

Seabird Distriparks
(Krishnapatnam) Limited

Financial Statements for the
FY - 2023-24



Independent Auditor's Report

To the Members of Seabird Distriparks (Krishnapatnam) Limited

(Formerly Known as Seabird Distriparks (Krishnapatnam) Private Limited)

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Seabird Distriparks (Krishnapatnam) Limited (Formerly Known as Seabird Distriparks (Krishnapatnam) Private Limited)** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, 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 material accounting policies and other explanatory information (herein after referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements 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 31st March, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw your attention to Note 33 to the accompanying Statement, which describes the matter related to Short Seller Report ('SSR') was published during the previous year. Based on legal opinions and management's assessment, the management is of the view that there are no material consequences of the allegations mentioned in the SSR and other allegations on the Company.

Our opinion is not modified in respect of this matter.

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

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



Independent Auditor's Report

To the Members of Seabird Distriparks (Krishnapatnam) Limited

(Formerly Known as Seabird Distriparks (Krishnapatnam) Private Limited)(Continue)

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility

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



Independent Auditor's Report

To the Members of Seabird Distriparks (Krishnapatnam) Limited

(Formerly Known as Seabird Distriparks (Krishnapatnam) Private Limited)(Continue)

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

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

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

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

Report on Other Legal and Regulatory Requirements

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



Independent Auditor's Report

To the Members of Seabird Distriparks (Krishnapatnam) Limited

(Formerly Known as Seabird Distriparks (Krishnapatnam) Private Limited)(Continue)

2. As required by section 143(3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) on the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B';
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company does have contingent Liabilities which is mentioned in Note no:-29 of financial statements;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d. (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



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(ii) The management of the company has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities

identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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

f. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain direct changes to data when using certain access rights, as described in note 32 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

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

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

For, **SHAH DHANDHARIA & CO LLP**
Chartered Accountants
Firm Registration No. 118707W/W100724

Place : Ahmedabad
Date : 25/04/2024

Karan Amlani
Partner
Membership No. 193557
UDIN: 24193557BKAERS1408



Annexure - A to the Independent Auditor's Report

RE: Seabird Distriparks (Krishnapatnam) Limited

(Formerly Known as Seabird Distriparks (Krishnapatnam) Private Limited)

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

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March, 2024, we report that:

- (i) (a) (A) In our opinion and according to the information and explanation given to us and the records produced to us for our verification, the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) In our opinion and according to the information and explanation given to us and the records produced to us for our verification, the company is maintaining proper records showing full particulars of Intangible assets.
- (b) In our opinion and according to the information and explanation given to us and the records produced to us for our verification, the Company has a regular programme of physical verification of its Property, Plant and Equipment's by which all Property, Plant and Equipment's are verified by the management in a phased manner over a period of three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Based on our verification, no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and the records produced to us for our verification, the title deeds of all the immovable properties. (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) According to the information and explanation given to us and the records produced to us for our verification, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the provision of clause 3(i)(d) of the Order are not applicable.
- (e) According to the information and explanation given to us and the records produced to us for our verification, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The Company does not carry any inventory, Accordingly, the provision of clause 3(ii)(a) of the Order are not applicable.
- (b) According to the information and explanation given to us and the records produced to us for our verification, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provision of cluse 3(ii)(b) of the Order are not applicable.



Annexure - A to the Independent Auditor's Report

RE: Seabird Distriparks (Krishnapatnam) Limited

(Formerly Known as Seabird Distriparks (Krishnapatnam) Private Limited)(Continue)

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

- (iii) According to the information and explanation given to us and the records produced to us for our verification, during the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of paragraph 3 (iii) (a) to (f) of the Order are not applicable.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly, the provisions of paragraph 3(iv) of the Order is not applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, the provisions of clause 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanation given to us, the maintenance of cost records under section 148(1) of the Act as prescribed by the Central Government is not applicable to the company for the year under consideration. Accordingly, the provisions of paragraph 3(vi) of the Order is not applicable.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income-Tax, Goods and Service Tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Goods and Service Tax and other material statutory dues were in arrears as at 31st March, 2024, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no undisputed dues of Income-tax, Goods and Service Tax, and other material statutory dues as at 31st March, 2024, which have not been deposited with the appropriate authorities on account of any dispute.

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



Annexure - A to the Independent Auditor's Report

RE: Seabird Distriparks (Krishnapatnam) Limited

(Formerly Known as Seabird Distriparks (Krishnapatnam) Private Limited)(Continue)

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

- (ix) a) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, although in certain cases of loan taken from related parties, interest accrued and remaining unpaid has been added to loan outstanding at year-end, as per terms of the agreements.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds were raised on short-term basis by the company during the period under consideration. Accordingly, the provisions of clause 3(ix) (d) of the Order is not applicable to the Company.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not raised loans during the period on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order is not applicable to the Company.
- b) During the year, the Company has not made any preferential allotment or private placement or not issued any fully or partly convertible debenture during the year under review. Accordingly, the provisions of paragraph 3(x) (b) of the Order is not applicable.
- (xi) a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- b) No report on any matter under sub-section (12) of section 143 of the Companies Act has been filed by us in accordance with Guidance Note on CARO 2020 in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.



Annexure - A to the Independent Auditor's Report

RE: Seabird Distriparks (Krishnapatnam) Limited (Formerly Known as Seabird Distriparks (Krishnapatnam) Private Limited)(Continue)

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

- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) In our opinion, the Company is not a nidhi company. Accordingly, the provisions of Clauses 3 (xii) of the Order is not applicable.
- (xiii) As per the information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013, where applicable, and all the details have been disclosed in Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, an internal audit under the Companies act, 2013 is not applicable. Accordingly, the provisions of paragraph 3(xiv) (b) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions, within the meaning of Section 192 of the Act, with directors or persons connected with them. Accordingly, clause 3(xv) of the Order is not applicable to the Company.
- (xvi) a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.
- c) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3(xvi) (c) & (d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses of during the financial year under review and the company has incurred any cash losses of Rs. 825.23 Lakhs in immediately preceding financial year.
- (xviii) According to the information and explanations given to us, there has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.



