others	-	129.99	1.18	-	-	131.17
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>131.82</b>	<b>1.18</b>	<b>-</b>	<b>-</b>	<b>133.00</b>

**Trade Payables ageing schedule as on March 31, 2022**

₹ in Crs

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

**18 Provisions**

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

	Non-Current portion		Current portion	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs	₹ in Crs	₹ in Crs
Provision for gratuity ( Refer note 28)	4.38	5.34	0.70	0.40
Provision for Compensated Absences	1.83	2.37	0.92	0.55
	<b>6.21</b>	<b>7.71</b>	<b>1.62</b>	<b>0.95</b>

**19 Revenue from Operations**

**Revenue from Operations**

Income from Port Operations

Land Lease and Infrastructure Usage Income (Refer footnote (ii) to note 7)

**Note :**

**a) Reconciliation of revenue recognised with contract price:**

**Particulars**

**Contract Price**

Adjustment for:

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

**Revenue from Contract with Customers**

March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs
2,332.07	1,828.44
<b>2,332.07</b>	<b>1,828.44</b>
-	145.80
<b>2,332.07</b>	<b>1,974.24</b>

March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs
2,345.19	1,817.42
(13.12)	11.02
<b>2,332.07</b>	<b>1,828.44</b>

**20 Other Income**

Interest Income on

Bank deposits

Loans

Land Lease receivable

Interest on Income Tax

Unclaimed liabilities/excess provision written back

Scrap sale

Rent Income

Miscellaneous Income

March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs
7.30	8.11
15.49	11.06
12.06	8.22
6.32	-
11.55	-
11.68	11.78
4.83	3.38
14.18	4.17
<b>83.41</b>	<b>46.72</b>

**21(a) Operating Expenses**

Cargo handling / other charges to Contractors

Customer Claims

Tug and Pilotage Charges

Power & Fuel

Maintenance Dredging

Repairs to Buildings

Repairs to Plant & Machinery

Cost of assets transferred under Finance Lease

March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs
388.83	259.86
6.50	-
0.65	1.24
52.62	109.34
8.83	-
7.26	3.10
81.74	43.15
-	3.35
<b>546.43</b>	<b>420.04</b>

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

March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs
49.76	36.84
<b>596.19</b>	<b>456.88</b>

**Note:**

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

**22 Employee benefit expense**

Salaries and Wages

Contribution to Provident Fund and other funds

Gratuity expenses (refer note - 28)

Staff Welfare Expenses

March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs
37.78	28.61
1.63	1.62
1.01	1.40
12.09	11.88
<b>52.51</b>	<b>43.51</b>

### 23 Finance Costs

#### Interest on

Amortized Expenses	
Term Loan	
Inter Corporate Deposit	
Finance Charges under lease	
Bank and other finance charges	

March 31, 2023	March 31, 2022
₹ in Crs	₹ in Crs
-	(4.54)
6.13	5.82
450.54	501.26
13.03	12.14
2.14	0.46
<b>471.84</b>	<b>515.14</b>

### 24 Other Expenses

Repairs to other assets	
Rent / Lease Expense	
Rates and Taxes	
Insurance charges	
Net foreign exchange loss	
Payment to Auditors (refer note (a) below)	
Legal and other professional costs	
Advertisement, promotion and selling expenses	
Travelling expenses	
Security Expenses	
Communication Expenses	
Office Expenses	
Directors Sitting Fee (refer note - 30)	
Loss on sale/discard of property, plant and equipment/other assets (net)	
Charity & Donations (refer note (b) below)	
Other General Expenses	
Provision for Doubtful Debt	
Sundry Balances Written Off	

March 31, 2023	March 31, 2022
₹ in Crs	₹ in Crs
3.01	2.46
1.23	7.50
1.81	4.64
5.36	6.46
4.39	0.02
0.51	0.36
19.31	7.07
0.95	1.29
14.68	13.29
23.67	14.02
2.02	2.08
6.89	5.20
0.03	0.03
2.49	5.99
0.80	2.69
6.69	7.15
(33.32)	44.02
36.03	580.81
<b>96.55</b>	<b>705.08</b>

#### Note:

#### a) Payment to Auditor

##### As Auditor:

For audit	
For other services	
- Other Services	
For reimbursement of Expenses	

March 31, 2023	March 31, 2022
₹ in Crs	₹ in Crs
0.50	0.20
0.01	0.15
0.00	0.01
<b>0.51</b>	<b>0.36</b>

#### b) Details of Expenditure on Corporate Social Responsibilities

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

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

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

b) Excess amount to be set off against succeeding three financial years ₹ 6.50 Crs (previous year ₹ Nil)

c) Amount paid during the year ended ₹ in Crs

Particulars	In Cash	Yet to be paid in Cash	Total
<b>March 31, 2023</b>			
i) Construction/ acquisition of any asset	-	-	-
ii) On Purpose other than (i) above	6.50	-	6.50
Total	6.50	-	6.50
<b>March 31, 2022</b>			
i) Construction/ acquisition of any asset	-	-	-
ii) On Purpose other than (i) above	6.44	-	6.44
Total	6.44	-	6.44

(d) Detail of related party Transactions

₹ in Crs

Name	March 31, 2023	March 31, 2022
Contribution to Entities over which Key Managerial persons, Directors and their relatives are able to exercise significant influence	-	0.16

## 25 Income Tax

The major components of income tax expenses for the years ended March 31, 2023 and March 31, 2022

### (a) Statement of Profit and Loss

#### Current Income tax:

Current income tax charge  
Adjustment in respect of income tax charge of previous years

#### Deferred Tax:

Relating to origination and reversal of temporary differences  
Tax (Credit) under Minimum Alternate Tax

#### Tax expenses reported in statement of profit and loss

	For the year ended March 31, 2023 ₹ in Crs	For the year ended March 31, 2022 ₹ in Crs
Current income tax charge	135.41	-
Adjustment in respect of income tax charge of previous years	-	-
<b>Current Income tax</b>	<b>135.41</b>	<b>-</b>
Deferred Tax	171.15	(372.25)
	(135.41)	-
<b>Deferred Tax</b>	<b>35.74</b>	<b>(372.25)</b>
<b>Tax expenses reported in statement of profit and loss</b>	<b>171.15</b>	<b>(372.25)</b>

#### Notes:

- Refer Note 2.3 for Accounting Estimates and Judgements made by the Company and Note 2.3 (vi) regarding tax rates applied in respect of recognition of Deferred Tax Expenses.
- Deferred Tax recognition is evaluated based on the net asset/ liability as per note (c) below.