Annexure - A to the Independent Auditor's Report

RE: Seabird Distriparks (Krishnapatnam) Limited (Formerly Known as Seabird Distriparks (Krishnapatnam) Private Limited)(Continue)

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

- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the management plans and based on our examination of the evidence (including support letter from Holding Company) supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us and based on our examination of the records of the Company, section 135 is not applicable on the company. Accordingly, clause 3(xx) of the Order is not applicable to the Company.

For, **SHAH DHANDHARIA & CO LLP**
Chartered Accountants
Firm Registration No. 118707W/W100724

Place : Ahmedabad
Date : 25/04/2024

Karan Amlani
Partner
Membership No. 193557
UDIN : 24193557BKAERS1408



Annexure – B to the Independent Auditor’s Report

RE: Seabird Distriparks (Krishnapatnam) Limited

(Formerly Known as Seabird Distriparks (Krishnapatnam) Private Limited)

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

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

We have audited the internal financial controls over financial reporting of the company as of 31st March, 2024 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

Management’s Responsibilities for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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



Annexure – B to the Independent Auditor’s Report

RE: Seabird Distriparks (Krishnapatnam) Limited

(Formerly Known as Seabird Distriparks (Krishnapatnam) Private Limited)(continue)

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **SHAH DHANDHARIA & CO LLP**
Chartered Accountants
Firm Registration No. 118707W/W100724

Place : Ahmedabad
Date : 25/04/2024

Karan Amlani
Partner
Membership No. 193557
UDIN : 24193557BKAERS1408

₹ in Lacs

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
Assets			
Non-Current assets			
Property, Plant and Equipment	3(a)	1,505.53	1,637.91
Right-of-Use Assets	3(c)	1,017.02	1,084.82
Other Intangible Assets	3(b)	3.47	4.75
Financial Assets			
(i) Other Financial Assets	5	0.04	0.04
Other Non-Current Assets	6	31.83	11.49
		2,557.89	2,739.01
Current assets			
Financial Assets			
(i) Trade Receivables	4	159.73	246.51
(ii) Cash and Cash Equivalents	7(i)	8.04	43.07
(iii) Bank balance other than cash and cash equivalents	7(ii)	13.50	13.50
(iv) Other Financial Assets	5	0.19	132.46
Other Current Assets	6	61.02	88.23
		242.48	523.77
Total Assets		2,800.37	3,262.78
Equity and Liabilities			
Equity			
Equity Share Capital	8	30.82	30.82
Other Equity	9	(766.64)	(955.78)
Total Equity		(735.82)	(924.96)
Liabilities			
Non-Current liabilities			
Financial Liabilities			
(i) Borrowings	10	2,898.47	2,862.86
(ii) Lease Liabilities	11	377.18	392.12
		3,275.65	3,254.98
Current Liabilities			
Financial Liabilities			
(i) Lease Liabilities	11	8.32	7.12
(ii) Trade and other payables	14		
(A) Total outstanding dues of micro enterprises and small enterprises		7.36	66.24
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		59.30	625.24
(iii) Other Financial Liabilities	12	93.72	184.69
Other Current Liabilities	13	91.84	49.47
		260.54	932.76
Total Liabilities		3,536.19	4,187.74
Total Equity and Liabilities		2,800.37	3,262.78

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

For Shah Dhandharia & Co LLP
Chartered Accountants

Firm Registration Number : 118707W/W100724

For and on behalf of Board of Directors

Karan Amlani
Partner
Membership Number : 193557

Srikanth Gudivada
Director
DIN: 09404960

Sanjay Kotha
Managing Director
DIN: 09385007

P Raghavendra
CFO

Dhruvil Shah
Company Secretary

Place: Ahmedabad
Date: April 25, 2024

Date: April 25, 2024

Statement of Profit And Loss for the year ended March 31, 2024

₹ in Lacs

Particulars	Notes	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Income			
Revenue from Operations	15	1,118.46	791.42
Other Income	16	348.09	2.08
Total Income		1,466.55	793.50
Expenses			
Operating Expenses	17	753.64	900.39
Depreciation and Amortization Expense	3	201.46	220.10
Finance Costs	18	269.16	449.47
Other Expenses	19	53.15	48.77
Sundry Balance written off during the year	19	-	-
Total Expense		1,277.41	1,618.73
Profit/(Loss) Before Tax		189.14	(825.23)
Tax Expense:			
Current Tax		-	-
Deferred Tax	20	-	(9.96)
Total Tax expense		-	(9.96)
(Loss) for the year	(A)	189.14	(815.27)
Other Comprehensive Income			
		-	-
Other Comprehensive (Loss) / Income for the year (net of tax)	(B)	-	-
Total Comprehensive (Loss) for the year	(A+B)	189.14	(815.27)
Earnings per Share (EPS) - (Face Value of ₹ 10 each)			
Basic (in ₹)	21	61.38	(264.57)
Diluted (in ₹)	21	61.38	(264.57)

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

For Shah Dhandharia & Co LLP
Chartered Accountants

For and on behalf of Board of Directors

Karan Amlani
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Membership Number : 193557

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Managing Director
DIN: 09385007