### (b) Balance Sheet Section

#### Particulars

Provision for Income Tax  
Advance Income Tax

#### Net Refund Due

	March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs
Provision for Income Tax	20.45	-
Advance Income Tax	-	82.68
<b>Net Refund Due</b>	<b>20.45</b>	<b>82.68</b>

### (c) Reconciliation of tax expense and accounting profit multiplied by applicable tax rate for

Profit/(Loss) before taxes from continuing operations

Income tax expense calculated at 34.944%

#### Tax Effect of:-

Effect of expenses that are not deductible in determining taxable profit

Effect due to lower Tax rate

Other Temporary Difference

Deferred tax recognized in respect of temporary difference pertain to previous period

Others

#### Effective Tax Rate/ Tax Expense as per books

#### Note :

	March 31, 2023		March 31, 2022	
	%	₹ in Crs	%	₹ in Crs
Profit/(Loss) before taxes from continuing operations	-	801.21	-	(218.80)
Income tax expense calculated at 34.944%	34.94%	279.97	34.94%	(76.46)
Effect of expenses that are not deductible in determining taxable profit	-0.08%	(0.65)	-29.22%	63.92
Effect due to lower Tax rate	-3.56%	(28.53)	6.20%	(13.57)
Other Temporary Difference	-1.26%	(10.06)	-	-
Deferred tax recognized in respect of temporary difference pertain to previous period	-8.68%	(69.58)	158.21%	(346.16)
Others	-	-	0.00%	0.01
<b>Effective Tax Rate/ Tax Expense as per books</b>	<b>21.35%</b>	<b>171.15</b>	<b>170.13%</b>	<b>(372.26)</b>

a) The tax rate used for 2022-23 and 2021-22 reconciliations above is the corporate tax rate of 34.944%, payable by corporate entities in India on taxable profits under the Indian tax law.

b) The company has carried forward unabsorbed depreciation aggregating ₹ 887.62 Crores under the Income Tax Act, 1961 for which there is no expiry date of its tax credit utilisation. Further Company has recognised deferred tax assets on the same during the current year.

(d) Deferred Tax Assets (net) relates to following:-

Particulars	Balance Sheet as at		Statement of Profit and Loss	
	March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs	March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs
(Liability) on Accelerated Depreciation for Tax Purpose	(815.66)	(817.56)	(1.90)	74.76
(Liability) on Lease Transaction	-	-	-	-
Asset on Allowances for Doubtful Financial Assets	6.01	-	(6.01)	-
(liability)/ Asset on Expenditure allowed on payment basis	3.14	3.35	0.21	(3.35)
Assets on Deferred Government Grant	-	-	-	-
Asset on Unabsorbed Depreciation / carried forward business	310.17	476.54	166.37	(476.54)
(Liability) on other adjustments	(45.35)	(32.88)	12.47	32.88
MAT Credit Entitlement	590.57	455.16	(135.41)	-
	<b>48.87</b>	<b>84.61</b>	<b>35.74</b>	<b>(372.25)</b>

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

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

Deferred Tax Assets (net)  
Less: Tax Credit Entitlement under MAT  
Net Deferred Tax Assets

March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs
(541.70)	(370.55)
590.57	455.16
<b>48.87</b>	<b>84.61</b>

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

Financial Year	Amount	Expiry Date
2009-10	53.81	March 31, 2025
2010-11	38.77	March 31, 2026
2011-12	24.31	March 31, 2027
2012-13	71.60	March 31, 2028
2013-14	48.11	March 31, 2029
2014-15	25.99	March 31, 2030
2015-16	14.37	March 31, 2031
2016-17	31.59	March 31, 2032
2017-18	54.57	March 31, 2033
2018-19	92.04	March 31, 2034
2022-23	135.41	March 31, 2038
<b>Total</b>	<b>590.57</b>	

g) In view of the profitability Projections, the company is reasonably certain that there would be sufficient taxable income in future periods to utilize MAT credit entitlements. Consequently, the company has recognized cumulative MAT credit as at 31.03.2023 is Rs.590.57 Crs.

26 Earnings per share

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

March 31, 2023 ₹ in Crs	March 31, 2022 ₹ in Crs
630.06	153.45
8,86,00,001	8,86,00,001
10.00	10.00
71.11	17.32
71.11	17.32



27 Below are the ratio as on March 31, 2023 and March 31, 2022

Sr No	Ratio Name	Formula	March 31, 2023	March 31, 2022	% Variance	Reason for variance
1	Current	Current Assets / Current Liabilities	0.71	0.37	93%	Mainly due to increase in trade receivable during current year and repayment of short term borrowing.
2	Debt-Equity	Total Debt / Shareholder's Equity	2.07	2.84	-27%	Mainly due to repayment of borrowings and improved PAT
3	Debt Service Coverage	Earnings available for debt service (PAT + Interest cost + Foreign Exchange Loss or (Gain) (net) + Depreciation) / Debt Service ( Interest cost & lease payments + repayment of non current debt made during the period excluding refinanced loans)	3.12	2.11	48%	Mainly due to substantially improvement in PAT and decrease in finance cost due to repayment
4	Return on Equity	Net Profit after Taxes / Avg Equity Shareholder's Fund	25.01%	7.01%	257%	Mainly due to substancially improvement in PAT Accordingly Return of Equity improves.
5	Inventory Turnover	NA	NA	NA	NA	-
6	Trade Receivables Turnover	Revenue from operations / Average Accounts Receivable	8.35	4.62	81%	Trade Receivable turnover ratio improves due to write off of trade receivables and increase in revenue
7	Trade Payable Turnover	Operating exp & Other expense/ Average Trade Payable	5.62	5.17	9%	-
8	Net Capital Turnover	Revenue from Operation / Working Capital	-8.12	-3.04	167%	Mainly due to increase in revenue and decrease in borrowing on account of repayment
9	Net Profit	Profit After Tax / Revenue from Operations	27.02%	7.77%	248%	Due to reversal of DTA on unabsorbed depreciation and increase in revenue and PAT
10	Return on Capital Employed	Earnings before Interest and Taxes / Capital Employed (Tangible Networth+Total Debt)	15.41%	-1.21%	-1375%	Mainly due to repayment in borrowing and increase in revenue
11	Return on Investment	NA	NA	NA	NA	-

## 28 Disclosures as required by Ind AS - 19 Employee Benefits

- a) The Company has recognised, in the Statement of Profit and Loss for the current year, an amount of ₹ 1.52 crore (previous year ₹ 1.00 crore) as expenses under the following defined contribution plan.

	₹ in Crs	
Contribution to	March 31, 2023	March 31, 2022
Provident Fund	1.52	0.99
Superannuation Fund	0.00	0.01
<b>Total</b>	<b>1.52</b>	<b>1.00</b>

- b) The Company has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India (LIC) in form of a qualifying insurance policy with effect from September 01, 2010 for future payment of gratuity to the employees.

Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset - liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits ( based on valuation performed) will arise.

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

### c) Gratuity

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

	₹ in Crs	
Particulars	March 31, 2023	March 31, 2022
Present value of the defined benefit obligation at the beginning of the year	5.84	6.56
Current service cost	0.63	0.94
Interest cost	0.39	0.46
Re-measurement (or Actuarial) (gain) / loss arising from and including in OCI:		
- change in demographic assumptions	0.01	-0.94
- change in financial assumptions	(0.80)	-0.90
- experience variance	0.20	0.19
Benefits paid	(0.85)	-0.87
Liability Transfer In	0.25	0.79
Liability Transfer Out	(0.48)	-0.40
Present value of the defined benefit obligation at the end of the year	<b>5.19</b>	<b>5.84</b>

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

	₹ in Crs	
Particulars	March 31, 2023	March 31, 2022
Fair value of plan assets at the beginning of the year	0.10	0.09
Investment income	0.01	0.01
Contributions by employer	-	-
Benefits paid	-	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
Fair value of plan assets at the end of the year	<b>0.11</b>	<b>0.10</b>

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

	₹ in Crs	
Particulars	March 31, 2023	March 31, 2022
Present value of the defined benefit obligation at the end of the year	5.19	5.84
Fair value of plan assets at the end of the year	0.11	0.10
Amount recognised assets / (liability)	-5.08	-5.74
Net asset / (liability) - Current	-	-
Net (liability) / asset - Non Current	<b>-5.08</b>	<b>-5.74</b>

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

	₹ in Crs	
Particulars	March 31, 2023	March 31, 2022
Current service cost	0.63	0.94
Net Interest on benefit obligation	0.38	0.46
Total Expense included in Employee Benefits Expense	<b>1.01</b>	<b>1.40</b>

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

	₹ in Crs	
Particulars	March 31, 2023	March 31, 2022
Actuarial (gain)/losses arising from	-0.60	-1.65
- change in demographic assumptions	0.01	-0.94
- change in financial assumptions	-0.80	-0.90
- experience variance	0.20	0.19
Return on plan assets, excluding amount recognised in net interest expense	-	-
Recognised in the other comprehensive income	<b>-0.60</b>	<b>-1.65</b>

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

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.50%	6.90%
Rate of escalation in salary (per annum)	8.50%	10.00%
Mortality	100% of India Assured Lives Mortality (2012-14)	100% of India Assured Lives Mortality (2012-14)
Attrition rate	8.80%	9.11%

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

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

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

Particulars	March 31, 2023	March 31, 2022
Investments with insurer *	100%	100%

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

**(viii) Sensitivity Analysis**

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

**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, 2023		March 31, 2022	
	Discount rate		Discount rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)
	-0.33	0.37	-0.42	0.48

Particulars	March 31, 2023		March 31, 2022	
	Salary Growth rate		Salary Growth rate	
Sensitivity level	1 % Increase	1 % Decrease	1 % Increase	1 % Decrease
Impact on defined benefit obligations	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)
	0.36	-0.33	0.46	-0.41

Particulars	March 31, 2023		March 31, 2022	
	Attrition rate		Attrition rate	
Sensitivity level	50% Increase	50% Decrease	50% Increase	50% Decrease
Impact on defined benefit obligations	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)
	-0.08	0.13	-0.29	0.47

Particulars	March 31, 2023		March 31, 2022	
	Mortality rate		Mortality rate	
Sensitivity level	10% Increase	10% Decrease	10% Increase	10% Decrease
Impact on defined benefit obligations	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)	(₹ in Crs)
	-0.00	0.00	-0.00	0.00

\* Figures being nullified on conversion to ₹ in Crs.

**(ix) Maturity profile of Defined Benefit Obligation**

Particulars	March 31, 2023	March 31, 2022
Weighted average duration (based on discounted cash flows)	7 years	8 years

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

₹ in Crs

Particulars	March 31, 2023	March 31, 2022
Within the next 12 months (next annual reporting period)	0.80	0.50
Between 2 and 5 years	2.32	2.43
Between 5 and 10 years	2.19	2.76
Beyond 10 years	4.33	5.38
<b>Total Expected Payments</b>	<b>9.65</b>	<b>11.07</b>

The Company expect to contribute ₹ 5.61 crore to the gratuity fund in the financial year 2022-23 (previous year ₹ 6.37 crore).

**(xi) Asset - Liability Matching Strategies**

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

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

**29 Segment information**

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

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

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

**30 Related Party Transactions**

Nature of relationship	Name of the related party
<b>Parent Company</b>	Adani Ports and Special Economic Zone Limited
<b>Subsidiary Company</b>	Adani Krishnapatnam Container Terminal Private Limited Seabird Distriparks (Krishnapatnam) Private Limited
<b>Fellow subsidiary</b>	Adani Ennore Container Terminal Private Limited Adani Logisctics Limited Shanti Sagar International Dredging Private Limited Adani Hazira Port Limited Adani Harbour Services Limited Adani Petronet Dahej Port Limited Adani Gangavaram Port Limited The Dhamra Port Company Limited Marine Infrastructure Developer Private Limited Adani Vizag Coal Terminal Private Limited Adani Murmugao Port Terminal Private Limited Adani CMA Mundra Terminal Private Limited
<b>Joint Venture</b>	Adani Kp Agri Warehousing Private Limited
<b>Entities over which Key Managerial Personnel and their relatives have control / joint control / significant influence &amp; Entity having significant influence over the Parent has control / joint control / significant influence through voting powers</b>	Adani Enterprises Limited Adani Institute for Education and Research Adani Wilmar Limited Adani Skill Development Center Adani Foundation Adani Power Rajasthan Limited Thar Power Transmission Service Limited Ahmedabad International Airport Limited Adani Electricity Mumbai Limited Adani Connex Private Limited Acc Limited Ambuja Cement Limited Adani Infrastructure Management Services Limited Adani Power Limited Adani Properties Private Limited Adani Green Enregy Limited
<b>Key Managerial Persons</b>	Mr. Karan Adani - Chairman (upto 27.10.2022) Shri Gudena Jagannadha Rao - Managing Director (w.e.f. 08.08.2022) Shri Avinash Chand Rai - Managing Director (upto 08.08.2022) Shri Subrat Tripathy - Director Shri Ajai Kumar - Independent Director Smt Birva Chiragbhai Patel - Independent Director Shri Srikanth Gudivada - Chief Financial Officer Shri Dinesh Birla - Chief Financial Officer (upto 31.10.2021) Dhruvil Shah - Company Secretary