P Raghavendra
CFO

Dhruvil Shah
Company Secretary

Place: Ahmedabad
Date: April 25, 2024

Date: April 25, 2024

Statement of Changes in Equity as at March 31, 2024

₹ in Lacs

Particulars	Equity Share Capital	Other Equity			Total
		Securities Premium	Equity Component of Borrowing	Retained Earnings	
Balance as at April 1, 2022	30.82	626.20	-	(1,631.46)	(1,005.26)
(Loss) for the year	-	-	-	(815.27)	(815.27)
Preference shares instruments entirely equity in nature (refer note 10)	-	-	864.75	-	864.75
Balance as at March 31, 2023	30.82	626.20	864.75	(2,446.73)	(955.78)
(Loss) for the year	-	-	-	189.14	189.14
Balance as at March 31, 2024	30.82	626.20	864.75	(2,257.59)	(766.64)

The accompanying notes forms an integral part of Financial Statements

As per our report of even date

For Shah Dhandharia & Co LLP
Chartered Accountants

For and on behalf of Board of Directors

Karan Amlani
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Membership Number : 193557

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P Raghavendra
CFO

Dhruvil Shah
Company Secretary

Place: Ahmedabad
Date: April 25, 2024

Date: April 25, 2024

Statement of Cash Flows for the year ended March 31, 2024

Particulars	₹ in Lacs	
	For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
Cash Flow From Operating Activities		
Profit / (Loss) before tax	189.14	(825.23)
Adjustments for:		
Depreciation expense	201.46	220.10
Finance costs	269.16	449.47
Scrap Sale Income	-	(0.70)
Interest income	(1.49)	(2.08)
Operating profit / (loss) before working capital changes	658.27	(158.44)
Adjustments for:		
Decrease / (Increase) in other financial assets	132.64	(129.73)
Decrease / (Increase) in other assets	27.21	(52.64)
Decrease / (Increase) in trade receivables	86.78	(212.83)
(Decrease) in other financial liabilities	1.00	(0.10)
Increase in other liabilities	42.37	3.67
(Decrease) / Increase in trade payables	(625.20)	585.64
Cash generated from Operations	323.07	35.57
Income taxes (paid)/refund (net)	(20.34)	23.36
Net cash generated from Operating activities (A)	302.73	58.93
Cash Flows From Investing Activities		
Purchase of Property, Plant and Equipment (Including capital work-in-progress, other Intangible assets, capital advances and capital creditors)	0.53	(5.58)
Interest income	1.50	1.90
Net cash generated / (used in) Investing activities (B)	2.03	(3.68)
Cash Flows From Financing Activities		
Repayment of Long term borrowings (Net)	-	(152.00)
Payment of lease liabilities	(42.16)	(42.16)
Interest & Finance Charges paid	(297.63)	(53.53)
Net cash (used in) Financing activities (C)	(339.79)	(247.69)
Net (decrease) in cash and cash equivalents (A+B+C)	(35.03)	(192.44)
Cash and cash equivalents at the beginning of the year	56.57	249.01
Cash and cash equivalents at the end of the year (Refer note 7)	21.54	56.57
Component of Cash and Cash equivalents		
Balances with banks:		
Balance in Current Account (refer note 7(i))	8.04	43.07
Balance held as Margin Money deposits (refer note 7(ii))	13.50	13.50

Notes:

- 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).
- 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 12(a).

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

For Shah Dhandharia & Co LLP
Chartered Accountants

For and on behalf of Board of Directors

Karan Amlani
Partner
Membership Number : 193557

Srikanth Gudivada
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P Raghavendra
CFO

Dhruvil Shah
Company Secretary

Place: Ahmedabad
Date: April 25, 2024

Da Date: April 25, 2024

Notes To Financial Statements for the year ended March 31, 2024

1 Corporate information

Seabird Distriparks (Krishnapatnam) Limited (Formerly known as Seabird Distriparks (Krishnapatnam) Private Limited) (CIN: U74900GJ2012PLC095776) was incorporated on 27th April 2012. 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 wholly owned subsidiary of Adani Krishnapatnam Port Limited. (CIN: U45203AP1996PLC023529) w.e.f. 29/01/2022. The Company's primary business is to operate Container Freight Station at Survey No.1709, Krishnapatnam Port Area, Muthukuru Mandal, SPSR Nellore (Dist), Andhra Pradesh - 524 344, which are facilities set up for the purpose of in-transit container handling, examination, assessment of cargo with respect to regular clearances, both import and export.

The financial statements were approved for issue in accordance with a resolution of the board of directors on April 25, 2024.

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.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy as mentioned in note 2.2 (u) hitherto in use.

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

- 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 Lakhs and all values are rounded off to two decimal (₹ 00,000), except when otherwise indicated.

2.2 Summary of material accounting policies

a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

b) Foreign currency transactions :

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

(i) Transactions and balances

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

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

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

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

Notes To Financials Statements for the year ended March 31, 2024

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 26.2)
- Investment in unquoted equity shares (refer note 4)
- Financial instruments (including those carried at amortised cost) (refer note 26)

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.

Notes To Financials Statements for the year ended March 31, 2024

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 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.

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.

Notes To Financials Statements for the year ended March 31, 2024

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.

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.

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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:

Intangible Assets	Method of Amortisation	Estimated Useful life
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.

Notes To Financial Statements for the year ended March 31, 2024

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.

Notes To Financials Statements for the year ended March 31, 2024

(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.

Notes To Financials Statements for the year ended March 31, 2024

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

The Company 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.

s) Redeemable preference shares

Redeemable preference shares are initially recognised at fair value and classified as financial liability. On issuance of the redeemable preference shares, the fair value of the liability component is determined as net present value of transaction using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on redemption. The residual amount is classified under Equity. Transaction costs are apportioned between the liability and equity components of the redeemable preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

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.

Notes To Financials Statements for the year ended March 31, 2024

(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, 2023, 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 April 1, 2023, that do not have material impact on the financial statements of the Company.

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

3 Property, plant and equipment and Intangible assets

Note 3(a) Property, Plant and Equipment

₹ in Lacs

Particulars	Buildings	Plant and Machinery	Furniture and Fittings	Computers	Vehicles	Office Equipment	Total
Cost							
As at April 01, 2022	1,813.92	1,571.16	70.55	37.48	13.94	22.10	3,529.15
Additions	-	1.88	-	-	-	-	1.88
Deductions	-	-	-	-	-	-	-
As at March 31, 2023	1,813.92	1,573.04	70.55	37.48	13.94	22.10	3,531.03
Additions	-	-	-	-	-	-	-
Deductions	-	-	-	-	-	-	-
As at March 31, 2024	1,813.92	1,573.04	70.55	37.48	13.94	22.10	3,531.03
Accumulated depreciation							
As at March 31, 2022	491.60	1,125.06	59.77	34.56	11.06	19.51	1,741.55
Depreciation for the year	64.58	80.71	2.79	1.69	0.90	0.91	151.57
Deductions	-	-	-	-	-	-	-
As at March 31, 2023	556.18	1,205.77	62.56	36.24	11.96	20.41	1,893.12
Depreciation for the year	61.39	67.68	2.07	0.18	0.62	0.45	132.38
Deductions	-	-	-	-	-	-	-
As at March 31, 2024	617.57	1,273.45	64.63	36.42	12.58	20.86	2,025.50
Net Block							
As at March 31, 2023	1,257.74	367.27	7.99	1.24	1.98	1.69	1,637.91
As at March 31, 2024	1,196.35	299.59	5.92	1.06	1.36	1.24	1,505.53

Note 3(b) Other Intangible Assets

₹ in Lacs

Particulars	Other Intangible Assets	
	Computer Software	Total
Cost		
Cost as at April 01, 2022	22.16	22.16
Additions	3.70	3.70
Deductions	-	-
Cost as at March 31, 2023	25.86	25.86
Additions	-	-
Deductions	-	-
Cost as at March 31, 2024	25.86	25.86
Accumulated Depreciation		
As at March 31, 2022	20.40	20.40
Depreciation for the year	0.71	0.71
Deductions	-	-
As at March 31, 2023	21.11	21.11
Depreciation for the year	1.28	1.28
Deductions	-	-
As at March 31, 2024	22.39	22.39
Net Block		
As at March 31, 2023	4.75	4.75
As at March 31, 2024	3.47	3.47

Note 3(c) Right-of-use assets

₹ in Lacs

Particulars	Land (Refer note (a) below)	Total
Cost		
As at April 01, 2022	1,355.15	1,355.15
Additions	-	-
As at March 31, 2023	1,355.15	1,355.15
Additions	-	-
As at March 31, 2024	1,355.15	1,355.15
Accumulated Depreciation		
As at April 01, 2022	202.50	202.50
Depreciation for the year	67.83	67.83
As at March 31, 2023	270.33	270.33
Depreciation for the year	67.80	67.80
As at March 31, 2024	338.13	338.13
Net Block		
As at March 31, 2023	1,084.82	1,084.82
As at March 31, 2024	1,017.02	1,017.02

a) As a part of agreement for CFS operation the company has taken Land on lease from it's parent company Adani Krishnapatnam Port Limited. The Company has recorded rights in the Land at present value of future annual lease payments in the books and classified the same as Right of use assets .

Notes To Financials Statements for the year ended March 31, 2024

Trade Receivables ageing schedule as on March 31, 2023

₹ in Lacs

Sr No	Particulars	Outstanding for following periods from due date of receipt						March 31, 2023
		Not Due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	2.22	158.09	68.94	17.26	-	-	246.51
2	Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-
2	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit	-	-	-	-	-	-	-
7	Unbilled dues	-	-	-	-	-	-	-
	Total	2.22	158.09	68.94	17.26	-	-	246.51
	Less: Allowances for expected credit loss ("ECL")							-
	Total							246.51

5 Other Financial Assets
(Unsecured, considered good)

Security Deposits
Interest Receivables on Loans, Advances,
Security and Other deposits
Non trade receivables
Gratuity Assets

	Non-Current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Security Deposits	0.04	0.04	-	-
Interest Receivables on Loans, Advances, Security and Other deposits	-	-	0.19	0.18
Non trade receivables	-	-	-	130.53
Gratuity Assets	-	-	-	1.75
	0.04	0.04	0.19	132.46

6 Other Assets
(Unsecured, considered good)

Current Tax Assets (net) / Advance Income Tax
Advances to Suppliers
(Unsecured considered good unless otherwise stated)
Prepaid Expenses
Balances with Government Authorities
Contract Assets (refer foot note - (i) below)

	Non-Current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Current Tax Assets (net) / Advance Income Tax	31.83	11.49	-	-
Advances to Suppliers (Unsecured considered good unless otherwise stated)	-	-	0.05	0.21
Prepaid Expenses	-	-	-	1.37
Balances with Government Authorities	-	-	60.64	86.65
Contract Assets (refer foot note - (i) below)	-	-	0.33	-
	31.83	11.49	61.02	88.23

Notes:-

- i) 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.

7 Cash and cash equivalents

(i) Balances with Banks:
Balance in Current Account

	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs
Balance in Current Account	8.04	43.07
	8.04	43.07

Notes To Financials Statements for the year ended March 31, 2024

(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, 2024	March 31, 2023
₹ in Lacs	₹ in Lacs
13.50	13.50
13.50	13.50

8 Equity Share Capital

Authorised

7,50,000 (previous year - 7,50,000) Equity Shares of ₹ 10 each
15,00,000 (previous year - 15,00,000) Preference shares of ₹ 10 each

March 31, 2024	March 31, 2023
₹ in Lacs	₹ in Lacs
75.00	75.00
1,500.00	1,500.00
1,575.00	1,575.00

Issued, subscribed and fully paid up shares

3,08,150 Equity Shares of ₹ 10 each with voting rights (previous year - 3,08,150 Equity Shares of ₹ 10 each)

30.82	30.82
30.82	30.82

Notes:

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

	March 31, 2024		March 31, 2023	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
At the beginning of the year	3,08,150	30.82	3,08,150	30.82
New Shares Issued during the year	-	-	-	-
At the end of the year	3,08,150.00	30.82	3,08,150.00	30.82

(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

The Company has not reserved any shares for issue under options and contracts / commitments for sale of shares / investment.
During the year, No Dividend has been declared or paid by the company.