(A) Transactions with Related Party

₹ in Crs

No	Head	Relationship	Name of Related Party	Year Ended March 31, 2023	Year Ended March 31, 2022
1	Income From Operations	Subsidiary Company	Adani Krishnapatanam Container Terminal Private Limited	15.12	15.35
		Joint Venture	Adani Kp Agri Warehousing Private Limited	0.10	0.10
		Other Company*	Adani Enterprise Limited	676.53	380.08
		Other Company*	Adani Wilmar Limited	6.01	7.18
		Fellow Subsidiary	The Adani Harbour Services Private Limited	0.72	0.70
2	Rendering of Services (Reimbursement of Expense)	Subsidiary Company	Adani Krishnapatanam Container Terminal Private Limited	-	5.03
		Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	2.88	0.08
		Fellow Subsidiary	The Adani Harbour Services Private Limited	9.95	1.96
3	Interest Expenses	Holding Company	Adani Ports And Special Economic Zone Limited	450.54	501.26
4	Interest Income	Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	2.05	0.37
		Joint Venture	Adani Kp Agri Warehousing Private Limited	0.65	0.70
5	Receiving Of Services	Fellow Subsidiary	Adani Petronet Dahej Port Limited	0.23	0.14
		Other Company*	Adani Enterprise Limited	11.32	2.79
		Fellow Subsidiary	Adani Gangavaram Port Limited	0.24	-
		Holding Company	Adani Ports And Special Economic Zone Limited	6.29	-
		Other Company*	Adani Skill Development Center	0.01	0.06
		Subsidiary Company	Adani Krishnapatanam Container Terminal Private Limited	3.44	1.41
6	Material Purchased	Fellow Subsidiary	The Dhamra Port Company Limited	3.40	0.04
		Other Company*	Adani Power Rajasthan Limited	0.04	-
		Holding Company	Adani Ports And Special Economic Zone Limited	5.63	28.60
7	Reimbursement of Expense	Fellow Subsidiary	The Adani Harbour Services Private Limited	-	6.22
		Subsidiary Company	Adani Krishnapatanam Container Terminal Private Limited	-	1.70
		Fellow Subsidiary	Adani Hazira Port Private Limited	0.21	0.55
8	Borrowings (Loan Taken) Addition	Holding Company	Adani Ports And Special Economic Zone Limited	2,641.86	1,974.51
9	Borrowings (Loan Repaid) Repaid	Holding Company	Adani Ports And Special Economic Zone Limited	2,931.42	2,622.18
10	Loans Given	Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	-	25.40
		Joint Venture	Adani Kp Agri Warehousing Private Limited	0.32	-
11	Loans Received Back	Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	1.52	-
		Joint Venture	Adani Kp Agri Warehousing Private Limited	1.50	-
12	Investment in Equity Share Capital	Joint Venture	Adani Kp Agri Warehousing Private Limited	-	2.50
		Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	-	19.22
13	Lease Rent Paid	Joint Venture	Adani Kp Agri Warehousing Private Limited	3.00	3.00
		Holding Company	Adani Ports And Special Economic Zone Limited	7.18	-

₹ in Crs

No	Head	Relationship	Name of Related Party	Year Ended March 31, 2023	Year Ended March 31, 2022
14	Lease Rent Received	Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	0.42	-
15	Donation	Other Company*	Adani Foundation	0.35	0.16
16	Purchase of Property / Asset / Land use Rights	Holding Company	Adani Ports And Special Economic Zone Limited	-	7.02
		Fellow Subsidiary	Adani Gangavaram Port Limited	1.79	-
17	Sale of Assets	Fellow Subsidiary	Marine Infrastructure Developer Private Limited	32.53	-
18	Dividend Paid	Holding Company	Adani Ports And Special Economic Zone Limited	0.01	-
19	Deposit Received from customer	Other Company*	Adani Wilmar Limited	-	5.19
20	Remuneration	KMP	Mr Avinash Rai	1.84	2.23
		KMP	Mr. Gudena Jagannadha Rao	1.31	-
		KMP	Mr. Dinesh Birla	-	0.60
		KMP	Mr. Srikanth Gudivada	0.68	0.09
21	Sitting Fees	KMP	Mr. Ajai Kumar	0.01	0.02
		KMP	Mr. Birva Chiragbhai Patel	0.01	0.02
22	Corporate Guarantee Received	Holding Company	Adani Ports And Special Economic Zone Limited	702.00	490.00
23	Corporate Guarantee Given	Holding Company	Adani Ports And Special Economic Zone Limited	-	1,000.00

**(B) Balances with Related Party**

₹ in Crs

No	Head	Relationship	Name of Related Party	Year Ended March 31, 2023	Year Ended March 31, 2022
1	Borrowings	Holding Company	Adani Ports And Special Economic Zone Limited	5,639.27	5,928.83
2	Loans & Advances Given	Joint Venture	Adani Kp Agri Warehousing Private Limited	6.62	7.80
		Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	23.88	25.40
3	Trade Payable	Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	-	0.60
		Holding Company	Adani Ports And Special Economic Zone Limited	16.29	4.99
		Fellow Subsidiary	Adani Gangavaram Port Limited	0.18	-
		Other Company*	Adani Enterprise Limited	6.21	-
		Fellow Subsidiary	Adani Petronet Dahej Port Limited	0.26	-
		Other Company*	Thar Power Transmission Service Limited	-	0.01
		Other Company*	Ahmedabad International Airport Limited	0.23	0.23
		Joint Venture	Adani Kp Agri Warehousing Private Limited	1.29	0.31
		Fellow Subsidiary	Adani Hazira Port Limited	-	0.10
		Other Company*	Adani Electricity Mumbai Limited	0.15	-
		Fellow Subsidiary	Adani Vizag Coal Terminal Private Limited	0.00	-
		Fellow Subsidiary	Adani Murmugao Port Terminal Private Limited	0.01	-
		Other Company*	Adani Connex Private Limited	0.01	-
Other Company*	Adani Skill Development Center	0.01	-		
Subsidiary Company	Adani Krishnapatanam Container Terminal Private Limited	0.70	11.53		

₹ in Crs					
No	Head	Relationship	Name of Related Party	Year Ended March 31, 2023	Year Ended March 31, 2022
4	Trade Receivable	Other Company*	Adani Wilmar Limited	-	0.48
		Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	4.74	0.32
		Fellow Subsidiary	Adani Gangavaram Port Limited	-	0.05
		Joint Venture	Adani Kp Agri Warehousing Private Limited	-	1.05
		Other Company*	Acc Limited	0.06	-
		Other Company*	Adani Enterprises Limited	244.13	37.00
		Subsidiary Company	Adani Krishnapatanam Container Terminal Private Limited	1.43	-
5	Advance From Customers	Fellow Subsidiary	Adani Petronet Dahej Port Limited	-	0.16
		Subsidiary Company	Adani Krishnapatanam Container Terminal Private Limited	1.19	1.39
		Other Company*	Adani Wilmar Limited	0.42	0.02
		Other Company*	Ambuja Cement Limited	0.01	-
		Fellow Subsidiary	The Adani Harbour Services Private Limited	0.09	0.07
6	Other Current and Non Current Liabilities	Holding Company	Adani Ports And Special Economic Zone Limited	-	0.24
		Other Company*	Adani Enterprise Limited	0.70	0.70
7	Other Financial & Non-Financial Assets	Holding Company	Adani Ports And Special Economic Zone Limited	394.98	308.96
		Other Company*	Adani Enterprise Limited	1.11	12.90
		Subsidiary Company	Adani Krishnapatanam Container Terminal Private Limited	0.30	0.47
		Fellow Subsidiary	The Adani Harbour Services Private Limited	0.92	1.07
		Fellow Subsidiary	Adani Gangavaram Port Limited	1.79	-
		Subsidiary Company	Seabird Distriparks (Krishnapatnam) Private Limited	0.55	0.33
		Fellow Subsidiary	The Dhamra Port Company Limited	0.05	0.01
		Fellow Subsidiary	Adani CMA Mundra Terminal Private Limited	-	0.21
		Fellow Subsidiary	Adani Vizag Coal Terminal Private Limited	-	0.02
		Other Company*	Adani Infrastructure Management Services Limited	-	0.03
		Other Company*	Adani Power Limited	-	0.26
8	Deposit from customers	Joint Venture	Adani Kp Agri Warehousing Private Limited	-	1.31
		Other Company*	Adani Green Enregy Limited	-	0.01
9	Corporate Guarantee Received	Other Company*	Adani Wilmar Limited	5.19	5.19
10	Corporate Guarantee Given	Holding Company	Adani Ports And Special Economic Zone Limited	333.74	490.00
		Holding Company	Adani Ports And Special Economic Zone Limited	1,028.25	1,028.25

\*Entities over which Key Managerial Personnel and their relatives have control / joint control / significant influence & Entity having significant influence over the Parent has control / joint control / significant influence through voting powers

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

**31 Unhedged foreign currency exposure**

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

Nature	March 31, 2023			March 31, 2022		
	Currency	Amount in Millions (Currency)	Amount in Rs Crs.	Currency	Amount in Millions (Currency)	Amount in Rs Crs.
Foreign Currency Loan	EUR	11.13	99.57	EUR	-	-
Trade Payables & Other Current Liabilities	USD	0.09	0.76	USD	0.19	1.45
	EUR	0.21	1.85	EUR	*	0.04
	AED	-	-	AED	0.28	0.58
Other Receivable	EUR	-	-	EUR	0.01	0.07

\* Figures being nullified on conversion to millions

Closing Rate as at March 31, 2023		Closing Rate as at March 31, 2022	
USD	82.1700	USD	75.7925
EUR	89.4425	EUR	84.2200
SGD	61.7925	SGD	55.9700
AED	22.3725	AED	20.6350

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

**32.1 The carrying value of financial instruments by categories as of March 31, 2023 is as follows :**

₹ in Crs					
Particulars	Note	Fair Value through Profit & Loss	Fair Value through Other comprehensive Income	Amortised Cost	Carrying Value
<b>Financial Asset</b>					
Investments in unquoted Equity Shares	4	-	234.97	24.88	259.85
Investments in Preference Shares	4	4.75	-	-	4.75
Trade receivables (including bills discounted)	5	-	-	551.48	551.48
Cash and Cash Equivalents	10(i)	-	-	0.52	0.52
Other Bank balance	10(ii)	-	-	14.94	14.94
Loans	6	-	-	130.50	130.50
Other financial assets	7	-	-	161.86	161.86
		<b>4.75</b>	<b>234.97</b>	<b>884.18</b>	<b>1,123.90</b>
<b>Financial Liabilities</b>					
Borrowings (Including bills discounted and current maturities)	13	-	-	5,935.99	5,935.99
Trade payables	17	-	-	133.00	133.00
Lease Liabilities	13	-	-	224.02	224.02
Other financial liabilities	15	-	-	552.60	552.60
		-	-	<b>6,845.61</b>	<b>6,845.61</b>

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

₹ in Crs					
Particulars	Note	Fair Value through Profit & Loss	Fair Value through Other comprehensive Income	Amortised Cost	Carrying Value
<b>Financial Asset</b>					
Investments in unquoted Equity Shares	4	-	125.49	(31.36)	94.14
Investments in Preference Shares	4	-	-	11.31	11.31
Trade receivables (including bills discounted)	5	-	-	204.31	204.31
Cash and Cash Equivalents	10(i)	-	-	0.33	0.33
Other Bank balance	10(ii)	-	-	5.21	5.21
Loans	6	-	-	133.20	133.20
Other financial assets	7	-	-	160.56	160.56
		-	<b>125.49</b>	<b>483.56</b>	<b>609.06</b>
<b>Financial Liabilities</b>					
Borrowings (Including bills discounted and current maturities)	13	-	-	6,418.83	6,418.83
Trade payables	17	-	-	99.13	99.13
Lease Liabilities	13	-	-	158.33	158.33
Other financial liabilities	15	-	-	401.20	401.20
		-	-	<b>7,077.49</b>	<b>7,077.49</b>