(c) Shares held by parent company

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

Adani Ports and Special Economic Zone Limited, the parent company and its nominees

3,08,150 equity shares (Previous year 3,08,150) of ₹ 10 each

March 31, 2024	March 31, 2023
₹ in Lacs	₹ in Lacs
30.82	30.82

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

Equity shares of ₹ 10 each fully paid

Adani Krishnapatnam Port Limited, the parent company and its nominees

Particulars	March 31, 2024	March 31, 2023
No. of Shares	3,08,150	3,08,150
% Holding	100%	100%

e) Details of shareholding of Promoters as at

Name of the Promoter	March 31, 2024		March 31, 2023		% Change during the year
	No. of Equity Shares	% of Shares	No. of Equity Shares	% of Shares	
Adani Krishnapatnam Port Limited and its nominees	3,08,150	100	3,08,150	100	-
Total	3,08,150	100	3,08,150	100	-

Notes To Financials Statements for the year ended March 31, 2024

9 Other Equity

	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs
Retained Earning		
Balance at the beginning of the year	(2,446.73)	(1,631.46)
Add: Profit / (Loss) for the year	189.14	(815.27)
Balance at the end of the year	(2,257.59)	(2,446.73)

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.

	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs
Equity Component of Preference shares instruments		
Balance at the beginning of the year	864.75	-
Add: Equity Component of Preference shares instruments	-	864.75
Balance at the end of the year	864.75	864.75

	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs
Securities Premium Account		
Balance at the beginning of the year	626.20	626.20
Balance at the end of the year	626.20	626.20

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.

Total Other Equity	(766.64)	(955.78)
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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.

	Non-Current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
10 Borrowings				
a. Inter Corporate Deposit				
Inter Corporate Deposit from holding company - Unsecured (refer A)	2,388.00	2,388.00	-	-
	2,388.00	2,388.00	-	-
b. Debt Portion				
Debt Portion of Cumulative Redeemable Preference Shares (refer B)	510.47	474.86	-	-
	2,898.47	2,862.86	-	-

Note:

(A) Inter corporate deposit is borrowed from Adani Krishnapatnam Port Limited., the holding Company, at the interest rate of 7.5% P.A. The loan amount of ₹ 2,388.00 Cr. (previous year ₹ 2,388.00 Cr.) will be repayable on January 29, 2032

(B) The Company has issued 11,31,000 of Rs.100 each, 6% non - Cumulative & Non- Convertible redeemable preference shares. The preference shares are redeemable at par on or before 20 years from the date of issue. The preference shares are held by the holding company. The Company has fair value the same and classify the Debt Portion of Cumulative Redeemable Preference Shares (refer note 9)

	Non-Current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
11 Lease Liabilities				
Lease Obligation (Refer note below)	377.18	392.12	8.32	7.12
	377.18	392.12	8.32	7.12

Notes To Financial Statements for the year ended March 31, 2024

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

Particulars	₹ in Lacs					
	Within one year	After one year but not later than five years	More than five years	Total minimum lease payments	Less: Amounts representing finance charges	Present value of minimum lease payments
March 31, 2024						
Minimum Lease Payments	42.69	179.86	498.13	720.68	(335.18)	385.50
Finance charge allocated to future	34.37	127.44	173.37	335.18		
Present Value of MLP	8.32	52.41	324.76	385.50		385.50
March 31, 2023						
Minimum Lease Payments	42.16	176.06	544.61	762.84	(370.23)	392.61
Finance charge allocated to future	35.05	131.77	203.41	370.23		
Present Value of MLP	7.12	44.29	341.21	392.61		392.61

	Non-Current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Deposit from customers	-	-	1.00	-
Interest accrued but not due on borrowings (Refer Note 30)	-	-	92.19	184.69
Capital creditors, retention money and other payable	-	-	0.53	-
	-	-	93.72	184.69

**12 Other financial liabilities
(Unsecured, considered good)**

Deposit from customers
Interest accrued but not due on borrowings (Refer Note 30)
Capital creditors, retention money and other payable

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	₹ in Lacs					
	April 01, 2023	Cash Flows	Foreign Exchange Fluctuation	Other Changes (Refer note - 1 below)	Non Cash Changes	March 31, 2024
Inter Corporate Deposit	2,388.0	-	-	-	-	2,388.00
Debt Portion of Cumulative Redeemable Preference Shares	474.86	-	-	-	35.61	510.47
Lease Obligation	399.24	(42.16)	-	28.42	-	385.50
Interest Accrued but not due	184.69	(296.70)	-	19.82	-	92.19
TOTAL	3,446.8	(338.86)	-	48.24	35.61	3,376.16

Particulars	₹ in Lacs					
	April 01, 2022	Cash Flows	Foreign Exchange Fluctuation	Other Changes (Refer note - 1 below)	Non Cash Changes	March 31, 2023
Inter Corporate Deposit	2,540.0	(152.00)	-	-	-	2,388.00
Debt Portion of Cumulative Redeemable Preference Shares	-	-	-	-	474.86	474.86
Lease Obligation	399.24	-	-	-	-	399.24
Interest Accrued but not due	33.01	(53.53)	-	205.20	-	184.69
TOTAL	2,972.25	(205.53)	-	205.20	474.86	3,446.79

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.