**32.2 Fair Value hierarchy :**

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

₹ in Crs

Particulars	As at March 31, 2023			As at March 31, 2022		
	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
<b>Financial Assets</b>						
Investment in unquoted Equity Investments measured at FVTOCI (refer note 4)	-	234.97	234.97	-	77.90	77.90
Investment in unquoted Equity Investments measured at FVTOCI (refer note 40)	-	-	-	-	47.59	-
<b>Total</b>	<b>-</b>	<b>234.97</b>	<b>234.97</b>	<b>-</b>	<b>125.49</b>	<b>77.90</b>

**b) Description of significant unobservable inputs to valuation:**

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2023 and March 31, 2022 are as shown below:

Particulars	Valuation technique	Significant unobservable inputs	Weighted average rate	Sensitivity of the input to fair value
FVTOCI assets in unquoted equity shares (Investment of Krishnapatnam Railway Company Ltd.)	DCF Method	Weighted Average Cost of Capital (WACC)	11.50%	1% increase in WACC will decrease the Fair Value of the unquoted equity shares by ₹ 8.91Crs
FVTOCI assets in unquoted equity shares (Investment of Blyth Wind Park Pvt. Ltd. )	DCF Method	Weighted Average Cost of Capital (WACC)	12.00%	1% increase in WACC will decrease the Fair Value of the unquoted equity shares by ₹ 0.58 Crs
FVTOCI assets in unquoted equity shares (Investment of KP Polyolefin Sacks Pvt. Ltd. )	DCF Method	Weighted Average Cost of Capital (WACC)	12.50%	1% increase in WACC will decrease the Fair Value of the unquoted equity shares by ₹ 0.29 Crs
FVTOCI assets in unquoted equity shares (Investment of Krishnapatnam Infratech Ltd. )	Cost Method	NA	NA	NA

**a) Financial Instrument measured at Amortised Cost**

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

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

**32.3 Financial Risk Management objective and policies**

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

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

**a) Market risk**

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

**i) Interest rate risk**

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

**Interest rate sensitivity**

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

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended March 31, 2023 would decrease/increase by Rs.Nil (March 31, 2022: decrease/increase by Rs.2.45 Crores). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

**(ii) Foreign currency risk**

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

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

₹ in Crs

Particulars	Impact on Profit before tax		Impact on Pre-tax Equity	
	For the year ended		For the year ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>USD Sensitivity</b>				
RUPEES / USD – Increase by 1%	0.01	0.01	0.01	0.01
RUPEES / USD – Decrease by 1%	(0.01)	(0.01)	(0.01)	(0.01)
<b>EUR Sensitivity</b>				
RUPEES / USD – Increase by 1%	1.01	*	1.01	*
RUPEES / USD – Decrease by 1%	(1.01)	*	(1.01)	*
<b>AED Sensitivity</b>				
RUPEES / USD – Increase by 1%	-	0.01	-	0.01
RUPEES / USD – Decrease by 1%	-	(0.01)	-	(0.01)
<b>SGD Sensitivity</b>				
RUPEES / USD – Increase by 1%	*	*	*	*
RUPEES / USD – Decrease by 1%	*	*	*	*

\* Figures being nullified on conversion to ₹ in Crs

**b) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets) and from its financing activities, including loans to others, deposits with banks, financial institutions & others, foreign exchange transactions and other financial assets. Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data.

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

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

**Concentrations of Credit Risk form part of Credit Risk**

Considering that the Company operates the port services at Krishnapatnam, the Company is significantly dependent on cargo from or to such large port user customer located at Eastern Region of India. Out of total revenue, the Company earns ₹ 1711.91 Crs of revenue during the year ended March 31, 2023 (previous year ₹ 1222.38 Crs) from such large port users which constitute 70.87% (previous year 64.95%). Accounts receivable from such customer approximated ₹ 287.66 Crs as at March 31, 2023 and ₹ 81.66 Crs as at March 31, 2022. A loss of these customer could adversely affect the operating result or cash flow of the Company.

**c) Liquidity risk**

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

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

**Maturity Profile and Financial Liabilities:**

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

₹ in Crs				
Particulars	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>As at March 31, 2023</b>				
Borrowings	282.88	1,013.84	4,639.27	5,935.99
Interest on borrowings	-	-	-	-
Trade Payables	131.82	1.18	-	133.00
Lease Liabilities (Including finance charge)	-	-	224.02	224.02
Other Financial Liabilities	462.86	89.74	-	552.60
<b>Total</b>	<b>877.56</b>	<b>1,104.76</b>	<b>4,863.29</b>	<b>6,845.61</b>

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

**Note:**

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

### 32.4 Capital Management:

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

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

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

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

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

Particular	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs
Total Borrowings (refer note - 13)	5,935.99	6,418.83
Less: Cash and Bank balance (refer note - 10)	15.46	5.54
Net debt (A)	<b>5,920.53</b>	<b>6,413.29</b>
Total Capital* (B)	<b>2,778.81</b>	<b>2,259.12</b>
Net debt and total equity (C = A + B)	8,699.34	8,672.41
Gearing Ratio	<b>68.06%</b>	<b>73.95%</b>

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

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

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

33 Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

Sr No	Particulars	₹ in Crs	
		Year ended March 31, 2023	Year ended March 31, 2022
(a)	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each		
	Principal	1.83	0.62
	Interest	Nil	Nil
(b)	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 a long with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	Nil	Nil