Notes To Financials Statements for the year ended March 31, 2024

13 Other Liabilities

	Non-Current portion		Current portion	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Statutory liabilities	-	-	61.55	29.44
Contract Liabilities (refer note (i) below)	-	-	30.29	20.03
	-	-	91.84	49.47

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.

14 Trade payables

Total outstanding dues of micro enterprises and small enterprises (refer note - 27)
Total outstanding dues of creditors other than micro enterprises and small enterprises

	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs
	7.36	66.24
	59.30	625.24
	66.66	691.48

Dues to related parties included in above (Refer note - 24)

Trade Payables ageing schedule as on March 31, 2024

Sr No	Particulars	Outstanding for following periods from due date of Payment					₹ in Lacs
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	March 31, 2024
		1	MSME	7.36	-	-	-
2	Others	-	59.30	-	-	-	59.30
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	Total	7.36	59.30	-	-	-	66.66

Trade Payables ageing schedule as on March 31, 2023

Sr No	Particulars	Outstanding for following periods from due date of Payment					₹ in Lacs
		Not Due	Less than 1 year	1-2 years	2-3 Years	More than 3 years	March 31, 2023
		1	MSME	-	66.24	-	-
2	Others	121.98	462.95	31.18	5.11	4.02	625.24
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	Total	121.98	529.19	31.18	5.11	4.02	691.48

15 Revenue from Operations

Revenue from Operations
Income from Port Operations

	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs
	1,118.46	791.42
	1,118.46	791.42

Note :

- a) Reconciliation of revenue recognised with contract price:

Particulars

Contract Price

Adjustment for:

Change in value of Contract Assets (Refer Note - 6)

Change in value of Contract Liabilities (Refer Note - 13)

Revenue from Contract with Customers

	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs
	1,107.87	791.42
	0.33	-
	10.26	-
	1,118.46	791.42

16 Other Income

Interest Income on:

Bank deposits

Income Tax Refund

Unclaimed liabilities/excess provision written back

Rent Income

	March 31, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs
	1.12	0.19
	0.37	1.89
	15.96	-
	330.64	-
	348.09	2.08

Notes To Financials Statements for the year ended March 31, 2024

17 Operating Expenses

Cargo handling / other charges to Contractors	
Transportation charges	
Power & Fuel	
Repairs to Plant & Machinery	

March 31, 2024	March 31, 2023
₹ in Lacs	₹ in Lacs
606.94	621.25
-	121.80
119.98	122.08
26.72	35.26
753.64	900.39

18 Finance Costs

Interest on

Inter Corporate Deposit	
Interest on Preference Share Debt Component (Notional)	
Finance Charges under lease (Notional)	
Bank and other finance charges	

March 31, 2024	March 31, 2023
₹ in Lacs	₹ in Lacs
204.20	205.21
35.61	208.60
28.42	35.66
0.93	-
269.16	449.47

19 Other Expenses

Rates and Taxes	
Insurance charges	
Payment to Auditors (refer note (a) below)	
Legal and other professional costs	
Travelling expenses	
Security Expenses	
Communication Expenses	
Office Expenses	
Bank charges	
Misc. Expenses	

March 31, 2024	March 31, 2023
₹ in Lacs	₹ in Lacs
10.63	6.45
-	0.71
1.50	1.50
10.47	1.11
12.07	4.06
-	15.80
2.43	-
10.27	8.81
1.89	-
3.89	10.34
53.15	48.77

Note:

a) Payment to Auditor

As Auditor:

For audit	
For other services	
- Other Services	
- Certification Fees	

March 31, 2024	March 31, 2023
₹ in Lacs	₹ in Lacs
1.50	1.50
-	-
1.50	1.50

20 Income Tax

The major components of income tax expenses for the years ended March 31, 2024 and March 31, 2023

(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 reversal	

Income tax expenses reported in statement of profit and loss

For the period ended March 31, 2024	For the year ended March 31, 2023
₹ in Lacs	₹ in Lacs
-	-
-	-
-	-
-	9.96
-	9.96

(b) Balance Sheet Section

Particulars

Current Tax Assets (net) / Advance Income Tax	
Net Refund Due	

March 31, 2024	March 31, 2023
₹ in Lacs	₹ in Lacs
31.83	11.49
31.83	11.49

Notes To Financials Statements for the year ended March 31, 2024

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

Profit before taxes

Tax Rate

Income tax expense

Tax Effect of:-

Reversal of deferred tax recognised in previous years

Tax Expense as per books

Effective Tax Rate

Note :

a) The tax rate used for F.Y. 2023-24 and F.Y. 2022-23 reconciliations above is the corporate tax rate of 26.00% payable by corporate entities in India on taxable profits under the Indian tax law.

March 31, 2024 ₹ in Lacs	March 31, 2023 ₹ in Lacs
189.14	(825.23)
26.00%	26.00%
-	-
-	(9.96)
-	(9.96)
0.00%	1.21%

21 Earnings per share

Profit/(loss) after tax 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, 2024 ₹ in Lacs	March 31, 2023 ₹ in Lacs
189.14	(815.27)
3,08,150	3,08,150
10.00	10.00
61.38	(264.57)
61.38	(264.57)

22 Below are the ratio as on March 31, 2024 and March 31, 2023

Sr No	Ratio Name	Formula	March 31, 2024	March 31, 2023	% Variance	Reason for variance
1	Current	Current Assets / Current Liabilities	0.93	0.56	66%	Mainly due to decrease in non-trade & trade receivable during current year.
2	Debt-Equity	Total Debt / Shareholder's Equity	(3.94)	(3.10)	27%	Mainly due to change preferense shares debt component and improved profit.
3	Debt Service Coverage	Earnings available for debt service (PAT + Interest cost + Foreign Exchange Loss or (Gain) (net) + Depreciation) / Debt Service (Interest cost & lease payments + repayment of non current debt made during the period excluding refinanced loans)	2.01	(0.26)	-872%	Mainly due to substantially improvement in profit
4	Return on Equity	Net Profit after Taxes / Avg Equity Shareholder's Fund	NA	NA	0%	
5	Inventory Turnover	NA	NA	NA	NA	-
6	Trade Receivables Turnover	Revenue from operations / Average Accounts Receivable	5.51	5.64	-2%	Mainly due to increase in revenue and decrease in Trade receivable
7	Trade Payable Turnover	Operating exp & Other expense/ Average Trade Payable	2.13	2.35	-9%	-
8	Net Capital Turnover	Revenue from Operation / Working Capital	(61.93)	(1.94)	3092%	Mainly due to increase in revenue and improvemnet in working capital

Notes To Financials Statements for the year ended March 31, 2024

9	Net Profit	Profit After Tax / Revenue from Operations	0.17	(1.03)	-116%	Due to Revenue and profit improvement
10	Return on Capital Employed	Earnings before Interest and Taxes / Capital Employed (Tangible Networth+Total Debt)	0.40	(0.19)	-311%	Mainly due to improvement in profit and increase in revenue
11	Return on Investment	NA	NA	NA	NA	-

23 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.

24 Related Party Transactions

SI No	Name of the related party	Nature of relationship
1	Adani Krishnapatnam Port Limited	Parent Company

Key Managerial Persons : -

SI No	Name	Designation
1	Shri Sanjay Kotha	Managing Director (w.e.f. October 21, 2022)
2	Shri Srikanth Gudivada	Director
3	P Raghavendra	Chief Financial Officer (w.e.f. November 03, 2023)
4	Mr. Srinivas Chandaka	Chief Financial Officer (ceased w.e.f. September 08, 2023)
5	Dhruvil Shah	Company Secretary

(A) Transactions with Related Party

₹ in Lacs

No	Head	Relationship	Name of Related Party	Year Ended March 31, 2024	Year Ended March 31, 2023
1	Interest Expenses	Parent Company	Adani Krishnapatnam Port Ltd	204.20	205.21
2	Receiving Of Services	Parent Company	Adani Krishnapatnam Port Ltd	172.50	108.00
		Fellow Subsidiary Company	Adani Krishnapatnam Container Terminal Private Limited	-	119.01
3	Rent Income	Parent Company	Adani Krishnapatnam Port Ltd	330.00	-
4	Borrowings (Loan Repaid) Repaid	Parent Company	Adani Krishnapatnam Port Ltd	-	152.00
5	Lease Rent Paid	Parent Company	Adani Krishnapatnam Port Ltd	42.16	42.16

(B) Balances with Related Party

₹ in Lacs

No	Head	Relationship	Name of Related Party	Year Ended March 31, 2024	Year Ended March 31, 2023
1	Borrowings	Parent Company	Adani Krishnapatnam Port Ltd	2,388.00	2,388.00
2	Trade Payable	Parent Company	Adani Krishnapatnam Port Ltd	-	473.67
		Fellow Subsidiary Company	Adani Krishnapatnam Container Terminal Private Limited	-	4.74
3	Trade Receivable	Parent Company	Adani Krishnapatnam Port Ltd	107.17	-
4	Other Current & Non-Current Liabilities	Parent Company	Adani Krishnapatnam Port Ltd	92.19	184.69
5	Other Financial Assets	Parent Company	Adani Krishnapatnam Port Ltd	-	129.63

Notes To Financials Statements for the year ended March 31, 2024

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

26.1 The carrying value of financial instruments by categories as of March 31, 2024 is as follows :

₹ in Lacs						
Particulars	Level	Note	Fair Value through Profit & Loss	Fair Value through Other comprehensive Income	Amortised Cost	Carrying Value
Financial Asset						
Trade receivables	3	4	-	-	159.73	159.73
Cash and Cash Equivalents	3	7(i)	-	-	8.04	8.04
Other Bank balance	3	7(ii)	-	-	13.50	13.50
Other financial assets	3	5	-	-	0.23	0.23
			-	-	181.50	181.50
Financial Liabilities						
Borrowings (ICD)	3	10	-	-	2,388.00	2,388.00
Debt Portion of Cumulative Redeemable Preference Shares	3	10	-	-	510.47	510.47
Trade payables	3	14	-	-	66.66	66.66
Lease Liabilities	3	11	-	-	385.50	385.50
Other financial liabilities	3	12	-	-	93.72	93.72
			-	-	3,444.35	3,444.35

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

₹ in Lacs						
Particulars	Note	Fair Value through Profit & Loss	Fair Value through Other comprehensive Income	Amortised Cost	Carrying Value	
Financial Asset						
Trade receivables	4	-	-	246.51	246.51	
Cash and Cash Equivalents	7(i)	-	-	43.07	43.07	
Other Bank balance	7(ii)	-	-	13.50	13.50	
Other financial assets	5	-	-	132.50	132.50	
		-	-	435.58	435.58	
Financial Liabilities						
Borrowings (ICD)	10	-	-	2,388.00	2,388.00	
Debt Portion of Cumulative Redeemable Preference Shares	10	-	-	474.86	474.86	
Trade payables	14	-	-	691.48	691.48	
Lease Liabilities	11	-	-	399.24	399.24	
Other financial liabilities	12	-	-	184.69	184.69	
		-	-	4,138.27	4,138.27	

26.2 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.

Notes To Financials Statements for the year ended March 31, 2024

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. No interest rate risk.

(ii) Foreign currency risk

Foreign Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

There is no foreign currency exposure as at 31st March, 2024 and at 31st March, 2023. Hence, there is no impact on Company's Profit for the year.

(iii) Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

The Company has given corporate guarantees and pledged part of its investment in equity in order to fulfil the collateral requirements of the subsidiaries and joint ventures companies. The counterparties have an obligation to return the guarantees/ securities to the Company. There are no other significant terms and conditions associated with the use of collateral.