### 34 Capital commitments & other commitment

#### Capital commitment

Particulars	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	125.57	212.37

**35 Contingent liabilities not provided for**

		₹ in Crs	
SI No	Particulars	March 31, 2023	March 31, 2022
1	Show cause notice issued to the company by department of mines and geology regarding non payment of Seigniorage fee along with penalties for variation in used quantities of minor minerals vis-a-vis temporary permits from Government of Andhra Pradesh. The Company has denied all the allegations of department of mines and geology and stated that the utilization of sand was under limit and there is no cap for other minor minerals in any of the memos or notifications issued by Government. The Company also stated that according to clause 3.16 in the concession agreement, fiscal incentives were granted for the construction of port for phase I and II. Therefore, the Company is not liable to pay any Seigniorage fee as they are under the compliance of concession Agreement with Government of Andhra Pradesh. In W.P. No 12255/2012, stay was granted in all further proceedings. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same	79.16	79.16
2	Company availed Duty credit Served From India Scheme for few services which are under dispute, company has made representation dated 08.07.2017 requesting DGFT, New Delhi for issuance of appropriate clarification as deemed fit with respect to the entitlement of SFIS benefit for the services. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	14.39	18.76
3	Notice issued to the Company by Ministry of Labour, Hyderabad to pay building cess of Rs 16.75 crores by considering all the costs incurred during the entire port construction period i.e., from 2007-2010 which is Rs 1675 crores, based on intimation made by the company to Superintendent of police, Regional Vigilance and Enforcement officer, Nellore. The Company has challenged such demand by stating that the overall port construction costs cannot be made to pay under building cess as per the Act, as construction of Breakwaters wharf, dredging and reclamation, equipment ,ware houses, sewage treatment plants cannot be considered under building cess. The Company determined the cost of construction at Rs 607 crores as per the building cess act and paid Rs. 6.07 Crore of building cess on such amount, which was also duly acknowledged by the office of joint commissioner of Labour, Guntur without any queries. The Labour department is still insisting for the payment of balance building cess based on the Vigilance report. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	38.36	10.68
4	Show cause notices issued to the Company by CTO for levy of entry tax on purchase of Tippers, Trucks, , excavators and wheel Loaders used in operations during the period from 01.04.2010 to 21.09.2011 and from 01.09.2010 to 24.01.2011. The cOmpany filed two writs questioning the validity of the entry tax and the Hon'ble High court disposed the writs stating that the constitutionality of the provision has been upheld by a division bench of this court in Vijaya Traders Vs Commercial Tax. The company filed civil appeal before Hon'ble Supreme court. Meanwhile, based on the order of the Hon'ble High court, following the procedure in Vijaya Traders, CTO has initiated acquiring further information from the Govt bodies such as Road Transport Authorities. The supreme court remanded to the Honorable high courts to file fresh writ petitions and granted stay on all further proceedings. Kpcl filed a writ (W.P. No 11483/2018) in the High court on the entry tax. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	11.13	11.13
5	The Company entered into an agreement dated 24.11.2015 with the Respondent, to avail aircraft maintenance, overall modifications, repairs, inspection, treatment processing of Aircraft. The reconciliation of invoices admitted, relating and pertaining to LEGENCY 600 VT-CKP Aircraft of 2009 make with aircraft SL No. 14501094 made the Company liable to petitioner to pay a sum of Rs.9 crores by full and final settlement thereof. However, as loss sustained by the Company, in delay handing over the aircraft and hiring charter aircraft from outside, the arbitration matters is proposed to be settled at Rs. 5 crore. During the year, the amount as per arbitration order is paid and matter is resolved.	-	5.00
6	In respect of dispute in construction of Fertilizer Conveyor System by Felguera India Pvt Ltd, Honble Aribtral Tribunal passed award on 28.08.2018 and subsequently on 30.10.18, Company filed COP before Citi Civil court, Hyderabad. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	2.08	2.08

SI No	Particulars	March 31, 2023	March 31, 2022
7	The company placed two purchase orders against FGI for engineering, design, fabrication, transport to site of conveyor system, fixed hoppers and tripper, erection, commissioning and startup of conveyors systems, fixed hopper and tripper. FGI failed to complete the purchase orders within stipulated time. Consequently, disputes arose between the parties. hence both approached the arbitration. There after the arbitration passed an award in the favor of the FGI which can be set aside under section 34 of the arbitration and conciliation act. The impugned award is illegal, opposed to law, prejudicial to the rights of the KPCL, contrary to the fundamental policy and therefore filed an OP (C.O.P.No05/2019) in commercial court Hyderabad to grant stay on the award passed and to set aside the award for its revision. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	4.60	4.60
8	The suit is filed by Customers against company claiming damages for not releasing their coal lying with the company. Management is reasonably confident that no liability will devolve on the company. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	3.29	3.29
9	The Chief Commercial Manager, South Central Railways issued suspension of detention order No.CGSR/PKP/KAPT/NO/2014/12/2 Dated 02/01/2015. Company has challenged the said order and filed petition in High Court of Andhara Pradesh. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	1.46	1.46
10	Former employees filed petition with the Labour Court to look into determination of statutory bonus and over time wages by the Company. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	0.15	0.15
11	Various show cause notices received from CESTAT,Hyderabad for Short Payment of Service Tax / Irregular availment of Service Tax Credit / Credit on ineligible Services / Non-payment of Service Tax / Short - Non payment of Service Tax on Reconciliation of ST-3 Return FY 2014-15 & 2015-16. The Company has taken an external advice in the matter based on which the management is of the view that no liability shall arise on the Company. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	135.90	-
12	Various show cause notices received from Assist.Commissioner of Central Tax- Audit,Nellore for Recovery of irregular CENVAT credit and Service Tax short paid / Non - Payment of Service Tax / Irregular Availment of Cenvat Credit / CGST -Wrong availment of Transitional Credit ( TRAN-1) The Company has taken an external advice in the matter based on which the management is of the view that no liability shall arise on the Company. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	26.71	-
13	Various show cause notices received from Joint Commissioner -Guntur for GST-Irregular availment and utilisation of ITC accrued under the category of " Transportation of Goods by Rail " for the period July-2017 to Mar -2019 and for GST-Short payment of interest on delay filing of GST Returns for the FY 2017-18	43.92	-
14	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Hyderabad and appeals there of, for wrongly availing of Cenvat credit/ Service tax credit, Liquidated Damages (MGT issues) and Short payment of service tax during financial year 2011-12 to 2019-20. These matters are pending before the CESTAT, Hyderabad and Assistant Commissioner of Central Tax - Audit Division - Nellore. The Company has taken an external advice in the matter based on which the management is of the view that no liability shall arise on the Company. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	-*	-*

SI No	Particulars	March 31, 2023	March 31, 2022
15	Matter related to Entry Tax on Purchase of Assets-Imported Items. Hon' High Court granted an absolute stay and further orders are awaited. Management is reasonably confident that no liability will devolve on the company.	-*	-*
16	After completion of yearly VAT Audit, SCN/Orders received from Assistant Commissioner of Commercial Tax for VAT demand on Marine Income/Cranage Income/Boat Charges and other revenue , for the period FY 2014-15 to 2017-18 ( 3 months ), where Company already discharged the Service Tax on the same income. At the Appellate authority, with the submission of sufficient documents all the matters are remanded back to the local authorities. Now These matters are pending with local authorities for further verification and closure. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same.	-*	-*
17	Various show cause notices received from Commissioner Appeals, Guntur and for wrongly availing of Cenvat credit during financial year 2018-19 and to 2019-20. These matters are pending before the CESTAT, Hyderabad. The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company.	-*	-*
18	Various show cause notices received from Commissioner/ Additional Commissioner/ Joint Commissioner/ Deputy Commissioner of Customs and Central Excise, Nellore and appeals there of, for wrongly availing of Cenvat credit/ Service tax credit, Liquidated Damages (MGT issues) and Short payment of service tax during financial year 2014-15 to 2019-2020. These matters are pending before the Assit. Commissioner of Central Tax - Audit Division , Nellore. The Company has taken an external opinion in the matter based on which the management is of the view that no liability shall arise on the Company.	-*	-*
19	Company has received notices for various matters related to disallowance of Prior period Expenses, Excess Depreciation, Delay in EPF, ESI contribution and computation error for calculating tax under section 115JB pending before Central Circle (1), Hyd, ITD. Management is reasonably confident that no liability will devolve on the company in this regards and hence no provision is made under books of accounts for the same	-*	-*
	<b>Total</b>	<b>361.14</b>	<b>136.31</b>