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.

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.

Notes To Financials Statements for the year ended March 31, 2024

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 Lacs						
Particulars	Note	Less than 1	1 to 5 years	Over 5 years	Total	Carrying Value
As at March 31, 2024						
Borrowings	10	-	-	2,388.00	2,388.00	2,388.00
Debt Portion of Cumulative Redeemable Preference Shares	10	-	-	1,131.00	1,131.00	510.47
Trade Payables	14	59.30	-	-	59.30	59.30
Lease Liabilities (Including finance charge)	11	42.69	179.86	498.13	720.68	385.50
Other Financial Liabilities	12	93.72	-	-	93.72	93.72
Total		195.71	179.86	4,017.13	4,392.70	3,436.99

₹ in Lacs						
Particulars	Note	Less than 1	1 to 5 years	Over 5 years	Total	Carrying Value
As at March 31, 2023						
Borrowings	10	-	-	2,862.86	2,862.86	2,862.86
Debt Portion of Cumulative Redeemable Preference Shares	10	-	-	1,131.00	1,131.00	474.86
Trade Payables	14	691.48	-	-	691.48	691.48
Lease Liabilities (Including finance charge)	11	42.16	176.06	544.61	762.84	392.61
Other Financial Liabilities	12	184.69	-	-	184.69	184.69
Total		918.33	176.06	4,538.47	5,632.87	4,606.50

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.

26.4 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, 2024	March 31, 2023
	₹ in Lacs	₹ in Lacs
Total Borrowings (refer note - 10)	2,898.47	2,862.86
Less: Cash and Bank balance (refer note - 7)	21.54	56.57
Net debt (A)	2,876.93	2,806.29
Total Capital* (B)	(735.82)	(924.96)
Net debt and total equity (C = A + B)	2,141.11	1,881.33
Gearing Ratio	134.37%	149.17%

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 covenance 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, 2024 and March 31, 2023.

Notes To Financials Statements for the year ended March 31, 2024

27 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, 2024. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

₹ in Lacs			
Sr No	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a)	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each Principal Interest	7.36 Nil	66.24 Nil
(b)	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	Nil	Nil

28 Capital commitments & other commitment

Capital commitment

Particulars	March 31, 2024 ₹ in Lacs	March 31, 2023 ₹ in Lacs
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	-	-

29 Contingent liabilities not provided for

₹ in Lacs			
SI No	Particulars	March 31, 2024	March 31, 2023
1	Appeal filed before Commissioner Appeals (Guntur) dated : 01.09.2023 on the alleged Short payment of Service Tax on Cargo Handling, Storage and Warehouse Services relating to the period April 2016 to June 2017 and excess availment of Cenvat Credit as per comparison of ST-3 returns and Cenvat Credit Register.	154.21	-
	Total	154.21	-

Note:-

- i) Company has provided a Corporate Bank Guarantee in favor of 'The President of India through the Commissioners of Customs' for Rs. 129.00 lakhs in view of the EPCG benefit availed during import of Equipments .

30 Personnel Cost

The Company does not have any employee, The operational management and administrative functions of the Company are being managed by the Parent Company - Adani Krishnapatnam Port Limited.

Notes To Financials Statements for the year ended March 31, 2024

31 Statutory information

1. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
 2. The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
 3. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period. (to be updated on factual basis)
 4. The Company is not declared willful defaulter by any bank or financial institution or lender during the year.
 5. The Company was not required to file quarterly statement/returns of current assets with the banks or financial institutions w.r.t. secured working capital borrowings.
 6. 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.
 7. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party(ultimate beneficiaries) or
 - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
 8. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
 9. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
 10. The Company does not have any transactions with companies which are struck off. (to be updated on factual basis)
- 32 The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. However, a) the audit trail feature is not enabled for certain direct changes to the data for users with the certain privileged access rights to the SAP application and b) audit trail feature is not enabled at the database level for the underlying HANA database. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.
Presently, the log has been activated at the application and the privileged access to HANA database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.
- 33 During the financial year ended 31st March 2023, a short seller issued a report making certain allegations against some of the Adani Group Companies. In this regard, certain writ petitions were filed before the Hon'ble Supreme Court ("SC") and during the proceedings, SC observed that the Securities and Exchange Board of India ("SEBI") was investigating the matter. In the same proceedings, the SC also constituted an Expert Committee to investigate as well as suggest measures to strengthen existing laws and regulations.
The Expert committee submitted its report in May 2023, finding no regulatory failure. SEBI also submitted its status report dated August 25, 2023 to the SC about the 24 investigations. On January 03, 2024, the SC dismissed all matters in various petitions including the prayer for separate independent investigations relating to the allegations in the Short Sellers Report. Further, the SC directed SEBI to complete the pending two investigations, preferably within three months, and take its investigations (including 22 already completed) to their logical conclusion in accordance with law.
Given the fact that there are no pending regulatory or adjudicatory proceedings as of date, The management of the Company concludes that there are no consequence of allegation mentioned in the Short Sellers Report on the company and accordingly these financial results do not carry any reporting adjustments in this regard.

34 Standard issued but not effective:

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

35 Events occurred after balance sheet date:

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements as on board meeting date April 25, 2024, there were no subsequent events to be recognized or reported that are not already disclosed.

For Shah Dhandharia & Co LLP
Chartered Accountants

Firm Registration Number : 118707W/W100724

Karan Amlani
Partner
Membership Number : 193557

For and on behalf of Board of Directors

Srikanth Gudivada
Director
DIN: 09404960

Sanjay Kotha
Managing Director
DIN: 09385007

P Raghavendra
CFO

Dhruvil Shah
Company Secretary

Place: Ahmedabad
Date: April 25, 2024

Date: April 25, 2024