(\*) During the current year, on re-assessment of fact and status of the above matters, the company has changed their estimates and assessed that possibility of any outflow in settlement is remote. Accordingly the same has not considered as Contingent Liability. (Refer point 14 to 19 above)

**Note:-**

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

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

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

**Note:**

The Company is wholly owned subsidiary of Adani Ports and Special Economic Zone Limited, Parent Company, which has prepared consolidated financials statement for the year ended March 31, 2023. Accordingly, the Company has availed an exemption as per Ind AS 110 paragraph 4(a) (i) for not preparing the consolidated financial statements.

**37 Relationship with Struck off Companies**

₹ in Crs

Name of the struck off Company	Nature of transactions with struck off Company	Balance outstanding as at March 31, 2023	Relationship with the struck off company
Metro Creative Concepts Pvt Ltd	Sundry Creditor	0.00	Vendor



### 38 Statutory information

- 1) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- 2) The company does not have any working capital facility availed from banks or financial institutions and hence it is not required to file Quarterly returns or statements of current assets with banks or financial institutions
- 3) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 4) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 5) Based on the information available with the Company, there are no transactions with struck off companies

### 39 Standard issued but not effective:

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate Affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2023 on 31st March, 2023. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board (IASB) into Ind AS and has amended the following standards:

1. Ind AS 101 - First-time adoption of Ind AS
2. Ind AS 102 - Share Based Payment
3. Ind AS 103 – Business Combinations
4. Ind AS 107 – Financial Instruments - Disclosures
5. Ind AS 109 – Financial Instruments
6. Ind AS 115 – Revenue from Contracts with Customers
7. Ind AS 1 – Presentation of Financial Statements
8. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
9. Ind AS 12 - Income Taxes
10. Ind AS 34 – Interim Financial Reporting

These amendments shall come into force with effect from April 01, 2023.

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

- 40 During previous year, APSEZ (Holding Company) has completed the acquisition of balance 25% stake in Adani Krishnapatnam Port Limited ("AKPL") (formerly known as Krishnapatnam Port Company Limited ("KPCL")) and consider it as wholly owned subsidiary Company w.e.f. June 08, 2021.. The assets included investments that were to be carved out and were to be settled separately by AKPL, In previous year such investment were included under Assets classified for held for sale & as on reporting date such investment has been reclassified to Investment as such investments are not available for immediate sale.

Particulars	March 31, 2023	March 31, 2022
	₹ in Crs	₹ in Crs
65,00,000 (previous year 65,00,000) Fully paid up equity shares of ₹10 each KP Polyolefin Sacks Pvt. Ltd.	-	6.14
Nil (previous year 18,13,654) Fully paid up equity shares of ₹10 each of Navayuga Udupi Tollway Pvt. Ltd.	-	-
3,69,54,050 (previous year 3,69,54,050) equity shares of ₹10 each of Krishnapatnam Infratech Ltd.	-	41.45
<b>Total</b>	-	<b>47.59</b>



41 As at March 31, 2023, the Company's current liabilities exceeds its current assets by ₹ 287.14 Crs. The Company anticipates to generate sufficient cash from its operations in the next financial year to meet the obligations as and when fall due for settlement. Further, Adani Ports and Special Economic Zone Limited, the Parent Company has undertaken to provide financial support as necessary, to enable the Company to meet the operational requirements. Accordingly, these financial statements have been prepared on a 'going concern' basis.

42 During the quarter ended March 31, 2023, a short seller report was published in which certain allegations were made involving Adani Group Companies, including the Company. A writ petition was filed in the matter with the Hon'ble Supreme Court ("SC"), and during hearing the Securities and Exchange Board of India ("SEBI") has represented to the SC that it is investigating the allegations made in the short seller report for any violations of the various SEBI Regulations. The SC had constituted an expert committee for assessment of the extant regulatory framework and share recommendations. The SC had constituted an expert committee for assessment of the extant of regulatory framework including volatility assessment on Adani stocks, investigate whether there have been contraventions / regulatory failures on minimum shareholding and related party transactions pertaining to Adani group.

'The expert committee, post the reporting date, issued its report on the given remit, wherein no regulatory failures are observed, while SEBI continues its investigations.

'Separately, to uphold the principles of good governance, Adani Group has undertaken review of transactions (including those for the Company) with parties referred in the short seller's report including relationships amongst other matters and obtained opinions from independent law firms. These opinions confirm that the Company is in compliance with the requirements of applicable laws and regulations. Considering the matter is sub-judice at SC, no additional action is considered appropriate and pending outcome of the SEBI investigations as mentioned above, the financial statements do not carry any adjustments.

**43 Code of Social Security note :**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post- employment benefits has received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the effective date of the Code is yet to be notified and final rules for quantifying the financial impact are also yet to be issued. In view of this, the Company will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

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

**45 Events occurred after balance sheet date:**

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

(ii) The Board of Directors of the company at its meeting held on 9th May, 2022 has accorded their consent for Scheme of Arrangement for amalgamation of Adani Krishnapatnam Container Terminal Private Limited, a wholly owned subsidiary company ('Transferor Company') with Adani Krishnapatnam Port Limited ('Transferee Company') ("Scheme") with the appointed date of 1 April 2022 subject to all the requisite approvals including from the shareholders, the creditors, Registrar of Companies, Reginal Director, official liquidator and such other competent authority, as may be applicable. On 25th April, 2023 the shareholders and creditors of respective companies at their respective meetings held have approved the proposed scheme. The scheme is subject to the approval of Regional Director, North Western Region.

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

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

**Subrat Tripathy**  
Director  
DIN: 06890393

**Srikanth Gudivada**  
Chief Financial Officer

**Dhruvil Shah**  
Company Secretary

**Date: May 27, 2023**